

# Golfdom

The Business Journal of Golf

REG. U. S. PATENT OFFICE

VOL. 5

MAY, 1931

NO. 5

## What Big Business Says To Clubs About Organization

By ARTHUR E. SWANSON\*

WHEN I use the word "business organization," I know I have a different connotation from most persons. Business organization to a large number of people means "personnel." Ask the average man about his organization, and he is apt to think about his managers and sub-managers. When he says, "I am well organized in that business," he frequently means he has good men; he thinks of them as his "organization." That is a very common connotation that is given to the word.

Others confuse "organization" with *management*, and they say they are "well organized" when they really mean they are well *managed*. Very few business men, I have found, have a conception of organization, which is something in and of itself, and separate from either personnel or management.

THESE are days of clinics and major operations on club control bodies. Dr. Swanson, the noted management engineer, studies the golf club as a strictly business enterprise. His references to "manager" are not to be read as the term "manager" is generally understood in the golf field today. Under most of today's club organization plans, "president" or "general manager" might be accurately substituted for "manager."

Frequently a business man's problem of organization is solved when he gets a good manager, but it isn't solved because he happens to get a good manager; it is solved because when he gets that manager, he frequently in that manager also gets a good organizer, who, in organizing the business well, makes it possible to manage it well. It is, I think, because of that that so many business men think of their organization as their personnel.

And the businessman himself doesn't really see that there has been a separate, distinct job of organizing done, because it has been done by a man whom he hasn't hired specifically for organization work, but for management; but who has, by virtue of his experience, or by virtue of his many native talents, been a good organizer.

The confusion between management and organization lies in the fact that organization is a tool of management. Organiza-

In the accompanying article, Dr. Swanson likens country club organization to an hour-glass—two triangles meeting at a point. GOLFDOM modifies this concept slightly to present club organization as a tree.

The root system represents the Ownership organization, with authority and responsibility gradually narrowed, first to the Board of Governors, then to Committees who, through their Chairmen and finally the President, act in all club matters.

The tree's branches represent the Operating organization of a club. At the base stands a General Manager (not to be confused with a "House Manager," the full and correct title for managers in most clubs today), who is responsible to and takes orders from the President only. Note that no other individual in the Ownership organization is authorized, under this plan, to contact the Manager on club matters.

Following the diagram outwardly along the various branches of the tree, it will be observed there are nine individuals, of varied importance to the club organization, who receive orders from and report to the General Manager: bookkeeper, stenographer, greenkeeper, head locker-man, storeroom man, housekeeper, steward, professional, and membership solicitor. These nine employes in turn delegate their authority to heads of smaller divisions under them, until eventually the individual in charge of the most minor duties of each branch is reached.

Thus, every employee is responsible to only one superior, from whom he also obtains his authority. No chance for conflicting orders by well meaning but contrary minded superiors.

Obviously, the club diagrammed here is large and complex, with well over 100 employes. Many clubs have smaller and simpler organizations, but all duties indicated on the diagram must be performed by someone, unless the department actually does not exist. It is simply a case of one employe covering duties performed by two or more employes in a larger establishment.

This is not the most common type of golf club organization. The average club turns the house departments over to a House Manager, who reports to the House Chairman; the grounds over to a Greenkeeper, who reports to the Green-Chairman; and the golf department over to a Pro, who reports to the Sports & Pastimes Chairman. This cannot help but result in certain overlapping of authority, with consequent waste motion and inefficiency.

The great advantage claimed for the Functional plan of organization, diagrammed here and discussed in detail in Dr. Swanson's article, is the definite fixation of responsibility and authority in smooth-flowing channels from the highest executive down to the lowest employee.

tion is a device that a good manager uses to make it possible to manage the business well. Just as a carpenter uses a saw and hammer for specific purposes, a good manager uses the tool of organization, and he organizes his business in order to manage it more effectively.

### Five Steps to Organization.

One of the ideas in organization is the recognition of an objective. You cannot organize unless you organize for a purpose; thus, it is essential in an effort to organize successfully that you definitely have in your mind an objective, the thing for which you are organizing. That is the first step in organization.

