

## STATE OF THE INDUSTRY

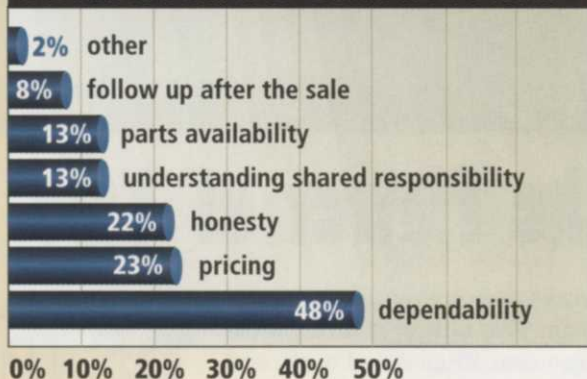
# Golf industry booms, supers step up

*Golf course management is a business today requiring individuals who can make good decisions, people willing to learn science, motivate and manage people and keep an eye on the bottom line.*

By BRUCE SHANK

**S**alaries for superintendents are rising as success in the field is based increasingly on a combination of experience, management performance, education and certification. Ironically, there is less job security as golf courses attempt to meet higher standards to maximize play and membership fees. Today, even the most recognized superintendent faces the harsh realities of the "Business of Golf."

## FACTORS CONTRIBUTING TO GOOD DISTRIBUTOR/END-USER RELATIONS



### The universe is expanding!

There are about 16,000 courses at 14,600 facilities serving 26 million golfers in the United States, says **Jim Kass**, research manager for the National Golf Foundation (NGF). Last year, 429 new golf courses opened for play.

"This level of growth is expected to continue into the next century," Kass says.

Course renovation is up dramatically as well. Golf course architects spend much of their time on refining or expanding older courses. The renovation effort has been helped greatly by the financial and technical expertise of management companies such as American Golf Corporation, Club Corporation of America, Environmental Golf and others. Management companies are estimated to own or operate nearly five percent of all golf facilities in the US and the percentage continues to grow. Group buying and volume sales discounts are tilting the scale in favor of management companies.

As the industry has expanded, so has the Golf Course Superintendents Association of America (GCSAA), the certifying agency of the industry. Roughly two-thirds of all golf facilities have a

GCSAA member as superintendent, and 100 are currently enrolled in the association's certification program, either as certified or working toward certification. A total of 1,677 GCSAA supers now carry the CGCS appellation.

The United States Golf Association (USGA) protects the rules of the game in the U.S., and provides a means of comparing golf courses through its slope rating system. For this purpose, the USGA lists 8,300 courses in its Yearbook. The organization also provides a turf advisory service and regional seminars for superintendents through the USGA Green Section, in the USGA's Far Hills, NJ headquarters. According to **James T. Snow**, national director of the Green Section, 1500 superintendents used the advisory service in 1997.

Despite the growth of golf, the educational support system at four-year public colleges and universities for the golf industry has not grown since the 1970s. Two-year associate degree programs have picked up the slack in some states.

Clearly, the value of superintendents capable of handling the challenges of today's



fast-paced golf industry is rising. Those who are professional and knowledgeable are promoted rapidly. But those who rise the fastest have a grasp of both turf *and* business management.

"Many people don't have an accurate concept of what a golf course superintendent does," says Paul Latshaw, Jr., superintendent at Merion Golf Club, Merion, PA.

"He is the CEO of a multi-million dollar operation who is responsible for budgets, personnel, scheduling, purchasing and productivity, in addition to the final product."

After starting his golf course career at age 12, the second generation superintendent earned a four-year degree in business at Penn State prior to enrolling in the school's reputable turf program. Now, Latshaw works on his masters degree in management at Rosemont College in-between the six-day weeks managing the 36 holes at leg-

endary Merion.

#### **Science and stewardship**

On top of running a business, today's leading superintendents are leaders in environmental stewardship.

