

Club Management & Operational Review – Dungannon GC (DGC)



Written by

[Neil Kilgallon , CGI Club Support Officer]

Review Dates: 14th & 15th February 2017.

Club Management & Operational Review is an informal audit to record my experiences and outside eye observations . It is a place for recording how the review went , observations , best practices and any lessons learned which are then summarised with suggested recommendations/actions.

The review report (pages 2 to 17) & management summary (page 18) can become a working document going forward for the Club Council with the discretion to share the findings with members , committees & staff .

- *The structure of the review may vary from club to club depending on the scale , key priorities and scope .*
- *The Operational aspect is a broad look at club operations and the technical , regulatory & compliance elements would be outside the scope of it.*
- *The purpose of the review is to ; (a) promote a business like approach , (b) support the development of golf & equality , (c) provide some short term recommendations/actions (0 – 12 months) & medium term business/strategic directions (12 months – 60 months) and (d) **primarily support the club’s structures to become more effective and sustainable going forward .***
- *Prepared in good faith on the basis of the information made available without any independent verification. CGI will not be liable for any loss , damage , cost or exposure incurred as a result of any recommendations/suggestions actioned.*
- *Club information provided – club rules & regulations updated Nov 2016 , club governance proposals 2015 & 2017 , 3 sets of financial statements 2014 – 2016 , summary of financials 2009 – 2012 , copies of AGM reports for 2007/08/09, 2015 & 2016 , copy minutes 2016 AGM , copy minutes of council meetings in Dec 2016 , Jan & Feb 2017 , copy club insurance for 2017 , list of club’s machinery , copy course assessment report week 5 2017 , copy of quotation dated Oct 2016 for fibre cabling of club facilities .*
- *Open & frank meetings/discussions held with club officers, council members , trustees , convenors , sub committee members ,golf professional , course superintendent , bar & services manager , office staff , golf shop manager & members with plenty of constructive feedback/insights provided.*
- *Walked the course for a couple of hours with the course superintendent & course convenor & inspected the machinery shed . I also had a good look around the club facilities & reviewed the website.*

• **Areas reviewed.**

| | | | |
|----------------------------|----------------------------------|----------------------------------|-------------------------|
| 1. Governance & Management | 2. Membership & Visitor Profiles | 3. Staff & Services | 4. Financial Management |
| 5. Facilities Management | 6. Communications & Marketing | 7. Strategic & Business Planning | |

Breakdown of reviews areas & comments

1.Club Governance & Management – Rules & Regulations of the Club (revised Nov 2016)

The club's business affairs and mens golf are managed by (a) a Club Council (CC) and (b) the ladies golf is looked after by a Ladies Committee . This type of club structure is mostly evident in N.I. private member clubs.

- (a) Club Council consists of a captain , vice-captain , immediate past captain , a president , honorary secretary , honorary treasurer , honorary treasurer membership , bar convenor , competition convenor, course convenor , up to 6 co-opted councillors & the 6 club trustees = **22 voting members**. 2 of the co-opted councillors are the lady captain & lady vice-captain . The captain presides at all club and council meetings during his annual term. The current structure has worked well overall for over 50 years but the current golfing environment has brought new governance/management challenges & opportunities . Clubs like Dungannon are starting to review and restructure towards a more modern & business like model.
- (b) Ladies Committee consists of lady captain , lady vice-captain , immediate past lady captain , lady president, secretary , treasurer, handicap , match secretary, public relations + 1 more member = 10.

Typically club committees/councils range from 7 to mid 20s . Accordingly DGC's Club Council @ 22 voting members is on the high side and has been robustly reviewed prior to and during the 2 day visit to gauge it's fit for purpose , it's effectiveness , it's governance and is it right sized in line with your core areas/priorities.

Some positive council initiatives have been implemented e.g. a gender balance process , marketing & communications convenor , minutes secretary & good work has commenced on a strategic plan and a constitution/club rules review . A members forum & survey have also started a good engagement & communications process with members & must be continued .

A number of sub committees are in place and I noted the co-opted members onto council bring different skillsets and promote best practices towards equality/gender balance .

The Governance & Strategy Guide for Golf Clubs released last year in association with Deloitte is a valuable reference & resource going forward . In addition , GUI/ILGU have sample constitutions for member clubs .

The process to create the one governing body (OGB) for amateur golf in Ireland has started . If the OGB is created by 2018 – 2019, this will provide an opportunity for governance and structural changes . It will also help mould future club management structures (e.g. business & golf model) , will promote best practices and perhaps also enact equality legislation for N.I. sporting clubs in general . So this is a good time for DGC to progress towards future sustainability & growth built on stronger governance and management foundations.

The key drivers of club effectiveness are ;



I have been a frequent visitor and club support to DGC over the past 2 years . To be honest , coming into the review I was of the view that the club was now positioned to undertake governance & structural changes towards a more sustainable business & golf structure which in turn would help drive on a Strategic & Business Plan over the next 3 to 5 years .

The review and the various discussions held have somewhat changed my governance viewpoint towards striking a balanced approach & appropriate compromise between competing desires for tradition and a modern direction . However, I am still of the view that over the next 3 years , a true business like and golf structure will bring sustainability , stronger governance & more robust management practices .

So I am recommending a change process in 2 phases . The initial phase focussed on improving the business like aspects with immediate effect on a trial basis , subject to members approval at the next AGM . Then in phase 2 , subject to ongoing reviews , a switch over to a business & golf structure in the next 3 years .

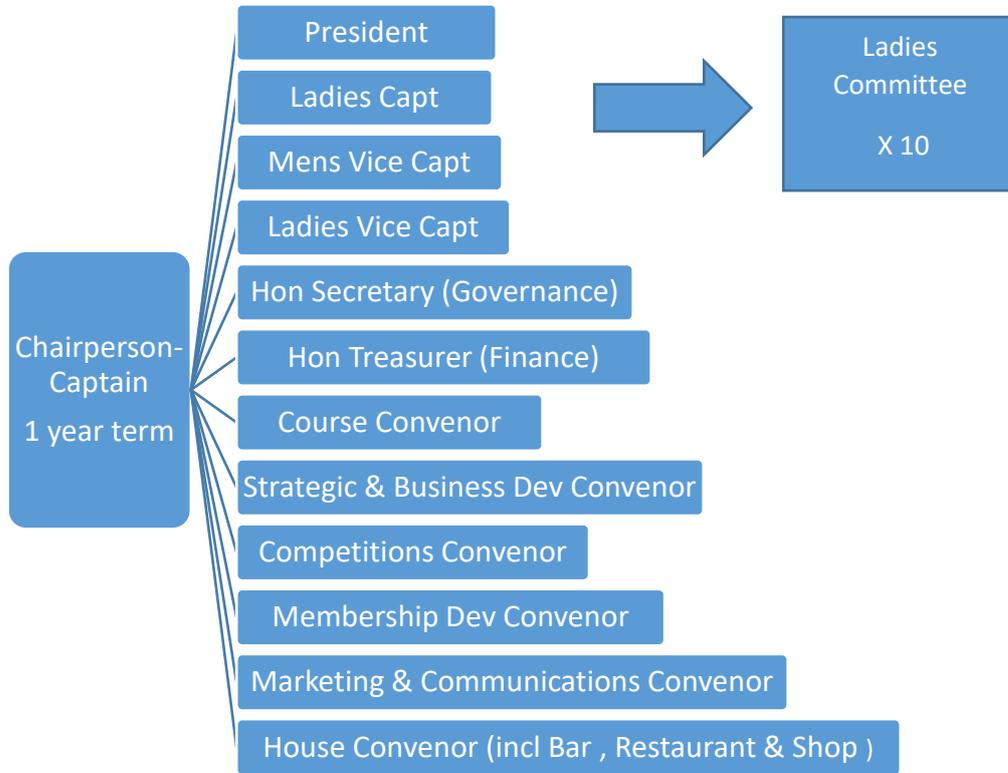
So might this work in Phase 1 ?



