

## CLUB MANAGEMENT I: STRATEGIC PLANNING BY PAUL GRAINGER

# STRATEGIC PLANNING THE KEY TO CLUB AND DEVELOPMENT SUCCESS

*The business of Golf Club's and general recreational or 'leisure' facilities has changed dramatically over the past decade. Today's fast paced society, family and work balance, competing time demands and widely diverse interests now means that members routinely expect higher quality, demand a high level of personal service and require a multiplicity of amenities. This change is particularly prevalent in the Asian marketplace as Club's strive to deliver a total lifestyle package to the membership which aims to provide a balance between social, recreational and business interaction.*

" ... Only those Club's and developers who fully understand the market, are willing and able to adapt to change and who continually review operating strategies, will be successful in meeting the expectations of this new generation of leisure users."

The US and Australian markets amongst others have proven testament to the fact that Private Club's are no longer an exclusive domain for the very wealthy. Quality clubs are now accessible to the masses across the golf, fitness, spa and boating industries and yet, whilst competition amongst clubs is hardly new, even more competitors are entering the marketplace and the intensity is increasing.

Private Clubs, which were once the traditional home for golf in the US, continue to diminish and now account for only 20% of available golf courses and these Club's are finding themselves up against public and commercial owned facilities which account for the remaining 80%.

The message is clear and the solution straightforward. Only those Club's and developers who fully understand the market, are willing and able to adapt to change and who continually review operating strategies, will be successful in meeting the expectations of this new generation of leisure users.

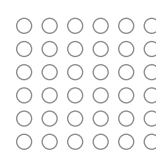
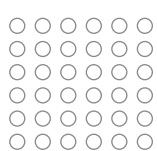
### WHAT IS A STRATEGIC PLAN?

Very simply put "strategic planning" determines where a Club or company is going over the next year or more, how it is going to get there and how it will know if it got there or not.

The strategic plan addresses long and short term challenges and gives the Club and its leadership the ability to control and shape the organizations destiny.







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### WHY A STRATEGIC PLAN?

In today's continually evolving and competitive leisure arena, a properly crafted strategic plan will;

- Clearly define the purpose of the Club or organization.
- Identify industry trends and analyze competitors.
- Identify customer and member needs.
- Develop ownership for action plans.
- Provide an information base from which progress can be measured.

### WHEN SHOULD STRATEGIC PLANNING BE DONE?

For established Club's, a strategic planning exercise should be conducted annually, preferably immediately after the appointment of the board of directors.

Strategic planning is critical in the early planning stage for new developments and should be conducted as part of an initial feasibility study, together with overall business plan for finance, marketing and operations.

The strategic planning process with your chosen leisure consultant will enable the correct type and mix of recreation facilities for the targeted demographic to be identified, enabling the creation of a phased and flexible approach to further development of leisure oriented facilities to be continually appraised and not rushed into.

### WHO SHOULD BE INVOLVED IN THE STRATEGIC PLAN?

The planning process should be administered and facilitated by a knowledgeable Club or leisure consultant.

A professional leisure consultant will provide much needed objectivity and broad experience on Club and leisure industry trends and is essential in developing and implementing a successful strategic plan.

The board of directors and senior management team must naturally take a very active role in the planning process, with best results achieved in a one or two day board retreat format, facilitating time restrictions faced in the fast paced Asian corporate world.

### THE PLANNING PROCESS

The process of a strategic plan may take up to two months in its entirety, with the following component guidelines generally covered.

- Pre retreat board member survey.
- Pre retreat survey or focus group of potential or existing Club users or members.
- Marketplace analysis of competitors and trends.
- Identification of opportunities, challenges.
- Establishment or confirmation of Club mission and vision.
- Identification of specific goals, prioritization and action plan.
- Allocation of accountability and timeframe.
- Agreed review timeframe for result monitoring.

### HOW OFTEN SHOULD YOU CONDUCT A STRATEGIC PLAN?

It has been apparent for some years now that 'stand alone' Golf Club's as businesses are a dying breed and other ancillary integrated leisure facilities need to be fully explored to satisfy the new lifestyle user.



The myriad of choices for other facilities for Club boards or developers to contemplate, such as fitness, spas, daycare, functions, water parks, ten pin bowling, badminton, tennis, squash, pools and many others, will only be critiqued fully and identified through the regular implementation of a strategic review.

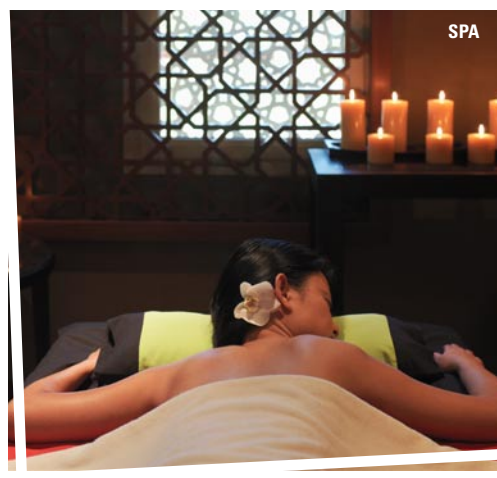
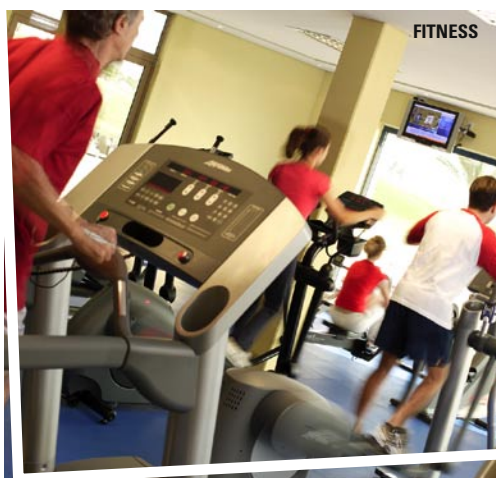
The strategic plan is a living, always changing strategy that demands annual updates to keep up with the Club or companies continually changing needs.

Asia has a wonderful opportunity, with its progressive development to avoid the mistakes caused by complacency

in other countries by insisting that annual strategic planning becomes commonplace and best practice for all golf and leisure related businesses.

A competent leisure consultant should become a mandatory partner of the Club board, company board or owner, in this important exercise, much in the same way as an architect and related professionals are to the design and construction process.

Value and quality in respect to time saved, industry knowledge and ultimately services and facilities delivered, will be the end result.



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