

# CLUB MANAGEMENT BEYOND THE LOCKDOWN



**A collation of industry data,  
insight and guidance  
to help you to help your club**

**1st May 2020**

**Contemporary Club Leadership Ltd**  
*"Helping clubs do the right things ... right"*

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# Management Decisions During Lockdown

CCL has conducted a series of industry polls, to help provide insight to club leaders.

The first of these polls focused on clubs immediate response to the lockdown crisis:

**81%**

of Club Managers were asked by their Committees to continue working through the lockdown

**38%**

of admin staff continued to work – mostly at the larger clubs to reschedule bookings / events

**8%**

of in-house food operations were still operating – mostly delivering to members

**45%**

of clubs stopped paying their catering franchisee during the lockdown

**68%**

of clubs continued to pay their golf professional their monthly retainer during lockdown

**3.3**

the average number of greenkeepers carrying out essential maintenance per 18-holes during lockdown

**67%**

of clubs were offering no refund / discount on 2020 subscription rates to members

**1/3**

of clubs initially believed membership resignations would be higher than the annual average

# Calculating the Cost of Lockdown

The second CCL poll investigated in greater detail the financial impact of the lockdown on golf clubs and the confidence levels of club leaders in these challenging times.



## Golf Club Membership

For most clubs, membership subscription makes up 80% of their gross profit each year, so how is the lockdown affecting membership renewals?

- 8%** the average membership resignation rate already by April 2020
- 6%** the average membership resignation rate in a typical year – according to the CCL Barometer and respondents to this poll
- 11%** the level of resignations anticipated by clubs in 2020

### CCL INSIGHT:

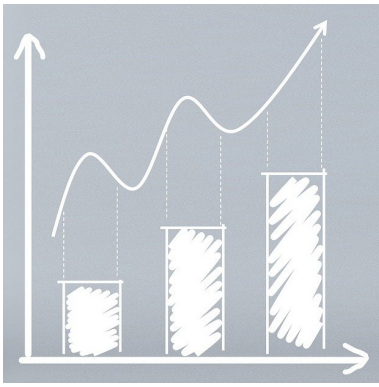
Members are the key driver of a club's business, but they are not just customers; they are shareholders, owners, and custodians of their club.

If members want their community, their town and their children to have the same benefits they have enjoyed at the club they must do whatever it takes to see us through this period.

When we cast our minds back to the early stages of this outbreak our tee-sheets were full, and our member's were showing us how passionate they are about the club. We firmly believe that this absence will make the heart grow fonder, and the best CLUBS will thrive on that appetite for belonging.



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# Calculating the Cost of Lockdown

## Visitor Golf at Clubs

In all but the trophy courses, visitor revenue is generally the second biggest driver of profit in clubs - typically accounting for around 16% of gross profit.

As the lockdown was put in place, how has this affected visitor income?

**37%**

average greenfee income loss by clubs -  
if restrictions limit visitor golf until the end of May

**23%**

of green fee deposits have been refunded by clubs

**77%**

of visitors currently committed to reschedule their visit in the future

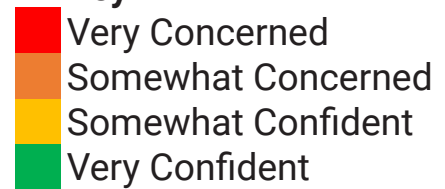
### CCL INSIGHT:

As non-member golf has increased over the years, we have seen many clubs embrace more revenue from visitors. However, for some this 'nice-to-have' has grown in to a nasty addiction and for others a dangerous financial dependency.

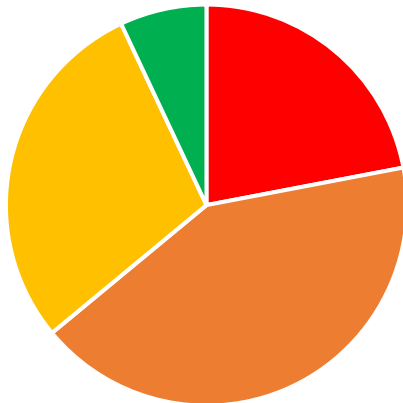
Emerging from lockdown we will, most likely, see a phased growth in visitor income again, but this crisis should see the wisest clubs review how 'dependent' on visitors they want to be for covering operational costs in the future.