So might this work in Phase 2 (post One Governing Body creation & perhaps after equality legislation enacted in N.I.) ?

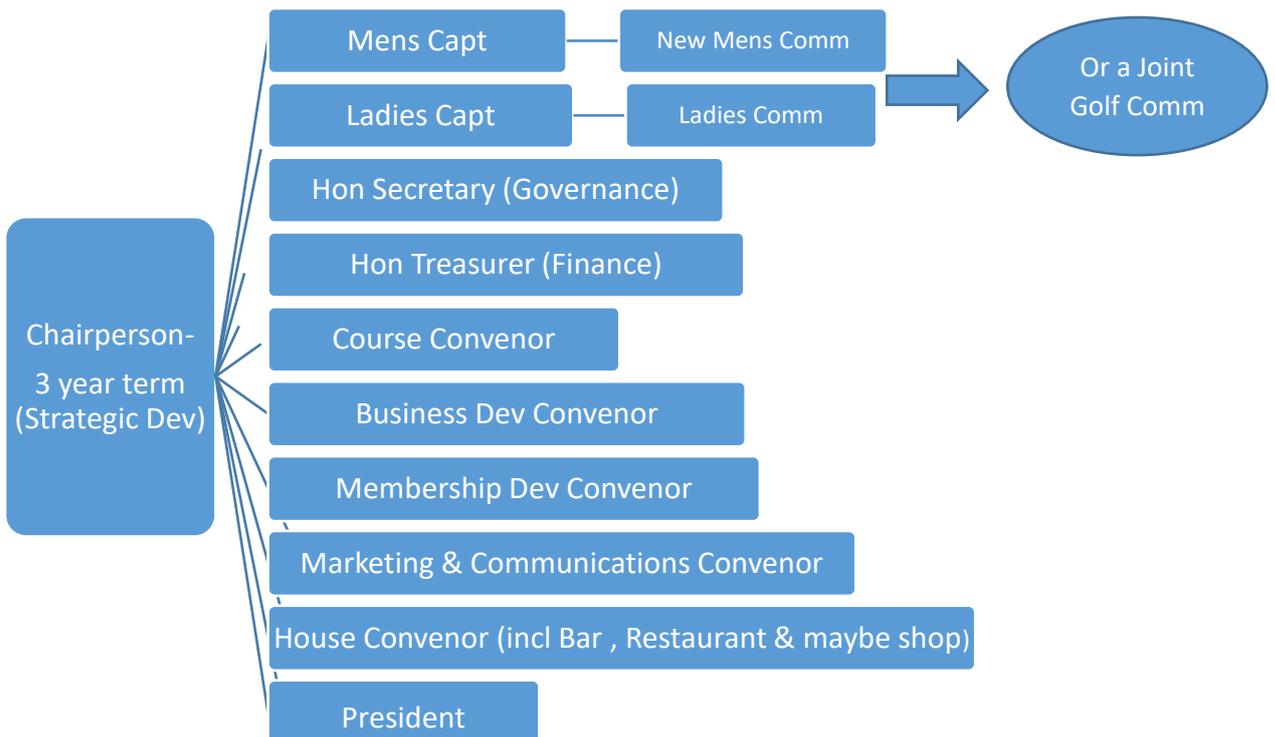


Phase 1–Club Council renamed as Management Council X 13 voting members



Phase 2 – Business & Golf Structure

Management Council X 11 & Mens Golf & Ladies Golf Comms or a Joint Comm



Short term (Phase 1) to medium term (Phase 2) recommendations /actions

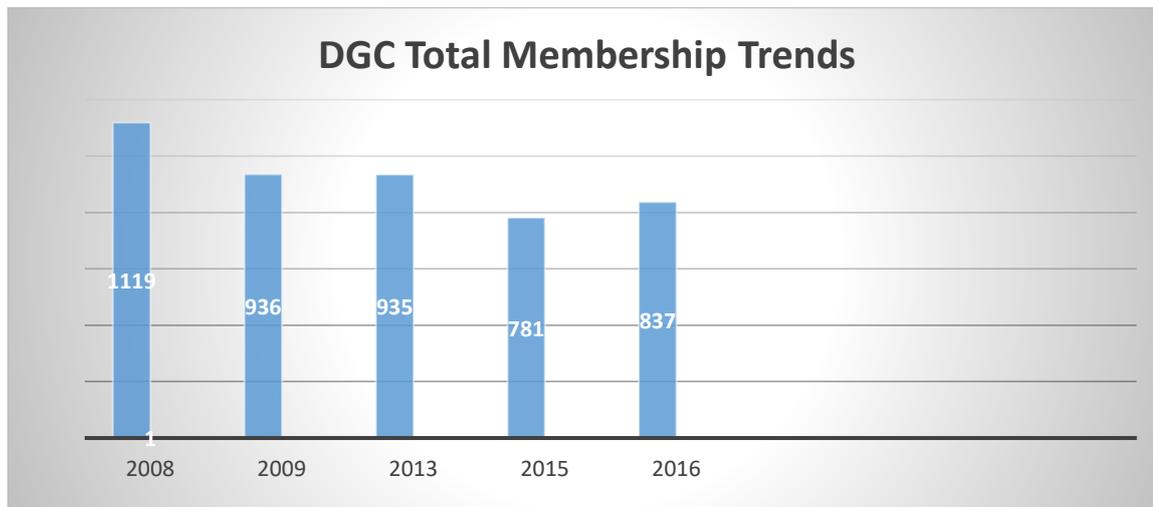
I believe your 8 core areas/priorities i.e. portfolios are – course , golf , governance , strategic & business development, finance, membership development,marketing & communications, house(shop , bar & restaurant).

