

# Facilities ensure sustainability in golf clubs in Gauteng

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## Abstract:

The visual aspects of the golf club facilities should create a desire in guests to return. The facilities of any hospitality establishment are referred to as the unrecognised champion that silently welcomes the guest to an area of comfort and safety. But these facilities are equally important to the employees who need to work within the walls, utilising equipment and systems in order to complete their daily tasks. Guests and employees do not look at the hospitality environment in the same way but the importance of maintenance and renovation of these facilities should not be underestimated. The aim of the research was to determine the relationship between golf facilities and sustainability. An explorative, mixed methods research design was used. The results indicated how the facilities contribute to the sustainability of the establishment. The facilities are the first feature of the golf /country club that the member sees. This requires constant upkeep and frequent renovations to attract contemporary members. The study contributes to the literature in the South African hospitality sector and established that there was a positive link between the golf facilities and sustainability.

**Keywords:** Hospitality, facilities, sustainability, golf clubs

## Introduction

The golf industry in South Africa is well established and recognised both locally and internationally. The weather, infrastructure and facilities offer advantages but there are challenges to ensuring golf club sustainability (IFM, 2009). Over the last two decades, the term sustainability has been used to refer to environmental but also economic and social sustainability (Bärlund, 2004; Mead & Andrews, 2011). The hospitality industry embraces several sectors; one of which is the club industry, and within this, there is a subsection related to golf clubs (Barrows & Powers, 2009; Mullins & Dossor, 2013; R&A, 2012). This industry has both product (tangible) and service (intangible) components in terms of dealing with the consumer, which in this case are the members. Productivity measurement is commonly practiced in the manufacturing industries and is governed by financial results. But in the service industry, productivity refers rather to guest satisfaction and member retention in clubs which is more difficult to measure (Icenogle, Perdue & Rue, 1998). Generally, clubs combine the best aspects of the hospitality industry in one establishment, but clubs locally and internationally are finding it increasingly difficult to remain profitable and therefore sustainable (Barrows & Powers, 2009).

Golf clubs do not only provide golfers with a game of sport to be enjoyed in beautiful surroundings, but also catering and clubhouse facilities such as, kitchens, dining rooms and accommodation. These add to the total income revenue which may contribute to the sustainability of golf clubs as well as the industry at large (Perdue, 2007). There are numerous country clubs or golf clubs in Gauteng, which vary in size from 9- to 36- holes, as well as in the number of facilities that they offer from merely a members' bar to full conference and accommodation facilities.

The terms service excellence, guest satisfaction and sustainability are commonly used in various industries across the globe. Hospitality provides a service as an intangible 'product' in order to satisfy guests' needs. The services that clubs render are determined by their members, as member satisfaction and retention lead to support for the club, which in turn lead to sustainability. 'Member service is an approach or methodology; aimed at enhancing member well-being and everything you do as a club to satisfy member requirements' (Hubbard & O'Neill, 2007:318). The golf industry has both recreational and sporting value, which provide numerous employment prospects, commercial, as well as tourism opportunities (IFM, 2009). An accepted idea within the hospitality industry is that satisfied customers result in repeat customers that contribute to a successful business (Gracia, Bakker & Grau, 2011).

Regardless of where and what size the golf club is, the desire to remain sustainable for future members is important to all concerned. Royal and Ancient (R&A) (2012) refer to a sustainable golf club as one that is 'a successful and secure financial venue' (R&A, 2012:1), which delivers products to meet members' needs, with a balanced flow of income and expenditure. Sustainability involves the holistic consideration of a golf club by gauging aspects such as golfing performance, economic performance, social responsibility and environmental care. During the present economic pressures, each club manager aims to operate their club efficiently in order to remain financially and ecologically sustainable. It is however, realised that the service industry requires that standards need to be maintained in order to keep members satisfied and loyal. The service industry accepts that both tangible and intangible aspects involved in a golf club require attention. Sustainability is therefore, a holistic view of the business which requires a thorough understanding of each aspect, while satisfying guests, and retaining membership numbers. Although throughout the literature the importance of customer satisfaction, facilities, customer loyalty and productivity can be identified, the four concepts are not regularly referenced in the same study. A further motivation for this study identifies the lack of academic literature available that relates to the golfing sector within the hospitality industry in South Africa.

The aim of the study was to determine the relationship between the golf facilities and services that are required to operate a golf club of a certain size efficiently and sustainably. Maintaining service quality and member satisfaction cannot be neglected as these contribute towards retaining and perhaps encouraging new members who add to the sustainability of the golf club by providing a source of revenue. This research examines the link between facilities and services with sustainability in golf clubs in Gauteng, South Africa.

## **Literature review**

In the broader term, facilities refer to the actual premises where services and products are generated, supplied and consumed by the guest or member (Barrows & Powers, 2009; Okumus, Altinay, & Chathoth, 2010; Stipanuk, 2002). The following literature emphasises each system and the facilities within the club that require management's attention for the satisfaction of guests, whilst simultaneously these facilities are utilised by the employees to perform their daily tasks (Icenogle *et al.*, 1998; Mullins & Dossor, 2013; Perdue, 2007).

