

Accent on management

by Ken Emerson Executive Director, National Club Association

Figuring golf handicaps, long a much shunned task and the subject of endless buck passing on the average golf club's staff is rapidly succumbing to data processing techniques. Such applications to the other day-to-day operations of the club have been much slower, however.

Although computers, computer service bureaus, and data processing systems are fast becoming the workhorses of the business world they have yet to really take hold in the club industry. There has, in fact, been a noticeable resistance to them.

Listen to a few of the comments from the traditionalists:

"Too expensive."

"Members won't accept it."

"OK in business maybe, but it can't be applied to clubs."

"We're too small; in a few years, perhaps."

The truth is that it's not a matter of "whether" or "when", but how.

How can you, as the manager of a golf club, use this management tool today? How does it fit into your day-to-day operations?

Part of its problem in gaining acceptance is the need to put data processing in its proper perspective in the larger field of management information systems. Just as a portion cut steak is a part of the convenience foods picture so a unit record system is a part of your office information system.

And just as that portion cut steak will reduce food cost only when properly used in conjunction with other good cost control methods, so data processing is useful only as it can successfully retrieve, interpret and make meaningful information available to the club manager. This is the real intent of management information systems.

Relieving the work load is, of course, a desirable and generally a realizable benefit, but it is not one that necessarily follows the installation of a data processing system.

In fact, if the reduction of labor costs is the primary reason for considering the installation of a data processing system a club would be wise to investigate the services your local bank or computor center can offer. This may well be the best answer.

It is certainly one that has worked well for Oak Ridge Country Club in Minneapolis and Paradise Valley Country Club in Phoenix. One uses a bank and the other a computer center to handle receivables and the payroll.

Payroll is probably the best place to begin cost comparisons of your present system with a computer operation. The time you spend on making up the payroll is easily identified and the cost can readily be checked against that quoted by your bank or computer center.

Handling receipt of payments on member's accounts is, perhaps, the next step. By changing your remittance address to a special Post Office box and authorizing your bank to pick up its contents you can accomplish the following:

Your bank will:

(1) Open the envelopes. (2) Sort and process the checks. (3) Deposit them to the club's account. (4) Deliver to the club all deposit slips and photostats of the checks for posting.

These two services are the basic means by which your bank or computer center can help you. You can go a bit further by adding your sales chits—food, bar, golf shop, locker room charges, etc.,—to the service either by the direct delivery or by Dataphone.

This single, additional step will, in effect, take your entire accounts receivable department out of your office and into the bank.

It will mean that your bank will:
(1) Post charges to the member's account. (2) Bill him at the end of the month. (3) Give you a sales record department at the end of the month. Or on any given day if that is what you want.

You will also have eliminated the need for a considerable amount of equipment and the time needed to prepare and mail monthly statements. In addition your records will be secure.

Charges for this type of service are usually made by the unit, either on the basis of the number of chits or sales, or by the number of members and, in the case of payrolls, the number of employees. Some clubs with large memberships and a great many sales transactions have chosen to set up their own computer centers. Such a club is Kenwood Golf and Country Club of Washington D.C.

Kenwood makes use of an IBM 526 card punch, an 082 sorter, and a 402 alphabetical accounting machine. The equipment is versatile enough to perform the following functions:

Daily: Tabulate charge tickets
Summarize charges by department

Tabulate cash receipts

Monthly: Bill members

Summarize statements Provide statistical reports on the membership.

Quarterly: Update membership lists.

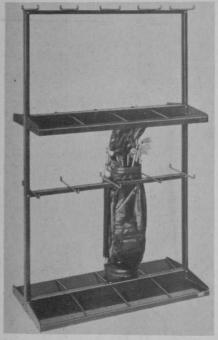
Make Federal and State tax reports.

The system also enables the club to maintain completely current continued on page 78

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was the greatest thing to pass the gullet of this gastronomic expert since the invention of shredded wheat cereal!"

Herb would probably have gone as far as to say, "Why, a dinner like this is your throat's way of telling your ulcer to go to h" It was indeed a memorable dining experience, capped only by the serving of a chocolate mousse to the accompaniment of sliding walls which revealed a dessert table looking like the display from the pastry chefs' of America.

Fifty billion calories vied for your attention and competed for your hand. While the dinner was an etching on your memory of great delights, the table appointments, flowers, music and service made it difficult to decide which was the most outstanding.

Pete, ever hospitable, displayed the generosity of his members by giving what seemed to be an endless supply of door prizes to both the men and the women. John Cremers gave recognition to all of the people in the audience who had made the occasion possible, as well as introducing various dignitaries in the audience.

Dancing, conversation and pleasantries filled the evening until it was time to again board the waiting busses and take the starlit drive back to the beckoning lights of New York City. Our day had come to a close.

management Continued

membership files, to age accounts, and to mail members' statements within five days after cutoff date.

It is interesting to note that installation of the system did not reduce staff. Instead it created a new problem—that of finding a competent operator for the machines. A factor to be considered by any club thinking about such an installation. The equipment rents for about \$400 a month, with punch cards and paper an added cost.

Obviously, so extensive a system can be used by only the larger country clubs. Kenwood is a club with well over 2000 members and

their accounting department often handles as many as 18,000 transactions a month. Smaller clubs would be well advised to look into equipment with a smaller capacity before committing themselves to any system.

Some clubs, in fact, must start with very basic equipment investments. Many small golf clubs are still doing their accounting manually. In order to install a really useful management information system such clubs must start by carefully evaluating their existing forms, statements, sales chits, purchase orders, and even the means by which they keep their members informed of club activities.

Such an evaluation was recently completed at Plum Hollow Golf Club in Southfield, Mich. where manager James McWorter has recently begun installation of an electronic accounting and computing system based on the NCR 395.

When fully operational it is estimated that the system will:

- (1) Provide mechanized, error—free bookkeeping with improved, permanent records and a detailed monthly statement.
- (2) Save a minimum of 50 per cent of the time formerly spent in preparing payroll, accounts receivable, and accounts payable.
- (3) Save at least 8 to 10 days in preparing tax reports.
- (4) Enable the club to even out the workload of accounting.
- (5) Eliminate much of the seasonal part-time help.

One attraction of the NCR 395 for Plum Hollow, in addition to its accounting and computing ability, is that it readily adapts to punched cards and tape and can produce cost control data, reports, journal and ledger, entries and checks.

More sophisticated machines are, of course, available and they will be able to retrieve more information. They also cost more money. However, if machine limitations must be set they are better set in terms of information retrieved rather than dollar cost.

It is how much information you need and how much you can use even more than expense that should be the determining factor.