

## KEY MATTER PROPOSAL DOCUMENT – CLUB STRUCTURE AND SHOP RELOCATION

### MEMBERS QUESTIONS AND MC RESPONSES

Many thanks for the proposals. It is an encouraging move towards the model I was hoping we could implement back in 2020 before things went pop, so it's good news for me. I think the current arrangement has been less than suitable and whilst I understand why it was done, I'm pleased to see an acknowledgement that the direction of travel may need to be changed moving forward.

Could I request a breakdown/summary of the costs of the proposal please?

#### 1. Finance Impact

The financial impact on the club is presented below by comparing the current cost of golf management, as it is today, with the cost incurred if the proposal is implemented in the new year on the current budget 2022-23 and the following year 2023-24. The income line shown below is the net margin contribution from retail sales only and does not include income generated from the practice ground, buggies, trolleys or any green fees. These income streams are separate and for clarity continue to be retained by the club. All competition income continues to be held on behalf of members by the club.

#### Proposed Golf Structure Costs (Greens and Clubhouse costs remain constant in the proposal).

Current golf structure staff cost £49,800

Current margin contribution from the club shop £14,800

**Net cost £35,000**

#### Proposed Golf Structure Costs budget year 2022-23

Proposed golf structure staff cost £56,800

Proposed margin contribution from the club shop £14,800

**Net cost £42,000**

#### Proposed Golf structure costs budget year 2023-24

Proposed golf structure staff cost £59,800

Proposed margin contribution from the club shop £25,000

**Net cost £34,800**

I only did a brief piece of work on this and quickly realised all of the different considerations that need to be taken into account and I'd appreciate it if you can forward your views on how the different income streams may be split. To give you some idea of the areas I remember looking at I've put some bullet points below and would appreciate if these can be covered in any response.

- Will the intention be to pay the professional a retainer?
- Who will pay for the Assistant pro and shop assistants? the club or the pro from a retainer?

- How many hours will the pro be expected to be in the shop/at the club vs playing in competitions etc?
- How will the retail side of the shop be set up? Will the club own all the stock or will the professional need to provide the initial capital?

## 2. PGA Professional

The proposal from the current MC is such that a PGA Professional will become an employee of the club and their split of hours between teaching and playing and running the golf division, will be agreed within their contract. Our business plan looked at both retainer and employed models and both were overlaid onto the current situation that exists at CGC. We concluded that by employing a PGA Professional, a PGA assistant and a sales executive, stocking the shop ourselves and integrating the 'golf division' into our management structure, that we could operationally and financially future proof the club as a whole for many years to come. By offering a more controlled and consistent service to members via a management team, our belief is that this model will better support our volunteers and MCs going forward. This model achieves all of our objectives whereas the retainer model is subject to much greater risk regarding control, service, performance and cost.

Encouragingly, a recent article by the GCMA covering clubs who have found themselves at a similar crossroads as ourselves, actually backs up our own strategic thinking on this option. The article is attached to this document and a link to a webinar that the GCMA carried out with the club managers of some of these clubs is below.

See the webinar with this link <https://www.youtube.com/watch?v=qy0qdWml7Mc>

- How will the various income streams be split, inc. electric/push trolleys, buggies, range balls, profits from shop etc.

All income streams will be retained by the club except PGA lessons.

- Will the professional need to pay the club to use the driving range? Covering ever increasing electricity bills etc?
- Will the professional be targeted towards increasing green fees/marketing the club?
- Will the club receive anything from the lessons the pro gives?

The terms and conditions of any employment arrangement need to be determined by the MC for obvious reasons and will take into account all aspects of work and delivery.

- Can you provide an estimate as to the overall profit/loss to the club of the proposed new arrangement?

Please see 1. Finance Impact above.

- What other models were considered and why were they discounted?

The Retainer model was considered and discounted because of what we know from our own figures is that the staffing costs alone are in excess of £40,000 for the hours that we currently operate. Any PGA Pro taking on a retainer would be under enormous pressure from the start as the stocking of a pro shop and funding working capital would be considerable. Our club has obviously experienced the financial pressures and the unfortunate consequences that can materialise due to the modern day demands on a retained professional, and we do not wish to repeat that experience for obvious reasons.

