

# Getting an "Even Break" for Club and Its Manager

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**R**ELATIONSHIP of the club to the manager naturally it is a two sided affair and there is much to be said on both sides. Club managers are primarily interested in obtaining more consideration from club organizations and it is generally conceded the task of properly managing a club is the most difficult of all managerial duties. In seeking for additional consideration from club organizations, however, managers must keep in mind one of the fundamental principles in civics which is that for each privilege enjoyed there is a corresponding duty and while I may set forth some considerable criticism on the attitude of club organizations, as a whole, toward their managers, still the demand which club organizations believe they may rightfully put upon you must be kept in mind.

The attitude of the usual club organization toward the manager cannot help but make the manager's position a most difficult one. To my notion the usual club is not properly organized—on the contrary can be compared to Topsy who "just grew."

In addressing a hotel convention in Kansas City quite a number of years ago I made the statement that the hotel business was succeeding in spite of itself and not because of itself. Needless to say this statement created considerable caustic comment. Subsequent events, however, have proven the truth of this statement and today hotel operation is radically different than prior to Prohibition and the World War.

## Crossing the Bar in Profits

At that time the profit from liquor sales made it possible for a hotel to lose money in the Catering Department and to accept a very nominal profit in the rooming end, knowing the year's operation would show a net result. Now, that the Bar has gone a different type of management has become necessary. Without any question the hotel industry is being operated in a business-like manner today and while, of

course, there is still much to be desired in some types of hotel operation, you are familiar enough with it to know it is for the most part intelligently handled.

Club operation finds itself in somewhat the same situation as did the hotel business some years ago, but for different reasons. You, too, have lost considerable revenue from liquor sales but this is not the point at which I am driving. Hotels are usually individually owned and operated. They are managed by proprietors or paid executives, who are responsible, usually, to one man, or two or three men, who have their money invested in the venture. This permits of centralized responsibility and makes it comparatively easy to establish a definite policy which, when successful, can be continuously pursued. This establishes the exact comparison between hotels and clubs, for what with constantly changing directorates the club which has operated under one policy for a number of years is indeed an exception and until club organizations devise some way in which to eradicate this evil they cannot hope to be as successful as other businesses which are operated in a sane manner.

## At Mercy of Inexperience

It is a distressing comment on modern economic conditions that the huge investments we find in club properties are at the mercy of a type of operation which would not be tolerated in any other business with which I am familiar. The old saying that everybody's business is nobody's business applies exactly to club operation. An investment of from \$1,000,000.00 to \$5,000,000.00 in club properties is not an unusual thing and this enormous investment is guided by a Board of Directors, none of whom as a rule have had any experience in operation of this type. It would be difficult to visualize a more ridiculous situation. How many times have you seen the directors of your club in session? They are men from all walks of life—doctors, dentists, real estate men, manufacturers of steel or textiles, or implements, all with wrinkled foreheads trying to figure out the

\*Address at Club Managers' National Convention.

"why" for the loss in the catering department last year and just what is to be done about it. As a rule they pay very little attention to the manager and the wonder is they are able to do anything about it. Furthermore, the unsuccessful operation of many club properties is directly traceable to the ignorant conduct of its affairs. You and I know these men are most sincere, are anxious to give freely of their time and effort but if time and effort are expended in the wrong direction no benefit can be derived.

### The Club Mystery

The men who make up the membership of an average club are men of affairs. It has been necessary for them to achieve considerable success in order to afford the initial cost of membership and to assume the burden of its maintenance. Why, then, do they countenance an entirely different procedure in club affairs than the one they pursue in the conduct of their own business?

No good business man proceeds to battle with the highly competitive market of today unless his structure is properly financed. This is a cardinal principle and cannot be overlooked. Why, then, do we have so much club operation which is financed to the point of the purchase of ground and partial provision for building without proper provision for completion of building and the purchase of its necessary equipment? More than one club which could be named by any or all of you has been handicapped by mis-handling of its financing and has hung a weight around the neck of the manager, making successful operation by him an utter impossibility.

### Need Manager at Start

When a business man engages in a certain type of business he surrounds himself with competent, experienced people. If he is to operate a department store, he obtains the services of an experienced linen man to buy linens, an experienced furniture man to buy furniture and an experienced carpet man to buy carpets, and so on throughout the entire establishment. Why, then, do clubs elect to build buildings suited for club houses, to pass on kitchen planning, the combination of color schemes, the type of furniture, china, glass and silverware best suited to club service; and in fact the whole building and furnishing scheme without the assistance of someone who is experienced in this type of work

and who is later to be made responsible for its successful management?

When a business man places on the shoulders of an executive a heavy burden he naturally expects to pay a salary commensurate with the responsibilities of this position and many men who are members of your club have turned from their office doors applicants for positions, simply because these applicants placed too low a figure on their services. Why is it, then, that clubs expect to obtain a manager to preside over the destinies of a \$3,000,000.00 investment for \$2,500.00 to \$3,000.00 per year? Again ridiculous, and a condition which in no way measures up to our modern business set up.

The stockholders of a corporation do not attempt to tell the president whom he shall hire or how he shall operate. They look to him for results and for dividends on their holdings. Just so the members of a club—they are stockholders in every sense of the word but are looking for a different return. They expect dividends, to be sure, but the dividends they expect are service and comfort which two go to make up the dividend of pleasure and that is the primary reason for membership in any club, be it town or country.

Granted that club organization is similar to business organization, they should be conducted on much the same principles but do we find this situation obtains? We do not. There is constant interference with a supposedly competent manager by Tom, Dick and Harry, and this immediately proceeds to choke the value of the property to start with and makes secondly for an extremely expensive operation. This type of operation brings about an unpleasant situation at the end of the year in the way of assessments to cover operating expense and I know of nothing so distressing to the ordinary club member as constant assessments to make up for improper management which improper management is usually the result of too much interference in running the club's affairs.

Without any question you thoroughly agree with everything which has been said so far, but some gentleman may be present or may read this article who is interested in the management of a club organization and while he may agree with the criticism, still can rightfully assume the attitude that criticism is of no use in the world unless it is constructive criticism.

*(To be concluded in April GOLFDOM)*