The second step in organization is that you have enumerated before you, or in your mind, all the activities in the business you are going to organize, because organization involves doing something with those activities. By activities I mean, in a club, feeding activity, entertainment activity, service activity, mainte-

nance activity, and a long series of other activities.

Your third step is to group these activities for the purpose of creating units of activities. These units can then be assigned to individuals for the purpose of supervision and for the purpose of execution.

Having grouped your activities, the fourth step in organization is to assign those activities to individuals, and that is where we merge into management.

Your fifth and final step in organization is to relate those groups of activities to each other so that you have a complete tie-in from the top to the bottom of your set of activities.

Thus, organization is not a simple thing; it is complex, but nevertheless very definite.

### Manager Organizes Constantly

Consider next the relationship between management and organization. I stated that the two are very closely related, and



that organization is a tool of management. Now, in actual practice, when a manager is operating his club, he is constantly organizing and re-organizing, he is constantly doing a part of his organization work as a part of his management work, because business is not static. It changes almost every day to re-adapt itself to new conditions constantly coming up.

For that reason the manager of a club constantly remodels and revamps his organization. That interplay of management and organization is a condition which is necessary to business, and is a condition which, I believe, explains why so frequently the idea of organization is not separated in the minds of business men from that of management, because the two are so closely allied in fact, as a part of the day's work.

### Club Make-Up Is Like Hour Glass.

In approaching the subject of business organization as it is applied to clubs, I picture organization as an hour glass, two isosceles triangles, one standing on its apex and the other standing on its base, the two meeting each other at a central point.

The bottom triangle in this organization is your *ownership* organization, and the top triangle is your *operating* organization. An organizer of a club has two problems: to organize the membership, and to organize operations.

In organizing a club, your members are your owners, and in these members, as owners, resides the only authority and responsibility with which the organization can work. The problem in organizing ownership is to concentrate that authority and that responsibility from a large membership into a small unit, necessary in order that such authority and responsibility can be handled and manipulated.

Thus, we concentrate the authority and responsibility of the membership into a small unit, known as a board of directors, who will have two functions to perform: (1) a legislative function (determining the policies of the organization) and (2) an executive function (executing the wishes and the policies of the board).

Here is where a great deal of confusion enters business organization, particularly as it applies to clubs. A board of directors organizes into committees for the purpose of legislation. It appoints a committee on admissions, another on house, another on maintenance, and another on finance. The function of such committees is to study

their problems, and to recommend back to the board the policies which should govern the board in its execution and management.

### Committees Should Issue No Orders.

Committees, as such, have no executive function, and it frequently happens at this point that the boards of directors make a mistake by not recognizing the difference between the legislative job and the executive job with which they are confronted. We appoint committees to study the problems, and then for some reason or other, that committee is given authority also to execute its own recommendations. I shall come back to show how that cannot function in line with good organization.

In addition to the board's legislative function, which it performs through committees, as outlined, it has an executive function; namely, that of seeing to it that the various activities of the club are attended to and performed. It organizes for its executive work by appointing a still smaller body, and *eventually that body should organize itself into one individual*, either a chairman or a president, who represents its single executive head, so that for executive purposes *the authority and responsibility tapers down to one individual*. Why is that rule essential? Because in business organization authority and responsibility are coterminous, must be identical, and must not be separated. There will always be trouble when you do.

As a business organization, we have learned that the one sure way of keeping responsibility and authority together is to finally taper down this authority and responsibility to one individual.

### Checks to Control Individual.

Immediately the question arises: "How do you dare to place in that individual all authority and all responsibility? What are the checks and balances?" Business recognizes that there must be checks and balances; we have three ways of doing it:

(1) By the board of directors laying down very definite policies for the chief executive to follow.

(2) By laying down a very definite budget, which is a detailed plan of control of operations.

(3) By auditing the results of the individual.

By using these three methods, you get the full benefit of correct organization, because you get your authority and respon-

(Continued on page 142)

## FINE GREENS and FAIRWAYS

Produced and  
Protected  
by



“FRIEND”  
GOLF SPRAYERS

A “Friend” at Exmoor C. C.  
Chicago

“FRIEND” Golf Sprayers deliver a spray which is soft and penetrating. Double compartment tanks; Drip-proof, easily adjustable, high pressure pumps.

Write for particulars.

