ANSWERING ONE CRITICISM

A club manager whom I have known for several years has written to take exception to a recent column on stabilizing menu prices (November/December, 1973, GOLFDOM, p. 7). Although he appears to misunderstand one of my comments in that column, he also makes some very valid points that are well worth reviewing.

The column in question discusses the fact that stable menu prices are one of the more easily recognized signposts of a club’s over-all financial stability, a sound purchasing policy is one way to achieve such stability and that the hallmarks of such a policy are product specifications, competitive bidding, immediate use buying and immediate pay buying.

Those portions of his letter that apply to the column appear in italics. My comments follow his letter.

"... This article by inference seems very critical of country club managers.

"Most of the country club managers that I know are fairly knowledgeable in the basics of food buying and related subjects. There are few absolutes in the world, and when [you state], 'Instituting any of these measures will stabilize menu prices,' [you are stating] an absolute which is open to challenge.

"Country Club Managers are under constant pressure from their members, particularly their golfing members, to reduce menu prices regardless of the financial base from which they operate. Some clubs which have a strong fiscal base, take a considered loss on food sales because they can afford to do so. . . . Clubs that are operating on a marginal dues structure cannot be compared to [these]. Trying to suggest, therefore, that all clubs operating under different dues structures and house conditions can achieve the same results by following an arbitrary set of pre-set conditions just doesn’t make sense . . . . Some of the problems that many country clubs face are:

LOCATION—If the club is located in a remote area, it sometimes does not have a large choice of dealers. If it buys from the nearest large city, it may find that shipping charges more than offset the cost involved in small purchases. Many purveyors are not interested in small orders, and in fact, are not concerned with the business of a club with a small volume of business. Trying to get several dealers to bid under some conditions can be an exercise in futility.

PRICING—The influence of other eating establishments in the area. Their quality and prices, etc., which can influence the decisions of club members.

AVAILABILITY OF MERCHANDISE—Right now we’re in a crisis of shortages (in all areas). Maybe it would be to the advantage of some clubs to increase their inventories of many products. Grave shortages of paper goods, plastic, locker building supplies, soaps, etc., are predicted. I mention this just as an indication that right now things are changing so rapidly that we’ve got to be prepared to change our procedures and policies just as quickly.

But let me get back to my main point. Although probably well-intentioned, I do think that [your] article could, and very well may, cause some club officers and committees to zero in on many country club managers in a critical way, on issues which are not too easily resolved, as [your] article suggests."

I stand behind the theses of the column, but my friend is quite right to challenge the first statement he quotes. What I should have said, of course is that, "Instituting any of these measures will help stabilize menu prices."

Unfortunately, I had assumed (a dangerous practice at any time) that a reference in an earlier paragraph to the need for good internal controls as well as an adequate purchasing policy would modify the statement and make it clear that purchasing was only one of several activities that would stabilize menu prices. Both my writing and my logic were a bit careless and I stand corrected.

Several other comments in the letter are well worth re-reading. Although I cannot agree with all their conclusions, I would call special attention to those portions headed location, pricing and availability of merchandise. I am pleased that they were called to my attention because they raise problems common to many clubs.

I am in complete agreement that the prices and food quality of other eating establishments have a direct effect on the pricing practices of nearby clubs. I am also in general agreement with the writer’s thoughts on buying in anticipation of shortages—providing full consideration is given to those cautions noted in my earlier article, which did, in fact, recommend the practice after full consideration of the problems of storage, security, fire insurance and cash flow. I would now add one additional word of warning. The column in question was written before the current shortage situation became evident, and although I agree that a manager should protect his club, it also occurs to me that his efforts should be consistent with setting a good example to the community. I would hate to see clubs, already under considerable public attack, accused of hoarding. Certainly, a club should be sufficiently farsighted to buy those items it feels it needs and can obtain—within the dictates of good judgement. Heavy "crisis" buying offers, at best, only temporary protection from shortages and must be carefully weighed against the possible adverse aspects of the action.

I must also take some exception to the comments on location. I agree that an isolated club must deal with some additional difficulties; I do not agree that securing bids is one of them, continued on page 70.
Perhaps the problem here is one of definition, but I firmly believe that even a small club should check prices with several firms before buying. Certainly, some consistent verification should be made that the supplier being used by the club is offering the best available prices. Fifteen years of personal experience in purchasing for clubs and restaurants taught me the value of this practice.

Two other statements in the letter concern me. The first expresses the belief that I wrote, "All clubs operating under different . . . conditions can achieve the same results." I have reviewed the article very carefully and believe that an inspection will show that what I actually said was that each individual club can achieve improved and more consistent results when comparing these results with its own past performance.

Finally, I am concerned over the comments that I am "critical of country club managers," and that my article will cause club officers and committees to "zero in on them." To this I can only say that my comments were instructional and informational and in no wise were intended to be critical.

The majority of professional club managers are competent, skilled executives. (I know for a fact that the writer of the letter is such a manager.) These men and women are already aware of many, if not all, of the points I raise in my columns and see to it that their officers and directors are kept well informed on such matters.

However, of the more than 8,000 private golf clubs in the country, no more than 2,000 are run by members of the Club Managers Assn. of America. Perhaps another 1,500 are exposed to one of CMAA’s fine training programs or have the academic or practical experience to qualify as professionals. This means that more than half of the clubs in the country are being managed by people who need all the information they can get.

It is to these clubs, their managers and directors, and to that small group of professionals who are still learning, that my columns are directed.