From our research, all retained professional packages vary but the key elements any Professional will require in their contract are: -

1. A substantial retainer - this will normally cover staff costs (as the club will dictate opening hours),
2. The Pro will hold all competition prize money (competition balance at Carlisle tends to be £30,000 - £45,000, which incidentally has been held in the club's bank account since 2020)
3. All income from the practice range (currently £15,000, we estimate the highest figure prior to the club taking it over from the Pro at Carlisle was approximately £3,000. An example of how sensible investment can improve service and returns)
4. Trolley and Buggy income.

We therefore do not wish to go down this route for clear financial reasons, control, use of integrated golf systems, managing risk and having one integrated team running the club with aligned objectives. The modern approach that clubs are taking now is the model that we are proposing.

On the face of it I've always been an advocate of a more traditional style professional and most importantly someone that runs the golf side of the club. The existing set up is too time consuming/reliant on committee members/volunteers and wouldn't appear to be sustainable, but in order to be in an informed position to vote either way I would like a better understanding of the financial implications to the club of any decision.

We feel that our proposal bridges the gap between traditional and modern models whilst future proofing against the negative points you highlight. Again, the financials can be found under: - 1. Finance Impact above.

Everything makes sense for the first part but the second part re club shop is missing a lot of information that should be included as would be critical to any vote. Does the change mean that PGH will no longer be involved with the shop going forwards as this will be the 4<sup>th</sup> change since i have been a member (4 years)?

What would this mean in terms of fitting for new clubs which is currently free if clubs are purchased and is done using full trackman and a large supply of different equipment, brands, heads, shafts etc and this can be done whenever PGH is open providing booked in? Currently a discount is given / credit to card for purchasing items through the shop, will this continue?

Who will be the provider of equipment into the shop?

As you say this will be the 4<sup>th</sup> change in as many years. Each change has produced a different model for our retail offering. This is also covered fully in another response. The proposal details that we intend to enhance the shop offering across the board with increased opening hours and an improved service for members. We are considering several supply options to achieve these aims, one of which is direct ordering from several major suppliers and a link up with a supplier with a competitive online presence. On the equipment side, we fully intend to continue working with PGH regarding club fitting and to also work with them to improve our member service on discount and credit arrangements. The adoption of the ClubV1 till system has enabled us to move onto a Clubcard. Any member using their Clubcard for purchases from the shop will receive a discount, currently 10%. There is no current intention for this to change.

Firstly, it seems to me to be impossible to vote on any new structure or reorganisation without the proposals being costed.

Please see 1. Finance Impact above

Suggestion you might consider re Pro Shop, to avoid unnecessary expenditure.

Move the office staff into the current pro shop to share the accommodation. This will give 9 - 5 cover 5 days a week cover, employ a retail sales person for weekends and mid-week peak times only.

Properly stock shop, if possible, with display stock on a sale or return basis.

Give members a 25 % discount on all purchases but paid onto members club cards, this will ensure members get good value and encourage them to purchase more.

Try to increase foot fall in shop by making members visit shop or office to enrol in comp's, put money on cards etc, etc.

Stock and footfall are crucial, tell members how important it is they support the shop. Come up with incentives for members who buy clubs bags etc, so they understand they are enjoying competitive pricing.

This will allow the club to change the management structure without further costs.

It is our intention to open the shop for longer hours during the summer months to give our members a better service. We intend to increase the amount of stock we hold and improve the range of choice. To move the three office desks into the existing shop would reduce the available retail space considerably and make it impossible to achieve our aims. Furthermore, the cost to move all the office equipment, computers, server and CCTV etc would probably cost more than the budgeted shop move. Sale or return would only normally be offered with online sales. The members would be purchasing physical stock so would not need sale or return. If members are purchasing clothing, they would be welcome to try the garment in the locker rooms.

Unfortunately for all small retailers the internet has driven down the margins to such an extent that if we were to offer a 25% discount to members, we would be selling almost all of our products at below cost.

We believe the best way to drive future footfall is to provide an appropriately well-stocked shop that remains open for longer hours and is serviced with full-time trained employees.

The Pro Shop debacle. Our club members deserve a fully stocked shop, and a full-time professional. Lesser clubs have quality pro shops while ours is a joke. A quality shop could bring in non-members who may consider joining. The layout is wrong, the white walls look dated, and the stock is overpriced compared to California Road and the online stores. It is a given that Clubhouse Golf in Manchester set the prices people are willing to pay. I realise paying retail staff at the minimum wage will cost over £500 a week if you count NI and workplace pension but what about employing an apprentice?

