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It's Only Good Business

Would Show Club Financial Statements to Pro, Supt.

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IT IS often said that frequent changes of officers and poor organization of committees mainly account for failure to operate private golf clubs in a businesslike way.

But you don't hear of another common and important explanation of inefficiency in club operation.

That customary fault is neglecting to provide all major department heads with copies of the club's monthly and annual financial statements. Without this information department heads have no accurate and useful idea of how the club stands financially. Without the financial data the club heads lack facts that could guide them to revisions and coordination of departmental operations for the good of the club.

There is a great deal of talk about harmony and effective cooperation between department heads of golf clubs. But the meetings and discussions are decidedly limited in their usefulness when the department heads involved haven't the club statements that show what the score is on the club business.

Why isn't it general practice at all private clubs to give the professional and the supt., as well as the clubhouse manager, information that shows how the club business stands and how it has changed for better or worse since the previous month's report?

One reason for this failure is that the custom became obsolete due to the development of departmental heads as executives and their progress in business management.

The manager works in the clubhouse where the club books are kept and the

financial statements compiled. For that reason he always has had access to club financial data. This is as it should be and gives the house manager information upon which he can direct his operations as closely as practical to the prevailing conditions at the club.

Pro, Supt. Overlooked

Under the old style system, which so often is in effect at clubs, the professional and the grounds supt., merely because their departments are outside the clubhouse, are not provided with the financial scorecard enabling them to operate to best overall advantage.

The situation obviously is illogical as it keeps the eating, drinking and lockerroom storage and showering at a club out of balance with the development and management of golf play and the supply of golf goods by the professional's department, and out of balance with the course maintenance operations which are vital to the successful operation of the club.

Interesting reflections of this lack of balance appear in the summaries of club operating figures prepared by leading firms of club and hotel accountants and printed in GOLFDOM. Differences between clubhouse and course figures, and the absence of figures showing relationship between play and clubhouse revenue and course maintenance expense, indicate the need of getting all of the department heads into the accounting act.

Another reason for the undoubtedly wasteful failure to acquaint the profession-

al and supt. with the overall operating figures and financial status of the club probably lies in the old belief that the professional and supt. are not "figure" men.

This misconception of the pro and the supt. as men who don't know the ABC's of accounting could be erased quickly by an examination of the facts.

Supt. Has Been Educated

Any club official, clubhouse manager or professional who has kept in touch with the programs of the Golf Course Superintendent Associations' national and regional conference programs must be aware of the great attention given to budget preparation, expense supervision and control and the battle against rising costs by the supts.

In view of the unpredictable effects of weather, turf diseases and pests on course maintenance costs and the labor problems that supts. have in competition with industries' propositions to employees, it must be plain that the supt. is a man who must get the money picture quickly and correctly.

I can say from my own observation and discussions with supts. that the great progress course maintenance has made in applying business management methods has been realized despite a discouraging absence of cooperation and appreciation from club officials in general.

Of the professionals' place in the picture of increased operating efficiency through knowledge of the club's financial status, I can write from experience.

My own club, in making operating figures available to me, provided education and incentive enabling me to do more for every phase of club operations and do it with an understanding of what all department heads are up against.

The professional usually is a man who can read the business story from the financial statements. He has to be able to do that or his department, which he customarily operates at the risk of a considerable investment in shop stock, time, salaries and other expenses, can quickly get him deeply into debt.

Figures of golf goods manufacturers' credit departments show that progress in the professionals' phase of business management has been greater than the overall advance in golf club business.

The fact is, generally, that most clubs could not afford the benefits of first class pro department operation were it not for the pros' own financing, management and operation. This efficiency, essential if the



International Ducat

Frank Pace, Jr., who succeeded the late John Jay Hopkins as pres. of International Golf Assn., greets Nobusuke Kishi, Japanese prime minister, with the first ticket to the international championship matches to be held at Kasumigaseki Club, Tokyo, Oct. 24-27. Kishi, an ardent golfer, played several rounds with President Eisenhower on his recent visit to the States.

pro is going to have a good standard of living for his family and himself, often makes the pro department the best operated department of the club. This is a particularly significant point as the pro gross profit very rarely is equal to the gross profit on liquor and food at private clubs.

The tax and legal phases of the pro's operation in charge of one of the three major departments of a golf club are factors in the club's sound and economical operation, but they are not as important, by a long way, as what the pro learns from his own efficient business that the club can use.

What the clubs will do to take advantage of the pros', course superintendents' and managers' informed, competent and frank discussion of club financial data will have a great deal of bearing on how clubs will be able to satisfy the increased demand for services without running the operating costs so high many desirable members can't stand the load.

There must be a drastic modernization of policy and procedure giving the club professional, house manager and supt. all complete information on the club's financial status.