# Looking Forward - Confidence Levels in Clubs

## Key:



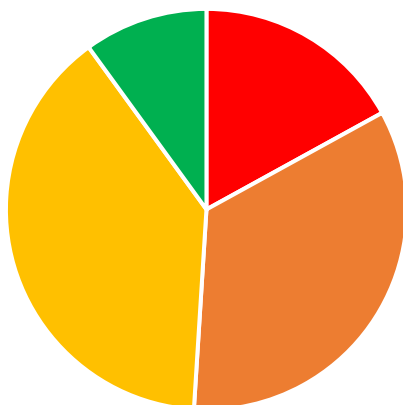
Short Term = 2020



2/3

of clubs are concerned about their club's future in 2020

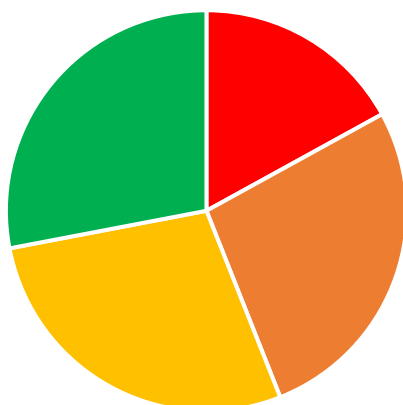
Medium Term = 1 to 3 years



1/2

of clubs surveyed remain concerned about their clubs future 2021-23

Long Term = after 3 years



17%

of clubs remain very concerned about their future beyond 2023

# Looking Forward - Confidence Levels in Clubs

**CCL INSIGHT:** The industry is facing a challenge unlike it has ever seen before.

Right now it feels like we are driving in fog, not 100% sure of the road ahead. Nobody knows how long this will last, but the likely outcome is that in the long-term most clubs will recover from this crisis, and for some, they may finally be more focused on their club's real purpose of creating relationships and community amongst their membership.

Sadly, it is likely that this crisis may take some clubs under, but those were the clubs where the 'brushwood' was already incredibly dry.

Right now, much will depend on the loyalty of members, as they weigh up the value of the experience at their club, and more simply, whether they could live without it.

By way of example, we have not heard of many people cancelling their broadband subscription during this crisis as they simply could not live without it. Does your golf club give members that same feeling?

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## How confident are you about your club's future ?



What is your confidence based upon?

What data have you gathered from the industry to inform you?

How does this compare to others in your marketplace?

Have you conducted scenario planning to understand the impact of lockdown on your club finances?

# Do the findings differ according to the size of a club?

CCL's industry leading Barometer identifies club size by summer midweek greenfee:

Small Club - up to £35 / Medium Club - £36- £71 / Large Club - £72 & above

Below is an overview of how lockdown and the crisis is affecting clubs by size:

MEMBERSHIP REVENUE : Actual Resignations & Anticipated Resignations		
Small Clubs	Medium Clubs	Large Clubs
Resignations already running significantly higher than a typical year.  Anticipate resignations will be at least double in 2020.	Reporting a normal rate of actual resignations so-far.  Anticipating this figure will nearly double in 2020.	Reporting regular rate of actual resignations, and in some cases less than a typical year.  Not anticipating an increase in resignations in 2020.

VISITOR REVENUE : Green Fee Revenue Lost to Lockdown		
Small Clubs	Medium Clubs	Large Clubs
Report the highest proportion of green fees lost of all clubs.	Reveal green fee loss to end of May is on a par with national average.	Reveal that their green fee loss to end of May is lower than the industry average.

