



# Tarun Kapoor

## KAPOOR'S PHILOSOPHY LEADS TO LEAN, MEAN GOVERNING MACHINE

For Tarun Kapoor, a consultant, teacher and entrepreneur, and now BoardRoom Institute's dean of education, the private club industry is an intriguing mix.

Over the years, he has come to understand the unique nature of the club industry and the very unique challenges club general managers face when dealing with board of directors and committees.

*While becoming more familiar with the private club industry, it appeared to Kapoor that this is the only industry governed by two different entities (a volunteer board and paid managers) that have disparate needs, frame of reference and limitations.*

For example, the limitation of management is that managers often only see things from an operational perspective. Policy isn't involved.

So it's logical if recognizing that this industry is unique that there might be a unique solution. Kapoor began searching...and thinking.

SEE COVER STORY - PAGE 22

## BoardRoom Institute Online *Board Member Training & Orientation a Key Focus*

By Dave White, Editor

### The BoardRoom Institute!

"No question...the resource of choice for private club boards! There's no better way to begin a conversation," exclaimed Tarun Kapoor.

And that's the introduction to BoardRoom Institute, a state-of-the-art, online board member training and orientation program for private club boards of directors.

BoardRoom Institute brings together some of the industry's top experts to pass along their specific knowledge in a variety of different areas, leading to a better understanding by board members of their roles and responsibilities.

"Private club boards are not so different from any other board of directors, but as directors join the board, it's essential that they have a comprehensive orientation that successfully prepares them for their role in private club governance. Thus BoardRoom Institute," enthused BoardRoom's CEO John Fornaro, the brainchild behind BoardRoom Institute with Tarun Kapoor.

"It's taken four years, a tremendous amount of time and money and we've got the most credible

SEE BOARDROOM INSTITUTE - PAGE 23

“Slowly, I started to develop my own philosophy on how to address these challenges,” he related.

“Initially it was through strategic planning philosophy and how a general manager could lead in a club environment. But you can’t lead if you don’t lead both the board and staff.”

Kapoor expanded his club governance thinking based on these leadership tenets, developing an impactful philosophy he calls ‘collaborative governance.’

*In a nutshell collaborative governance means a lean, mean governing machine!*

It is, as the words suggest, an efficient way for these two parties (the volunteers and paid managers) to collaborate in governing the club.

Collaborative governance is based on fundamental principles of 1) transparency: members who are owners as well as customers, need to understand, on a very timely basis, why and how decisions are made and by whom.

2) There must be role clarity. Volunteers must know their roles. The volunteer board of directors establishes the club’s policies and regulations, acts in an advisory capacity and as a resource to obtain member input.

The same consideration must be given to a private club’s committees. A committee member’s specific role is to act in an advisory capacity to the board of directors.

Management’s role is simple: Run, operate, manage and administer the club, based on policies and regulations established by the club’s board of directors.

“Board members learning through BoardRoom magazine, my conversations with clients and general managers and people contacting me, John Fornaro and you (editor Dave White) at BoardRoom have been raising many private club governance issues.

“What they’ve needed is a forum to educate boards in partnership with management!

“Recognizing that you can’t help a club by only helping management, and not helping the board, isn’t a sustainable support system. Discussion about club governance has to be done in a continuous and proactive way...not just when problems arise.

“It should be a normal sequence of operation. Responding to issues is reactive and not

sustainable, it doesn’t do anything for the long-term governance of a private club, so we’ve created BoardRoom Institute to help deal with these issues,” Kapoor explained.

Kapoor, the Institute’s dean of education sees the institute’s comprehensive educational program as a boon for private club boards of directors.

His interest in all this goes back many years, because Kapoor has long had affection for the hospitality industry. It started as a youngster while in high school, and hasn’t abated.

The son of a general in the Indian Army, Tarun attended a hotel school in India for three years after graduation from high school...the rigorous European kind where he learned about hotels, hospitality operations and management. But, he wanted more.

“I was a starry eyed kid seeking a higher education,” Kapoor related, and with that he chose United States to advance his education. Tarun earned a Bachelor of Science from the University of Wisconsin, a MBA from Michigan State University, and is recognized as Certified Hotel Administrator and Certified Hospitality Educator from the American Hotel & Lodging Association and Certified Hotel Owner from the Asian American Hotel Owners Association.

“I could see myself as a general manager at a full service five star hotel and eventually becoming a senior executive,” Kapoor added. Actually, he harbored the position as the president of the Hilton as his dream in those days.