When Martin Heggie was Pro, over 20 years ago, he suggested a new shop nearer the first tee where the staff could monitor the first tee. I believe there is a plan to move the shop but am not sure where we have sufficient space.

### 3. Shop Suppliers

The proposal involves a new shop supplier arrangement that would provide a wider and more comprehensive offer that would give members more purchase options and better service. Included in this new arrangement would be access to a comprehensive

internet/online shop that would have all the major brands, price matching and a good returns system whilst still benefiting the club. This would augment a well-stocked shop, a shop stocked sensibly in relation to the customer base that we have, and will be developed over time as we learn more about what members want. Unfortunately, at the time of writing our supplier discussions are not quite at the stage where we can be more specific but we have confidence that our objectives can be delivered by the Spring.

The provision of clubs will be an area where we will initially act cautiously as the margins are tight, items are expensive and the requirement for club fitting is clear. For that reason, we will continue to have a strong relationship with PGH who provide an outstanding fitting service with leading edge technology. We can of course develop our plans as we will not be tied to any long-term contractual arrangements.

The proposal to re-locate the shop also provides the ideal opportunity to refresh the shop layout, staff coverage and presentation of the retail offer, whilst working within a strict budget.

The proposal sets out that one of the retail/golf roles will be filled by a trainee PGA Professional, which is effectively a full-time apprenticeship. We have an apprentice on the Greens team and this training is working really well for both the club and the individual. The space identified for the proposed new location of the shop is similar in size to the existing shop.

I think this proposal has merit. However, it would be better supported by a floor plan and a proposal for the future use of the existing shop.

#### 4. Shop Floor Plan

There are a lot of decisions to be made regarding the new layout of the shop and offices and, following discussions, it was felt that carrying out the design work without the backing of the membership would incur unnecessary costs to the members in the event of a no vote. If the proposal to move the shop is approved, it is intended to display a floorplan in the club house for members to see before the actual work is carried out. The future use of the existing shop will be brought to the members as a key matter at some stage in the future. As and when proposals have been considered by the MC, we would welcome members' suggestions for consideration. In the short term it will likely be used as a store.

Please see my questions regarding the 2 proposals. In my opinion without this extra information Members are not in a position to vote. My vote on both currently would be no but that may change when Further information is provided.

Structure.

The only change is the Pro now being responsible for the shop. This seems to be reverting to the previous structure when Graeme was the Pro and all previous Pro's. Which is also adopted by most clubs in Cumbria.

This structure worked well previously where the Pro received a retainer and employed the staff and stocked the shop. It is unclear if this is what is being proposed. I think you are saying we will have a Pro in charge but the club will staff and stock the shop. Why? Where is this structure working?

Please see 2. PGA Professional above

Are we advertising for a Pro? If so, they will want to appoint their own staff. Are we paying a retainer? How much extra than this year will this proposed set up cost?  
Where does Nicky as the Teaching Pro fit into this?

## 5. Personnel

Whilst both the overall structure of the club and the re-location of the club shop are deemed Key Matters as voted for by the membership, it is clear that MC should retain control over all personnel matters at the club. This includes the following areas:

1. Job role descriptions.
2. Employment contracts
3. Terms and Conditions of employment
4. Appraisals and objectives
5. Performance and disciplinary matters
6. Recruitment process
7. Candidate selection

Wider involvement by members or groups of members in these areas would be highly inappropriate and could easily contravene employment law and undermine the morale and confidence of our staff.

### Shop.

I agree the current structure is not working for Members and visitors.

The move costing £11500 is not needed if the staffing & Offering position is resolved.

If it is moved, are you telling me that the office staff have time to work the shop?

Theoretically true, but in our opinion moving the shop opens up more options to offer the kind of service a modern member's golf club requires. The current shop is isolated and prevents other staff being able to cover during lunch, toilet breaks, sickness, end of normal working hours etc. It is our intention for all staff in the immediate area of the new shop, to be trained to offer an acceptable level of service to anyone entering it.

What will happen to the old shop if passed?

What are the proposed next longer hours?

The current shop area would be used as a secure storage area for a myriad of items from within the clubhouse. We are constantly short of storage space. A future MC may well be motivated to investigate the development of the current shop area and the roof space above. Shop hours are TBC but will certainly be extended.

The previous and current shop offering is poor, driving away sales. Why do you need these changes to sort this?

