

## Risk Management begins with an Educated Staff

The term “Risk Management”, by definition, is self explanatory. Simply put, it is the ability to manage risk. However, there are several components to risk management. In addition to choosing the right insurance to protect your property and to minimize liability claims, club owners also manage risk through facility design and transferring liability to third parties. Perhaps one of the most important aspects of managing risk involves proper training and support of the club’s staff.

Club owners generally do a good job training their staff in sales techniques and customer service. In fact, good customer service is by far the single most important component toward developing good risk management protocol within your club. There is no reason in the world that a member should not be greeted by their first name each and every time they come in for a workout. Card scanners display the member’s payment history, but they also display the member’s NAME. What a concept. Your staff should be taught that knowing your member’s names and greeting them with; “Have a great workout, Ken”, goes a long way toward developing a “Cheers” like environment, in your club. I have said this before in previous articles; friends don’t sue friends. Taking a genuine interest in your member’s lives and fitness goals can not only help “suit proof” your club from litigation if that member becomes injured in your club, but it is also likely to generate increased revenue. A happy member is a member who renews. A happy member is a member who will buy your nutrition supplements, shakes, water, and personal training sessions. Club’s that have a tendency for high membership turnover, are more prone to litigation from disgruntled members. I realize that this is common sense, but you would be surprised how many club employees do not follow the basics of common courtesy.

Now that we have the staff trained in how to say “Hello; how is your workout going?” we can now take the next step toward risk management by conducting safety meetings at the same time you are having sales meetings. Some items of discussion for the safety meetings should be: 1) Problem Members: Every club has a “bone head” member who slams weights, gawks at your female members, and abuses your equipment. Talk about the exit strategy for that member. 2) Equipment Checklists: Every piece of commercial exercise equipment will eventually break down. Discuss which employee(s) will be responsible for doing a consistent check of your equipment. Items such as belts, padding, cables, and clips constantly wear out and need replacing. Stay on top of your equipment maintenance and get rid of your museum pieces. 3) Injury Procedures and CPR: There should be at least one employee on premises at all times that is trained in CPR and/or CPR/AED (the use of Automated External Defibrillators). In addition to providing basic first aid to an injured member, you should have written procedures that outline your incident reporting documentation.

Good staff training for risk management and safety procedures can be summed up in two categories. Education and Documentation. Once your staff develops great customer service skills and safety procedures, the other only other item of importance is “documentation”. A “Club Incident Report” and “Witness Report” should be completed

for every injury that occurs at the club. Even if the injured party says that they are “O.K.”, a report should still be completed and sent to your insurance representative along with a copy of the member’s contract and waiver document. Since most jurisdictions have a two year statute of limitations, it is vitally important that all injuries be documented at the time of the incident not after the club receives an attorney letter.

You help you improve your staffing procedures on risk management, please visit my website at [www.clubinsurance.com](http://www.clubinsurance.com) and click on “Education” or simply email me at [ken@clubinsurance.com](mailto:ken@clubinsurance.com) and I will send you several risk management documents that you can implement immediately for your next staff meeting.

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