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Call out... THE FIRE BRIGADE!

We continue our discussion with Mike Braidwood, from Braemar Golf management in St Andrews, on how best to manage falling revenues.

Beverly Sills, the great operatic soprano, said **“There are no shortcuts to any place worth going.”**, but to be fair short cuts can be very beguiling and offer the seductive promise of an easy way out. The real question that needs to be asked is where will a shortcut take you and will you enjoy it when you get there?!

Although most people will say that they don't take short cuts, it seems that many people go into business with the primary intent to 'make money' rather than with a plan where the object is to provide a reliable service, good value, or manufacture a good product, the by-product of which process will be to generate profits.

Mike, aside from the 'philosophical' aspects of revenue versus product quality, or service integrity what do you feel are the key don'ts within a plan when a Club or golf facility is in a financial crisis and its revenues and the bottom line are going in the wrong direction?



Mike Braidwood:
The old proverb goes that 'desperate times call for desperate measures', but this is often trotted out as an excuse for ill conceived and poorly considered courses of action. However even if you have had a well reasoned plan or strategy in place (and

stuck with it!), sometimes things will still not go 'right' and you might need to look at another approach and in this context, and as a general principle, I would stress the need be vigilant in a management sense at all times - so my 5 don'ts would be:

- ✘ **Don't stop promoting your business.**
With little money to spend you might have to be a more innovative and creative with your promotions. Remember e-blasts, social media, press releases are all free and cold calling, familiarisation trips, 'open days' all come at minimal cost
- ✘ **Don't make indiscriminate cut backs on expenditure.**
This applies especially for core services your members value and enjoy...that could be the reason they are leaving!
- ✘ **Don't cut you revenue earners, if they are genuinely revenue earners!**
If you do have to make wage cuts you could put your revenue earners on performance / incentive (income / profit) based contracts.
- ✘ **Don't become invisible.**
In challenging times it gives members and guests confidence if the management team / committee / captain are very visible at the club. They can field questions and also promote and sell!
- ✘ **Don't be afraid of change.**
OK your club might have done it that way for 100 years! Well we are in different times now and our consumer base has different wants, needs, demands. So embrace change for the future health of your club.

Mike Braidwood: *Yes – the failure to plan is planning to fail, and it resonates strongly in circumstances like this. However it really depends on how bad the situation is. Hopefully you have caught onto the problems early enough to be able to make some calculated decisions on how you are going to get out of the mess.*

The key is not to panic!.....take a deep breath and look over the whole situation calmly and objectively.

Braemar Golf have come across a number of projects where the developer and or owner has just started off on the wrong track with either 'money saving' initiatives, or have put in place very inexperienced staff from the onset. These basic errors have come back quickly to haunt them and as a result their business has quickly spiralled out of control.

When we come into a project like this we take a broad overview of the situation (really a kind of a facility audit) and identify the immediate small wins that can be done to steady the ship and then a longer more strategic plan to turn the vessel around and into calmer waters.

Two recent examples of this have been at Muscat Hills Golf and Country Club in Oman and at Espiche in the south of Portugal. We managed to turn both of these projects around by simply putting in place a solid plan at the core of which were best practices.

The case study for the Muscat Hills project can be accessed at www.thebusinessofgolf.co.za and at www.braemargolf.co.uk

In next month's section we shall be looking at the old bugbear – service levels, or perhaps what increasingly seems to be a lack of them! ■