"We are doing a better job with fewer chemicals, less water and more responsibility," says Paul Cushing, superintendent at Granite Bay Golf Club near Sacramento, CA.

"When environmentalists asked for our cooperation, they not only got compliance, they got leadership. The reason we can do these things is because we have advanced our technical knowledge to the point that we recognize problems, prevent them when possible and cure them at the right time. By understanding science, you are able to balance one scientific challenge with another. If you look closely at the Top 100 courses in this country, you'll find a solid foundation of science."

Cushing views golf course management as a mixture of

business and science.

"You apply science to meet business objectives," he adds. However, you can't apply this science all by yourself, he warns. You have to train your assistants and crew to do it. Furthermore, you alone have to meet the bud-

**The landing area to green #13 at a Tom Fazio course at scenic Barton Creek in Austin, Texas**

ertain areas during the 1990s. Credit is easy to get in the golf industry. Two strong golf markets have led the way during this decade: Florida

### *Those who rise the fastest have a grasp of both turf management and business management.*

get. And, since no man is an island, working closely with other superintendents is very wise.

"It boils down to soil science and personal experience," says Cushing. "How do you make your course appeal to a wide spectrum of golfers, attract tournaments, and satisfy members?"

#### **Easy credit industry, big audience**

Real estate has provided octane to the golf market in

and Texas. While the PGA, Nicklaus, Palmer and McCumber kept Florida hot with construction, Hogan, Crenshaw and Kite kept the Lone Star State in contention. The Hogan Tour became the AAA of golf with tournaments hosted by courses across the country.

More tournaments mean more opportunity for superintendents. With the PGA and Hogan tours healthy, and the seniors and LPGA getting

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pretty powerful, there are more ways to get your course on television. Rankings mean more, and compliance with tournament guidelines is paramount. Smart golf professionals know the rules and that superintendents make tournaments successful.

A golf pro who found a home as a golf course superintendent in Texas is a great example of golf in the '90s.

"It took four years for me

to be a golf pro. At the age of 18, I got a job on the crew. When the superintendent I worked for didn't get a job he wanted because he lacked a college degree, I woke up. I applied to Texas A&M and devoted my career to being a golf course superintendent."

Miller hit the fast track, building and growing-in signature courses from Arnold Palmer-designed Hidden Hills in Austin to Marsh Creek in

Hills in 1991. The development-based project included construction of three more courses, one by Ben Crenshaw and two by Tom Fazio. Two are complete with the second Fazio course opening soon.

The disadvantage of real estate courses is the uncertainty of the golf course staff once the homeowners take possession of the course following buildout. CCA not only provided the expertise to build the additional courses, but provided security for the staff following buildout.

A big part of that security results from management. By operating the courses more wisely, CCA turned an annual loss into an annual profit. Miller reduced costs by almost 20 percent without a loss in quality.

"When we're done, we'll have 90 holes operating as a unit. That gives us buying power and economies of scale."

Whenever there is a problem he can't solve, Miller calls CCA's Resort Group Superintendent Brad Kocher at Pinehurst. He also maintains close ties with experts back at Texas A&M to help him solve soil and other lab questions. When asked if he had to

choose between attracting a tournament and staying within budget, Miller didn't hesitate to pick the latter.

#### Management company clout

At the same time, it takes financial clout to keep a golf course competitive.

An example is the Tony Lema Golf Course in San Leandro, located on the eastern shore of San Francisco Bay between San Jose and Oakland. Poor soil, sodic well water and a municipal budget were restricting the potential for this course located just north of the Silicon Valley. Superintendent **Ken Schwark** has the knowledge, having built Oakhurst in Clayton and other high-end courses, and served country clubs across the country as superintendent and a soils specialist for Brookside Labs.

"This course is the only one in the area and there is no land to build more," says Schwark. There were tough decisions to make and a lot of investment required for Tony Lema to reach its potential. San Leandro wasn't prepared to take such steps on its own. In the end, the decision was made to let American Golf Corporation take over the course and make the changes.