It started quite differently...a year as a weekend maitre ‘d at the Minneapolis Athletic Club, then a major downtown club with 5,000 members.

“I experienced it all at this club because it was a city club, an athletic club, a busy food and beverage operation and we also offered hotel rooms.”

Several years later, Kapoor ended up at Cal Poly in Pomona, CA teaching the hospitality business. But not before he experienced the life as an entrepreneur operating two critically acclaimed restaurants, a gourmet deli and catering business in Minneapolis-St.Paul.

But Kapoor’s entrepreneurial side kept pushing...“I wasn’t completely engaged with teaching. I enjoyed it but wanted a bigger challenge.” And so the transition began. And along the way through speaking engagements and consulting projects, he had a wide exposure to and among people in the hospitality industry.

Then the Club Managers Association of America, (CMAA) came calling and asked if Cal Poly, Pomona had interest in offering a program as part of the CMAA’s new Business Management Institute.

“We were one of four schools they visited and sure enough when the group came to campus, I took an active lead in talking to them and showing them around the campus.” That was the start of BMI II at Cal Poly.

For Kapoor, it quickly started immersion into the private club world and understanding the industry, “because we were going to start training managers in a weeklong program.”

The CMAA program developed, expanding from one BMI class a year to four. “Managers who wanted their Certified Club Manager status needed BMI II at Cal Poly, and so I got more and more connected with club industry.”

In the early 1990s Tarun met John Fornaro (BoardRoom magazine’s CEO and publisher) at a CMAA annual conference.

“John attended one my of sessions and liked it. Over the years we’ve built a mutual admiration society. My colleagues and I who had a consulting

practice at the time were the focus of a BoardRoom feature, and then I started writing articles for BoardRoom, collaborating on other articles and offering expert opinions on certain topics,” he related.

Kapoor became a regular contributor and also became much more aware of the challenges that we hear about from board members, the CMAA and managers.

“The more I became aware of these challenges, the more my idea of collaborative governance seemed to make sense. We started to talk about how we could meet the needs of volunteers so they can better understand what they’re getting into, as members of the boards of directors or as committee members.”

“We feel it most valuable that these volunteers really understand their roles and how their clubs operate. So who better is there to teach these volunteers about their roles as board and committee members than Boardroom and the BoardRoom Institute?”

The result is a partnership between BoardRoom and Kapoor and Kapoor and Tarun “is committed as the institute’s dean of education to overseeing these educational programs and the BRI certification for private clubs. That’s where we are today.

“Collaborative governance is the underpinning whereby the club’s volunteer board of directors collaborates with the club’s paid management in operating the club. There is clarity of roles. This certification process gives volunteers an orientation on how private clubs are governed and should be operated today.”

“It’s about understanding your private club so you can be an effective board member or committee chair or member of the green committee. What better way is there for the board to tell its members that they are leading the club in a responsible manner by showing their commitment to board member training and orientation from an outside group, such as the BoardRoom Institute?”

“This gives club volunteers, paid management and the members peace of mind that their club is being operated in the most efficient and effective manner, with consistency and continuity,” Kapoor explained.

And that peace of mind is something much needed today. **BR**

content providers. We had to take our time to ensure we’ve got it right,” added Fornaro.

The benefits of Institute’s Board Member Training & Orientation program are several, including:

- Interactive education conducted by leading industry experts
- Focuses on collaborative governance
- Eliminates micromangement
- Tracks individual comprehension and course completion
- Minimizes board member liability and nurtures tax-exempt status
- Creates a shared playbook.

The breakthrough comes with its web-based interactive training and communication platform developed in conjunction with LightSpeedVT that’s used for all kinds of educational and training purposes.

The technology “is the most advanced state-of-the-art system interactive virtual training system around and allows volunteers and management to do their learning on their own time, at their own pace,” says Brad Lea, president and CEO of the Las Vegas-based, LightspeedVT.

“It allows clubs to ensure that all volunteers (board members) go through the orientation and learning process they need to achieve the club’s certification.

“With new board members usually coming on a club’s board every year, this is online interactive systems offers a consistent, scalable solution,” emphasized Lea.

Each board member can learn and train on their own time, at their own pace via an easy-on-the-eyes interactive virtual technology platform.