FRIEND MFG. COMPANY  
DEPT. G. GASPURT, N. Y.

nor eliminates all throttle or spark adjustments, and lubrication is obtained from oil mixed with the gasoline fuel.

The weight of the entire scythe with motor is 160 pounds, counter-balanced to a lifting weight of but 15. The frame is constructed of pressed sheet steel, welded and riveted. The gas tank is of ½-gallon capacity, sufficient to operate the scythe for 5 hours of average cutting.

## Business Organization Applied to Clubs

(Continued from page 24)

sibility focused in one individual, with the freedom of movement and the moral responsibility of one person. At the same time, you get protection against having any wide divergence from the wishes of a board of directors by means of these three types of control.

### How to Set Up Operations.

Now we have organized the ownership; next comes the problem of organizing operations. Up to this point our problem has been how to concentrate authority and responsibility by delegating it to a smaller and smaller number until we get it to one man. When we get into the operating organization, our problem reverses itself. It becomes one of how to disperse the authority which is vested in one individual to the dozen or hundred, individual operators who are performing the activities for which we are organizing.

At the top of the operating organization must be one individual, just as at the top

## “BURN-ALL” INCINERATORS

SPARK-PROOF  
OUTDOOR—ODORLESS

For quick and safe disposal of Garbage, Refuse, Rubbish, Leaves, Grass Cuttings, in fact BURN-ALL INCINERATORS burn anything burnable.

NEW PRICES 1931

No. A1—Capacity 2¼ Bushels...\$27

No. 4—Capacity 4½ Bushels... 45

No. 8—Capacity 8¾ Bushels... 82

Made and Guaranteed by

SETH SALES CORP.

62 W. 14th Street, New York City



of the ownership organization must be one individual. There must be at that point complete concentration. In a large number of businesses, the chief executive of the ownership organization can be the same individual as the chief executive of the operating organization, for the reason that the president of the company, who is the chief of the ownership organization, is frequently equipped technically, and from a point of view of ownership interest and of being able to devote his entire time to the business, to also be the head of the operating organization.

But in clubs it most frequently happens that the president or the chief executive of the ownership organization cannot be the chief executive of the operating organization, for two reasons:

First, because he is not in a position to devote a sufficient amount of his time to the operations to be such; and

Second, because he is not ordinarily equipped, by virtue of training and experience, to function in that capacity.

Thus, the most common practice, and the soundest practice, ordinarily in clubs and voluntary organizations is to have at the head of the operating organization a *general manager*, an individual who is not the same individual as stands at the head of the ownership organization.

### Functional Plan Best.

In organizing operations from the general manager on down, what plan is to be followed? There are primarily three pos-

## Brie-Johnson GOLF ARCHITECTS

Construction — Remodeling — Maintenance

310 S. Michigan Ave., Chicago

Phone—Dearborn 3438

## A Better GOLF SWEEPER

Sweeps clean—Reduces labor.  
One man does the work of five.

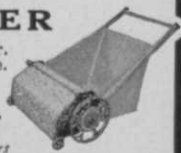
Ask Your Dealer or

Write Us Direct

Springfield Lawn Sweeper Co.

Springfield, Ohio

Also makers of tractor drawn sweepers



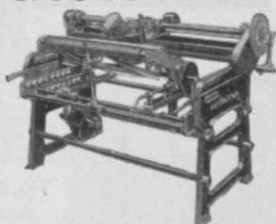


**THE PEERLESS MOWER SHARPENER !**

PROTECT your turf against damage with a Peerless Mower Sharpener that grinds and reconditions by "lapping in" all makes of power, horse, or hand tools as only a Peerless can — scientifically —

quickly—perfectly. Operated by  $\frac{1}{3}$  H. P. motor. Pays for itself in no time. Write for catalog and list of users.

The Fate-Root-Heath Co., 888 Bell St., Plymouth, Ohio



## EMMET, EMMET & TULL

### Golf Course Architects

Devereux Emmet  
Devereux Emmet, Jr.  
A. H. Tull

19 West 44th St.  
New York, N. Y.  
Vanderbilt 3-5517

sible plans, but the one that dominates today in modern management, by right of results, is the *functional* plan of organization.

