Golf course management an evolving business

The professional golf course management business has moved out of its infancy and has attained toddler status. Still, less than 5 percent of the nation’s courses are operated by professional management companies. Most people believe that number will increase and, as it does, that the course management business will evolve into something different than what we know today.

With that in mind, we asked several management company executives, "What other industry will the golf course management business most resemble 20 years from now?" Following are their responses.

Rich Katz, director of marketing, Billy Casper Golf Management — The proliferation of daily-fee courses is similar to the growth experienced by the hotel industry. There is still more demand for courses than there is a supply in some markets. But that could change in 20 years and we could be oversupplied in many areas of the country, just as the hotel industry is oversupplied in some markets.

With the increased supply will come an increased need for third-party managers with recognized expertise in managing golf properties and enticing golf-smitten individuals to their doors. Hyatt, Hilton, Doubletree and Westin have done excellent jobs of differentiating their products in their markets. They've taken their management expertise and applied it to properties they own or are owned by others. Hyatt, for instance, has Hyatt Resorts, Hyatt Regency and regular Hyatt rooms. The rooms are different in each, but they've standardized the level of service so customers know what to expect at all three.

Tim Miles, President, Crown Golf Properties — Despite the influx of management companies in the past decade and the improved technology available, the course management business has only emerged from a juvenile state as a business. I foresee continued consolidation of firms, although this will be very difficult due to the nature of our business. For example, there remains a preponderance of management companies in urban areas that manage two to four golf courses and, therefore, possess a separate identity but good golf opportunity for the companies’ principals. This fact reduces consolidation possibilities.

In 20 years, I envision management systems in our industry that will significantly improve reporting processes, quality control, customer service and financial accountability. The nature of the game of golf will allow the golf management business to maintain a separate identity that slightly touches the food service and retail industry, yet will most closely resemble the entertainment industry because golf will always be an experience and an opportunity to escape from the everyday pressures of life. Golf, in its purest form, provides competition, camaraderie, a walk with nature, exercise, and skill recognition, and the golf management business must endeavor to preserve these qualities to insure success.

Michael Rippey, President, North American Golf Inc. — One way to answer this is to look at the dominant and emerging trends in our business and try to project them out 20 years to some logical conclusion.

Trends I would consider most relevant are, first of all, the continuing consolidation of multiple facilities under larger and larger ownership/management groups. Second, there is a continual widening of the quality/pricing spectrum in public golf. And, third, the growing recognition that we are really in the entertainment business and not simply in the golf business.

Projecting forward 20 years on the basis of these trends, I expect that we will follow developmental patterns that are similar to those we have seen in the American restaurant industry over the past 25 to 30 years.

Joe Black, President, Western Golf Properties — The golf course management business will most resemble the hotel management business. Golf management companies will refine their practices and management systems so they are readily recognized by the consumer. Management company names will be branded by the golf clubs to attract customers. Many companies will establish market niches that will immediately tell the consumer what to expect at all three.

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Western Golf Properties, U.S. Homes hook up on two desert projects

SCOTTSDALE, Ariz. — Western Golf Properties has been selected to manage two golf facilities being developed by U.S. Home Corp. The golf clubs are part of the master planned communities Heritage Highlands in Tucson, Ariz., and Heritage Palms in Palm Springs, Calif.

Both Heritage Highlands and Heritage Palms will feature 18-hole, Arthur Hills-designed golf courses with practice facilities and a full-service golf shop, which will be located in the expansive community clubhouse.

"U.S. Homes has had much success on a national basis with their master planned communities. Golf is an integral part of their communities and a key selling point," said Mark Kizziar, vice president of Western Golf Properties.

David F. Herman has been selected as course superintendent for Heritage Highlands. Prior to joining Heritage Highlands, he was assistant superintendent at the Westin La Paloma Country Club in Tucson from 1994 to 1996, and Desert Hills Golf Club in Green Valley, Ariz. from 1992 until 1994.

Cary D. Lee has been named superintendent for Heritage Palms. Prior to joining Heritage Palms, Lee served as superintendent/director of maintenance at Rancho Mirage Country Club, Rancho Mirage, Calif., and construction superintendent with Westinghouse Desert Communities, Inc., where he led the team that brought Bighorn Golf Club in Palm Desert, California to fruition.

In other Western news, Drew Brown, president of DMB Associates, has announced the appointment of Colleen Gillis as membership director for The Country Club at DC Ranch, Scottsdale, Ariz. The Country Club at DC Ranch will provide an 18-hole, 6,918 yard, par-71, Scott Miller-designed golf course, an expansive traditional clubhouse, practice facility and separate tennis and swim facility. The membership will be limited to 400 golf members. The club will begin offering memberships in the late fall of 1996.

CMAA handbook can help private clubs avoid costly litigation

ALEXANDRIA, Va. — The Premier Club Services Department of the Club Managers Association of America (CMAA) has released a new publication titled Your Club and the Law—a legal handbook for club managers.

Developed by Murry Page of Page and Associates, Your Club and the Law is a comprehensive legal document designed specifically for managers of private clubs.

Beginning with Volume I, The Club and its Employees, managers will find information on independent contractors, minimum wage, overtime, child labor, employment agreement and termination. Volume II, The Club and its Members, will cover important legal scenarios such as membership applications, membership disputes, suspensions, expulsions and other traditionally member-related issues.

Scheduled to be released in six volumes over three years, the books were created to address the large spectrum of legal issues with which club managers might be confronted. Before any legal situation develops, this document can be referenced and further legal consultation with Page and Associates sought.

All Premier Club Services subscribers receive Your Club and Law as part of their $500 subscription package. Non Premier Club Services subscribers may purchase each volume at $60 each or the entire six volumes for $259.

For more information, contact the CMAA at 703-739-9500.

Manager on Street

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Eric Affeldt, President, KSL Fairways — The golf course management industry will more closely resemble the hotel and airline industries. The successful owners and operators will have much more extensive technology to manage information on space utilization, customer profiles and cost controls. There will also be more clearly defined niche marketing as progressive operators narrow their focus and improve the return on marketing expenditures.