So I recommend due consideration for the following governance & structural changes with CGI support/guidance phased in over 3 years ;

- 1.1 On a trial basis initially from March until the next AGM , rename the ‘club council’ to the ‘management council’ and reduce it’s size from 22 voting members to 13 voting members as outlined on page 4 with the trustees becoming an advisory group (non-voting) to the management council on key issues/changes.
- 1.2 The 3 other council members not moving across into the trial structure (i.e. immediate past captain & 2 co-opted members) could become valuable members of a newly proposed Strategic & Business Development sub committee chaired by the proposed new convenor for this very important core area/portfolio. I am also proposing that this new sub committee should also include the Hon Treasurer and 1/2 trustees . Key priorities for this sub comm will be to (a) complete the 5 Year Strategic & Business Plan for 2018 – 2022 with support from CGI for members approval at Jan 2018 AGM & (b) develop income generation initiatives from existing & new income streams .
- 1.3 The captain should continue as the management council’s chairperson during the trial period . All non-captain/vice captain positions should be for a 2 year term with the option , subject to members approval at AGM , to be re-elected for a further 2 year term .
- 1.4 The core areas/portfolios as outlined above could operate via some sub- comms chaired by the convenor responsible. The convenors can invite typically 3 to 5 club members to join with the necessary skillsets/experience for their core area/portfolio.
- 1.5 A set of defined role descriptions/duties & desirable attributes can be drafted with CGI support to ensure all management council members and future members have a clearly defined job description going forward.
- 1.6 The proposed Governance portfolio under the stewardship of the Hon Secretary will require a club restructure working group . This group made up of suitably qualified members should review the club rules/structures & admin duties with CGI support . Outputs should include (a) a revised constitution/rules & regulations document which is currently in train with a small working group , (b) a policies and procedures manual/club administration policy manual and (c) an implementation plan for the proposed Business & Golf Model in phase 2 inclusive of an elected Chairperson for a 3 year term .
- 1.7 The club council is made up of very committed volunteer members while day to day operations and continuity rests mainly with club staff and restaurant/shop contractors.To encourage closer communication links , stronger customer service & teamwork between volunteer management & key staff/contractors , I recommend a business operations group be set up to meet mid monthly . This working group could include Denis , Carol , Ann , Alastair F , Alastair B , Golf Pro , the Hon Sec + 1 other revolving council member . Chair can be rotated monthly with short minutes taken for circulation to the proposed management council.

2. Membership & Visitor Profiles

(a) Membership



Comments :

30% decline in total membership since the peak of 2008 to 2015 in line with Irish average of -30% .

Membership recruitment drive , ladies get into golf & the reduction strategy to re align mens & ladies full membership fees meant a net 7% increase (+56) in 2016 to 837 and full members increased from 425 to 471 (+46) – **well done . The best membership growth in the 17 club reviews I conducted over the past 12 months.**

I know the plan is to continue your full membership drive in particular over the coming 3 to 4 years to aim for a return to your full capacity of 600 . You also recognise that while 110 new full members & 38 ladies get into golfers joined - 60 seniors did leave also.

I also noted that the 837 total membership includes 158 social honorary members which represents a rather high 19% of overall and juniors/students @ 88 represents a lower 11% of overall . So food for thought in terms of higher junior golf participation/memberships & higher income levels.

On the flip side , the seniors membership has reduced to 92 from 152 (11% of overall) but no doubt if you include the over 50s then there is still an ageing profile to be gradually addressed with the influx of younger members/new golfers.

So new members & new golfers , as the club has successfully identified already , are badly needed especially in the 25 -50 age brackets to help continue to grow the adult & junior memberships with ongoing support from CGI's Get into Golf Programmes.

Membership income @ £245k represents 59% of total incomes and 52% of total turnover (including bar sales of £123k) and must continue to become a stronger No 1 income generator going forward given the fee reduction strategy introduced in 2015.

Short to medium term recommendations/actions

2.1 : A membership development structure i.e. recruitment & retention of membership has to be implemented to help support the excellent recruitment drive with a structured retention programme to help support the growth of your core income earner and develop the pathway to full membership .

The proposed Membership Development convenor position should set up a small working group of 3-5 male/female members to develop a retention/integration plan , set of 3 or 4 objectives & initiatives . This can build upon the recruitment strategy to return to 600 full members by c2020 .

2.2 : To give your pricing strategy a chance to continue to attract new members/new golfers + support from the CGI Get into Golf programmes , I would not be recommending any subscription increases for the playing members for the time being.

2.3 : However , I believe the club should consider offering full membership to the 30 – 35 age bracket @ £450 , should also consider a notional fee/bar & catering levy @ £50 for social & social honorary members by 2018 & a distance membership drive to members (your best promoters) with sons/daughters living in the cities but travel home for weekends on a fairly regular basis .

(b) Visitors Profile



Comments :

Green fees income reduced by 21% since 2011 to £41k in 2016 (10% of total incomes) after a relatively good 2015 . A wet enough summer last year coupled with a reduction in corporate & society bookings slowed down momentum . DGC has like numerous clubs raced to the bottom on visitor pricing (minimum £1 per hole to maximum £25 at peak weekends) . I believe Dungannon has under priced itself somewhat given the quality of the course and its quality bar & catering facilities .

Short term recommendations

2.4 : Volume at the right pricing levels , a stronger marketing profile , stay & play packaging & good weather are the key drivers coupled with a marketing & promotional plan/focus .The club's objectives must be to ;

(a) set a minimum green fee pricing policy @ £10 X 9 holes , £20 X 18 holes and at weekends minimum £30 X 18 holes . However , one exception might be worth considering – see (b) below .

(b) promote a 'quick golf' 7 hole non-competitive golf initiative in the Dungannon community @ £5 x 7 holes for next summer on each Wednesday evening between 5pm and 7 pm to help boost the club's profile . Use these evenings to promote your membership offers + even a short free golf lesson and encourage members to bring out young family members/friends .

(c) the proposed strategic & business development convenor & your marketing & communications convenor can develop a visitor golf & non golf visitor marketing plan . This plan can be centred around stay & play packaging , promotional campaigns to visitors/societies & local catchment area and generate additional revenue streams from corporates/commercials e.g. rotary meetings followed by a quick 7 holes package and non golfing/community based initiatives . The proposed business operations group members should support, promote & proactively service this visitor marketing plan .

3. Staff and Services

(a) Course Operations

Had a good walk around your key asset - the course with Alastair & Kieran (Course convenor) on day 2 of the club review . I also viewed the machinery & the sizeable enough shed with Alastair .

Dungannon is unique amongst the 17 clubs I reviewed in that it is the only club with a course maintenance contractor - Carr Golf @ £90k pa on a 3 year contract .

The course has come on a long way since I played it last many years ago and the mild winter compared to the previous two winters has helped its winter conditioning.

The key messages I got from Alastair & Kieran were around the club taking back the course maintenance, the guidance/expertise provided by Gerry Byrne – Agronomist is badly missed since he departed from Carr Golf, fewer bunkers needed and new machinery requirements.

Alastair has over 16 years of committed service, has received good training/development from Carr Golf + self development and gets strong support from Kieran & his committee/volunteers.