Subject matter experts for the board member training and orientation modules include the Institute’s Dean of Education *Tarun Kapoor*, BoardRoom CEO and publisher *John Fornaro*, *Gregg Patterson*, general manager of the Beach Club of Santa Monica, attorney *Randy Addison*, green specialist *Bruce Williams*, PGA member *Andy Thuney*, *Rick Coyne*, *Jim Singerling*, CEO of the Club Managers Association of America, and *Philip G. Newman* of McGladrey.

“Imagine it being possible for every board member to be trained one-on-one by the industry expert in any particular subject matter or on any curriculum deemed necessary to help that facility run at peak performance, not to mention with perfect compliance and consistency.

“That’s powerful, and that’s the focus of BoardRoom Institute’s new interactive virtual training and communication platform,” Lea enthused.

Through its intuitive testing and simulation features, a board member can be certified on the knowledge transfer and the club can have access to that real-time reporting data. There’s a presentation of the information in short modules, followed by a quick multiple-choice review.

It’s quick and easy.

“The traditional method of training and board member orientation means reading a booklet or manual. But there’s no way to know if a person actually has read and/or understood it. There’s no accountability,” explained Fornaro.

“By completing the training and orientation online where participants have to review the material and answer some questions for each module, there’s now accountability. You know if your board member has actually



**BRAD LEA, PRESIDENT/CEO LIGHTSPEEDVT**



**JOHN FORNARO, CEO BOARDROOM**

**[ BOARDROOM INSTITUTE ] - 23**

completed the training and orientation, and understands what it says and means.

“This should help reduce potential liabilities, problems that arise from misunderstandings, and help board members better understand their fiduciary responsibilities,” Fornaro added.

And most importantly, it allows the club to ensure that all volunteers go through the orientation and learning process they need to be the absolute best in the industry, and provide the club’s certification.

**TRAINING AND ORIENTATION**

“In club governance, Accountability is key for every private club board member...accountability to the board and of course, accountability to the club’s members. And a major part of accountability comes from board members understanding their roles and responsibilities.

“Today how do you, as a club member, know if each board member understands their board role and responsibilities?” Fornaro queried.

“We’ve created BoardRoom Institute based collaborative governance, along with identifying the needs and requirements of a club’s board.

“For example, there are still club boards, members and management today that don’t under-

stand the importance of ethics and accountability issues that impact their non-profit clubs. The assets of the club are entrusted to the oversight of its board members who have a legal duty to ensure that the club uses those assets to fulfill its mission,” Kapoor added.

“Today, more than ever, you hear of board members micromanaging their management, incidents of sexual harassment, senior discrimination, employee lawsuits, environmental lawsuits, misappropriation of funds, theft and consumption of food, and so on,” explained Fornaro.

“A clear understanding of ‘for what’ a board member is responsible and ‘to whom’ – their fiduciary responsibilities – will not only help avoid lawsuits and liability, but will make your board function more effectively,” he explained.

**THREE PHASES**

The BoardRoom Institute’s program comes in three phases.

First, there’s the board member training and orientation, which basically focuses on club governance and certifies the club can govern itself in an industry-accepted way.

“As an outside agency, we can make sure all volunteers and management are playing off the same play book,” Kapoor explained.

“Clubs will have different committees and boards and each club may have different expectations between committees, intra-committee and intra board; management and the board, and management and committees. Under collaborative governance we want them all to have the same expectations and clarity, guidelines and parameters...”

“The training and orientation, and collaborative governance is in keeping with industry norms, standards and expectation...we’ve just packaged it in a comprehensive way that a club’s board of directors can easily access,” Kapoor continued.

Phase two will allow specialized topics for the different stakeholders within a club, for example, programs for helping the green committee, or the long range planning, governance and bylaw, or membership committees.

Phase three will provide a customized program and services for individual clubs. “If an established blueblood club needs specific assistance, or if an inner city club has some special requirements, we will provide customized services,” Kapoor outlined.

As Jim Singerling, CEO of the Club Managers Association of America outlines in his online BoardRoom Institute presentation, “CMAA is comprehensive resource for club managers,” and every private club manager can benefit from this resource.

Now BoardRoom Institute is the comprehensive resource of choice for the club’s board of directors. And ultimately it enables a club’s general manager to lead the board in a more consistent manner from year to year, making for a much more effective and efficient club governance. **BR**

*For further information on how to participate in the BoardRoom Institute program contact John Fornaro at: (949) 376-8889, ext 2, or via email: john@apcd.com*

