



# **Getting Culture Right**

Defining and proactively working toward a specific culture for your club is a management imperative, critical for future success.

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things. Each can be critical to the decision making that determines the long-term success of any club. With the recent surge in club membership spurred by the COVID-19 pandemic, younger families are pursuing club membership and seeking evolving experiences. Understanding that the ever-evolving culture of a club can—and should—be essential to planning for future success. How sustainable the recent and current success of clubs is depends on the ability of any club to recognize its evolving culture and cater accordingly.

Identifying and understanding the culture of any golf club or course is a complex undertaking that can significantly impact not only the atmosphere or "vibe" of the club but also the club's economics and potential viability.

Every private club has a culture. Sometimes the character of the club is a result of evolution and at other clubs, it's established exclusively by club leadership through their policies and actions. It's sometimes perceived that the costliest club, or the club with the most extravagant facilities is the most desirable. There are

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clubs that are defined by their perceived level of affluence, their history, their food and of course the quality and condition of the golf course and other facilities. What really defines a club's culture is its people—both members and staff. Consistently in our tracking research, there has been a distinct correlation between member satisfaction, retention and the ability of a club to perceive and adapt to the changing attitudes and demands of its current and future membership. Further amplifying the prominence of club culture in recent years is the need to attract, retrain and reimagine staff culture and fit, as labor challenges have risen to the top of facility operator concerns as shown in the National Golf Course Owners Association's (NGCOA's) Annual Golf Business Pulse research,

Establishing a club's culture and defining it accurately are different and can be critical to decision making that determines the long-term success of the club.

Understanding that the culture of a club can—and should—evolve is essential to establishing club policies and planning for future improvement enhancements and additions. The NGCOA Golf Business Pulse studies and additional custom research conducted by Sports & Leisure Research Group (SLRG) have shown a shifting of priorities that have reshaped those essential amenities and programmatic areas of focus that drive member engagement. So, what contributes to a club's culture and how can this be used to make good planning decisions?

#### Who's It For?

A club can't be all things to all people; thus, it needs to have a mission and define who the club is for. Is it a family club, a place for businesspeople, a serious golfers' club or a place for recreation and fun? To many, club membership is a status symbol and demonstrates personal achievement, often based on financial success. Social status, along with financial success, are sometimes the most prominent elements of the culture of some clubs and the measuring stick can simply be the entrance fee or annual dues levels. These benchmarks, along with a club's revenue levels are often used to define a club's peers and those competing for a given segment of the membership market. As in the age-old phrase "money can't buy happiness," the costliest or most prestigious clubs aren't always the ones with the happiest or most satisfied members—sometimes it's simply

membership's appetite for costs. It's not uncommon to have member satisfaction survey results that simply reflect nobody wanting to say the baby's ugly.

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Present times also demand a broader, hyper-local look at the club relative to alternative forms of self-actualization. For decades, lack of available time (coupled with cost) has typically been one of the two major unactionable barriers for greater engagement in golf and clubs. Yet as, detailed in SLRG's ongoing Consumer Optimism Barometer tracking research, the COVID-19 years began a foundational shift in creating greater time flexibility, which has manifested itself of late in a significantly greater prioritization being placed in living for today. The club's culture directly drives the psychic rewards and perceived value derived from the investment of time and money associated with belonging to a club. And now that Americans have become more focused on work-life balance, the ability of clubs to drive that value relative to other forms of recreational entertainment and leisure becomes more critical. Club culture is at the heart of the consumer's decisionmaking process. Where will one derive the greatest return on that investment?



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Within any market segment, there may be clubs that define their culture by catering to certain groups that might be defined by age, (younger vs. older), heritage (Italian, Irish, etc.), religion (Jewish, Catholic, etc.) though more often than not—and thankfully—clubs now exhibit more diversity in these and other categories like race and national origin than in bygone days.

Maybe most relevant is that culture is first defined by a club's atmosphere. For instance, there are clubs that require golfers to use a caddie, some that require golf carts and some that leave the choice of how to navigate the course to the golfer. There are clubs that emphasize social events and some that focus on sports like golf, tennis, swimming and fitness. Some clubs are active, busy and festive places while others are more subdued with members speaking in hushed tones and guests seemingly walking on eggshells. Some clubs need to work harder to create that oasis from the day-to-day that SLRG research continues to show as a critical success factor for club resonance. Is this best achieved by creating networking or social activities that build interpersonal relationships and camaraderie, or are members looking more for their own haven to isolate, decompress and selectively share the experiences of the club with those of their own changing?