INDUSTRY CONFIDENCE : Outlook for the short and long-term		
Small Clubs	Medium Clubs	Large Clubs
Nearly 80% of small clubs are very or somewhat concerned for the short-term,  More than two-thirds are still concerned for their future in the long-term (beyond 3-years)	More than half are concerned for the short and medium term.  Nearly half are concerned for their future in the long-term (beyond 3-years)	One-in-five are very concerned for the short term.  Only 10% have any concern for the long-term (beyond 3-years).

## CCL INSIGHT:

The CCL Barometer Report of December 2019 indicated that medium sized clubs were under greatest pressure before this crisis, partly as a result of the volume of them in the marketplace. The lockdown is threatening to apply yet more pressure on those clubs. Larger clubs admit that they are not immune from the current problems but are not suffering as much as the hardest hit group in this survey, small clubs.



# Assessing your Position

	Financially Robust	Financially Vulnerable		Financially Troubled
Implications if no action taken	Lost revenue  Missed development opportunities	Diminishing of club reserves  Financing sought or extended	Increased debt  Club at risk of closing depending on pace of market recovery	Debt levels unsustainable  Club likely to close unless favorable market conditions prevail
Impact on Your Club (post-lockdown)	Short term period of altered operations across some departments	Medium-to-long-term period of altered operations across some departments	Long-term period of altered and diminished operations across some or all departments	Permanent alteration, diminishing of operations across some or all departments
For Example...	Course:  Food:  Beverage:  Admin:  Pro-Shop:			

**Do you have a clear understanding of the financial position of your club?**

**Do you understand the financial impact of lockdown on your club?**

**Do you fully understand the implications for your club?**



# Your choice as custodian of the club...

	Survival	Consolidation	Development
Our Objective	<p>Simplifying the club operation to a long-term financially viable base of facilities and services.</p> <p>Minimising vulnerability and overcoming threats.</p>	<p>Aiming to maintain club at current standards and revise operations based upon financial outlook.</p> <p>Maximising current strengths and minimising weaknesses.</p>	<p>Advancing the club for the benefit of future members with revised and refreshed facilities and services.</p> <p>Maximising strengths and capitalising upon opportunities</p>
Change Level	Moderate to Significant	Minimal to Moderate	Moderate to Significant
Change Pace	Fast	Moderate	Slow / Phased
Your Priorities Should Be	<p><b>Maintaining a golf provision in your area</b></p> <p>Building a strong leadership team – unpaid and, if viable, paid</p> <p>Scaled back departmental plans</p> <p>Accepting the new financial reality</p> <p>Member-engagement</p>	<p><b>Come out of the lockdown as the club went into it</b></p> <p>Building a strong leadership team – paid and unpaid</p> <p>Reviewing club strategy and operations to ensure maximum efficiency</p> <p>Understanding your financial strengths &amp; weaknesses</p> <p>Member engagement</p>	<p><b>Aim to be best-in-class in region</b></p> <p>Building a strong leadership team – paid and unpaid</p> <p>Establishing (or reviewing) Club Strategic Plan</p> <p>Long-Term Financial &amp; Capital Planning</p> <p>Building a qualified and trained staff</p> <p>Member engagement</p>

**Do you have the support of your Board / Committee to unite behind a transparent strategy that takes your membership with you beyond the lockdown?**

# BEYOND LOCKDOWN YOUR ROLE IN YOUR CLUB'S HISTORY



**CCL has supported the industry in recent weeks by revealing the 3 key steps demanded of club leaders right now.**

- 1. Understand your club's financial health & performance**
- 2. Choose what kind of club you want to be after the crisis**
- 3. Unify your board to pursue that objective**

**Many clubs will now be asking questions such as:**

**Is our organisation set up to see us through this lockdown crisis?**

**Are we resourcing the most important areas of operations correctly?**

**Do we have realistic expectations for each profit centre?**

**Are we overspending in some departments compared to industry norms?**

**What are the industry norms for clubs of our size?**

**Are we correctly representing the members who elected us?**

**Can we show that we are making transparent decisions based on facts, not emotion?**

**How will this chapter in our history books be written?**

**What are the first steps to take?**



# BEYOND LOCKDOWN YOUR ROLE IN YOUR CLUB'S HISTORY



**Here at CCL we understand that even the most established of clubs can sometimes do with a helping hand**

**Our barometer review can provide you with much needed support, by facilitating a virtual meeting of your board:**

- **Providing your leaders with much needed clarity of thinking**
- **Helping you make the best decisions from leading financial and industry data**
- **Enabling you to agree a strategy that best serves your members now & beyond this crisis**