We don't necessarily, but we think that the vision to provide a better shop offering doesn't just stop at supply level. We feel it also encompasses staffing, environment, flexibility, accountability, integration and location.

Thank you for your email correspondence showing the proposed new structure of the golf club and change of location for the shop that ultimately that I agree will improve operations.

Whilst I support the shop move and can see all the benefits it can offer my concern is the operating structure. The proposal to employ a full time PGA professional, a trainee PGA assistant, and a retail manager, together with the liability of financing the shop and covering any stock losses. This is what I would expect from a corporate golf hotel and will certainly not ease the burden on the club or the committee.

Overall, the proposal actually increases our current structure by less than one full-time paid employee. For clarity, our current structure includes one full-time shop assistant, several part-time shop assistants to cover weekends, plus a PGA professional on limited contract hours. Our proposal is to increase a PGA professional's hours, have a full-time shop employee and employ a PGA assistant (apprentice) thereby limiting the financial impact to the club. Costs will be offset by improved delivery, sales and margins.

You don't have to look beyond the operating structure of many local members clubs where a PGA professional is employed and manages his own team, stocks the shop overseas competitions and tuition.

This would be a great opportunity for the current teaching professional to be employed full time and develop a business that fulfils his aspirations for the club. Should he not be interested in this opportunity the position would then be advertised. The new professional can operate a booking system for the teaching bay ensuring access for both professional.

Thank you for asking member for their feedback that I hope you find positive and together with input from other members you can reach a conclusion that is in the best interest of the club.

Thank you for your support

Having read the email and attachments I am in favour of the proposals, however in advance of the final proposals and vote I have some queries / views

#### 1. Shop Relocation

I know where the current office is but don't know about meeting or store rooms. Would it be possible with final proposal to give sketch layouts of buildings as now and as proposed. This does not need to be accurate scale drawings but just an outline showing layouts, exterior windows and doors.

Please see 4. Shop Floor Plan above

#### 2. Professional

It may be impossible due to confidentiality etc to say anything but the club currently has a qualified professional (Nicky Tibbetts) - will he be offered the job or does the management feel he is not qualified for it. At the last Open Forum there was criticism of him but the management view then was that he offered help with the course and was encouraging juniors. I personally find him an excellent professional in terms of lessons and from

experience with my Grandson see him developing junior members and therefore would hate to see the club losing him.

Please see 5. Personnel above

### 3. Golf Management

Will the new structure manage when course is closed in a better way? I have had feedback from colleagues that at times recently course has been open and competitions played when they thought course should be closed and, in their view, this arose because no one in ultimate charge and present on day.

One of the benefits of the new structure is that we will have employees responsible for this type of decision making at the club, and who have the golf knowledge to make these decisions effectively. Of course, engagement and communication with the Greens and Competition Committee will remain important but our ability to make good, real-time decisions will be much improved.

### 4. Retail Offering in Shop

Your proposal says a better retail offering but goes no further with possible detail. At last year's open forum Tim Davies gave a clear view that professional shops as offered in previous decades were no longer viable. However, I understand that Brampton offers such an original shop, in the last year I have visited Hexham Golf Club to find a fully stocked shop. Furthermore, our group recently played at Silverdale in Lancashire. Even with Satnav it took some finding, the professional admitted there was no way to get there without back roads yet with approx 300 members the shop offered a range of clothing - shirts, trouser, socks and shoes - plus balls, golf bags and clubs. Could you define in more detail what a better retail offer would be?

Please see 3. Shop Suppliers above

Can you please advise if this proposal, particularly wages related, has any impact on the agreed budget.

Please see 1. Finance Impacts above

Further to your email earlier today proposing some key changes to the way our club is run, including changes to the structure of the staff employed and the layout of the clubhouse facilities I have the following questions: -

1. Firstly, to fully understand the financial implications please forward the overall cost for the proposed staff structure and the comparison with the existing structure;

Please see 1. Finance Impacts above

2. You propose to move the shop facility, what is the suggestion for the current shop area?

The current shop area would in the short term be used as a secure storage area for a myriad of items from within the clubhouse. We are constantly short of storage space. A future MC may well be motivated to investigate the development of the current shop area and the roof space above.



3. Is the intention to offer the roles of PGA Professional, Course Manager and General Manager to the incumbents in those (similar) roles or seek to recruit new employees?

