The Effect of Self-Managing Teams on Manager Commitment and Organizational Tenure in Private Clubs

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With the time, effort, and cost involved in developing self-managing teams, we conducted an empirical study of the private club industry to help determine whether differences exist in terms of organizational tenure and commitment between managers who use self-managing teams and managers who use traditionally managed teams. Findings suggest that managers who use self-managing teams are more committed to the private club industry than managers who use traditionally managed teams and that managers who use self-managing teams enjoy increased organizational tenure over managers who do not use them.

Why Examine Self-Managing Teams?

A survey of Fortune 1000 firms in 1997 revealed that just seven percent of the workforce was organized into self-managing teams. However, one half of the organizations stated that they would be implementing self-managing teams during the next five years (Dumaine, 1998). Such a response suggests that this self-managing team concept is worth investigating.

Teams have existed successfully within private clubs for years. However, we have noticed an increase in today’s management literature, which extols the virtues of self-managing
teams as being the wave of the future. After examining the advantages as well as the drawbacks to self-managing teams, we examined whether, from a management perspective, self-managing teams in private clubs are worth the effort.

Reviews of the literature on self-managing teams conducted by Goodman, Devadas, & Hughson (1998) and Pearce & Ravlin (1987) suggest that self-managing teams lead to enhanced organizational effectiveness. Some longitudinal case studies of organizations that implemented self-managing teams found improvements in commitment and performance (e.g., Goodman, 1979; Hackman, 1990; Walton, 1977). However, much of the evidence is anecdotal.

Only a small number of experimental or quasi-experimental field studies have been conducted to evaluate the worth of self-managing teams. Pasmore (1978) describes a study whereby self-managing teams were introduced into one unit, and jobs were enriched in the other unit at a food company. Job satisfaction increased in both units; however, only self-managing teams demonstrated a productivity increase. Wall (1986) conducted a longitudinal study at a U.K. food company which found that employees in self-managing teams were more satisfied than employees in traditionally managed work teams. However, there was no difference in commitment or performance. Cordery, Mueller, and Smith (1991) found that employees in self-managing teams over time were more satisfied and had higher commitment than employees in traditionally managed teams. Cohen and Ledford (1991) found that self-managing teams had higher job satisfaction and were rated more effective by management than employees in traditionally managed teams. No differences were found in commitment or performance.

Before we examine potential advantages and drawbacks of self-managing teams, we will introduce a framework for how self-managing teams function.
**How Self Managing Teams Function**

Self-managing teams combine the attributes of formal and informal teams. Generally chartered by management, they often take on lives of their own as team members take responsibility for their day-to-day workings. In self-managing teams much of the responsibility and authority for making management decisions are turned over to a group of people who perform interdependently in order to accomplish an assigned task (Katzenbach, 1993). The overarching goal of self-managing teams is to find solutions to problems.

Self-managing teams are often associated with terms describing high performance and autonomy. Perhaps the most self-managing of self-managing teams is the concept of self-directed work teams (SDWTs). A self-directed work team is an intact group of employees responsible for an entire work process or segment that delivers a product or service (Wellins, 1991).

We pay special attention to this type of self-managing team because many club managers are searching for ways to cut costs without cutting service. SDWTs may reduce the need for extra layers of management and thus can help control costs. They also provide flexibility, facilitate communications, and reduce bureaucracy in order to anticipate or respond to member needs.

**Potential Advantages and Drawbacks**

**Advantages**

As noted earlier, self-managing teams offer a number of potential advantages over traditionally managed teams, including stronger commitment, improved quality, enhanced efficiency, and faster product and service development. Moreover, some research suggests more
satisfied employees, lower turnover, and lower absenteeism. Having team members cross-trained to do various jobs increases the flexibility of the team in dealing with personnel shortages. Their knowledge of work processes helps team members solve problems and develop improvements.

**Drawbacks**

For all of their apparent advantages, self-managing teams suffer certain limitations. Here is a non-exhaustive list of some of the noteworthy drawbacks:

- Self-managing teams are difficult to implement, and they risk failure when used in inappropriate situations or without sufficient leadership and support (Hackman, 1986).

- A ruling by the National Labor Relations Board (NLRB) regarding teams making decisions regarding pay and security (Robbins, 1996) suggests that management groups must allow teams considerable discretion with regard to the composition and selection of members, the latitude of issues to be handled, and the continued existence of the team.

- Some organizations have been disappointed with the results from self-managing teams.

- Some employees in organizations undergoing layoffs as a result of self-managing teams have come to view cooperating with the team concept as threatening their future employment.

