

Your club is not just a safe haven from society, but has become part of your community. Children are part of that and are being welcomed to the experience because, as we well know, they are your club's future.

By Sarah Peerani and Dave White Cover and cover story photos by Heather Arias de Cordoba

# The Influencing Constant For Many Private Clubs

Five years ago, Bonnie Knutson raised the prospect of Baby Boomers flooding into the private club industry, and cautioned about labels.

"Don't call them seniors.

"Don't call them matures, and above all, don't call them old," she exclaimed.

Knutson, professor in the School of Hospitality Business, Broad College of Business, Michigan State University, and BoardRoom contributor, made her statements in referring to that big wave of 'them' rushing toward their 60s.

Former Presidents George W. Bush and Bill Clinton, Cher, Jimmy Buffett, Linda Ronstadt, Pat Sajak and Sylvester 'Rocky' Stallone were among "the leading edge of the 78 million in the Baby Boomer generation," informed Knutson. **COVER STORY CONTINUED PAGE 22** 

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And now with this initial wave hitting age 65, the impact continues to be felt in the private club industry. The private club industry has encountered many and significant challenges, some of which are viewed a threat to a valued traditional way of life...with others viewed as opportunities.

Five years into the Boomer flow, where are private clubs today? What are they doing to prepare for the 'new' future, which while still dependent on, likely will become less dependent on Baby Boomers?

Fact is, Boomers comprise the bulk of club members today but it also means clubs must work toward the future, balancing the needs of the Boomers with the needs and wants of the family-centric, upcoming club generation.

The average age of the private club members is considerably lower than it was 10-15 years ago, and with the maturation of the Boomer generation, the private club industry has likely reached the bottom of the age decline of club members.

The age average will likely slowly creep back up as the midpoint of the Baby Boomer generation passes age 50. But to complicate matters, the number of people in Generation X – sandwiched between the Boomers and their children, the Echo Boomers – is about half the size of the Baby Boom generation, creating a much smaller population pool to draw upon.

Yes, Boomers are increasing in age, and as Knutson suggests, they're "getting old" later than their parents did, meaning they're more active.

Our BoardRoom experts agree the older Boomers are not the same as yesterday's older members. They're more active; they have different needs and wants, just as the up-and-coming younger generation now has different needs and wants.

Private clubs have been slow to change, almost as though tradition demands it. Yet to exist and thrive, clubs must provide the amenities members want, including a first class golf course, a clubhouse with all its amenities, social interaction promoting networking – high touch all while providing high tech; family programs, swimming pools, tennis courts, spa and fitness facilities etc.

Some aspects of private club life long taboo are shifting. Denim now can be worn in many clubs, even if only in specific spaces; and cell phones and other technological assets so important to younger people in their daily business and social lives continue to make inroads into private club culture and traditions.

But, and this is something we can't ignore, the high touch, that personal contact and interaction our club affords, is just as important as the high tech. People still crave that personal touch...the feeling...the interaction.

But without continuing changes club growth (recruiting) and retention will suffer. So the focus continues to shift.

Today family-centric is a major thrust. Gone is your dad's club catering to a male-dominated, cigar-smoking, golf-play-

ing population..."family friendly is what it's all about," shared Gregg Patterson, general manager of the Beach Club of Santa Monica, CA.

Patterson has developed a number of programs, helping other clubs embrace the changing demographics they are facing today.

He lists the reasons why more clubs should become more family friendly, explaining that "it creates member loyalty, enhances the reputation of both the club and management team, and ultimately it creates a 'warm embrace' – the buzz, the love and glow!"

At the Beach Club, children 10 years and older are allowed to visit the club without their parents under one condition, they must pass an "orientation quiz." There are 93 true/false questions that must get signed off by every supervisor from security and chefs to the front office and every manager at the club.

Children are asked which places in the club are appropriate to be in at certain times of the day, what happens when rules are not followed, and how to play well with the other young members.

"It's a great way for the children to learn the responsibility of being alone, how to take care of the club and its equipment, and gives parents some alone time, too, if they'd like," said Patterson.

He also details how important it is that the staff is onboard, cooperative and committed to the program. As general manager, he feels you should be the energy engine for both your staff and the children at the club.

As responsibilities trickle down to assistant managers and youth directors, he expects the same on every level. Patterson feels that the children shouldn't be intimidated by the adults but welcomed and respected, just as the children should respect the staff as well.

Mark Condon, general manager of the Red Rocks Country Club, near Denver, CO (a club featured in BoardRoom May/June for taking a leadership role in going green) agrees with Patterson. But Condon points out, some clubs don't have the same opportunities as others when it comes to welcoming younger members.

"Not everyone can do it. We're fortunate to have a great, closely knit community that combined with our food and beverage staff...has become a social entity next to our golf course."

What has changed? Well, to start, 25 years ago 80 percent of households use to be single income families. "We've entered the era of dual income families. Both husbands and wives are spending more time apart during the week, they look forward to being able to spend it together on the weekends," Condon explained. Which is very true.

Both parents have to juggle work and their children's active schedule. Some country clubs are evolving from these

social status establishments to what Condon refers to as "total value" clubs.

"At one time, it was single person's decision who might've said, 'I belong to the best club in town'," stated Condon, "whereas today people are thinking what's the best fit for our family versus our status of being a part of any club. It has to be a great recreational experience and attribute towards their family time."

