

## More Amenities, More Risk How to Limit Your Exposure – Part II



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### ARE YOU PREPARED FOR JUNIOR GOLFERS? WHAT ABOUT A NEW WATER SLIDE?

As outlined earlier (*Boardroom magazine, November/December, 2011, More Amenities, More Risk How to Limit Your Exposure – Part I*), there are key risk management and safety practices that clubs should implement to limit their exposure when offering new or improved amenities.

Both children's activities and swimming facilities offer unique exposures and the potential for severe claims, so let's take a closer look at them.

**Children's activities:** From a severity perspective, some of the worst loss scenarios are child abuse or molestation allegations. Tragically, there are over three million reports of child abuse every year in the United States;

thirty-three percent of girls and 14 percent of boys are molested before the age of 18.

You may think "not at my club", but the harsh reality is that child abuse occurs at every socioeconomic and educational level, across ethnic and cultural lines and within all religions. So, how do we prevent these types of claims?

- Subject all personnel working with children (golf professionals, coaches, camp counselors, babysitters) to both criminal and sexual registry background checks. While profiling is an important tool, the difficult truth is that the vast majority (88 percent) of sexual abuse goes unreported. This means that a person who sexually abused a child is likely to have no criminal record at all.

- Establish and communicate policies and practices that reduce the potential for abuse, such as "Two Adult Rules" and appropriate ratios between employees and children.

- Develop reporting procedures that will allow an alleged victim to come forward without fear of retaliation while allowing allegations to be investigated properly.

- Establish protocols that define what acceptable interactions with children are.

- There are many resources available online today, including a fairly comprehensive resource titled, "Preventing Child Sexual Abuse Within Youth-Serving Organization: Getting Started on Policies and Procedures," which can be found on the CDC's website: <http://www.cdc.gov/violenceprevention/pdf/PreventingChildSexualAbuse-a.pdf#page=9>.

**Pool safety:** Clearly one of the biggest exposures a seasonal club or club in a warm climate faces is usage of their pool or splash park. The results can be tragic if clubs do not employ proper risk management in these areas. About 19 percent of drowning deaths involving children occur in public pools with certified lifeguards. Also keep in mind that while not all drownings result in death, survivors who require cardiopulmonary resuscitation (CPR) may suffer permanent neurological disability.

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Remember, conflict cannot be avoided, but it can almost always be resolved! And the time to resolve conflict is before the meeting. Avoid having it thrown onto the table during the meeting.

You will find that, for the most part, 90 percent of *how well any meeting goes is determined before the meeting even takes place!* This ensures that all members of the board have had adequate time to thoroughly review all numbers and will hit the ground running.

If management appropriately sends financial numbers before the board meetings, but inappropriately does not include competent analysis, more problems can be created than if nothing were sent in advance. A financial statement

without professional interpretation or comment will always raise more questions than it answers.

Do not expect the club treasurer to assume what properly is management's responsibility. Perhaps it is a good idea to have the treasurer report on any individual member delinquent accounts or major changes in financial policy, because the basic numbers that are the direct result of budgeting and day-to-day operations in all club departments are the responsibility of management. **BR**

*By the way, just in case you were wondering, the letters after our author's name Michael Crandal — CNG stand for: Certified Nice Guy. Self-certified, by the way. But, a nice guy nonetheless. Michael has a 30-plus year career in club management and can be reached at [mjcatexmor@aol.com](mailto:mjcatexmor@aol.com). He and his wife, Kim, live in La Quinta, CA.*

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These guidelines can help ensure pool safety:

- Certified lifeguards should be on duty at all times when the pools are open. If the club does not provide lifeguards, "Swim At Your Own Risk" warning signs should be posted clearly and an emergency telephone should be readily available in the immediate pool area.

- Pools should be fenced with self-latching gates controlling the flow of traffic around the pool area.

- All pools should be in compliance with the Virginia Graeme Baker Pool and Spa Safety Act, which became a federal requirement on December 19, 2008.

- Diving boards and slides should be separate from general swimming areas to avoid collision injuries. Lifeguards should control the flow of traffic on diving boards and slides. An attendant may be required both above and below larger slides to make sure the dismount area is clear for the next swimmer.

- Rescue equipment should be readily available and well maintained.

- Diving should be restricted to designated areas and "No Diving" signs should be prominent.

- Water quality should be tested and maintained regularly.

Both swimming pool and children's activities are prominent exposures for your club, but they can also be rewarding enhancements for your club. Be sure to work with your insurance partners when you are thinking about adding any amenity. By taking the proper precautions, you will be able to protect yourself while providing an exceptional experience for guests of all ages. **BR**

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According to Rick Coyne, CEO of Club Mark Corporation, "It's a pretty simple equation today. If you can't keep your facilities current, your members happy and potential members interested, you're on the way out."

"So whether you call it, depreciation, reinvestment or capital expense, it needs to pass a simple litmus test. Does it retain members, does it attract members, does it create revenue? If it does all of that, does the cost/benefit ratio suggest taking the risk."

Selecting the design build team: Hire the experts to help survey members, analyze workflow and represent the club when it comes to interviewing architects, designers, contractors and an "owners' representative" to assist in managing the design-build process.

Adrian Johnson, CEO and founder of ELAN General Contracting says, "Our most successful projects share three things in common: Pre-construction meetings with owners and owner representatives, collaboration with architects and designers early on and periodic schedule reviews with the owners."

You owe it to your current members to continue the tradition and legacy while simultaneously adapting to the changing needs of the members.

The club is a business and remodeling the clubhouse is not just a capital expenditure, it is an investment in the future! **BR**

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