



# CLUB MANAGEMENT UPDATE

Published by the Club Managers Association of Hong Kong

WORLD CONFERENCE EDITION

## Facts & Stats

From the World Conference on Club Management

- If you can retain just five percent more of the customers you have, you can increase your profits by as much as 100 percent.
- Sixty-eight percent of customers defect because they didn't feel that their business was wanted due to the way they were treated.
- In 2002, total fraud in the U.S. cost a total of \$4,500 per employee! Eighty percent of fraud cases involve misappropriation of assets, with cash targeted 90 percent of the time.
- Seventy-nine percent of computer data loss is due to a hardware or system malfunction; just 11 percent is linked to human error.
- "Generation X" (age 21-40) change jobs on average every 18 - 36 months. They often lack loyalty to employers and other institutions and are fiercely independent. This has implications for clubs targeting them as members and as employees.
- By the year 2004, members of the baby boom generation were between 40 and 58 years old, with 11,000 turning 50 every day in the United States. As consumers they seek casual dining, family oriented recreation, fitness and spa facilities, healthy fare menu selections and pilates. Clubs offering "one stop shopping" approaches are best suited to meet their needs.
- Nearly 7,000 new golf facilities opened in the United States in the past 12 years. High quality "pay as you play" facilities are becoming serious competition for traditional member-owned golf clubs.
- A 2004 study by the CMAA and the National Club Association shows that 86 percent of clubs have umbrella liability policies with more than \$10 million (US) in umbrella liability protection.
- The next generation seems to have no interest in the social aspects of a private club.

## 78th World Conference on Club Management A Special Report



CMA Chairman David Brightling explains the significance of Kwan Kung to Jesse Thorpe, CCM, President of the CMAA. Jesse was interested to learn that the God of Justice is also a deity for prostitutes!

*Welcome to the annual World Conference Edition of Club Management Update. Chairman David Brightling represented the Club Managers Association at the Conference that was held in New Orleans from 27 February through 3 March inclusive. In this capacity, he made a presentation to the President of CMAA at the Allied Association Breakfast. He also facilitated the International Symposium, with delegates from around the world. In addition, he attended many professional development sessions as a conference delegate. As in previous Conference issues, the Special Report is presented under the following headings: Notable & Quotable, Facts & Stats and From the International Symposium. A section on Conference Highlights will be published in the next issue.*

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# From the International Symposium



This year's Symposium featured presentations from The Canadian Society of Club Managers and the Associated Clubs of South Africa. The highlight of the Canadian presentation was the Society's stated goal of ultimately having 85 percent of CSCM members achieve



the Certified Club Manager (CCM) designation and to raise the number of clubs that only hire CCM's to 98 percent. Since the certification initiative was just approved in October of 2000, this ambitious goal reflects the significant support this programme has received since its inception. A key objective of the CMA's Strategic Plan calls for facilitating the achievement of the CCM designation by our members.

The Symposium also featured two round table discussions, on Technology and Trends. Some highlights follow:

## Technology and Clubs: Combining High Tech and High Touch

Common technologies currently employed in the industry include card access systems ("old" technology), proximity access cards (that just have to be carried with no need for swiping), "smart cards" (with data embedded

therein), on-line tee times and court booking, security systems and computerized energy management applications. The current "hot" technology is RFID, or Radio Frequency Identification, which employs radio signals that can track everything from zebras to people. Cards employing this technology will enable clubs to identify members as they enter a particular area, greet them by name, anticipate their needs and track their usage of facilities. Linked to a database, RFID promises to provide valuable data on member usage and to improve service, for those clubs that can afford it. At present, there aren't many, but as past experience indicates, new technology prices start high and then plummet quickly. (*The book to read on the subject is: RFID: Radio Frequency Identification, by Steven Shepard, McGraw-Hill, 2004.*)

Mobile telephone use remains an issue, with most clubs imposing outright bans or strict limitations on their use. However, representatives from the golf segment of our industry noted that cell phones have saved many lives on the course. One chink in the armour of total bans is a small but growing trend to permit mobile phone use in areas where house phones are provided. Those supporting this position see no difference between using the two types of phones in such areas and pointed to the common practice of members using their mobile phones to look up numbers that they simultaneously dial on the house phone! Also, as a practical matter, there are seldom enough house phones to facilitate the volume of outgoing calls when a member-sponsored business function breaks for coffee and everyone wants to call the office.

Another issue discussed was members' desires to customise the communications they receive from their club, subscribing to direct mail and e-mail promotions that interest them and "unsubscribing" from those that do not.

Overall, the conclusion seems to be that the industry will continue to embrace and use new technologies, while perhaps lagging behind other industries or even other segments of the hospitality industry like hotels. The reasons behind this are twofold. First, clubs often lack the financial and human resources to be at the leading edge of technology. For small organisations like clubs, the "leading edge" can be the "bleeding edge". And second, the highly personal nature of service provided at clubs calls for a unique combination of "high tech and high touch".


## Key Trends in the Global Club Industry

Attending a session like the International Symposium reinforces how much ours is becoming a truly global industry. A simple list of trends that were affecting us all, to one degree or another, will illustrate this:

- There is a global trend toward smoking bans.
- Fitness and spa facilities are becoming increasingly common, even – some said especially – at golf clubs.
- The lack of parental control over their children's behaviour is affecting family-oriented clubs around the world.
- Internet rooms for member use are



## Around Hong Kong Shorter Workweeks for Hong Kong Managers?

A recent survey of CMA members indicates that, while the six-day week is still the norm in most clubs, a five-and-one-half-day workweek may not be far behind. The tally was 12 respondents who work a six-day week and nine who work five and a half. Several who currently work six days will be requesting five and a half in their contract renewal discussions. The CMA will update this survey on an annual basis to keep members abreast of the latest employment trends. The Executive would like to thank the manager who undertook the survey on our behalf. 