As Henry DeLozier writes elsewhere in *BoardRoom* (*Clubhouses – and How We Use Them Are Changing*) this issue, today's club is all about lifestyle and family...and creating a multi generational appeal. And without question, the single largest demographic change is the role women and children play in the decision to join a private club and how often the club is used.

So, who's to say which club will be a good fit for the family? Apparently, mothers still know best.

Studies show women are the decision makers when families are determining how to spend their discretional income. What are moms looking for? Which club has the most and safest opportunities for their potential new young members, what they offer for the adults, and the happy medium between the two? During a summer, Red Rocks partnered with the YMCA for multiple children programs and a summer camp. "The combination of the YMCA's expertise and our food and beverage knowledge resulted in a really successful experience for everyone," Condon mentioned.

And he wanted to make sure his members received credit for making the club as enjoyable as it is. Sometimes, he suggested," It can be very difficult for other clubs (members) to get over the adage of paying your dues." So the push for varied member experiences is a little different at Red Rocks.

"Our 'member experience' team manages different suggestions and comments from our members – what bands they want to hear next to themed dinner suggestions. Just recently that included a special dinner where fresh seafood was flown in from Florida. There's something for everyone."

There's a faint idea that something will be lost in this transition. Some worry that the traditional country club fade away. Not so, Condon maintains.

"The game of golf is a tradition in itself. It's something that will never change. The same courtesy and rules will always be universally respected. The way you might enjoy it, however, might

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change. Take fashion for example. You see these young guys talking to Jack Nicklaus it's right there...the new hipster style on the course next to the traditional attire."

Pensacola Country Club's general manger Randy Delaney shared an interesting observation on tradition at his Florida club. It seems the 'good old boys' are definitely in a minority now and are ostracized as they gather in the corner of the Men's Grill and grumble about 'I remember when...'

"Change comes hard to clubs and PCC is no different. There are some growing pains in evolving from a men's golf club to a full-fledged family operation," Delaney explained. "Older members, as a rule, have a little tougher time adapting to the change, but they have grandkids and great-grandkids and are exposed to glimpses of that culture."

The lifeblood of the Florida club remains golf. However, the club is seeing more interest in membership from younger members than in the past. Their junior tennis (in conjunction with the golf programs) are at their highest numbers in decades.

Summer kids' camp programs are routinely selling out and family time at the pool has also increased, acknowledging that the fact of "belonging to the club, is for the most part, a family experience with our newer members." How are they adapting? Pensacola has noticed that younger families are responding well to the little things. There is family-friendly feel and the club also offers programs and menus that the children enjoy and encourage their parents to bring them back.

"Two things of significance that we've added are non-stop food service during the day and a Kid's Adventure Camp," explained Delaney. "We offer a lunch menu, then from 2 to 5 p.m. offer a pub menu, before going to a dinner menu after 5 p.m.

"People are not confined to traditional meal hours and appreciate that. The Kid's Adventure Camp includes golf instruction, tennis, cooking, arts and crafts, bicycle safety, kayaking etc. It runs for a week and always sells out. We did add a fitness center several years ago and have seen good success with group fitness classes."

In sum, each club has noticed one incredibly important quality that young families and younger members are searching for: an experience. It can be something just for mom, dad, their children, or something that everyone can share.

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If you can look at your club, and recognize within the culture and activities, rules and regulations of your club, those practices that are 'traditions' and those that are 'habits', then you will have the means to ensure you protect your traditions and change your habits.

Dress codes are, of course habits – not traditions. Dress is fashion, and fashion changes regularly. Thank goodness we are not all wearing plus-fours, jackets and ties to play golf any more!

In European clubs right now, "times they are a-changing" as the now 70 year-old Bob Dylan once wrote in his song, as some of the bad habits of clubs (no jeans, no mobile phones etc.) are being replaced by more sensible practices that recognize that 99.99 percent of us all own a pair of jeans, and I don't think I know anyone that hasn't got a mobile phone.

Travelling around Europe, I see a more relaxed dress code on the continent of Europe than in the UK (France, Spain and Scandinavian counties in particular are very relaxed in the dress requirements). Even in some of the most traditional of London City Clubs, you see rooms allocated where members can use their mobile phones if they wish.

The past-presidents looking down from their portraits hanging on the walls may be turning in their graves in hor-

ror at such a development, but, if they were honest, they would remember a time when they challenged the generations before them, changed rules and moved with the times - a process in clubs which is evolution, not revolution.

A 'habit' is defined in the Oxford English Dictionary as "a tendency to act in a particular way" or "established practice or addiction." In contrast, that same source defines a 'tradition' as "the handing down from generation to generation of customs or beliefs."

Clubs in Europe are not that good at changing old habits (and especially some of the bad habits), as many club committees see these as 'traditions' of their club. The UK is especially poor in this regard, as the older generations on committees cling to their past, remembering their history like old soldiers telling stories of what is what like "when I was a young man...."

But there is light at the end of this tunnel – at a recent seminar at the headquarters of the governing body for golf in England (the English Golf Union), 38 percent of the more than 120 delegates stated that their clubs allowed members and visitors to wear jeans in some parts of their clubhouses.

Hallelujah!! Times they certainly are a-changing ! BR

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