We looked at the machinery, much of which is ageing. Certainly a green mower (2002), tees mower (2002) & a bunker rakes machine would be short to medium term priorities. Carr Golf do maintain/replace machines when repairs/maintenance are required which is a big benefit in my view.

I noted that the club buggies (Alastair has leases on them & takes buggy hire income) are stored in the shed thus restricting machinery storage space. Internet connectivity in the shed would also be very helpful for placing orders/online access as Alastair has to wait until the club office is open to access online.

I also had a quick look at the practice field/driving bays which was very wet & is only really used in the summer months.

Short to medium term recommendations

3.1: Prior to my review visit, I was of the view that DGC should take back the course maintenance themselves under Alastair's stewardship from Carr Golf. However, after viewing/walking the course & reviewing/benchmarking the current expenditure, I now recommend that the club will be better positioned in a couple of years to seriously consider this strategic decision to go it alone and this should be a priority area for inclusion in the club's proposed strategic plan.

The maintenance contract at £90k pa is more expensive than similar member clubs who don't outsource the course maintenance. However, the critical benefits provided by Carr Golf to be honest are the agronomist/consultative services, course assessment reporting, machinery repair services and the training & development provided to course staff.

3.2 : Machinery replacement programme should be priced by the Course Convenor & Alastair in conjunction with the Finance Sub comm for budget sign off by council with a 3 year plan via leasing & cashflow.

3.3 : Online access to the shed should be provided for Alastair/course staff for placing orders online and for emails/internet access with likes of Carr Golf and for internal communication purposes rather than having to rely on access during club office opening hours.

(b) Club Pro & Golf Shop Operation

Had a good discussion with Chris Jelly, PGA Pro during my review visit. He explained his teaching/coaching services proposal to council (there is no written contract in place between him and the club). PGA, GUI & ILGU are the 3 governing bodies who created CGI. Chris is a PGA member and he also has formal coaching contracts with the ILGU & GUI Ulster Branch so I am obliged to fully support him and assist him professionally in my club support role.

Obviously I was disappointed to learn, after my club review finished, that the club council had voted not to retain his services. It was deemed by a majority vote, that his proposal did not meet the council's future requirements for a club professional position in DGC.

I also meet Alastair Fleming in the golf shop and it was certainly better stocked and better maintained than during my previous visits. I noted from the minutes of the Club Council meeting on 6th February last, that he was approved a 3 year golf shop contract extension until January 2020. This decision was based upon the recent improvements made – an increase in shop stock, improved customer relations & his plan to

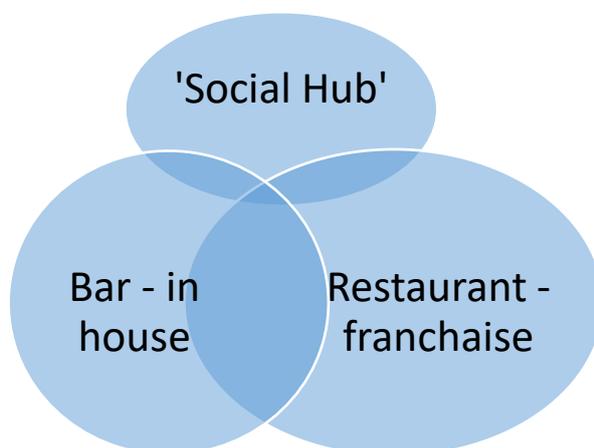
increase the buggy fleet from 4 to 6 . Alastair plays a key front of house role and must deliver more now that Chris is leaving . We discussed the buggy fleet & storage issues and the possibility of adding club fitting to his shop services to members in particular .

Short term comment/recommendations

3.4 : Given my professional & working connections with the PGA as outlined above , I have to remain neutral so can't comment either way on the future direction the club may take regarding a club professional role especially with the golf shop contract approved for another 3 years . As previously mentioned, I am disappointed that Chris is leaving DGC and wish him the best in his future endeavours and continued coaching success with the ILGU & GUI .

3.5 : In relation to added value member services through the golf shop , I would certainly like to see Alastair been encouraged to get club fit training & to purchase an inexpensive launch monitor . I also have 2 proposals subject to council approval & capex funding which I will outline in section 4.

(c) Bar & Restaurant – ‘The social hub of DGC’



I had a good , frank & open discussion with Denis , the in house Bar & Services Manager . Shane , the restaurant franchisee & I tried unsuccessfully during the review to have a discussion but either he was busy or else I was having a discussion with club members . I left my phone number with one of his staff but he made no contact . I am aware that his contract is up for review . It is important that the club incur no costs , negotiates even a token catering rental income and it adds value and from what I could gauge , DGC's current arrangement with Shane ticks all these boxes .

In house bar & franchised catering services in small to medium sized member clubs has successes and failures and they are becoming more like winter & summer operations due to financial constraints , drink driving laws & footfall challenges/variances .

A Bar & Restaurant operation as outlined above is largely dependent on getting & retaining the right bar manager/staff and franchisee on a viable/cost effective basis. This arrangement should help support the necessary service & value for money standards to members/visitors, promote a good & co-operative social hub & hopefully deliver good communications with volunteer led management .

Even though I only experienced the winter bar & restaurant offerings during my review – I was very satisfied with the food quality , the pint of guinness I had on the first evening , the level of service & friendliness .So I do believe your current bar & food operations are heading in the right direction in terms of teamwork , quality , professionalism , service standards & joint up marketing/social media promotions . I also have no doubt the social aspects will continue to improve especially with the plans to have more Monday entertainment/fund raising events & Denis is trialling a few Friday evening sessions (club had 52 bar extensions last year but only 7 used) .

Short term recommendations

3.6 : Denis comes across as a very experienced & service focussed bar manager and in time might take on a broader club management role if sustainability & viability returns to DGC . He is keen to start the certified club manager programme and recommend that the club consider this training & development for Denis (approx. £5k spread over 3 stages via annual modules) .

3.7 : A couple of observations to perhaps enhance the bar experience for members/visitors came to mind ; (a) GUI are meeting with Sky Sports shortly to see if a golf club pricing package can be arranged like what was negotiated with Irish Rugby clubs recently as the current pricing is too expensive . If successful , DGC should sign up with Sky Sports & (b) the ‘members lounge’ signage should be changed to ‘lounge’.

(d) Office/Administration

I had a short joint discussion with Carole (4 days pw excluding Tuesdays & 12 years service mainly covering marketing/sales , membership , sponsorships , online society/visitor bookings) & Ann (4 days pw excluding Thursdays & 17 years service mainly as bookkeeper & general admin) in the office . The office is open Monday to Friday 9 to 5 except on Fridays (9 – 2) . Alastair covers societies/visitor bookings at weekends .

