

Management Foresight Solves Problems In Easy Stages

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When a manager and club officials view the prospects for club management cautious judgment is at a premium. Now many clubs find themselves with longer waiting lists and larger cash balances than they've ever had before. Certainly the experienced manager or officials aren't going to claim credit for this highly desirable state of affairs regardless of what diligence and resourcefulness the manager has exercised or what sound judgment the club administration has brought to the club. Conditions have favored the sound, established clubs.

What we have to consider now is the possibility of conditions not as favorable to country clubs as many factors have been in the past 5 years, notwithstanding the numerous problems of shortages with which we have had to contend.

There always is the threat of inflation in a postwar period. The club can do no more to meet it than the wise individual can. A club can do little except watch expenses against income, shun the marketing practices that promote inflation, and carefully watch orders placed for future delivery when prices are subject to the market prevailing at time of delivery.

The Denver Country club is out of debt. It has a waiting list of 150. Places were reserved on the regular roster for men who were in military service and have returned. So we took care of all members to whom the club had an obligation of honor but we have no plans and no space for caring for additional members.

Club Increases Dues

The necessary clubhouse alterations and improvements will be cared for by an increase in dues which went into effect Oct. 1, 1946. The matter of keeping dues and initiation fee income in proper balance with operating income is one thing that will require considerable study and judgment at many clubs. We do not think that the boom income of the war era and the immediate postwar period will continue and increase but we do believe that we will have more house income than during the

prewar times. Keeping that increase in balance with the increased costs calls for close vigilance and action. Our policy is to plan more for the comfort of members than for a great expansion of business.

Certainly the tax situation as it governs the spending of members must be carefully watched by club officials and managers at the metropolitan district clubs. We all have seen what an important element taxes are in determining club income. In the early days of the war managers at some clubs thought heavy taxes that sharply reduced members' net income would cause a slump in clubhouse revenue. However the shortage of domestic help and a transfer of considerable business entertainment funds to club spending accounted, in a large measure, for unexpectedly big increases of clubhouse revenue.

What may seem to complicate the problem of keeping a close and intelligent watch on club operating costs is the officials' inability to get financial statements of various clubs that can be compared with any great degree of accuracy and helpfulness. Conditions of size, facilities, locations, volume of business, and membership demands vary so much that even a classification of accounts as uniform as possible could not tell in figures the whole story to club officials. However such comparisons are made on a quite sound and practical basis by the club managers' organizations in each district. The managers compare notes and adjust for varying control factors. It certainly is to their primary interest to see that house operations are conducted with the utmost efficiency and at lowest cost compatible with conditions established by the desires of the membership and the possibilities or limitations of the clubhouse.

Interest the Younger Members

Now, possibly more than ever before, the club administration must consider the lesson that should have been learned in the early '30s when there was a decided exodus of many older members from a lot of first

class clubs. Then, to their dismay, club officials were reminded they had not looked forward to encouraging young members.

At the Denver CC we have maintained lively interest of younger members. Besides the golf there is tennis, a pool, skating rink, junior dances with a small orchestra and a milk bar. A junior Board of Directors certainly is an idea worth considering at many clubs. Our club's directors have been foresighted by going into the field of younger members for some new directors each year. It is the surest way to keep a club from becoming dangerously smug while the parade passes and there arises a new generation that knows not the old regime nor cares for the proud but dusty old tradition.

Definitely the administration of any virile club must eventually find that small committees are desirable. Large committees are too difficult to swing into action. Capable management and good managers tend to lessen the number of members on committees by doing the work which personnel of the larger committees is expected to do but rarely does.

A close understanding between department heads and elected officials is essential and is achieved only by supplying information on operations.

Committees Get Full Reports

At our club the manager issues a regular monthly letter to the house committee. This committee meets a week before the regular board meeting. The letter contains a beginning inventory, amount received, amount used and closing inventory of bourbon, scotch, gin and rum. This gives the house committee a complete picture of the liquor stock. All purchases over \$50 (other than foods and beverages) also are listed. A list of all work completed in the house during the past month is furnished and the work to be accomplished during the following month is set forth. During food rationing our house committee also was furnished with reports on rationed food.

Requests for raises and dismissal of employees are presented. Also reported in the letter are number of meals served, need for any large amount of buying such as futures on canned goods, meat and poultry to be put in storage, the time and price to purchase, and in general, a brief review of the manager's problems.

The same plan is worked by our Grounds supt., Jim Haines with his committee.

The result of this procedure is to develop a close and mutually helpful understanding between department heads and committees. The house committee gets a close insight into the manager's problems

and the manager gets specific help from the experience and information of the house committee members.

It is certain that managers, house committees and boards of country clubs will have in the very near future two matters to decide and act upon. One is that of accident-health-retirement insurance to attract and hold a desirable class of employees who know how to work and are willing to work. The other is a service fee arrangement in lieu of tips which will work out fairly and reward the capable worker. And at many clubs there also will be the problem of enlargement or improvement of help's quarters.

"Permanent" Committee Jobs

There has been a growing trend during the past few years to have major improvements come under the jurisdiction of committees that will continue in operation until the work is completed. Such committees should be apart from the regular standing committee for the department in which the work is being done. The committee should be composed of men who have complete knowledge of the work to be done. If all members of such committees cannot continue for the duration of the job at least half of them should be retained until the work is completed.

In the course of postwar major improvements at the golf and country club there again is bound to be considerable discussion about the sums to be allotted for the house and the course work. In the past allotment has been governed mainly by the aggressiveness of the committee that gets the lion's share of the money.

It is my observation that income in a representative golf and country club should be allotted 50% to grounds, 30% to clubhouse and 20% to general overhead, as a general thing. In the studied judgment of club officials and management these percentages can be wisely altered.

Our policy has been to hold back on improvements and purchases until merchandise of good competent construction again comes on the market. Now that period seems to be in sight and the foresighted club can buy and build with the future in mind instead of having to buy because of current needs or replacements and improvements that are desperately needed.

KNOW HOW . . .

to solve your operating problems
the efficient, economical way.

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