#### **Rules and Policies**

Further defining a club's culture is the scope of rules and policies. Some clubs have more rules than anyone can remember while others maintain a minimalist approach, only establishing rules as needed to address specific problems. Enforcement of club rules can affect a club's culture as much as anything, especially when club leaders are ensconced in their positions for seemingly interminable periods and focus on enforcement even when rules aren't violated or for the purpose of exercising authority. When club leadership disciplinarians distribute suspensions like free tees in the pro shop, the membership becomes uptight, often joke about "getting a letter" and the atmosphere becomes less comfortable, with members seemingly always looking over their shoulder.

Some club leaders take it upon themselves to not only establish unnecessary rules but also unilaterally and selectively enforce those rules, even when there are no violations. This usually results in unhappy members and an atmosphere contrary to the club's purpose. We all know the one or two members at every club like this. They have few friends, always hang out or play golf with the same few people and rarely seem to have a good time enjoying the club they presumably care so much about. Everybody talks about them, but rarely pursues it because most just want to enjoy the club rather than have it become another job. Some simply seek the power and authority involved in running the club, but there are also those who stay too long, demand preferential treatment, excuse themselves from obeying the rules they establish and even partake in financial irregularities.





## Staffing

Culture plays a large role in attracting and keeping quality staff and varies considerably from club to club. At some clubs, members are required to be rigidly addressed as sir and ma'am or Mr. and Mrs. as opposed to being on a first-name basis with staff. With emotional and mental health now an issue of prominence, staff access to mental health care is becoming more important and more common. We've observed a clear shift in clubs where staff empowerment and creative approaches to engagement and personal and professional growth have risen to the top of the list of best retention practices. As some clubs have pivoted to more family-friendly programming and promotion of a more inviting environment, the ability of staff to evoke and personify that emphasis becomes a critical success factor in fostering that culture.

Do people greet each other with a wave, a handshake or a hug? Historically, private clubs have been an oasis of decorum and politeness, but not always a warm welcome. Some clubs attempt to create a welcoming and friendly atmosphere. Others seemingly seek to establish rules and policies attempting to develop prestige that are often perceived as stuffy. The resulting environment is equally stiff. Still others, attempting to elevate their reputations, foster an air of superiority while attempting to display an (often insincere) culture of warmth. Anyone who's visited many private clubs has experienced the country-club wave where members might acknowledge others with a wave of the hand while not even looking at each other. Private clubs can be the most comfortable places and at times the most awkward—even for members. At some clubs, it seems as though the goal is to make both members and guests as uncomfortable as possible. Each club has its own unique culture.

Some upscale clubs, often in the interest of establishing a level of status, foster an atmosphere often described as stuffy where interactions are sometimes subdued

and conversations are often in hushed tones. The handshakes are typically firm but not always warm and welcoming. Other clubs seek a more casual environment.

Some golf facilities (private and public) have a golf-factory feel to them and there is a focus on volume of play and shepherding play around the course. In many major metropolitan areas, golf comes in various forms. Private clubs sometimes focus on walking the course, having captains of local business and industry as members and maintaining club traditions, often with numerous rules relating to dress codes, cell phone use and other issues. Golf courses at these clubs are normally precisely manicured for the most perfect playing conditions. By contrast, the daily-fee and municipal courses in these same locales exhibit considerable economic, ethnic and racial diversity in their patrons and golf course playing conditions that can be both ideal and not so great. It's also not uncommon to see a variety of homemade golf swings producing good results that are rare in the more polished environments of most private clubs.



### **Analyzing the Culture**

Every club's culture is different and displays a varying combination of characteristics. Taking the time to analyze and evaluate that culture, in addition to focusing on club facilities, and view it within an appropriate competitive context

relative to other clubs and discretionary activities can mean the difference between sustained success, financial failure or treading water. Happy members and staff are what make clubs successful, and they don't often speak up when it's needed for fear of reprisals or unwanted scrutiny. Understanding the culture and desires of those stakeholders goes a long way toward achieving, retaining and growing happy members, and effectively positioning the club for future success in a competitive environment.

The economics of member-owned private clubs are usually of a not-for-profit nature, with members determining how the club operates and paying the bills. Conversely, investor-owned clubs require a profit, sometimes compromising conditioning, service or other amenities in the interest of economics, but also sometimes providing an excellent experience more efficiently and cost-effectively. Municipal courses are sometimes perceived as a recreational amenity for the community and can be subsidized or at best expected to be self-sustaining. Politics often impacts the municipal model, sometimes determined by the current community leaders.

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Regardless of a club's economic model, studying the present and future culture of a club can aid in planning for the future. The first step in club culture analysis involves compiling lots of information, including membership makeup, club rules, activities/amenities, costs of membership, club goals and governance, as well as deep belief structures, perceptions and attitudes of members, staff and even potential members or those of competitive clubs, just to name a few. The exercise can be most enlightening and critical for long-term success.





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