When I say that the plan for organizing, from the general manager of the operating division down to the individual operations, is a *functional* plan, I mean that the organization from that point down is by *functions*, and not by any other idea. The activities of a club are grouped according to their relatedness, and that serves as a basis for the subdivision under the general manager.

Taking the first breakup of activities in a golf club on the functional plan, we would subdivide under the general manager the activities related to feeding the members; thus we create a feeding division. We take another series of activities related to the playing activity of the individual, and we bring those into a department. We take the activities that relate to the maintenance of the buildings and grounds, and we put those into another division. In that way our divisions would consist of related activities. We would take all the office and accounting activities and put them into another division.

Under each of these divisions, we would subdivide the activities again in exactly the same way. The feeding division would be split into buying activity, storing of foods, serving, and so on, breaking up the feeding division into a series of functional departments, and then again taking each

of those and sub-dividing them down.

### Plan Gives Control Plus Experts.

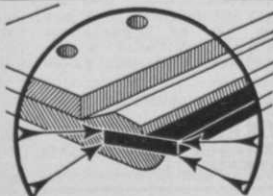
By organizing on a functional plan, the general manager will have an individual in charge of every kind of activity. That gives him a direct flow of authority and responsibility down to the least important employe, which is essential. One man, one boss; every individual, all the way down, is responsible to only one individual and gets his authority from only one individual.

But the general manager gets a second tremendous advantage—he gets a group of experts as well as a group of administrators. For instance, his heads of divisions will not only be men who run the divisions, but will be experts in one line, not jacks-of-all-trades. He will have under him an expert on feeding people. He will have an expert on accounting, because his man in charge of office activities will deal only with office activities. He will have an expert on maintenance, because his head of the maintenance division will be a specialist only in maintenance.

As a result of breaking up into departments, the manager will not only have an administrative head, but he will also have several expert advisers under him, each man specializing in a particular kind of work.

### Weaknesses of the Other Set-Ups.

The functional type of organization is not at all a common type, and that until



## 4 Cutting Edges to Each Blade!

New  
Low  
Prices

Easily attached; quickly changed.  
Send for Price List G.

Budd Mfg. Co., Ravenna, Ohio

# BUDD MOWER BLADES

## Spray Your Weeds Away

with

# WEED OUT

Hand digging of weeds from your lawn no longer necessary.

**WEED OUT** chemically destroys Buckhorn, Plantain, Dandelion, Crab Grass, Dock, Chickweed, Ground Ivy, Yarrow, Sorrel, Sourgrass, Moneywort, and other weeds common to lawns, *without destroying the grass.* Adds to soil fertility. Easily applied.

Write today for descriptive literature and prices.

**McCLAIN BROTHERS COMPANY**

Dept. 51-O

CANTON, OHIO



Outdoor  
Bubble  
Feed

## MURDOCK



The Best Outdoor  
Drinking Fountain

Write for Booklet

**MURDOCK'S**

Since 1853

Cincinnati Ohio

recently it was very uncommon. It might be possible, for instance, in organizing a hotel or city club, to organize the whole place by floors, having one man in charge of the basement, another in charge of the second floor, and another the third. There would be a series of administrative men, just as we would have under the functional plan; but instead of having an expert in each of the administrative men, we would have a jack-of-all-trades. The man on the first floor would have to do a little buying, a little feeding, a little serving, a little bookkeeping, and a little of everything. He would be an administrative officer, but he would not be an expert. Similarly, the man on the second floor would have a little of everything instead of just one set of activities.

I would be efficiently organized from the point of view of having absolute administrative control of my business; but I would be very weak in that my administrative executives would be jacks-of-all-trades and not specialists. *It is because functional organization brings in this tremendous advantage of specialization, coupled with good administration, that it has so quickly*

*risen to the top and is now dominating all types of business organization, wherever business organization is studied as a science.*

### Manager Has Four Controls

When the general manager of a club, has created his divisions and departments by the functional plan, and has given complete authority and responsibility on down to the final activity of his club, how shall he, in turn, control these individuals? He has the same three methods of control that the board of directors have; he has his policies, which he puts in a manual and writes down for the benefit of his executives, he has his budget, without which no man can operate a business intelligently today; he has an internal audit.