- The overall research on the effectiveness of self-managing work teams has not been uniformly positive. For example, employees on self-managing work teams seem to have higher absenteeism and turnover rates (Wall, 1986; Cordery, 1991). Specific reasons for this finding are unclear.
Having introduced the concept of self-managing teams and discovering their dramatic growth in organizations over the past few years, we conducted a study to examine whether, from a management perspective, self-managing teams in private clubs are worth the effort. The sections that follow describe our research project.

**A Study of Teams in Clubs**

**Purpose**

With the time, effort, and cost involved in developing self-managing teams, we conducted an empirical study of the private club industry to help determine whether differences exist in terms of organizational tenure and commitment between managers who use self-managing teams and managers who use traditionally managed teams. This study was conducted among management-level staff working at private clubs. One hundred thirty-five managers (n=135) participated. The survey was conducted by U.S. mail, E-mail, Fax, Telephone, and in person with a four-part instrument:

1. A demographic and descriptive information section for all managers,
2. A section of statements for all managers regarding commitment to the club and the club industry,
3. A section of statements for managers who use traditionally managed teams only, and
4. A section of statements for managers who use self-managing teams.
Participants

Sample Selection, Strategy, And Procedures

Addresses for survey participants were obtained from the Club Managers Association of America *Yearbook*. Six managers were randomly selected from each of the 50 CMAA Chapters, which includes 47 U.S. chapters, one Canadian chapter, one European chapter, and one Asian chapter, for a total of 300 survey recipients. A total of 135 respondents participated in the study, not including five managers who responded too late to be included in the study, for a 45-percent response rate.

Demographics

Title

The job title profile frequency included 104 General Managers (77 percent), 12 Clubhouse Managers (8.9 percent), 9 Managers (6.7 percent), 7 Assistant Managers (5.2 percent), and 3 Other management-level staff members (2.2 percent).

Location

The geographic location tabulation divided the chapters into six regions: 37 North (27.4 percent), 34 South (25.2 percent), 26 Central (19.3 percent), 22 West (16.3 percent), 11 Other (8.1 percent), and drops off sharply with 5 Mountain representing just 3.7 percent of the sample. The percentage of respondents corresponded to the size of the geographic regions.

Club Type

A variety of types of private clubs were represented in the survey. Country Clubs (count 96) represented the majority of the club-type affiliation category (71.1 percent), followed by 17
City Clubs (12.6 percent), and 11 Golf Clubs (8.1 percent). Minor club categories rounded out the profile with 7 Yacht Clubs (5.2 percent), 3 Other Clubs (2.2 percent), and 1 Athletic Club (.7 percent).

**Marital Status**

The marital status profile includes 114 Married (84.4 percent), 14 Single, Never Married (10.4 percent), and 7 Single, Previously Married (5.2 percent). For clarification, the category Married includes those managers that are presently married, although they may have been previously divorced.

**Ownership**

101 of our respondents worked at member owned clubs (81.5 percent), followed by 18 corporate-owned clubs (13.3 percent), and 7 other types of ownership (5.2 percent).

**Time Planning to Stay at Club**

49 managers state that they plan to stay 7 years or more (36.3 percent). Other frequencies from most to least included 32 stating 1 to 2 years 11 months (23.7 percent), 25 stating 3 to 4 years 11 months (18.5 percent), 23 stating 5 to 6 years 11 months (17 percent), and 6 stating less than 1 year (4.4 percent).

**Organizational Tenure**

36 managers had worked at their present club for 2 to 3 years 11 months (26.7 percent). The remainder of the profile in frequency order from most to least included 26 at 10 years or more (19.3 percent), 20 at 4 to 5 years 11 months (14.8 percent), 17 at 1 to 1 year 11 months, 14
at 6 to 7 years 11 months (10.4 percent), 12 at less than 1 year (8.9 percent), and 10 at 8 to 9 years 11 months (7.4 percent).

**Membership Size**

Almost one third (32.6 percent) of the clubs in the sample reported memberships of more than 900 (44 respondents), followed by 20 at 400-499 (14.8 percent), 20 at 500-599 (14.8 percent), 16 at less than 400 (11.9 percent), 14 at 600-699 (10.4 percent), 12 at 700-799 (8.9 percent), and 9 at 800-899 (6.7 percent).

