

BOOKS RECOMMENDED BY HEALTH CLUB INDUSTRY LEADERS AND WHY

CONTEXT

In preparing for a talk at the March 2013 International Health, Racquet & Sportsclub Association (IHRSA) Convention about Building a Business for Lasting Success*, I asked a number of industry veterans “what book was most important to you in how you wanted to run your business or unit **and why.**” Below are the books cited and the rationale provided by these experienced successful people who were kind enough to respond. I have taken the liberty of categorizing them by subject area that made sense to me. “Execution” is consciously first because without it being done well and improved over time, it is tough if not impossible to become an extraordinary company. In the context of “what books should health club owners/mangers et al read if they want to see improvement” no one has been more impactful than Will Phillips, CEO, Rex Roundtables and we’re indebted to him. *Where I have opted to make editorial comments italics have been used.*

Roger Ralph, Co-Founder, Bel Air Athletic Club & Hockessin Athletic Club
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EXECUTION

“The Discipline of Getting Things Done”, Larry Bossidy & Ram Charan
Recommended by Larry Krieger, GM, Bay Clubs Marin- Western Athletic Clubs

To understand execution you must keep 3 key points in mind:

- a. Execution is discipline and integral to strategy
- b. Execution is the major job of the business leader
- c. Execution must be the core element of an organization culture

“Tell to Win”, Peter Guber
Recommended by Matthew Stevens, CEO, Western Athletic Clubs

In creating the lifestyle concept we needed some educational items to understand how to tell the story. We had our top 100 people read the book and then based our last two annual retreats off the concept of learning on how to tell the story. Each break out session at the annual retreats which we called “hack sessions” were focused on learning how to help members understand that we were more than a “gym”. We needed our customers to understand we were the marketplace providing their fitness center, athletic club, sports resort, swim & tennis, membership. Even though we were the most expensive product in the fitness industry we are the best value in hospitality/travel leisure category.

*See next page for the six principles I believe critical in building a business for lasting success.

SIX PRINCIPLES: BUILDING A BUSINESS FOR LASTING SUCCESS

1. What **you** stand for and what **you** want to see in the future has to be articulated, known, understood, appreciated, and supported at every level of the organization.
2. **Adapt ideas** that have worked elsewhere for your circumstance. Create and try new ones locally.
3. Have the right people in the right place for the particular time. If they are not, **terminate sooner rather than later.**
4. Figure out who your “community” outside the club is and use the club’s “family” to impact. This should be **a conscious strategic decision** as to the process of deciding what the club wants to do, what it does, and how it executes.
5. Have high expectations of yourself and others. **Establish accountability measures, use them, and execute well.**
6. Foster **sincere win-win relationships at every level** of your business.

AND: *It's more than your vision*
It's more than your strategy
It's more than your culture
It's more than the quality of your execution

It is in fact all of these combined with your heart, intention, talent, and leadership

“Switch”, Dan and Chip Heath

Recommended by John Peoples, General Manager, Hockessin Athletic Club.

The book is a simple but effective narrative on how to implement and manage long lasting change efforts.

LEADERSHIP AND MANAGEMENT**“Enlighted Leadership, Ed Oakley and Doug Krug**

Recommended by Allison Flatley, COO, L&T Health and Fitness

This book taught me to focus on the positive and what’s working within the organization as well as how important “the soft part” of leadership was for employees and the business. The book taught me how to ask effective questions to enhance performance and where to spend most of my time as a leader.

“Start With Why”, Simon Sinek

Recommended by Smalyr Millon, CEO, Millennium Partners Sports Club Mgt

Sinek’s theory about the golden circle and how our ability to articulate not just the what and the how, but the why is at the core of how I strive to communicate both professionally and personally. It allows people to buy in, support, and more importantly be inspired to embrace our initiatives or voice concerns that can be addressed up front, rather than going underground and sabotaging the desired outcomes.

“Different, Escaping the Competitive Herd”, Youngme Moon

Recommended by Carol Nalevanko, President, DMB Sports Clubs

I had all of my senior management team and all of my sales people read this book. It had a profound influence on me because understanding what it takes to be “recognizably” different from the competition” is the foundation on which we have built the Village business strategy and culture. Creating a different model for the health club business and sustaining that model for over 30 years has lead to our success. One way we practice being different is by striving for excellence in everything we do at the Village clubs. Although a difficult challenge, our quest to be excellent has proven to be a very inspirational and lasting goal for all our employees.