**The cost of this support service is £500+VAT**

**This package includes;**

- **One hour Zoom Board meeting, facilitated by CCL, using our planning templates**
- **Financial analysis of your club benchmarked against over 100 other UK clubs**
- **Independent evaluation of departmental income / expenditure forecasts**

**You can secure this offer for your club, or request further information by emailing or calling Kevin**

**kevin@ccl.services  
07388 324 558**





# CONTEMPORARY CLUB LEADERSHIP

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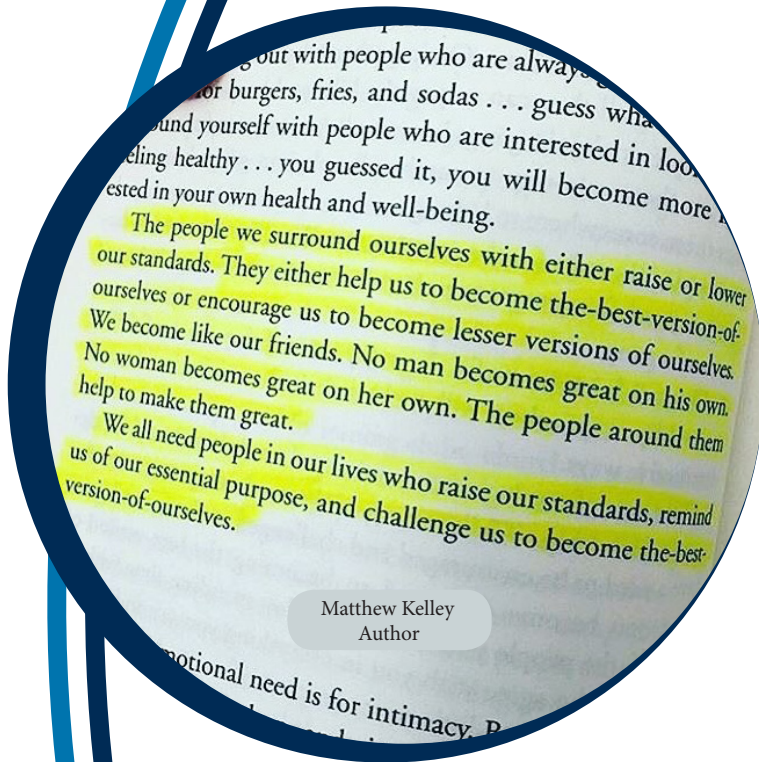
## No one succeeds alone

**Whether you are a General Manager, Club Secretary, Chair, President or Captain of your club, we understand that even the most established of clubs can sometimes do with a helping hand.**

**Leadership is a shared role; Presidents have advisors, Monarchs have trusted aides, and CEOs have consultants, all of whom are experts in their fields.**

**CCL will supplement the leadership of your organisation and give you the confidence to do the right things right and ensure that your time leading the club is remembered for the right reasons.**

**The CCL team has more than 30 years of golf industry experience helping thousands of office bearers at hundreds of clubs across the wide range of golf club operations.**



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**[WWW.CCL.SERVICES](http://WWW.CCL.SERVICES)**

## Industry Insight ~ Guidance and Assurance ~ Empowerment

Lockdown Committee Support

Financial Analysis - CCL Barometer

Club Operations Health Check

Effective Committee Performance

Professional Survey of Your Members

Strategic Planning Support

Customer Experience - Staff Training

Clubhouse Manager Training

Golf Course Audit and Plan

Club Manager Mentoring

Staff Performance Management Systems



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