

Working together

MANAGEMENT COMPANIES PURSUE 'ONE FOR ALL AND ALL FOR ONE' OPERATING EFFICIENCIES AMONG CLUBS

by
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Operating golf facilities as efficiently as possible is a common goal for owners and managers. It's part of the equation for running a profitable business. Multiple golf facilities that are managed by the same company and are in close proximity can take advantage of numerous synergies to help them do that. This equates to spending money and using resources wisely.

An example of this concept is The Clubs of Kingwood in Texas. The Clubs of Kingwood consist of three golf clubs owned by ClubCorp: Kingwood Country Club, Deerwood Club and Atascocita Country Club, all within five miles of each other in a market of 130,000 residents. The three clubs feature 117 holes of golf, 34 tennis courts, three clubhouses and a private water park for members and invited guests. Kingwood and Atascocita offer golf and tennis. Deerwood offers golf only. Ten years ago, the clubs were completely separate.

Andy Miller, regional vice president and general manager of The Clubs of Kingwood, says there are many centralized systems within the three clubs, however, they maintain separate golf course maintenance operations, food-and-beverage operations and club managers, who address the specific needs of each club. Because Kingwood Country Club's clubhouse is the largest among the three clubs, most of the events and gatherings are held there.

Even though the majority of members wanted social and dining privileges at all three clubs, members are usually most loyal to where they predominantly play golf or tennis, according to Miller.

From a corporate standpoint, ClubCorp is trying to be a better steward of the members' investment in the clubs and better serve their needs by grouping the three facilities together, according to Miller.

"We have fiduciary responsibilities to members," he says.

Additionally, management companies can use their size to save golf facilities money

when it comes to purchasing, according to Brian O'Hare, regional vice president, Northeast for Billy Casper Golf, a golf course management company.

"As a company, we leverage our size to develop long relationships with those who provide us with national accounts pricing," he says. "We pass that savings on to owners so they can improve the course."

People swap

Staffing is another area in which management companies can be more efficient operating golf facilities. At The Clubs of Kingwood, all three clubs share one accounting department. Also, taking advantage of the synergies of employees in each of the food-and-beverage operations saves money. Sharing staff among clubs has another advantage.

"The merger of the three clubs has opened up opportunities for employees to have a better chance to move up to management," Miller says.

Billy Casper Golf shares staff among the clubs it manages, too. For example, Grover Alexander, the golf course superintendent at Hudson Hills Golf Course in Ossining, N.Y., also serves as a regional superintendent who helps consult with the other BCG-managed properties in Westchester County, New York.

BCG also shares maintenance staff. For example, Maple Moor Golf Course in White Plains, N.Y., is in a flood plain, and when there's a flood, a tremendous amount of cleanup is needed.

"We send some of the Hudson Hill staff to Maple Moor Golf Course to help for a couple days," O'Hare says. "We help the

Photo: Billy Casper Golf



The staff at Hudson Hills Golf Course sometimes helps out at neighboring Maple Moor Golf Course in Westchester County, New York. The two staffs also share equipment.

superintendent get up to speed on mowing as long as the help doesn't come at the expense of the other course.

"When we get into large capital projects, we use other resources and people to manage that," he adds.

Share your toys

Interclub relationships also involve sharing equipment, according to O'Hare. For example, for Hudson Hills and Maple Moor Golf, both in Westchester County, N.Y., share staff and equipment. The 18-hole facilities are about 20 minutes away from each other. One mechanic services the equipment at both facilities, and the courses share equipment that's not used regularly, such as aerators, verticutters, wood chippers and grinders.

Sharing resources is part of being part of a large company such as Billy Casper Golf, O'Hare says.

"There might be one large facility that has more equipment than a smaller one, and it shares resources with the smaller course," he

says. "Besides, superintendents like to help each other out and share ideas."

The value of not needing to purchase certain equipment can save a course \$20,000 to \$40,000 annually, according to O'Hare.

Even though the three golf course maintenance staffs at The Clubs of Kingwood are separate, they share some equipment such as aerifiers.

The best way to do it

Aside from using the same resources, sharing best practices is prevalent throughout Billy Casper Golf. It starts with superintendents telling regional vice presidents and the word spreads via conference calls or meetings, O'Hare says.

"The key is that it's not a formality but an open line of communication," he says. "We have some new golf courses in the area with bentgrass, and the superintendents are fighting take-all patch. They were getting around to look at how take-all patch was controlled by different chemicals."

Best practices help shape standards for ball

washers, rotating cups, heights of cut, etc.

"We also share best practices by consulting with Saxon Woods Golf Course in Scarsdale, N.Y.," O'Hare says. "Each [BCG-managed] facility benefits from all the resources we have. We need to communicate best practices throughout the portfolio."

Billy Casper golf recently won the management contract for Saxon Woods.

Promos

Another area in which clubs can take advantage of synergies is marketing. The Clubs of Kingwood have been marketed as such for about five years. However, Miller says there's a delicate balance of marketing the three clubs together. A pricing strategy determines a member's golfing privileges. For example, a "masters" membership allows access to all three courses and a "championship" membership includes everything but Deerwood.

O'Hare says Billy Casper Golf has several marketing programs in place.