### **Club facilities**

Hospitality establishments encompass a variety of activities in order to keep guests satisfied and to provide the services they require. Within the hospitality industry, tangible and intangible aspects of the business are necessary to satisfy members and these mostly occur on the same premises. Facilities therefore, refer to those buildings, provision of water and lights, and information and communication technology (ICT) systems that allow the club to operate optimally (Okumus *et al.*, 2010; Stipanuk, 2002).

Specific to golf clubs is the golf course, which includes activities such as green keeping and turf management. These ensure the golf course stays in the best possible playing condition

using equipment and chemicals to do so. Additional facilities may include a pro-shop, golf academy and golf cart barn (Frank, 2007) and may include a club house and administrative offices. For members there will also be food and beverage (F&B) facilities, housekeeping and conferencing services. These offerings will vary according to the capacity and purpose of the club (Lattin, 2005; Perdue, 2007).

Housekeeping facilities refer to those that involve the maintenance and upkeep of the operation. The availability and number of housekeeping functions performed will depend on the size of the operation, and will include the occasional cleaning of carpets and curtains (Lillicrap & Cousins, 2010; Perdue, 2007). There will always be a need to clean the club house, offices and change rooms. A hygienic environment is particularly important in the change rooms (Butler & Lee, n.d.; Global Golf Advisor, 2013). If there are F&B activities, table linen will need to be laundered. The laundry facilities will vary in size and may or may not be on-site or on the club's premises. Off-site refers to a laundry service that is not on the club's property, hence laundry is collected, cleaned, ironed and returned. If there is a laundry on-site, it is possible that it is out-sourced to another company.

Other resources that are used by golf clubs are functional systems. These refer to heating, ventilation and air conditioning (HVAC) and computer systems (Stipanuk, 2002). Information and communication technologies (ICT) are systems that employees and members have come to expect when dealing with the club. The way in which managers' plan, coordinate and evaluate information has changed significantly in the last decade. ICT has changed the way that information is collected, stored and utilised. In each club there are varying automation systems, as there are software programmes for virtually all aspects of the club's business (Kasavana, 2013). Customers' behaviour towards clubs are constantly changing because of external factors, the most recent of which is technology (Schiffman & Wisenblit, 2015). Jones (2007) indicates that productivity was not greatly affected by the introduction of ICT systems, but in some sectors of the industry such as hotels, there was an improvement. Jones (2007) concludes that many systems were not integrated, which resulted in their functionality being underutilised. An integrated ICT system should assist management in the efficient operations of the club, and in the simplistic execution of daily tasks (Kasavana, 2013).

The reasons and advantages for an integrated system are to:

- reduce the number of employees that are required;
- monitor employee entry and exit daily or attendance scheduling, including time;
- have better control over inventory items such as food and beverage;
- have more efficient accounting systems such as interfacing the general ledger;
- assist in controlling food and beverage costs in order to increase profitability;
- have more efficient reporting options such as tax; and
- remain cost-effective and sustainable in order to increase profitability.

Maintenance and engineering employees are considered as unsung heroes in the industry. There is considerable investment in land, buildings and equipment, which must be kept in good working order for both members and employees (Lattin, 2005; Stipanuk, 2002). Naidu (2007) confirms this, explaining that good functional designs of a hospitality facility may consume 15% of the total budget, but may also contribute up to 70% of the revenue.

Although the members are the main focus of clubs or businesses, employees are required to work within the same facilities to perform their tasks and concentrate on satisfying the members. 'Customer satisfaction will be influenced by the location, furnishings and decorations of the establishment and the environment in which the delivery of service takes place' (Mullins & Dossor, 2013:19). The facilities must comply with legal requirements to make the environment conducive to member safety and comfort, whilst providing a safe, well-designed and well-maintained work environment for employees. Hence, facilities should have well maintained equipment and systems (Stipanuk, 2002). With an architectural design that is

aesthetically pleasing, and whilst improving the environment for members with the emphasis on efficiency and reliability within the operation, the same should be experienced by the employees (Zemke & Pullman, 2008).

Facilities management may not receive the attention that it deserves as it is regarded as a non-core function. However, Okoroh, Jones and Ilozor (2003) maintain that managers who are proactive with the club's facilities have an increased occupancy and repeat visits by members ensuring increased sustainability as an end result. Whitbeck (2013) agrees, but explains that the guests' first impressions are formed when they see the facilities available to them and subsequently these will positively affect their experiences. Chen McCain, Jang and Hu (2005) and Okumus *et al.* (2010) state that the tangibles or technical qualities refer to the physical facilities available to the guests including the location of the club. All of these are an integral part of service quality. Guest satisfaction is influenced by the building's character and how the facilities delight the emotional senses (Zemke & Pullman, 2008). When the expectations of customers are exceeded, then satisfaction is experienced (McMullan & O'Neill, 2010).

