

Time for a Rule Review?

April 2016

Making Rules that Grow Membership

By Larry Hirsh

As clubs slowly rebound from the recent economic downturn—a period when even the most prestigious clubs deferred capital expenditures—it is appropriate for club leaders to fixate on upgrading the member experience. Thoughtful leaders undertake this effort with one eye on today's members and another on tomorrow's. Clubhouse and course renovations are good

examples of investments that clubs felt more capable of undertaking in 2016 compared to 2010, and improvements that can enhance the member experience today and in five years.

However, if the long-term courtship of future members is a goal (and it should be), all clubs should continually evaluate their culture and atmosphere in the same way they evaluate their golf course, clubhouse and physical plant. This long-



term planning should strive to streamline and modernize rules to ensure that younger members—future members—will feel comfortable at and be attracted to the club. Operationally, this review should also seek to ease potentially awkward situations for club staff, who are often responsible for enforcing club rules.

Club rules may seem trivial, but they're not. Most clubs are understandably protective of tradition, which often manifest in club rules. These rules can be seen as ways to preserve the past and protect the club's culture by providing guidelines for acceptable conduct. Rules are generally set by the club's governing board, and may be modified by the board as its club culture evolves. Clubs should always provide members with fair notice of rules and rule enforcement, especially regarding policies for member conduct

However, too many rules may inundate clubs with regulations and weaken the member experience. A board shouldn't attempt to legislate behavior on a micro scale in a setting that may only require an informal approach. By using rules to address small infractions, boards may not be making informed and helpful decisions and instead may move the club further away from its purpose—to provide a respite for relaxation and leisure, free from stresses of day-to-day life, especially from the workplace where rules are often more rigid.

Sometimes, it isn't the board, but self-appointed "member police" who take more rigorous rule enforcement into their own hands, which may result in uncomfortable situations for clubs to handle.

These dynamics can make balancing the past, present and future that much tougher for club leaders, as they try to mesh tradition with today's trends.

Rule Changes

There are three rule categories that seem to be part of member discussions at many clubs as a result of changing times:

Cell Phones — While traditionally clubs have forbidden the usage of cell phones on site, the proliferation of cell phone use in our society has prompted some club to review these rules and establish limited use of cell phones and electronic devices on club premises.

Dress Codes — This is a time-honored point of contention in the private club world has evolved in recent years to allow for a more casual dress code for members—and especially young families—to come to the club attired in jeans (and tie-less).

Pace of Play — Another issue that clubs have attempted to handle through rule making, with limited success, is pace of play, especially during tournaments. Efforts have concentrated on completing a round within a specified time frame.

Negative Impact of Bad Rules

Here's the bottom line as it relates to smart phones, which may relate to the larger point here: According to ClubCorp, a "clubbable household" (a household that may join a club) earns a median income of \$250,000 (or \$300,000 to \$325,000 in more expensive markets). This type of household includes many potential future members as well.

Younger generations utilize smartphone technology daily (and hourly). This technology unchains a lot of these clubbable-but-very-busy people from their desks. It gives them time to use the club and ultimately contribute to its success. While some cell phone usage certainly can be annoying, overzealous restriction of smartphone use will ultimately limit a club's ability to attract younger members and preclude their active use of the club. This consideration should be front and center of any rule review.

Dress code rules may or may not be suitable for your club. Does the length of one's sock, or whether they choose to wear a belt, impact the club experience for others? Maybe, maybe not, but that's for individual clubs and their memberships to decide—as part of a prudent, continual rule-review process. Ditto for an arbitrary "time par," which would seem to be impossible to impose without consideration of daily conditions such as course setup, weather conditions, the number of players on the course at any one time, whether an event is being held, the format of that event, etc.

It's a complicated, delicate enterprise, but rules assessment should play a role as successful clubs continually balance their traditions with their evolutions as modern, fiscally stable, functional, welcoming places.

Finding this balance is paramount for clubs. Rules that are considered oppressive or overreaching can exacerbate more serious member concerns regarding dues increases or assessments caused by club debt. Often, marginal members may find the combination of these to be reason to exit their club.

Best Practices

Every club should regularly identify its core culture, review its mission, and objectively establish an agenda by which leadership can tailor policies, procedures and rules to that mission in a balanced and objective manner.

This includes bypassing "member police"—that member who always seems to be involved when it comes to rules violations and, most important, reporting alleged culprits to one of the committees, the board or the staff member charged with rule enforcement.

No club should ignore well-conceived and fair-minded rules. However, rule review and enforcement should be the exclusive province of the board and staff, who, in turn, must take the perspective of members into account. Furthermore, emphasis on rules violations should never outweigh broad, enjoyable use of the club. Society needs rules, but clubs—even the most prestigious—should all strive to provide a welcoming and comfortable atmosphere. The future of our clubs depends on that; younger, prospective members demand that.

Clubs that continually review rules should also concentrate on how infractions are handled. Potentially unpleasant situations can be avoided simply by *informing* a member, *informally*, that certain things should be done differently. Often, there's no reason for formal intervention. In many cases, there isn't even a rule broken, but rather an unwritten rule transgressed. Not everyone knows where carts should and shouldn't go—those members simply can be educated, quietly and informally.

In a way it hasn't before, club success in the long-term may depend on the smooth, discreet handling of rule establishment, complaint and enforcement. Too many rules and overzealous enforcement can make a club overbearing. The reason people join a club is to have fun. For younger members, especially tomorrow's members, it should be a welcomed respite from otherwise hectic and challenging lives. Make your club a "kinder and gentler" place. Today's membership will appreciate it, and it will pave the way for future members.

Laurence A. Hirsh, CRE, MAI, SGA, FRICS is the president of Golf Property Analysts. He can be reached at larry@golfprop.com or 610-397-1818.

Reprinted from NCA CONNECT, a publication of the National Club Association. Nationalclub.org.