“Built to Last”, James C. Collins and Jerry Porras

Recommended by Art Curtis, CEO Club Advisors and former CEO Millenium Partners

This was published in 1994, 7 years before Jim Collins’s more well known book, “Good to Great”, Why? It appealed to my desire to create something bigger and more lasting, a business that would be rooted in a set of lasting core values that existed for a purpose beyond just making money. A business that while rooted in it’s core values and purpose, could change it’s operating practices, goals, and strategies over time to meet the ever changing market place.

“Built to Last” in my own career provided both a core framework for thinking about my business and a beacon as one went about trying to create and improve top down and bottom up. For me its brilliance was and remains its direct applicability to small businesses even though every single one of the businesses Collins and Porras studied was a multi-billion dollar enterprise. Roger Ralph

“Drive: The Surprising Truth About What Motivates Us”, Daniel Pink

Recommended by Sandy Hoeffler, former senior executive Western Athletic Clubs

We all know that the typical workplace system (money, bonuses, days off) is simply not the best or the only way to motivate our employees and coworkers. Pink presents his three key factors that lead to high performance and job satisfaction: (1) Autonomy- the need to direct our own lives and the way we perform tasks; (2) Mastery- the need to learn and create new ways of doing things; (3) Purpose: the need to improve ourselves and improve the larger community around us. I think the reason this book resonated is because it aligned so well with my own preexisting values, beliefs, and practices- but it affirmed my opinions by presenting scientific research and facts to support the thesis. I firmly believe that if people are allowed to have a say in how they work and who they work with, freedom to work in their own fashion, and contribute to a purpose greater than the immediate task at hand-then they will be more satisfied, more motivated, more productive and more successful-not only in the workplace but in their entire life.

Sandy’s reference to the science behind her beliefs and practices seems an ever increasing theme in business books about leadership and management. For some natural leaders one just does what one does because it is in their DNA. For others, particularly in the area of influencing behavior changes among individuals, groups, and organizations, understanding “the science” behind

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successful transformation is critical. Charles Duhigg's book "The Power of Habit" will prove a valuable resource for people in this camp.

Good Strategy/Bad Strategy, Richard Rumelt

Recommended by Joe Cirulli. CEO, Gainesville Health and Fitness

See: <http://goodbadstrategy.com/about-the-book/>

Joe also recommended **The Strategist, Cynthia Montgomery**

Augie's Quest: One Man's Journey From Success to Significance, Augie Nieto

Recommended by Roger Ralph

Augie was hugely successful, prominent, and influential in the health club industry at a relatively young age and well before this founder of Life Fitness was diagnosed with ALS in the spring of 2005 at 47. How he moved from success and beyond despair to a very real state of significance is a heroic example at the highest level. Augie is rare but his message for all of us is that our communities' lives and ours can be enriched in ways only dimly imagined at the time if each consciously pictures what their own significance might look like, regardless of scale.

Pour Your Heart Into It, Howard Schultz; Power of Intention, Wayne Dwyer; Power of Full Engagement, Jim Loehr; The Four Agreements, Don Miquel Ruiz

Recommended by Annbeth Eschbach, President & CEO Exhale Enterprises*

Annbeth who has built a very significant business began her response to me with this sentence: "I am breaking the rules as I typically do. These comments, therefore, will not be applicable to the specific topic you raised, but I feel compelled to write them". (I was so struck by the very evident passion of Annbeth's paragraphs and my own belief that what she has articulated so well about business culture is so on target that I have included what she wrote at the end of this book list. It seemed appropriate.)

CUSTOMER SERVICE

"A Passion for Excellence", Tom Peters

Recommended by Mitch Wald, former CEO Sport & Health

Taught me about service and passion for the customer. Example: If the drop down tray on the airplane is dirty, that makes the passenger wonder if they're doing the engine maintenance. The little things every day mean a lot. Example:

The flight attendant says to her co-worker as the passengers are coming on the plane. “here come the animals.” The perfect example of “thinly disguised contempt.” Once it gets into the back of the house, it will make its way to the front.