Short term recommendations

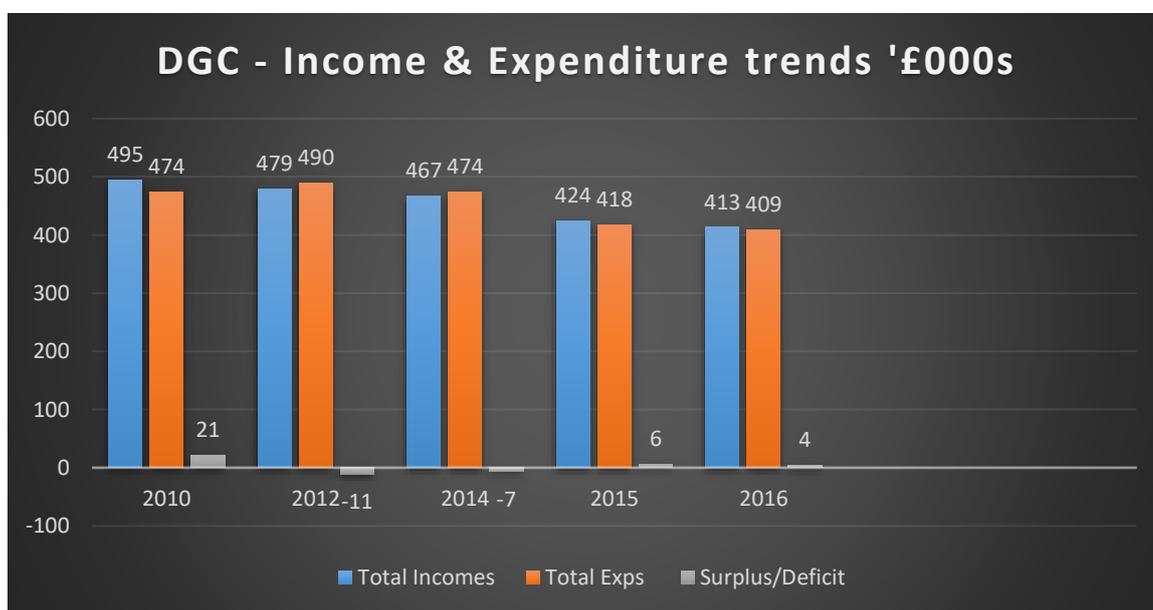
3.8 : They highlighted the 6 IT systems with no integration as cumbersome and time consuming – payroll , club systems , BRS , Smart club , Pegasus , membership system . The club should consider IT merging/integration in due course and also , as mentioned in 3.3 , Denis got a quote of £1.6k for better connectivity around the clubhouse facilities , golf shop & greenkeepers shed and that should be actioned .

3.9 : There is also a cash management/security risk in that when they are processing cash lodgements in the office, ,there is no security blind at the public window & they don’t lock the office door either .

3.9.1 : In my view & from my observations , Denis needs to be their line manager in terms of performance management/appraisals, organising training & development , promoting better staff/contractor communication links , encouraging proactive engagement with club council/convenors and having a standard operating procedures (SOP) in place .

4. Financial Management

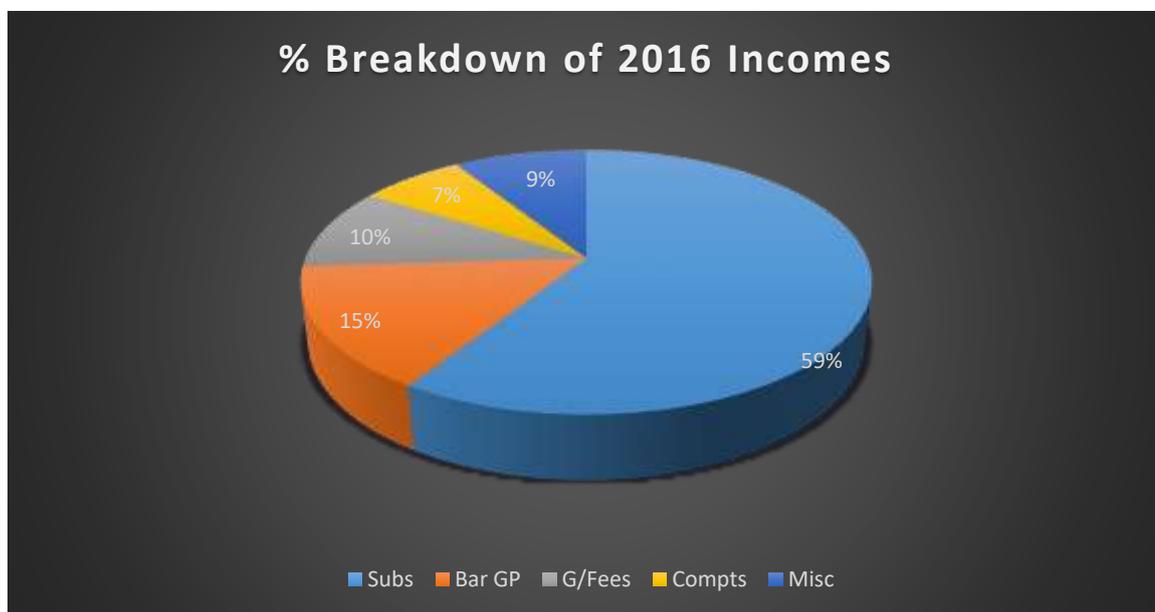
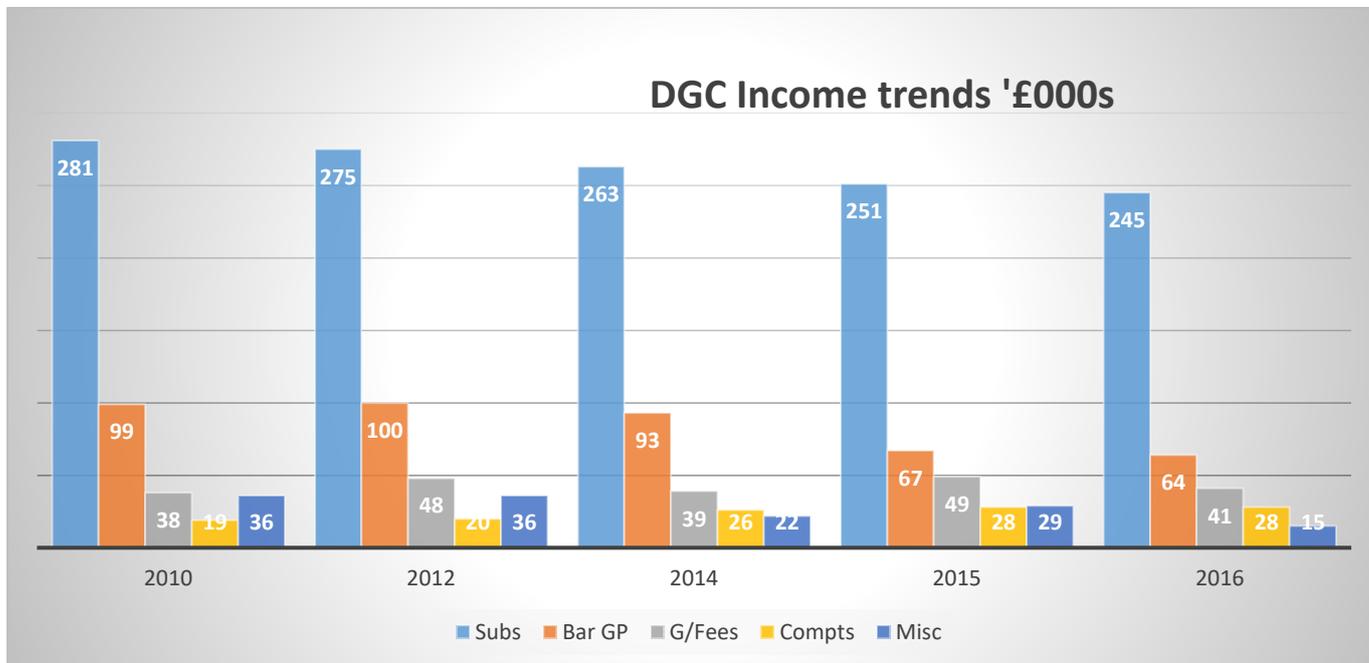
(a) Financial Analysis & Reporting