In addition, the manager has a fourth method of control, perhaps the most important thing of all: His method of *personnel inspection*, the eye and ear of himself as he goes through his entire establishment day in and day out. Thus he delegates his authority and his responsibilities to his division men, they to their department men, and they to their units.

## Two Essentials for Better Turf

Cocoos Creeping Bent Seed  
Lecco, the Complete Grass Food

Information upon request

**THE LYMAN CARRIER CO.**  
Granger, Indiana

## Highest Grade BLACK DIRT

Black dirt, bulk or bagged in 100 pound bags, delivered anywhere in central states in car-load lots or by truck. Dirt has highest analysis and perfect in chemical and mechanical condition for use as topdressing for greens and fairways. Delivered within 15-mile radius of Desplaines, Ill., for \$3 cu. yd. Prompt delivery.

Full details and quotations from

**ROBERT F. LEESLEY GRASS CO.**  
Telephones, Riverside 5454 and 5348  
RIVERSIDE, ILL.

He is very careful that he never gives authority without giving responsibility. He is exceedingly careful that he always keeps those two absolutely coterminous, knowing that if he fails there, he has failed in the absolutely vital spot.

Having done that, he uses his four means of control to determine whether or not the authority and responsibility given to the individual is adequately and properly handled.

### Club Organization Peculiarities

There are two or three special problems in clubs, as against ordinary businesses. In a club, your owners are also your customers. That frequently happens in other businesses, but it is not so common elsewhere as it is in a club. You must constantly keep that in mind as an organization or management factor. In the same group, you have the individual to whom you make all obeisance as a customer; at the same time he is the individual to whom you look for your ownership authority. This creates special problems, which are clear to every person who has anything to do with club management. It only creates a problem because of the proximity of the two, but there is no difference in principle.

The second special difficulty in club management is that the service which you give your customers is of a peculiarly intimate type. It is closely related to that of the home. It is the same as that in the hotel and the theater; and you have to organize for service much more than you have to do in most other businesses.

### Take Tip From Theaters

That is recognized by a good organizer and a good manager in hotels, theaters, or in clubs. For instance, in Paramount-Public theaters, the importance of that is so thoroughly appreciated by the management that every phase of service has been studied and gone over by the executives. It is written down in detail, and every individual is trained in it and schooled in it as though it were a subject in college.

When you go into a Paramount-Public motion-picture theater you scarcely notice the way in which you are being handled by the usher. It isn't an accident. Every gesture of that usher and every word he says to you every time you speak to him have been inculcated in that boy's mind, so that if you want to experiment with it by making the same complaint to three different ushers in three different theaters, you will be told exactly the same

thing in the same tone of voice and in the same words. Someone, who knows exactly the way a person is treated in the finest homes is used to train that boy, who perhaps has never had the benefit of a high school education and who comes from an ordinary home. He is so trained that when he talks to you or answers your questions, he does not do so in the way he would from his own experience, but he does so in the way that a person of refinement and culture would speak to you in a home of consequence. What he says and does has been given to him by an individual who has the background of that culture and that refinement in exactly such a home.

I merely bring that out to illustrate the significance of the service element in club management. The intimate nature of the service you render requires a refinement of organization and management in its handling, which many individuals are not adequately allied to.

The third particular weakness in club management and organization lies in the fact that frequently, and perhaps too frequently, individuals come to the head of the ownership organization in a club by other reasons than their peculiar business fitness as executives. They are popular, well-liked and are perhaps willing to be a goat, and for that reason they are wanted at the top. In the ordinary business, that is not true. The man who gets to the top of the ownership organization ordinarily gets there through fire; and when he comes to that point, he is very frequently peculiarly fitted as an executive.

That is not true in clubs, and for that reason you are apt to have poorer organization and poorer concept of sound principles of organization and management in the ownership side of a club than you are in the ownership side of a business. Also you are apt to have a cutting-across from your ownership organization into your operating organization at many points below the top.

In a business, no one would think of it. No member of the board of directors of a well-organized business would think of telling an intelligent department head what to do or what not to do. It would never occur to him to do it. In other words, that is not done, because the principles of organization are recognized and understood. However, that is frequently violated in a club for various reasons, and that is a problem with which the manager must contend.