Hawick Golf Club: Business Planning

The Issue:
Hawick Golf Club is the oldest in the Scottish Borders. The Club’s membership had decreased by an average of ten per cent per year for at least six consecutive years. Throughout this period, no action was taken to encourage members to stay: instead the Club increased its fees in an attempt to compensate for fewer members, which in turn led to a further decrease in membership. Severe financial pressure followed and in summer 2013 the Club realised that change was essential.

The Solution:
The immediate need was to achieve stability for the current financial year. An EGM was called and every member was asked to donate an extra £50 to allow the Club to continue to operate. This provided breathing space for the Committee to introduce a long term solution based on the use of a proper Business Plan, developed with the support of the Scottish Golf Union (SGU), and a transition from running as a Club to running as a business.

The Committee lacked the business knowledge vital for creating a robust Business Plan. The support and practical help from the SGU Club Development Officer was crucial. The SGU’s Club Development Officer visited the Club and outlined the necessary steps to achieve this. These included participation of the Committee in a self-governance survey; the use of a members’ forum tasked with identifying the Club’s strengths and weaknesses; and identification of the Club’s core business areas.

Challenges and Solutions
Initially, the Committee lacked the business knowledge vital for creating a robust Business Plan. The support and practical help from the SGU Club Development Officer was essential.
invaluable in the process of producing and implementing the Plan: he helped guide the Club through every step. A positive side effect was the knowledge and skills gained by the Committee members.

One of the biggest difficulties faced by the Club was changing entrenched behaviour. The Club had been run in a certain way for many years and adopting a business-focused approach was a significant challenge.

The problems were overcome due to the Committee being brutally honest when carrying out the self-governance survey and, importantly, acknowledging completely that they had to change the way things were done to secure the future of the Club.

Impacts:
The Club saved £10,000 on expected expenditure for 2014, and the number of full members increased from 114 to 173 in little over a year. In addition, the Club ran a successful Open Day in September 2014, which attracted 31 new members and increased the number of 19-29 year old members by 50%. The increase in numbers has enabled the Club to continue to offer good value membership fees, and also to introduce Transitional Membership Categories for 19-21 year olds, 22-24 year olds and 25-29 year olds along with Family Membership packages. The Club’s achievements have been celebrated in specialist magazines Bunkered and Scottish Club Golfer.

Next Steps:
The Business Plan is on-going and being regularly updated with new objectives and initiatives.

The Club recently carried out a Member Satisfaction Survey that will set the benchmark for many of its objectives and provide clear annual targets within the core areas. Another benefit is to ensure that the members continue to be involved in the Business Planning process so that their needs and preferences can be met.

Additionally, the Club has identified a further £3,500 worth of savings to be made in 2015, providing revenue to improve its marketing strategy and attract both members and visitors. The incredibly successful Open Day initiative will continue into 2015.

Finally, the Club will continue to build on its strong partnership with the SGU, specifically implementing Best Practices identified from other successful Clubs.

Don’t wait until it’s too late. New members or visitors will not just arrive without careful planning and a successful strategy.

Tips & Advice:
With hindsight, the Committee believes they should have started the Business Planning process a decade earlier when the Club membership and finances were healthier.

The advice of Hawick Golf Club is: “if you want your Club to survive and grow in the current golfing industry climate then contact your SGU Club Development Officer now: they are the champions of your industry and can provide you with all the tools you need to make your Club a success.”

A final word from Hawick Golf Club:
The Club considers its Business Plan to be the best thing that it has ever introduced. It was very difficult to make that initial admission that the Committee was not running the Club properly, but in the long run it was all worthwhile. The Vice-Captain says, “The initiative has involved a lot of hard work and soul searching but it has been nothing but a positive experience for our Club and for the first time in a long time the future of our Club looks bright and we will continue to build on the successes of each year.”

Based on surveys and follow up interviews, the UK and Ireland’s Golf Home Unions have identified and showcased examples of “what works” in golf club management in a series of case studies. The focus has been on clubs that have been successful in achieving more players, more members and stronger clubs. The intention is to share information and guidance on effective practices in business planning, customer service, membership, and women’s and girls’ golf. For further information about this and other case studies and for further support, please go to www.golfcasestudies.businesscatalyst.com.