"We have the Buffalo Golf Trail and promoted them together," he says. "In Chicago, we have a frequency awards program to build affinity. In Connecticut, we're looking at reciprocal benefits, such as discounts on merchandising and green fees and benefits with tee times."

The Buffalo Golf Trail is a BCG program marketed in regions throughout the country where the company has clusters of courses. For example, in Cincinnati there are seven courses, and in Chicago there are 10 properties.

BCG also links its managed facilities that are further apart. Because there are many people who travel from Westchester County to Cape Cod, Mass., the company markets the Falmouth Country Club on Cape Cod to the New York metropolitan region.

A common thread

As far as a trend, Miller says multicourse owners are aggressively pursuing the synergies among golf facilities, but he doesn't know if any independent owners are doing it.

No matter what type of course Billy Casper Golf manages, the quality of the staff, attitude of staff, attention to detail, cleanliness are aspects of course operations that shouldn't change, O'Hare says.

"The common thread with the staff is attitude and commitment to provide a better-than-expected customer experience," he says. "We work hard to make each other successful, and we need to work to maintain the open lines of communication. It's difficult as you get bigger. I don't have all the answers, but as a group we can get them." GCN

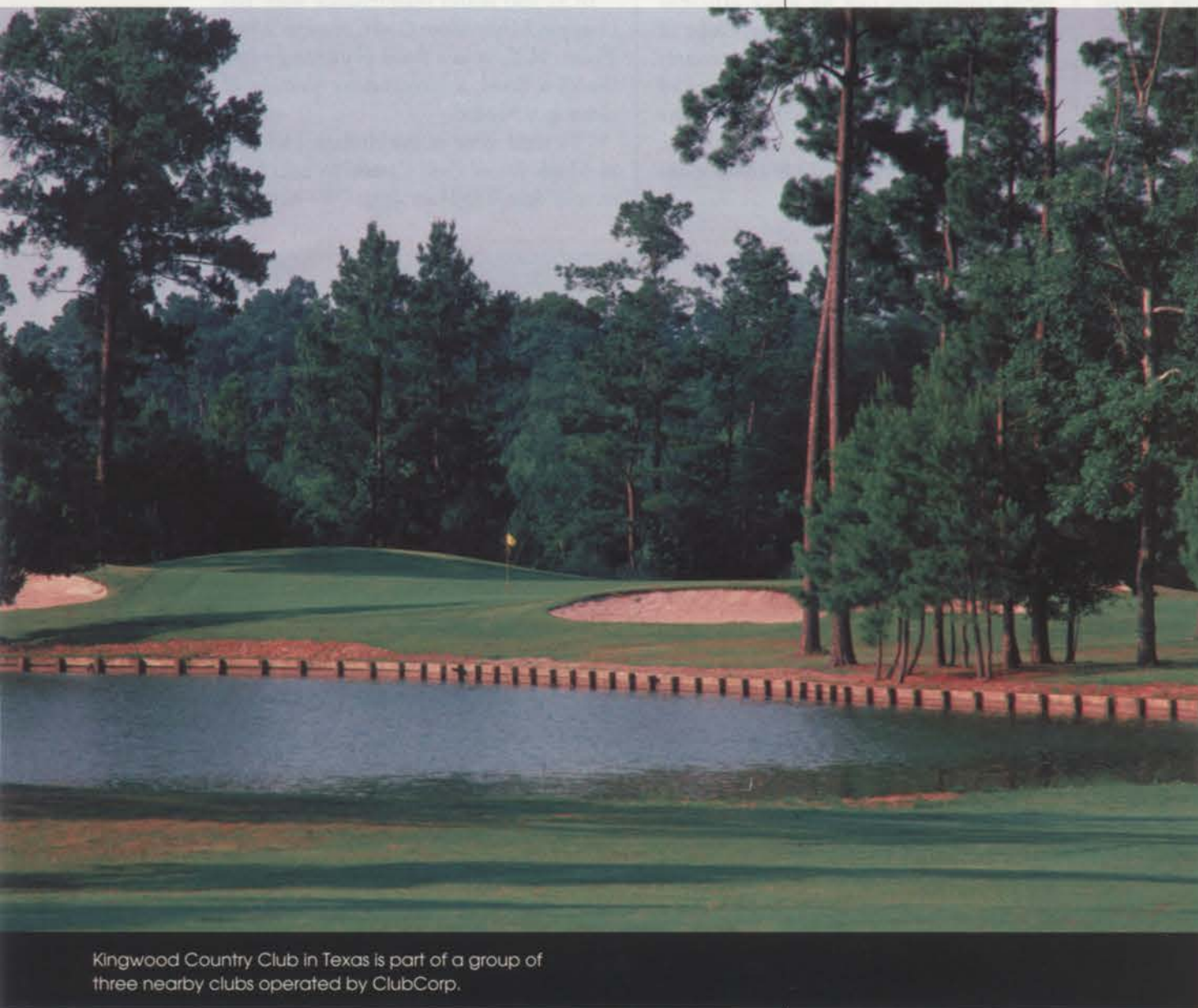


Photo: ClubCorp

Kingwood Country Club in Texas is part of a group of three nearby clubs operated by ClubCorp.