Comments :

Between 2010 and 2016 , total incomes & expenditures declined by 17% & 14% respectively .

The club finances are showing signs of consolidation/benchmarking after a few difficult years . The subs reduction strategy was a calculated risk . However , if membership growth continues , a membership retention programme is implemented and costs are tightly managed over the next couple of years then DGC is on the road back to sustainability & viability .

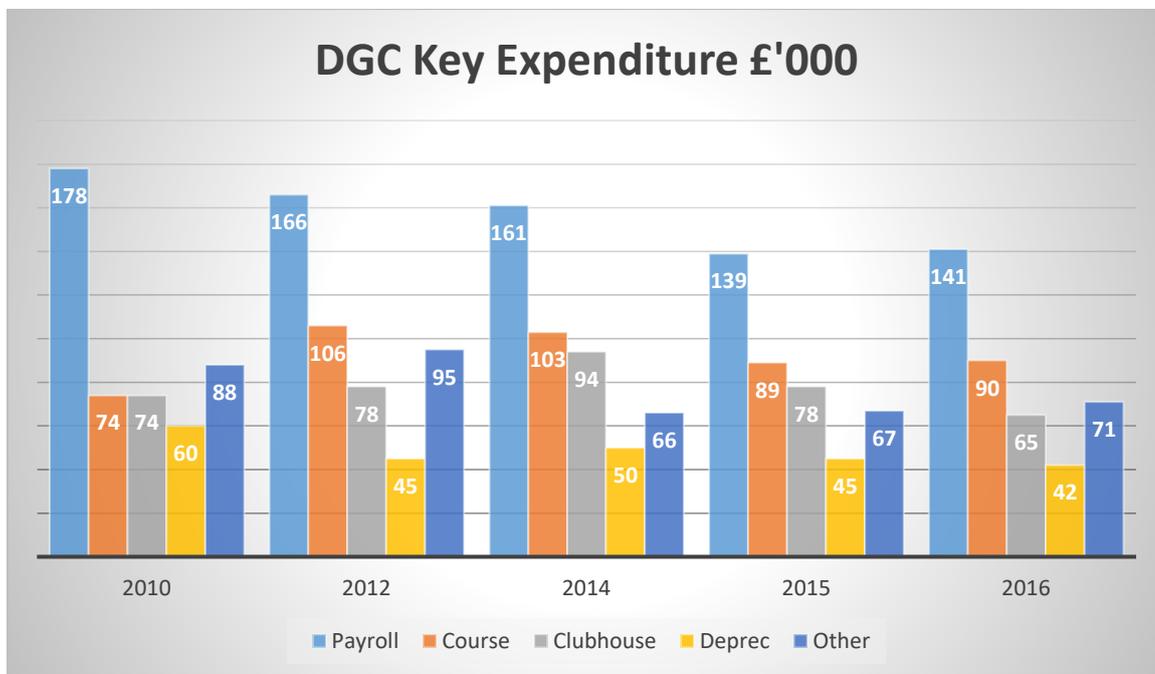


Bar Performance

| | <u>2010</u> | <u>2012</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>Variance 2010-2016</u> |
|---------------------|---------------|---------------|---------------|---------------|---------------|---------------------------|
| <u>Sales</u> | <u>£193k</u> | <u>£182k</u> | <u>£164k</u> | <u>£123k</u> | <u>£123k</u> | <u>-£60k (-30%)</u> |
| <u>Gross Profit</u> | <u>£99k</u> | <u>£100k</u> | <u>£93k</u> | <u>£67k</u> | <u>£65k</u> | <u>-£34k</u> |
| <u>Gross Margin</u> | <u>51.14%</u> | <u>54.67%</u> | <u>56.52%</u> | <u>54.28%</u> | <u>52.54%</u> | <u>-3.98% since 2014</u> |

Comments :

DGC is heavily reliant on membership income @ nearly 60% of total income and yet is 5% - 10% lower vs total incomes than some similarly sized member clubs. Accordingly other member income generators – bar , competitions & fundraising are critical too in terms of developing the membership experience in Dungannon . I have no doubt that continuation of the recruitment drive will have positive knock on effects to bar sales/margins & competitions income and some good weather will do no harm either .

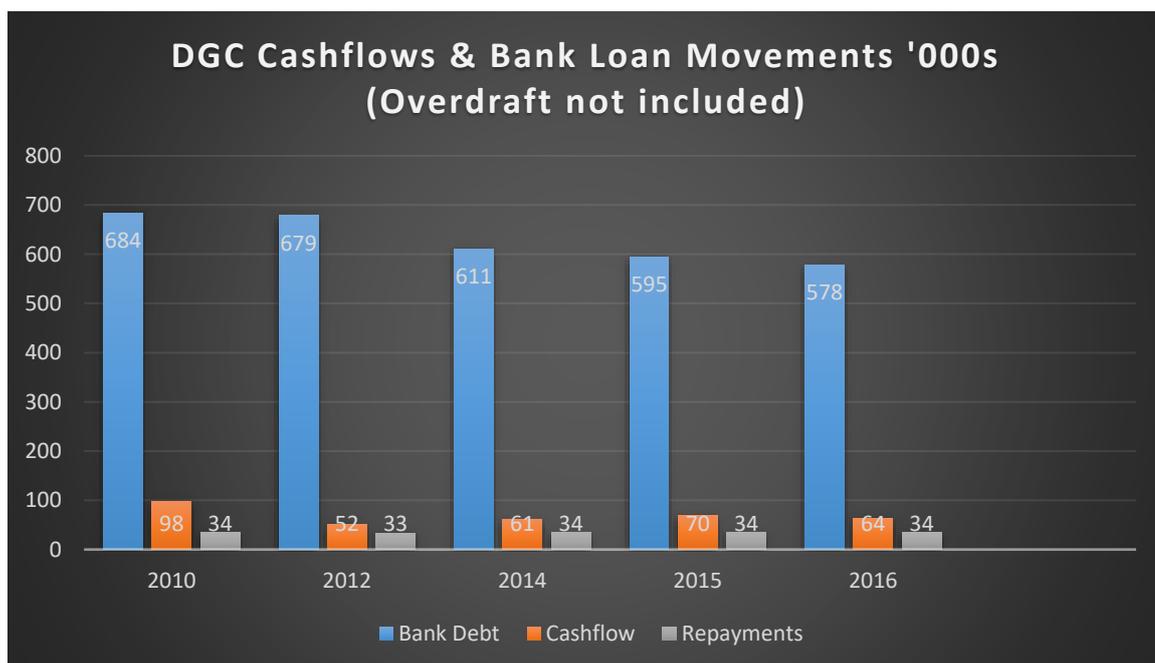


Comments :

Cost management very evident & tightly controlled – well done.