Please see 5. Personnel above

4. The proposed and existing structures don't detail the employee numbers in each area of their operation, please forward a structure with details staff numbers;

An updated structure chart containing more details is attached to the proposal.

5. Is the current role of our PGA professional an employee of the club? If not, is the new role proposed to be as an employee?

For Clarity as detailed previously by the MC, our current PGA Professional model has a mix of both a limited hour employment contract and a self-employed contract, which have been in place for several years. The Nominations Committee (sub-committee of the MC) will draw up detailed job descriptions for all the roles in the new structure and will set clear objectives, while the full MC will be responsible for ensuring that performance against these objectives is delivered. Reviews will take place on a regular basis, as they do currently across the club. There are appraisals in place as a matter of course and early intervention in relation to performance will be undertaken.

6. If the new role of PGA professional is not as an employee how do the club intend to ensure full focus on the needs of the club shop and the retail offering?

Please see previous answer

7. You state the proposal will provide a much improved supplier arrangement, will that include a full (broad) range of golf clubs and golf equipment or will part of this be through Penrith Golf Hub?

The new proposed arrangement is explained in 3. Shop Suppliers above.

8. Lastly, you state there will be two independent votes, Part 1 - Management Structure and Part 2 - Club Shop; can the club operate as proposed if only one part has member support following the vote?

As stated in the proposal, the two sections have unanimous support of both the MC and officers of the club so we hope that both votes are successful as we believe that they are complimentary and work together in unison. The vote was split because, although linked, they are very separate items and it was felt they covered too broad an area to be one vote. In reality, if the structure vote prevails, but the shop move is voted down, then we could continue using the current shop location and implement the new structure. If the structure vote fails to win sufficient support, then the burden of workload on volunteers will continue at an unsustainable level and the shop could well become unviable.

Fully support the proposal for the management structure to split the golf course and clubhouse management.

This was a topic mentioned when the new management committee was formed back in 2019/20 it certainly would be a more focused approach to the overall management of the club.

However, I do believe that the club pro (whoever that may be) should take more responsibility other than the driving range and the academy, his or her presence at the club should certainly be more visible during “any” club competition or events.

Moving the “shop” is a positive logistical decision especially when making the 1st tee visible.

However, with “private” golf clubs struggling to compete with on line business and local retailers do we really need a shop as such or would a registration office be more cost effective?

The Management Committee envisage that the Golf Professional would have a heightened profile at the club, to include competition days and club events.

The golf industry landscape has changed enormously and it would be wrong for the MC not to consider how this change would affect any future retail offer. We have learnt over the last 18 months that whilst the club shop is no longer the “go to” place to buy golf equipment and loyalty to the club shop has diminished, it still has a useful role to play in terms of member service and providing a financial contribution. It is clear that with or without a club shop, suitably qualified and enthusiastic employees are required to manage club competitions, golf administration, and provide a welcome point for all our visitors. So, club shop or no club shop, these representatives are needed and the club shop can provide a very important contribution to their cost of employment. The more successful the club shop, the more their costs are offset to the benefit of the membership.

Discussed the proposal with a few friends and more points for consideration.

1 Will the Pro be paid a retainer or not? I believe going rate for a retainer in Cumbria and the Northeast, is no more than £17k a year.

What we know from our own figures is that the staffing costs alone are in excess of £40,000 for the hours that we currently operate. Any PGA Pro taking on a retainer at £17,000 would be under enormous pressure from the start as the stocking of a pro shop and funding working capital would be considerable. Our club has obviously experienced the financial pressures and the unfortunate consequences that can materialise due to the modern day demands on a retained professional, and we do not wish to repeat that experience for anyone and for obvious reasons. From our research, all retained professional packages vary but the key elements any Professional will require in their contract are: -

1. A substantial retainer - this will normally cover staff costs (the club will determine opening hours),
2. The Pro will hold all competition prize money (competition balance at CGC tends to be £30,000 - £45,000, which incidentally has been held in the club’s bank account since 2020)
3. All income from the practice range (currently £15,000, we estimate the highest figure prior to the club taking it over from the Pro at Carlisle was approximately £3,000. An example of how sensible investment by the club can improve service and returns)
4. Trolley and Buggy income.

We therefore do not wish to go down this route for clear financial reasons, control, use of integrated golf systems, managing risk and having one integrated team running the club with aligned objectives. The modern approach that clubs are taking now is the model that we are proposing.