**Hours Worked**

Manager respondents help substantiate the industry’s reputation for long hours. More than half (69 respondents) worked 50-59 hours per week (51.1 percent), 34 worked between 60-69 hours (25.2 percent), 19 worked between 40-49 hours (14.1 percent), 11 worked 70 hours or more (8.1 percent), and 2 worked less than 40 hours (1.5 percent).

**Education**

Our club manager respondents were well educated. 74 graduated at the Bachelor’s level (54.8 percent), 28 have some college (20.7 percent), 19 graduated at the Master’s level (14.1 percent), 11 have some graduate school (8.1 percent), and only 3 graduated high school without furthering their education (2.2 percent).

**Generation**

As expected, the majority of managers (98) in the survey were members of the Baby Boomer Generation (born January 1943 to December 1960) (72.6 percent). The balance of the manager profile by frequency included 25 Baby Busters (Generation X) born January 1961 to
December 1981 (18.5 percent), and 12 Silent Generation managers (born January 1925 to December 1942) (8.9 percent).

**Attendance at Board or Committee Meetings**

Manager respondents reported being quite involved with board and committee meetings. 94 managers report that they attend such meetings almost always (69.6 percent), 32 attend regularly (23.7 percent), 5 attend occasionally (3.7 percent), and only 4 never attend (3 percent).

**Gender**

Male respondents far outnumber female respondents. The gender profile by frequency includes 126 males (93.3 percent) and 9 females (6.7 percent). We were unable to determine whether this profile is consistent with the overall membership in CMAA.

**Frequency of Evaluation or Performance Review**

Over half (57 percent) of the managers reported that they meet formally with their supervisor once a year for an evaluation/performance review (count 77). Additionally, 33 never meet (24.4 percent), 14 meet two times per year (10.4 percent), 6 meet four times per year (4.4 percent), and 5 meet three times per year (3.7 percent).

**Instrumentation**

We provided the following definitions and club examples of a traditionally managed team and self-managing team:

- Traditionally managed team: A small number of people with complementary skills who are committed to a common mission, performance goals, and approach for which they
hold themselves mutually accountable. An example of a club traditionally managed team could include the golf course maintenance A.M. set-up team.

- Self-managing team: A team that makes decisions once reserved for managers. An example of a club self-managing team could include a grill waitstaff team that has the authority among themselves to comp a member’s lunch without first checking with a manager.

After referring to the definitions and examples provided, respondents answered either a section of questions having to do with traditionally managed teams or a section having to do with self-managing teams (but not both). All 135 respondents (100 percent) use teams of some sort of teams in their clubs. Interestingly, the number of managers who use self-managing teams and traditionally managed teams is about evenly divided. Sixty-three (46.66 percent) of our managers use traditionally managed teams only. Seventy-two (53.33 percent) use self-managing teams.

Traditionally Managed Teams

Managers who work with traditionally managed teams were asked to answer five statements about a particular team that functions well at their club. When marking their answers, respondents chose from among five ratings from 1=Strongly disagree to 5=Strongly agree. Statements included information about quantitative and qualitative performance, overall effectiveness, and overall satisfaction with the team.

Self-Managing Teams

Managers who work with self-managing teams were asked to answer 23 statements about a particular self-managing team that functions well at their club. When marking their answers, respondents chose from among five ratings from 1=Strongly disagree to 5=Strongly agree. Statements included the same information the traditionally managed teams-only group answered
about quantitative and qualitative performance, overall effectiveness, absenteeism, and overall satisfaction with the team. Additionally, this group of respondents answered statements that came from the literature review’s suggestions regarding effective self-managing teams: authority, meaningful tasks, feedback, coordination of effort, complexity of tasks, access to information, participation and equity in reward systems, support by top management, interpersonal skills training, and socialization of new members.

**Commitment**

We examined whether self-managing teams and traditionally managed teams differ with respect to manager commitment to club and commitment to the club industry as a whole.

**Validity**

Two club managers and an organizational behavior researcher who were not involved with this study reviewed the instrument from a face validity standpoint to help confirm the operationalization of the traditionally managed teams and self-managing teams constructs. To check for content validity, we analyzed the correlation matrix to help confirm that two or more scale items were not measuring the same issues.