However there is now minimal scope for any further major cost cuts without a negative impact on service levels.

Current running costs (course, payroll & clubhouse) @ £296k is almost covered by subs & competitions income @ £273k so there is room for improvement to achieve this important benchmark indicator.



Comments :

DGC has an overdraft of £300k for working capital & cashflow purposes @ 4.5% variable pa . The club’s loan repayment record is good with £161k paydown in capital + interest from 2010 to Sept 2016 and helped currently by a low rate of 1.25% variable pa .

Debt servicing & cashflow generation are ongoing challenges for most clubs . DGC’s repayment capacity is evident based on 2016 financials @ £64k trading profit to service £34k loan repayments pa . Finance leasing is currently under £20k so without the overdraft facility , it would leave the club in a tight cashflow position. Income generation is critical to generate cashflow increases towards funding the deposit on future leasing for machinery replacements , facility upgrades and small capex requirements .

The club needs to continue to paydown debt , take a strategic and business planning approach towards a real return to sustainability , continue to generate surpluses together with generating another £25k pa+ in cashflow from membership & other incomes.

Key 2016 financial benchmarks vs peer clubs

| Benchmarks | Dungannon | Peer Clubs | Variance/Comments |
|---------------------------------------|--|--|--|
| Subs income | £245k @ 59% of total income | Typically 70% - 80% of total income. | -10% so room for improvement. |
| In house Bar sales & GM | £123k & 52.54% | Typically in the sales range of £120k - £200k & GM 50%+. | A return to 2014 sales of £164k is achievable if membership/visitor footfall & social events increase. |
| Course maintenance | £90k (£5k per hole pa) | Typically In house maintenance @ c£3k-£4k per hole pa . | Reverting to in house within next 2/3 years must be seriously considered. |
| Running Costs | £296k vs Subs/Compt Inc £273k | Typically running costs covered . | Increased membership & associated compt incomes will bridge gap. |
| Subs vs Loan Debt coverage | £245k vs £578k = 1: 2.4 times coverage but repayment capacity evident. | Mid point position. Highest instance have been 6 times coverage . | Paydown policy & ongoing recruitment drive will reduce coverage to 2 times in 2 yrs. |
| Cashflow generation | Overdraft facility helps fund cashflow prior to sub inflows & club is generating small surpluses . | Not many clubs have overdraft limits > £100k & many clubs still showing ongoing deficits . | Additional cashflow generation of £25k+ pa will reduce some reliance on overdraft & interest charges . |
| Budgeting/Financial management | Good budgeting & financial management controls | Most clubs have mastered these critical financial controls . | Don’t undertake any more major cuts – existing service levels would be impacted . |

Short term recommendations/actions

4.1 : Income generation + more footfall have to be the critical financial strategies to achieve a stronger & sustainable club driven by membership/visitor growth . This in turn should impact positively on achieving cashflow generation of another £25k + pa , bar sales & non-golfing/social initiatives . These financial strategies will help fund investment in machinery , the course & facilities in particular .

4.2 : I would be recommending that any further cost reductions in running the club are minimal or practical otherwise this could impact negatively on the current service standards .

4.3 : Continue to fully service loan repayments & leasing arrangements and any additional capex should be funded from cashflow or asset disposal – see capital budgets section below.

4.4 : The proposed Strategic & Business Development role should be focussed on building closer links to Dungannon's corporate/commercial , sporting & residential communities to help generate golfing and non golfing revenue streams .

(b) Financial Planning & Capital Budgets

Since the economic slowdown & poor weather in 2015/early 2016 , DGC has managed to operate and survive with the prudent focus on day to day cashflow management & tighter cost controls but has been constraint on capital programmes .

During the review and from discussions , I have come to believe that DGC has reached a stabilising phase on the back of the injection of new members/new golfers last year .

Medium term recommendation

4.5 : If this inflow of new members continues over the next couple of months , then start to strategically plan ahead in terms of prioritising capital funding projects together with identifying the sources of funding & setting timescales. I deliberately checked out the course boundary on my walkabout for potential capital inflows and redevelopment opportunities as sources of reinvestment/development funding . I recommend that a small capital projects group be set up from within the trustees group & from the membership with property development/consultancy backgrounds to look at e.g. the lowlands as a land refill site beside the practice area , roadside sites near Donnelly's hole/16th hole.

5. Facilities Management



(a) Facilities – observations & comments

The clubhouse is well positioned , modern and offers good balcony views out onto the course . The building is of a sufficient size to cater for the current membership/visitor footfalls & has sufficient car parking .

The lobby entrance brings you straight into the recently upgraded restaurant & welcoming bar area with a members lounge to the right behind a set of doors . I noted that the club has limited TV coverage at present , has a pool table and would support a less expensive deal with likes of Sky to help boost bar footfall & the social atmosphere .

The sizeable restaurant is a good quality operation and is multi-functional (restaurant, presentations , small stage , member forums , social/fund raising events , corporate meetings, community events) & could be partitioned off if necessary.

Clubhouse also has locker rooms , office come committee meeting room , kitchen & lobby area plus a basement not suitable for even the likes of indoor swing studio , games room etc .So in total the interior footage is probably 75% public , 10% service & 15% basement space and was built to service a slightly larger membership base & higher visitor footfall .

The standalone golf shop and green keeper shed is located close to the 1st tee.

Short term & medium term recommendation/action



5.1 : If Alastair is encouraged to do a club fitting course and purchase an inexpensive launch monitor , then the club might consider investing in a golf learning unit to house an indoor swing studio perhaps at the back of the golf shop (near the driving nets) . The above photo shows Balcarrick GC's Learning Centre facility . Indoor swing/simulator studios have proven successful with a few clubs both from teaching/coaching income streams but also for golf entertainment purposes .

5.2 : The issue of storing the buggies in the greenkeepers shed needs to be reviewed and perhaps a lean to shed large enough to house the 4 buggies , another 2/3 leased by Alastair & a few spaces for member buggies subject to a club rental might be worth considering. Both 5.1 & 5.2 in time would pay for themselves so worth pricing at least .