## Notable & Quotable Overheard at the World Conference on Club Management

If you are going to ask the employee to create a superior experience for the customer, you must create a superior experience for the employee.

*David Schreiber*  
*Customer Relations Group*

Use the “elevator test” for clarity. If someone asked you to explain your club strategy, you should be able to state it simply and clearly, in 30 seconds or less.

*Ed Merritt, Ph.D.*

Those who fail to prepare are preparing to fail!

*John Wooden, NCAA Hall of Fame Basketball Coach, cited by Gary Hernbroth, Training for Winners*

The most successful clubs in the 21st century will either be tightly focused – like golf only – or the ones with the broadest range of offerings that create a resort-like experience and ambience.

*George Carroll, CCM, Past-President of CMAA at the International Symposium*

Ninety percent of all businesses do 90% of the same things the same way. It's the 10% who do things differently that are successful. Different is not always better, but better is always different.

*Jack Kimbell*  
*CCM, Conference Speaker*

There aren't many businesses, for better or worse, that have as strong a “keeping up with the Jones” tendency as that shown in the golf business. Few are the clubs that haven't undergone any course renovation. Many are those that have undergone the process well more than one time.

*Brian Silva, Conference Speaker*

The challenge in using today's technology is combining “high tech” with “high touch” in a private club environment.

*David Brightling, Moderator, introducing the technology discussion of the Internat*



*(“From the International Symposium” continues)*

increasingly common, sometimes as part of an in-house business centre and sometimes offering computer instruction targeted to older members.

- There is an increasing emphasis on lifetime learning, reflected in an ever expanding range of courses offered at clubs. Subjects range from cooking (*“From the International Symposium” continues*) schools to wine appreciation, from computer training to art appreciation and so on.

- In some countries – South Africa being a prime example – races formerly excluded from private clubs are now welcome. In other nations or communi-

ties, minority groups are not yet widely represented in the membership. Regardless, the global private club industry is more aware of, and sensitive to, issues of race, creed and colour.

- Membership marketing, sponsorship of events, targeted e-mail marketing and e-newsletters (sometimes replacing paper versions) are also emerging trends.

- While formal dining is declining almost everywhere, dress codes issues – from what is “appropriate” to questions of enforcement – are common international and cross cultural concerns.

- Private club golf is experiencing increasing and strong competition from high end public and semi-private corporate golf facilities.

- Low fat, low carbohydrate and other healthy eating trends (i.e. organic foods) are very common.

- High end, tightly focused golf clubs and multi-facility “resort style” golf clubs are emerging as the two most viable sectors of the golf industry.

- An almost global “time crunch” is affecting us all, from declining volunteerism for club committees (although this may change as the boomers retire) to the amount of time available for club activities. Decreasing numbers of club committees and nine-hole golf tournaments are two outcomes of this trend. 

# Focus On ... The Internet

Most clubs have jumped on the technology bandwagon and now have a presence on the internet. Whether you use your club's website as a marketing tool, a means to communicate with members only or a way to make complex transactions, there are a few simple things that you need to keep in mind to be successful. Following are some tips to keep your club staff up-to-speed with the ever-changing dynamics of the worldwide web!



## Make your Site Communicate with your Visitors

- When you send an invitation, save the date or other announcement, be sure the information you're announcing is also posted on your club's website.
- Make your site usable and easy to navigate so members and potential members will stay longer and come back.
- Organize the site the way the members want to find information. What do you sell or offer, what transactions can be made on the site, what information do members seek the most? These pages should be reachable from the home page.
- Build community. Put members' names in print to get them invested in their committees or feel proud of their involvement. Or, you may have an online forum so members can share information and answer each other's questions.

## Write Readable Online Copy for your Website

When you write for the web, realize that most readers will quickly scan the text. Make it easy for them to capture your main message with these tips:

### • Fit all text onto three screens

Readers will lose patience and stop scrolling after the third screen, especially if they have to wait for pages to load.

### • List hyperlinks as endnotes

Don't insert them into the text. They'll click to another site and never return.

### • Keep it simple


Use audio and video clips sparingly.

Some readers don't want or have the capability for sound, animation or other visual effects. Send graphics as an optional attachment.

### • Keep it short

Read your first draft aloud. Edit extraneous words. If you run short of breath completing any sentence, chop it in two. Example: Replace "This project requires additional resources we cannot afford at this time, so I suggest we eliminate the expense and reallocate our funds on projects with a more promising payoff" with "We cannot afford to sustain this project. I suggest we invest in more promising opportunities."

• Offer separate e-mail addresses for members to contact your appropriate staff regarding club operations. Do NOT allow e-mail to drop into a black hole as the webmaster reads and distributes each one.

• Establish an internal policy regarding the time frame for responding to e-mail your site receives and stick to it. 

*From "At Your Service" published by the Club Managers Association of America's "Premier Club Services". Reprinted with permission.*

## A Final Thought

How to tell an employee that he is not getting a raise:

Because of the fluctuational predisposition of your position's productive capacity as juxtaposed to governmental statistics, it would be momentarily injudicious to advocate an incremental increase.

Your employee will say "I don't get it".  
You'll say "That's right."