A full-service executive search and management consulting firm serving the private club and boutique resort industries

INTRODUCING: CTP CLUB CHATS!



For our first CTP Club Chat we speak with two Certified Master Chefs about the current club environment

CTP Club Chats brings a voice to some of the great minds in the club business that we are fortunate to partner with every day. Through this series, we will talk to industry professionals and thought leaders across all areas of the club business. Check it out!



VISIT CTP CLUB CHATS



RESPONSE, RE-OPEN & RECOVERY

Most Clubs in the country are in the coastal states and major cities who have already contracted widespread infections of Covid-19 and regulators have limited social interaction and closed all but essential businesses, including private clubs. These clubs are in the **Response** phase of what our firm has identified as the three primary stages of business activity for clubs over the foreseeable future:

RESPONSE RE-OPEN RECOVERY

Planning for the Re-OpeningAlthough the CDC and President believe the virus has peaked on a National basis, states and cities that are not already reaching their peak, may find it to be well into June or July before the pandemic significantly declines. The President has said that he wants to get the Country back open and to work as soon

We can only speculate how long after the danger has significantly declined might those re-openings be, but we better plan for it. Governors are coming under intense pressure to rescind on the governmental restraints, but the question remains, how soon will the public feel safe enough to resume their normal lives.

Once cleared to open, golf and country clubs will be immediately under pressure by their members to reopen. Opening will be contingent upon the Club having anticipated the earliest possible date and having properly prepared. For example, whereas re-opening is inevitable, clubs should have their pools ready and tennis courts conditioned. Both generally require an outside service to prepare the facilities for the season and those contractors will be in high demand once we receive the all clear signal. If adequately maintained prior to opening, golf courses generally need only a week or two to be raised to standard playing conditions. Yacht, Beach, Racquets and City Clubs will have their own special pre-opening requirements

Regardless of the type of club, the later in the season re-opening occurs the faster the club will need to ramp up sports facilities, clubhouse, entertainment, and food and beverage operations. Members may gravitate to their club in greater numbers than norm to renew social acquaintances. We anticipate members will feel more safe and secure at their Club than at public venues and restaurants. Expect social distancing to be the new norm and Clubs will need to make accommodations. Some members may initially feel uncomfortable dining out and that may make your curbside F&B and delivery services remain in high demand. A national news station did a feature on one restaurateur who calculated that the average restaurant will lose 30% of their seating, if the tables are reconfigured to provide six feet between them. Other sources are speculating that restaurants will only be permitted to seat 50% of their normal capacity. Many restaurateurs are considering staggering reservations to reduce interaction of patrons. Clubs must begin to consider how they will accommodate their members' demand with 30-50% less seats. If the weather is agreeable outdoor seating may help mitigate this problem, but weather is certainly iffy. If you continue your takeout service, it will certainly help towards accommodating your members.

Perhaps it is time to re-open the formal dining rooms and reserve them for your senior members (not that anyone younger would go there) to provide them an extra level of security. Clubs could open earlier like the major grocers are doing. They could also offer pre-theatre style menus and pricing to entice seniors to come early to get that extra turn of tables. Whether or not seating is restricted by regulations, Clubs will need a plan to accommodate as many members as possible in the space and within social distancing that is in the best interest of members. You'll want to reserve tables in increments that minimize interaction between parties and perhaps strictly enforce reservation times; an 8:00 P.M. reservation means 8:00 P.M., not 7:00 P.M. It will likely be a long time before salad bars and buffets are acceptable again; clubs will need to consider other means to service the high-volume holidays, events and family dinners. If you've had a limited menu for takeout it may be practical to also change to a shorter dining menu to expedite service and improve margins. Family style service is likely to become in vogue again for family nights and limited selection prix fixe menus may help to focus demand on quick serve entrees. Menus will need to be re-engineered to speed up service to turn tables faster and accommodate more members. But what if all this self-quarantining creates a new norm where dining becomes an evening out like the good old days, to socialize and enjoy a dining experience--casual but not fast casual. Club's will need to remain flexible in their planning as conditions are and will continue to change daily.

It's a good bet that Clubs will experience the "StayCation" phenomenon like the summer of 2009. Vacations and travel were cancelled, and members turned out at their clubs in droves. Should you plan now for kids camps and clinics to run through August? Should you plan additional summer parties and sporting events through Labor Day? Members may spend as much time and money at the club in first six to eight weeks as they would have for the entire summer. Clubs will have another opportunity to shine as they had in

Clubs will also have an opportunity to provide exceptional value to their memberships this year if they take the time now to plan. In a recent article, McKinsey Consultants recommends that businesses create three or four well developed scenarios for their business plan, given the great uncertainty of this crisis. The scenarios for clubs should focus on:

- When you might re-open
- How fast you need to ramp up once permitted What level you will want/can ramp up to

Make this an opportunity to reconsider what really provides value to your membership as this crisis could

A task force should be created by the Board composed of key management and sports professionals, with select Committee Chairs and Board members. The task force should look to all sources for ideas and educated estimates about:

- The Club's capacity to ramp up What needs to be done by whom/when Communication strategies to the membership
- Club's challenges and opportunities

Time is already of the essence so the task force will need to assemble and act quickly, then be retained to monitor decisions and progress; ready to change scenarios as necessary. It will be the key advisory group to the Board and the Board must commit to support the agreed upon decisions and management's efforts to implement the plan and enforce the new policies, rules and procedures. Some changes may not be popular, and some may be outright wrong, but unlikely terminal, so the leadership needs to stand together until alternate courses are agreed upon.

This to will pass, and with proper planning your club will shine! Re-Opening is your next hurtle, but long-term recovery must also be in your short- and long-term planning. Please look to future articles on best industry practices to assure a full and healthy recovery.

 $\underline{ \text{Please subscribe to our YouTube Channel for CTP Club Chats discussions with industry leaders} \\$ representing the various disciplines in our clubs.



Robert James, CCM, CCE, CHE Vice President, DENEHY Club Thinking **Partners**

Throughout Bob's 40 year career in the private club industry he has served at four Platinum Clubs of America of which three also held Distinguished Clubs of the World certifications.

Bob is a Past President of the CMAA's Board of Directors and a Founding Director of the Metropolitan Club Foundation. Bob has served as Director for both the CMAA and New York State Club Association. He has also served as both Director and Chairman for the National Club Foundation and served as a Council Member for the MGA's Presidents Council since 1990.

LEARN MORE HERE