**2 Who will pay the assistant wages? These normally come out of the Pros income, not the club wage bill.**

Our proposal is for the PGA assistant to be fully employed by the club.

**3 What will the role of the Pro be? A focus on looking after members and visitors or teaching and playing in Pro Ams and other NE/NW events? Will the Pro have to use these days as part of their agreed annual leave? And how many hours a week will the new Pro be contracted to be on site?**

The terms and conditions of the PGA Professional will be determined by the MC and a detailed job description will be drafted. The balance of workload and performance will be managed against the job description and a set of clear objectives. Delivery of the objectives is and will be a matter of regular review and discussion, as it is for all our staff at the club. This level of performance management is not possible under a retained professional arrangement and it also means that those staff members employed by a retained professional are also not subject to direct management by the club, which can lead to a difficult working relationship. We would actively encourage our PGA Professional to play competitively for many reasons including carrying the name and reputation of our club in a competitive environment, setting an example for our junior golfers, and giving members a chance to join the Pro in Pro-Am events. The NE/NW PGA events are excellent and have club professionals from all the local clubs across the North, which provides all these pros with great competition and the chance to discuss with each other the industry, and share thoughts and ideas that can be brought back to our club from that professional network. Of course, a sensible balance is needed where time allocation is concerned and that is why open discussion around performance is in place and required.

**4 Will the new Pro be charged for heat and light in the teaching bay like Craig and Stuart are at California Road and Phil does at Brampton? The Club cannot subsidise someone's income from members funds.**

The terms and conditions of any employment arrangement is determined by the MC and takes into account all aspects of work and delivery.

**5 Who will benefit from trolley rentals? As they are our property, we assume the club will keep all the revenue.**

All income streams will be retained by the club except PGA lessons.

**6 Will the new Pro be expected to be in the shop to offer fittings or will we still have to trail down to Penrith to access their stock?**

The club fitting provided by PGH is outstanding, and we have had great feedback from members who have used this service, so the option to use their service and technology will continue for those members who wish to use it. We have no contractual arrangement in place so the way we offer club fitting may be developed further in the future and an option to do this at the club will be assessed.

**7 If the proposal goes through when will the Pro job advert go live?**

Please see 5. Personnel above

Thank you for your email and proposals for the future management of the golf club. I agree entirely with the proposal to change the management structure in the way suggested. The proposals are sensible and will or should bring much improvement to the course and the membership.

The club does require and would benefit from having a PGA professional and PGA assistant. This is especially important for the future of the golf operations, lessons and coaching being available and having a properly managed and stocked retail shop/facility with the professional being able to undertake fittings and give equipment advice to best meet your own games requirements. The latter is an absolute necessity and the absence of the same is quite frankly an embarrassment.

It is clear that in not having a proper retail facility the club is missing out on a significant opportunity to increase the income provision and that is something the club cannot and should not continue to ignore I am sure there are lots of members who would be loyal to their club professional and who would welcome the chance to purchase equipment and clubs, rather than use other retailers, as long as the pricing remains competitive.

It matters not to me that you propose to relocate the shop within the clubhouse, the mere issue of having a properly stocked and PGA managed retail outlet is far more important to where it might be located on site. That said, the existing shop is small, it would be a pointless exercise to relocate it to a room or unit of similar size and if possible, the club should look to offer a shop that has an additional 30-50% floor space over the existing to accommodate for example a small putting area/mat, so putters can be tried out, and allow for a wider range of stock, club selection, trolley selection, bag selection, clothing selection and the usual balls, gloves etc.

An integrated club shop/clubhouse/bar/competition purse is essential, and the change to the V1 hub system is a welcome improvement over the previous fractured set up.

You have Raised some valid points which we have fully answered in previous responses.

I think the changes are probably an improvement to the current golf club management structure, but I would like to point out that in my 25 years at Carlisle golf club we have had to spend any prize money in the club shop and I personally have always felt we provided a too 'high end' top of the range priced product, so am now happy your competition money goes on your club card (not that that will affect me nowadays) so because of that change I would consider advising the club professional to be aware that the majority of the members (in my opinion) will not spend their money in the shop when they can get the same products we currently have on sale cheaper in high street shops, Peter Jacks at Kingstown or Penrith, etc.

We are acutely aware of the point you have raised that the members are able to spend their money with alternative suppliers. We believe our proposal for suppliers as detailed in 3. Shop Suppliers, will give our members a better opportunity to support their club going forward.