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“The Fifth Discipline”, Peter Senge

Recommended by Mitch Wald

Taught me about the distinctions of Enrollment, Commitment and Compliance in reference to creating and spreading Vision. Key point: ultimately, there is nothing you can do to get another person to enroll or commit. They require freedom of choice. As a manager, bring them to the point where they choose. This was the precursor of “getting the right people on the bus.”

The New Gold Standard: 5 Leadership Principles for Creating a Legendary Customer Experience Courtesy of the Ritz-Carlton, Joseph Michelli

Recommended by Rick Caro, President, Management Vision

Delivering Happiness: A Path to Profits, Passion, and Purpose, Tony Hsieh

Recommended by Rick Caro

I loved Rick’s note to me in response to my query and I am quoting verbatim: “Go to younger as well as older club leaders for book references. You don’t want my insight as a tiny consulting organization”. (Yet, Rick’s two book recommendations should be high on reading priorities for people wanting to improve customer and staff engagement.

Regarding his first comment, he is, of course, right and my intention is that the book list above gets expanded- being dimly aware, for instance, of say social media as a marketing tool. But most important of all to me- and why I initiated this list- is that others in this wonderful industry of ours share the above with team members, add to, digest and discuss, and on their own actually adapt, apply and test the “theories” to make their enterprises better.

BUSINESS CULTURE

Annbeth Eschbach, President & CEO Exhale Enterprises

(see my note at the bottom of page 3)

Encouraging your teammates to read books or articles that are relevant and inspiring is one of the qualities you find in an aligned, engaged organization. Since we birthed the business in 2002, the team has shared dozens of books and hundreds of articles.

I believe that culture is one of the critical components of a brand and in fact it trumps almost all of the other elements when the chips are down. When we birthed Exhale, we had the opportunity to create a culture that was intended to be the artery of the brand. It lives on today -- and I am very

confident that it will endure because it is so central to our story, vision, mission, values, and is woven throughout our training methodologies, processes, language, people choices, etc.

Placing a high emphasis on culture is a daily quest and somewhat of a disciplined obsession. It is
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retelling the story, re-emphasizing the core values, re-training and coaching the language, and reminding yourself and others what is core.

We originally created core mantras, our own language, our own titles for positions, a unique and proprietary sales method, and a dedication to a soulful workplace and organization. Today, ten years later, the "selling with soul" etc is living, and breathing and continues to infuse the organization with brand parameters and define our behavior. It is central to our core and lives now beyond any of us individuals.

I love to read about and experience other brand cultures. I can sense when they are active, passive, female, male, fun, modern, arrogant, etc. A brand is alive when the culture is healthy. A brand is a powerful force when the culture and the brand are one and the same.

PAT LAUS, Owner - The Atlantic Club

I have two books that have impacted me in both my professional and personal lives: **The Primes by Chris McGoff**. I have had the privilege of working closely with Chris and he, his work, and the results of using The Primes is simply remarkable. I have given his book to numerous professionals from all walks of life and the response is always the same, "Chris and his insights are brilliant."

Leading From Within by Sam M. Intrator & Magan Schribner. I discovered this book thanks to David Whyte who wrote its Afterword. David is a consultant to many organizations and Fortune 500 companies and a profound poet, philosopher, and teacher

CONCLUDING NOTE- ROGER RALPH

In rereading the above I was struck by three things: First, the great variety of books identified as most important ; Second, the clarity of expression and evident passion of why this particular book was important to that particular individual; and Third, how folk like Matthew Stevens, Carol Nalevanko, and Mitch Wald, for example, have consciously used these books with their staff to address a problem/opportunity to further the business culture they want to see.

As I looked back over my own 34 year health club industry career in building large scale family and community oriented health clubs it is clearer in retrospect that long term business success is rooted not simply in your vision and your "culture aspirations" for your business.. It is that coupled with identifying the right strategy and being able to execute that strategy well. Great leaders, great managers, and great supervisors instinctively hire for talent, leadership traits,

intention, and heart- and we are all better with help from others like the writers cited and those recommending them.

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