NO OTHER BUSINESS LIKE IT

The bona fide potential of golf's business segment will be revealed in the coming few years.

A simple yet eloquent exchange between two characters in the film The Legend of Bagger Vance is revealing for what it says about golf's appeal. Rannulph Junuh, a local golfing hero before he went away to fight in World War I, is speaking to Hardy Greaves, who is looking back on his life after collapsing on a golf course.

Junuh: You really love this game, don't you?

Greaves: It is the greatest game there is.

Junuh: You really think so?

Greaves: Ask anybody. It's fun. It's hard. You stand out there on that green, green grass, and it's just you and the ball. ... It's the only game I know that you can call a penalty on yourself, if you're honest, which most people are. There just ain't no other game like it.

The same can be said of the business of golf. There's just no other business like it. All of us who work in a golf-related field know we've beaten the system. That's not to say the business of golf is similar in any way to the days of Bagger Vance.

The business is ever-changing. Just how positive future changes will be for those who stake their living to the health of the game will be greatly affected by three important influences: the success of player development, the strength of the housing recovery and the ripple effects of the ClubCorp IPO.

PLAYER DEVELOPMENT. The PGA of America's Get Golf Ready program has the potential to dramatically increase participation in a game that for the last decade has lost more players than it has gained. The program can be a game-changer if two key things happen:

- PGA professionals need to give more than lip service to the program.

If the PGA's 27,000 members (22,000 active) get behind the program, the potential to increase rounds and revenues is staggering. Could 22,000 professionals recruit an average of 12 golfers who stayed with the game (1 per month) in each in the next five years? If they did, that would add 1.3 million new golfers to tee sheets across the country. It's a meaningful start to rebuilding participation, which is the key ingredient of all golf-related businesses. Arithmetic is simple; recruiting, promoting and teaching are harder. But PGA professionals are our best ambassadors of the game. We need them to step up.

- The PGA of America needs to sustain Get Golf Ready through the preliminary five-year cycle. Increasing participation is a challenge worthy of the brand power and resources available to the PGA. No other organization is better positioned to be the tip of the spear.

Golf also needs to stop talking about and really put some meaningful work behind diversification. For years, golf leaders have identified the growth potential through better engagement of women and minorities. To date, little growth has been accomplished. According to National Golf Foundation data, women account for less than 5 percent of all golfers, and people of color represent hardly half of the small female segment.

We must do better, and it should start with the allied organizations that support the game: the PGA of America, GCSAA, NGCOA and CMAA. The gender and ethnicity of these groups simply do not reflect the diversity we need to see in the game.

HOUSING. The 2008-2012 recessionary cycle revealed the reliance of golf-related businesses on the health of the housing economy. Of course, homebuilding and residential development directly influenced the over-supply of courses in most U.S. markets. But there's no denying that housing's impact on unemployment, consumer confidence and discretionary spending effect everything from rounds played to equipment purchased to hotdogs consumed.

As housing continues its recovery, more golf communities and clubs will be developed because golf courses remain extremely attractive amenities. This growth in housing brings a mixed bag for the golf segment of businesses. We certainly welcome the golfers who will be brought to the game and those who will return as they become part of new golf communities. But no one wants to see a return of the poor decision-making that led to too many overbuilt markets and under-financed properties.

Club managers, golf professionals and golf course superintendents share a vested interest in understanding the housing sector and anticipating the effects being spawned by increased demand for housing.

CLUBCORP IPO. The biggest and arguably the best private club owner and operator began offering publicly traded shares in the Dallas-based company in September 2013. The success of the public company certainly will influence the opinions of lenders, which would directly affect development. In addition, ClubCorp's track record–now visible as a public company–will provide benchmarks for investors who chart compensation levels, operational proportionality, gross margins and other performance criteria.

The bona fide potential of golf's business segment will be revealed in the coming few years. Keep your eye on player development, housing and ClubCorp.