It is important that from time to time reviews are carried out to ensure the sustainability of any business. As part of these exercises full root and branch reviews are necessary as operational requirements change.

Whilst nearly all Clubs operate and are managed in a variety of ways the major problems of falling income, rising costs, low efficiency and members expectations are common to all. The Management Committee's approach is sensible in view of difficult financial times, the burden placed upon willing members and the perceived need to improve shop/Pro services.

It is a sad fact that many Club members now wish to play but not participate in the workings of the Club, unfairly leaving such duties to a dwindling small band of generally older members.

The suggested changes may well bring about a major change of philosophy in the manner in which the Club is run.

Within the new structure Managers still need to know which committee member to liaise with on a regular basis, or is this solely to be the Management Committee Chairman. Alternatively does the Club need an overall manager to whom heads of department report. Certain activities, e.g., Health and Safety needs to be co-ordinated and the overall responsibility of one person.

Presumably Bar and Catering facilities will remain in house with all the associated costs/staffing problems remaining with the Club. Members expect these services to be provided at times when commercial enterprises would not be trading resulting in increased costs.

Moving the shop within the Clubhouse is a sensible proposition for the reasons stated, however the Managers office should remain within the same vicinity to permit easy access for members and visitors and supervision of the Clubhouse.

Whilst many Clubs operate without Professional services, making subsequent savings, presumably in the light of recent experience the Committee are of the opinion that a Golf professional should be retained. The proposal does not indicate whether the Professional and associated staff are to be directly employed by the Club, at some cost, or just contracted to provide a service. If the Professional is simply contracted to provide a service, then it is surely a matter for that person to decide his/her staffing levels to meet the Club's contract requirements. This also brings into question who provides and finances shop stock, this can be an expensive exercise for either party requiring an outlay of at least circa £20,000/25000. This has to be justifiable when many golfers looking for new equipment will purchase from off course discount stores or the internet.

Within the shop design provision will be required for storage and workshop facilities for Club repairs, regripping and /club fitting services.

What will the old shop be used for.

I am of the opinion that the proposals may increase cost but will provide an enhanced service to members and visitors.

Thank you for your thoughts and support of the need to review and offer proposals which will necessitate change. It is very true that all clubs struggle for volunteer committee members but we hope that this proposal will ensure that the workload of future committee members is more manageable and that the club will have three effective and knowledgeable Managers who, working together as a team, are able to ensure that the club is managed well.

We envisage that the three Managers would form an executive which would directly report to the whole Management Committee through designated leads for house, greens, comps, and finance as at present. Health and safety would be an important part of each of the Managers' remit within their own area of expertise as now.

We fully intend that bar and catering remain in-house. You are correct when you say that we are expected to provide much longer opening hours than other hospitality providers, but this has to be balanced with the costs associated with heating, staff wages etc. Our Club Manager and front of house team have worked hard to find compromises and we still manage to supply our members at Carlisle Golf Club with longer kitchen and bar opening

times than other clubs in the area. We have also taken on board comments made at the recent forum and will look to provide food later on the days when there are competitions played after work hours. Members may need to sign up for food before play to allow the kitchen staff to be flexible.

The General Manager's office is proposed to stay at the forefront of the reception area. The current shop is isolated from the capability of other staff to cover during lunch, toilet breaks, sickness, end of normal working hours etc. It is our intention for all staff in the immediate area of the new shop, to be trained to offer an acceptable level of service to anyone entering it.

The proposal from the current MC is such that the PGA Professional will become an employee of the club and his split of hours between teaching and playing and running the golf division, will be agreed within his contract. Our business plan looked at both retainer and employed models and both were overlaid onto the current situation that exists at CGC. We concluded that by employing a PGA Professional, a PGA assistant and a sales executive, stocking the shop ourselves and integrating the 'golf division' into our management structure, that we could operationally and financially future proof the club as a whole for many years to come. Your other points have been covered in earlier responses.

While generally onboard with the proposals, i would caution the shop relocation until the structure is voted on and (if passed) the new structure is embedded. This would allow time to then reassess the shop move when things like the new supplier arrangement become clearer and it can be determined whether a fully stocked shop is viable. The internet has all but killed traditional shops (i.e high street) and if an internet presence turns out to be the key model in play, i doubt the shop needs to move. Just a thought and defo not against shop move in principle.