(b) Housekeeping – Insurance, Risk Management , Policies & Procedures (NB - not within my remit)

Short term recommendation/action

5.3 : The Governance & Strategy Guide in association with Deloitte has excellent sections on Compliance & Risk Management. I believe there are within your volunteer management team & membership suitably qualified and committed individuals who can manage these risk , procedural & policy requirements.

However , in CGI we plan to source externally sample standard operating procedures , a club manual on procedures & policies for golf clubs shortly . Alternatively , I can refer DGC to a couple of independent consultants with excellent knowledge and understanding of golf club housekeeping policies & procedures and health & safety if an independent audit is worth considering .

6. Communications & Marketing (‘identifying needs & creating the desire to meet those needs ’)

Internal & external communications , traditional marketing , social media marketing/facebook & promotional campaigns are essential especially to connect with members , bar & catering , staff , visitors/guests , societies/groups , the locality , the business community and potential members/visitors . Economic conditions have restricted investment to enhance engagements, 2 way communications , membership development and unlock the potential benefits of the club’s website/social media (your website is your calling card /shop front).

However , DGC in my view is making good strides around the marketing & sales aspects and external communications ;

- has revamped & greatly improved its website / facebook (1,300 likes) , twitter etc.
- majority of members using email .
- 2 on line member surveys conducted with strong response levels .
- issues newsletters/regular emails to members .
- is promoting/advertising membership offerings via social media .
- appointed an excellent marketing & communications convenor and availed of a trustee’s SM expertise/knowledge (Robert Eitel) .

It just needs to now go to the next level with some smarter marketing initiatives , additional resources/funding & planning .

In addition , after clubs have revamped/upgraded or designed their sites/digital aids to become more interactive & sales focussed , CGI can provide resources with guides/external support to help maxime the on line/social media business benefits.

On the internal 2 way communications side , there are noticeable gaps as experienced by myself in that some staff/contractor/members did not know about my club review until after I arrived .

As recommended under 1.7 , the proposed business operation group should help address communication issues amongst staff/contractors & council .

Short to medium term recommendations/actions

If the club wishes to embark on a more strategic approach towards marketing & communications then the following recommendations are worth considering ;

6.1 : Over the next say 2 months, create communication & marketing plans with the support of a small working group .These plans can be included in the 5 year Strategic Plan or can run on a standalone basis . CGI can support as we have communication & marketing plans/strategy templates & a social media guide .

6.2 : All marketing & sales activities including online communications and digital initiatives must be continually supported both from a budgeting and club management/membership perspective .To grow membership & visitor incomes may require more internal support from qualified members or even external support – smarter marketing company geared for golf clubs at reasonable rates . I can put you in contact with the external support but best to see if that can be firstly managed from within your membership/club connections.

6.3 : The club may also be interested in considering an excellent and good value course flyover & whats app package for the website which is available to clubs engaged with CGI through Golf Birdie @ £500.

6.4 : Consider another club members survey & a lapsed members survey for feedback/inputs given the influx of new members. This will help mould the club’s strategic & business directions and is a good communication mechanism to say DGC wants more positive and constructive information on its service/satisfaction levels & is open for members/business .

7. Strategic & Business Planning - ' You plan to succeed '

The club is surviving , has benchmarked hopefully in terms of income & expenditures and membership base is growing again.

More clubs are starting to develop 3 – 5 year plans with annual business/financial goals to achieve sustainability and growth once again . DGC has already started to develop a draft 5 year Strategic & Business Plan with strategic priorities to help achieve sustainability & growth towards funding/investing in the improvement of its core assets – course & facilities .

CGI through this club review and continuing help and support in 2017 will encourage the completion of the planning process .

DGC's Strategic Plan Framework



Short term recommendations

7.1 : Build upon the initial strategic planning started by the trustees working group in forming the proposed strategic & business development sub comm and complete the 5 year Strategic Plan with CGI support with effect from 2018 .

7.2 : I believe the implementation of phase 1 of the club management restructure on a trial basis will be a positive step and a welcome development for membership buy in to show that necessary changes are been implemented .

7.3 : Continue to engage & communicate with all stakeholders inclusive of regular bulletins/newsletters , another members forum & perhaps consider another members survey given that over 100 new members joined last year .

6th March 2017.



Management Summary – CGI Club Review (14th & 15th February 2017)

The welcome , hospitality , level of access , openness/honesty and interactions were excellent . The 2 day visit , the information provided & follow ups gave me time to concentrate on the core areas .

I hope this is a worthwhile working document going forward and CGI hopes to continue to build a supportive and working partnership with Dungannon Golf Club .

The review visit reinforced my view that DGC is a fine , undulating & challenging parkland course uniquely located in Mid Ulster and the local population is growing again . Poor weather periods in the past few years affected parkland courses in particular. **Accordingly , your course and its qualities must be protected , improved and be your key strategic priority going forward .**

These key recommendations/actions , from CGI's viewpoint only , are considered as short term to medium term for DGC to consider with support from CGI in many instances , as follows ;

- Governance & Management structure changes to a down sized/fitter for purpose Business & Golf Model in 2 phases over the next 3 years starting with immediate effect .
- Suggested core areas/portfolios – course , golf , governance , membership development , strategic & business development , finance , marketing & communications , house (including golf shop , bar & restaurant).
- Continue to adapt working groups to help review & recommend proposals around membership development constitution , strategic & business development , capital projects , communications & marketing .
- A business operations group to be set up to meet monthly between council meetings as staff/contractors provide continuity/day to day support & will improve internal 2 way communications .
- The club's core asset – Course & Practice facilities must continue to take centre stage & its unique Carr Golf maintenance contract (only club from 17 club review with outsourced arrangement) should be my rigorously tested over the next 2/3 years to perhaps return in house again .
- I fully endorse the reduced subs pricing strategy and its early success in 2016 must be continued for a few years – best net membership growth from 17 CGI club reviews conducted in past 12 months .
- Income generation + increased footfall must become the critical financial strategies whilst maintaining your prudent financial management & debt paydown policies.
- Little scope left to cut more costs without impact on existing service standards.
- Repayment capacity evident and cashflow generation supported by a sizeable overdraft facility .
- DGC is now at a consolidation stage and is positioned to review a capital projects plan to assist in medium to longer term investment in course & facilities improvements .
- As part of the ongoing work to complete the 5 year Strategic & Business Plan , continue to engage with all stakeholders e.g. another members survey given the influx of new members , a lapsed members survey & a members forum for feedback/inputs to help mould the club's strategic & business directions for (2018 – 2022) .
- Great work done around marketing & external communications . Website is now your 'shop front' with strong engagement evident . Now it's time to push on and bring about database improvements & cross selling the DGC golf, social & community experience .

In conclusion, I have to commend the club for the high levels of volunteerism, self belief & staff commitments demonstrated in recent years . The club has survived and consolidated . With the hopeful continuation of more new members/golfers , it's a good time to plan ahead strategically , to protect & improve your course/facilities and drive on towards a more modern governance structure & sustainability once again .

Neil Kilgallon , CGI Club Support Officer

6th March 2017 .