**Reliability**

We performed a reliability analysis, using Chronbach’s Alpha, to determine scale reliability for both the traditionally managed teams group and for the self-managing teams group. The item scale for the traditionally managed teams group proved to be reliable (Standardized Item Alpha=.82). The scale for the self-managing teams group proved to be reliable as well (Standardized Item Alpha=.84).
Findings and Discussion

This study identified a number of both expected and unexpected findings regarding teams in the private club segment of the hospitality industry. What follows is a summary of some of those findings:

**Organizational tenure.** We noted with interest that 36 percent (count 49) of managers stated that they plan to stay 7 years or more at their present club. Unfortunately, this expectation seems unrealistic, as the largest percentage (27 percent) of managers (count 36) in the survey had worked at their present club for just 2 to 3 years 11 months. The difference suggests an on-the-job reality that may come about as a result of board-initiated change, manager-initiated change, manager naivete, or some combination. Whatever the case, the discontinuity suggests a dramatic expectation versus reality gap.

**Membership.** Almost one third (33 percent) of the clubs (count 44) in the sample reported memberships of more than 900. While clubs may have historically been small entities, today they are bustling, multi-million dollar organizations.

**Education and attendance at board or committee meetings.** Respondent managers were well educated. Seventy-seven percent (count 104) of our sample managers hold a bachelor’s degree or higher. Respondent managers are also involved with senior-level planning. Seventy percent (count 94) managers report that they attend board and committee meetings almost always.

**Gender.** The fact that just 7 percent (count 9) of our sample was female strikes us as a bit puzzling. While, undoubtedly, club management is still a man’s world, we were unable to determine whether this profile is consistent with the overall membership in CMAA. A cursory
examination of the CMAA roster does not tell the story due to non-gender specific (for example, Sydney) and international names (for example, Sunmee).

**Performance review.** An astounding 81 percent of respondent managers reported that they meet formally with their managing supervisor never to once a year for an evaluation/performance review. The fact that club boards turn over on average every three years suggests a focus on social priorities more so than business priorities including evaluation of the manager. We suspect that this may be a lag process that hangs over from the days of small clubs.

**Use of self-managing teams.** The number of managers who use self-managing teams (approximately 50 percent) is consistent with the literature review (Dumaine, 1990). In a conservative industry, we were a bit surprised to find that so many clubs had adopted self-managing teams.

The remaining discussion will focus on whether self-managing teams are worth the effort.

**Research question 1.** We found no evidence to indicate that managers who use self-managing teams were more committed to their present club than those managers who use traditionally managed teams. There was no difference between the groups.

Therefore, creating a system of self-managing teams within a club environment will likely not help managers be more committed to their clubs. From this perspective, an increase in the use of self-managed teams will not increase organizational effectiveness due to manager commitment. As a result of this finding and in this context, self-managing teams are not worth the effort.

**Research question 2.** We found that managers who use self-managing teams are more committed to the private club industry than managers who use traditionally managed teams.
Therefore, creating a system of self-managing teams within a club environment will likely help managers become more committed to the club industry as a whole. From this perspective, an increase in the use of self-managed teams will increase manager commitment to the industry. As a result of this finding and in this context, self-managing teams are worth the effort. However, it is not likely that a club’s board will agree to undertake such an involved program for that purpose alone.

It is helpful to take a second look at the implications from this finding. Perhaps the reason that managers who use self-managing teams are more committed to the industry is that such managers identify more with the industry than to their clubs. This possibility becomes more plausible in view of the fact that a club manager’s skill sets are portable and the organizational tenure demographic suggests that the highest frequency of managers in this study have been at their clubs for just 2 to 3 years 11 months.

But, why are managers who use self-managing teams more committed to the industry than managers who use traditionally managed teams? The literature discloses that creating a system of self-managing teams is an on-going and time-consuming process. Perhaps the finding suggests that managers who use self-managing teams are more committed to the evolution of long-term management processes than managers who use traditionally managed teams.

Research question 3. We found that managers who use self-managing teams enjoy increased organizational tenure over managers who do not use them. This finding suggests that spreading responsibility across the organization by using self-managing teams decentralizes decision making, theoretically frees up a manager’s time to spend focusing on pressing needs, and adds the benefit of producing additional organizational tenure. In view of the average manager—whether derailed or leaving on his or her own terms—having reported a relative short
time on the job, suggests benefit to clubs to consider implementing self-managing teams where appropriate.

**Recommendations for Future Study and Conclusion**

This study elucidated some of the situations faced by today’s club manager. While we believe that there is a future for self-managing teams in club management, in terms of our micro organizational behavior focus on the club manager, the principle payoff appears to be organizational tenure. Anecdotal evidence now supported by empirical data suggests that club manager organizational tenure is a challenge from the psychological perspective of the manager and from the sociological perspective of the club organization.

We also see an opportunity for future study in organizational effectiveness. Effectiveness measurements could be taken at a club before and at a point after implementing self-managing teams.
Works Cited


