

Giving MANAGEMENT COMPANIES a fair shake

A lot of myths surround working for management companies. GCI's Bruce Williams examines a few and you might be surprised by his findings.

by Bruce R. Williams, CGCS

Recent statistics have shown the steady growth of management companies in the golf business. There are a number of companies that have been around for decades, but there have been some newcomers in recent years, too. Management companies account for at least 15 percent of golf operations in the U.S.

Additionally, there are golf course maintenance companies and for our purposes the findings would be applicable to both groups. Some of the companies manage a few golf facilities while others have hundreds in their portfolio.

Management companies should be considered a major employer of golf course superintendents. Well over 1,000 superintendents are employed by management companies and the number is growing. While many myths and rumors exist about working for a management company, the best way to get a good look inside of management companies is to go straight to former and current superintendents who work for those companies.

After speaking to a dozen or more people it became clear that there was a constant refrain with a regard to the many positive benefits of working as a superintendent for a management company. It is my hope to share the top reasons why superintendents like working for management companies and why people might want to consider working for them.



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STEADY EMPLOYMENT. Turnover is significantly lower with management companies. While superintendents may leave a specific course it is often due to an opportunity of advancement within the company. Most companies have a variety of golf courses including lower and higher budget facilities and everything in between. Superintendents can work their way up through the system and even into regional assignments over time. Most of the management companies hire from within and have good training programs and the ability to evaluate their personnel for future promotion.

The ability to move to other areas of the country is attractive with management companies. Often times we see cases of spouses being offered employment in other parts of the country or family needs requiring we move closer to our parents or other family members. A number of superintendents commented this was a huge plus with the management companies because they could still work for the same parent company while changing golf courses but not employers.

COMPENSATION. The average compensation for people working for management companies is comparable, or better, than the overall statistics for superintendents in general. Having spoken to management at several companies, they have indicated the market is competitive and they must keep pace with the industry to attract top talent. Competitive salary is also a sound strategy to retain these individuals, as well.

Typically, the compensation for superintendents at facilities run by management companies is reflective of the budget and condition of the golf course. Courses with higher budgets tend to have higher salaries for superintendents. Rarely do the salaries reach levels of the best golf courses in the country, but there are only a handful of those jobs to begin with. To move up into the upper 10 percent of compensation in the U.S. for all superintendents, it would normally require taking on multiple properties and regional superintendent assignments.

Most of the management companies employ agronomists who have come from the ranks of former superintendents. This is just one more example of room for advancement within these

organizations. Those positions are paid competitively with the better jobs in the country.

BENEFITS. The benefits provided by management companies are reported to be much better, on average, than those working for non-management company employers. The reason for this is fairly simple – management companies employ thousands of workers as compared to 30 to 150 at any one facility. There is power in numbers and the ability to negotiate health insurance and such is

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something that is attractive to employees of these companies.

Vacation pay is accrued over time and the total longevity of the employee will determine length of vacations. Since the average longevity of a superintendent is reported to be 6.5 years this normally means starting over again on the vacation ladder until you accrue enough time to maximize your vacation benefits. By working for a management company you may work at several different properties for that company but the benefits will be assigned for the period of time working for the company rather than the golf course.

Most of the management companies offered a variety of ancillary benefits including vehicles or vehicle allowance, association dues, attendance at local and national superintendent meetings, training, etc. Not all of the benefit packages were equal, but generally they were quite healthy as compared to the statistics in the GCSAA Employment and Compensation Survey.

RETIREMENT PROGRAMS. The people I interviewed indicated they were either pleased or extremely pleased with the retirement packages provided by the management companies. While the individual

companies differed in their offerings it was evident the programs were above average. Often there is a contribution of at least 2 percent of salary and there were also a variety of matching offers in which a superintendent could accrue a significant retirement portfolio over time.

the superintendents to meet the expectations of the facility and their employer.

Budget spreadsheets are developed professionally at the corporate level and analyzed to compare to industry standards for clubs with similar climate and standards. Processing of

people that I spoke to. It was not only the national company meetings but the connections via listserves, e-mail and phone were mentioned often.

CORPORATE PARTNERSHIPS. Early on the management companies developed healthy business re-

get. Training programs are formalized. Reporting mechanisms are standardized and constantly tweaked to provide optimal communication.

Working through a corporate structure affords the superintendent a steady system of feedback with much better continuity than green committees and boards that change annually. Once again, the superintendent can spend more time on the golf course. It also allows for development, implementation and progress on a long-range plan that is not encumbered by pet projects of various volunteer leaders.

INTERNAL RECOGNITION. Many of the management companies recognize their team members for their success. There were a lot of fellows who were very proud to have been named "Superintendent of the Year" by their specific companies. Management companies do a lot to deservedly gain PR, both internally and externally, for their properties and the golf course superintendents. While golf course conditions are a large part of that recognition it can also entail the creation of efficiencies, safety programs, training initiatives and adherence to budget.

The trend in our industry is more facilities being managed by these companies. Logic dictates that it is an area to consider when looking for career opportunities. As always, superintendents should do their research when looking at any employment opportunities. Not all management companies are equal but there are a lot of similarities. Do your homework and check out the specific job offerings and corporate structure. Several thousand golf course superintendents working for these management companies appear to be pleased with their employer choices. **GCI**



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Not all employers in our industry provide retirement benefits. Some golf facilities only pay the superintendent \$2,000 per year regardless of their salary level. It is for reasons like this that superintendents are attracted to management companies and their retention rates are high.

BUSINESS APPROACH. Management companies are business oriented. They are accustomed to working in a corporate type scenario with a great understanding of the golf business. Providing value for the price is paramount to success for these companies. No stone is left unturned in developing strategies to do things more efficiently, effectively, at a better cost, etc. All of this takes a strong business approach.

With multiple facilities there are often templates that are used to standardize operations at facilities under the umbrella of the specific management company. Most companies develop written standards for each facility that are agreed to by the company, facility and superintendent. This is extremely helpful in allowing

invoices, billing, payroll and human resource are done through the corporate office with the input of the superintendent. This expedites the process and allows the superintendent more time on the golf course.

AGRONOMIC SUPPORT. When you work for a management company you are not alone. There is substantial support provided by the agronomic team of each company. This support may be from the regional superintendent, agronomist or peers that work within the organization. Problem solving is fast tracked and the team's many years of experience provides a wealth of knowledge for the superintendent. This is especially attractive for the younger superintendent.

PEER CAMARADERIE. When you work for a parent company you have a vast network of peers. You are all working for the same employer and want that employer to prosper. Bouncing ideas off of your peers and having a lot in common is an intangible that was mentioned by several of the

relationships with any and all companies that sell products in the golf turf maintenance business. Volume buying provides discounts. Some of the management companies have exclusive deals in which they direct a high percentage or all of their purchases to a specific company.

The discounts you receive when buying as much as a \$100 million worth of equipment can be significant and important to allow management companies to be very competitive in the bids for agreements with courses. Consider the amount of money spent annually on equipment, chemicals and parts and even a few percentage points of savings adds up to a lot of money for the management companies, which they can pass on to clients or aid in the corporate overhead.

ORGANIZATION AND STRUCTURE. Management companies have a plethora of statistics in how to run operations efficiently. Time and motion studies are common with a thorough evaluation of the labor component which can be the biggest line item in any bud-