It is felt that the club should do everything possible to retain an appropriately stocked shop for the members and visitors and our proposal captures all of our new ways of thinking to make it more successful. The proposed new supplier arrangement will offer us an opportunity to both better stock and compete on price with the internet retailers.

On the general structure, one thing that could have been clearer in the documents sent out is around roles and responsibilities within the new structure. To state responsible for course and surrounds / golf operations / bar and admin doesn't give much away. Please can we have confirmation of the following for each role (detail within a basic job description);

- \* specific roles and responsibilities
- \* contracted hours
- \* salary
- \* KPIs to be used to review effectiveness and value for money

Please see 5. Personnel above

I am writing to say that I support both proposals Parts 1 and 2.

A robust organisational structure is required to allow non executive guidance and execution by club employees. The proposed structure does that and I can see that it is a long term solution. A good idea.

The relocation of the shop again is very sensible, for 3 reasons, centralisation, monitoring of the 1st tee and freeing up potential space to be used with the roof space. A good idea.

Finally, I would like to thank the Management committee for their hard work. The club is a much improved place due to your efforts and we are lucky to have people willing to put in many voluntary hours, so thank you!

Thank you for your support

The management structure is up to the committee to implement for good of the club and I'm happy with the committee making that decision.

The issue of the Pro Shop is something that needs improving for sure, especially presence in there, no real thoughts on moving it but sounds like it's already been discussed at length already, so again if the committee can see benefits, I'm happily to roll with this.

Thank you for your support

Apologies, I am unable to attend the open forum tomorrow but I am in support of the two proposals that have been made. The club needs to keep moving forward and I see all the proposed changes as a positive move in the right direction.

Thank you for your support

## **Thinking about integrating your retail operation into the wider business? Learn from GCMA members who have been through this challenging process.**

It's a decision that can be controversial, clouded in emotion, and a challenge to bring to fruition. In a [GCMA Hot Topics webinar](#), five Golf Club Managers shared their experiences of bringing their retail and professional operations in house.

Redditch's Kerry Alligan-Smith, Cirencester's Leighton Walker, Bognor Regis' James Maclean, Walton Heath's Alex Woodward, and Yeovil's Chris Huggins have all gone through the process at their clubs.

They discussed business plan agreements for and against the move, whether roles changed as a result, the impacts of change management, and the results they brought.

In a series of pieces, we'll be going through those but, first, the quintet reveal why they decided to bring the retail operation in house...

**Kerry Alligan-Smith:** "The pro is the integral part of any club – even more so for our members. They [the club] wanted change and they wanted people to work more as a team.

"We did go through a legal process and obtained legal advice before we did anything.

"What we wanted to do was to have everything in house so we were fully integrated, and it meant that we could all shadow and do each other's jobs if we needed to."

**Leighton Walker:** "We see it as an opportunity to gain a lot of control over the level of service that we offer throughout the whole club.

"There are some clear benefits in having your retail and teaching operation in house, as well as your food and beverage and your golf, in terms of where members can spend money.

"We've set ourselves a plan and are trying to execute now. My assistant manager is also a PGA pro and a part of his role at the moment is taking charge of that operation."

**Chris Huggins:** "As I PGA pro, I sit on both sides of the fence. For the two clubs I've been involved with that both took the retail side back in, [that decision] came around the retirement of pros who had been at the clubs for 40 odd years.

“It was quite a new way of thinking for both clubs. But the real instigator of the conversation was [those] retirements.”

**James Maclean:** “Our pro, who’d been here 15 or 16 years, was moving on and it just represented an opportunity for us to do things slightly differently.

“As Kerry said, for me, it was about getting everybody under one umbrella and getting everybody as part of the same team – pulling in the same direction.

“The ability to cover everyone is a real benefit. A massive benefit.”

**Alex Woodward:** “The board had looked at the operations within the pro shop and ultimately, the effect that it would have on the P&L.

“If you have a professional, and you’re paying a retainer, there’s a negative impact on the P&L which you are paying out and you ultimately have little control over the performance of that.

“We have some unique situations to Walton Heath. We had the Ryder Cup in 1981...and we have intellectual property rights over the logo that was used that year. In effect, the pro could put the Ryder Cup logo on a shirt and did that meet with the branding guidelines and the delivery of what the club wanted?”

<https://www.youtube.com/watch?v=qy0qdWml7Mc>