In the coming months,



**Miller cut costs by 20 percent with no loss in quality of work.**



**Granite Bay GC: (l. to r.) Paul Cushing, superintendent; Erik Ostlund, Kyle Dystra, assistants**

to become a scratch golfer," says Dale Miller, director of golf course maintenance at Barton Creek, Austin, TX.

"There was no place else I wanted to be other than on the golf course. At first, I tried

St. Augustine, FL., to Trairborne in Durham, NC. It was Hidden Hills, later to become Barton Creek, that beckoned Miller home to Texas. Club Corporation of America (CCA) took over Hidden

Tony Lema's current 27 holes and another nine-hole executive course will surround a new conference center and hotel with 200 rooms, made possible by a \$9 million investment by AGC.

Things have already changed. The crew was enlarged from eight to 22, largely by advertising in a local Hispanic newspaper. Schwark and AGC Regional Manager **Mike McCraw**, have laid out a plan and have started to implement it, from employee training to new irrigation.

"This would not have been possible without the resources and expertise of American Golf," admits Schwark. "They are looking at what's best for the course 10 to 20 years from now, not from the standpoint of protecting government employees. If the course doesn't succeed, those jobs will disappear anyway."

"A golf course can take a lease agreement with AGC to a bank and get a loan for needed capital," explains **Mike Heacock**, the company's regional manager for Southern California. "That can solve lots of money problems facing all types of courses."

Developers with capital can achieve some of the same economies of scale as management firms.

"When a golf course helps sell the real estate around it, there are no excuses for not being top quality," states **Matthew Taylor**, superinten-

dent at Bonita Bay Club in Bonita Springs, FL.

"That doesn't mean money is no object. Instead, it means you must use money wisely in a competitive environment."

Bonita Bay is a 2,400 acre master-planned community consisting of five Audubon-certified golf courses. Three of the courses: The Marsh, Bay Island and Creekside were designed by Arthur Hills. Tom Fazio designed the Cypress and The Sabal, which are located on 1,400 acres just 20 minutes from Bonita Bay. The Sabal is under construction, due to be completed by the end of October.

Taylor graduated from Lake City Community Col-

lege and apprenticed under Superintendent Tim Hiers at Collier's Reserve. Taylor is working on his certification.

#### The Hispanic effect

Spanish speaking personnel make up 20 to 80 percent of golf course crews across the nation. In many respects, Hispanic labor has enabled golf to progress to a higher level. Although to the definite disadvantage of unionized crew members, courses can hire nearly two Hispanic laborers

for the wage of one former crew member.

"We have to face the fact that much of our progress has come from being able to reduce labor costs," admits Schwark.

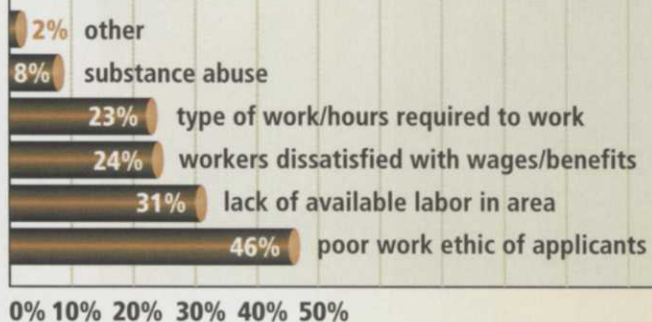
"That would not have been possible without a skilled labor force ready to work for less."

#### Digital reality

Increased knowledge and use of computers is another reality of today's superintendent. Almost all functions of operating a golf course, from scheduling tee times to syringing greens, requires a computer. E-mail enables superintendents to chat with their peers over the internet, and virtually every association and supplier has a web site.

*Survey data by Readex, Inc.  
State of the Industry survey  
sponsored by  
Dow AgroSciences.*

## REASONS FOR DIFFICULTY FINDING/RETAINING WORKERS



**Taylor: use money wisely in competitive environment.**