Customers desire an experience, whilst businesses design and promote experiences (Pine II & Gilmore, 1998). These authors outline how industries have changed from providing services into selling experiences. They emphasise that the experience is often processed differently by individuals based on their emotional, rational, spiritual and physical levels at that given time. The main aim of any club is to provide a personal, interactive and memorable experience, whilst maintaining the facilities and golf course and making occasional changes to contribute to the longevity of the experience (Pine II & Gilmore, 1998). However, Dixon, Freeman and Toman (2011) suggest that exceeding service expectations will increase loyalty in customers. Zemke and Pullman (2008) further propose that a constructive relationship between the design of a building and guest satisfaction results in positive financial and marketing performances, with the employees able to work productively within the facility.

In buildings where the residents regularly occupy more time than usual the requirements and efficiency of design becomes more significant. The frequent patronage of club members requires renovations and refurbishment that are more regular because trends change within business, IT and guests' tastes (Lattin, 2005; Stipanuk, 2002; Zemke & Pullman, 2008). Members motivate the club to keep up with renovations and upgrades of technologies in cycles of between three to five years and not the traditional five to seven years (Naidu, 2007). Stipanuk (2002) suggests two to three year cycles, with greater capital expenditure every five years. Zemke and Pullman (2008) conclude that there is a positive link between design, increased guest occupancy and improved financial rewards.

According to Zemke and Pullman (2008), the property is analysed by guests and employees with different lenses; with guests appreciating aspects of the property before employees do. Employees evaluate features and systems with which they are directly involved. Guests who are impressed with the internal environment will utilise facilities and contribute to increased revenue. Renovations occur more frequently where the customer can observe the changes. However, improvements to the back of house areas such as infrastructure, building and mechanical areas and systems, have a positive effect on employee morale and productivity (Zemke & Pullman, 2008). From employees' viewpoints, the effect of light, temperature, air quality and acoustics provide a positive sensory effect. Although the back of house may have no budgetary allocation, it should not be neglected. These back of house areas are also important for employees and their job satisfaction (Zemke & Pullman, 2008).

Guests notice the buildings and how well they coordinate with the surroundings. Zemke and Pullman (2008) reported that guests were unable to respond to questions about mechanical aspects of the building, but they expected them to operate efficiently and effectively. Guests did notice the enchantment of the facilities, the development of a sense of comfort and the concern for the environment. If the buildings have character, a positive appeal and an

influential design, both guests and employees on the same premises, will be satisfied (Zemke & Pullman, 2008).

## **Sustainability**

Sustainability refers to the organisation that is able to exist into the future. In order for this to happen, the business should generate revenue, but must be mindful of the impact that the business has on the environment, as well as the community in which it operates. Bärnlund (2004) reports on The World Commission on Environment and Development (commonly called the Brundtland Commission), which was circulated in 1987. This report presents a new concept of sustainable development that combines economic, social and environmental strategies. The report defines sustainable development as 'development, which meets the needs of the current generations without comprising the ability of future generations to meet their own needs' (Bärnlund, 2004:1). 'The notion of sustainability and profitability are not in opposition' according to Mead and Andrews (2011:430). Sustainability is 'such a rich topic' (Mead & Andrews, 2011:429), because it includes many dimensions. These dimensions include market control and involve prices and revenues and overall profitability owing to cost savings and other efficiencies in the supply chain (Mead & Andrews, 2011).

Sustainability incorporates customer satisfaction, positive guest perceptions and lastly the environment (Chong & Verma, 2013). Okumus *et al.* (2010) explain that the strength of any business depends on how the organisation utilises resources, competencies and capabilities to develop a strategic plan for continued sustainability. Benavides-Chicón and Ortega (2014) emphasised that there is a link between aspects of the business such as quality service, customer perspective and productivity, resulting in sustainability. Adams, Muir and Hoque (2014) state that the measurement of sustainability performance considers various activities in business, and include:

- occupational health and safety;
- relationships within the community;
- involvement of stakeholders;
- the impact of activities from a financial point of view;
- conservation of natural resources and levels of emissions; and
- other activities and initiatives with regard to the environment.

The view of sustainability developed into a process of examining the entire organisation from the conservation of culture, care of the environment, extending to a responsibility towards the community and financial longevity. The organisation should view their activities from 'inside-out' and 'outside-in' (van Lill, 2015:4); that is utilising the opinions from experts outside the business and employees from within. The culmination of these opinions will result in a business that improves peoples' lives, protects the environment, encourages employee loyalty, and contributes to the bottom line (van Lill, 2015). An important business objective is the profit goal, but it is not the only criterion for effective sustainable management (Adams *et al.*, 2014).

Sustainability is a word that has been manipulated until it fits a purpose but the concept is all-encompassing when evaluating all business activities so to ensure that the organisation can strategically manage the process. The key aspects of sustainability are economic, social and environmental but underpinning these is the protection of employees and stakeholders, the surrounding community in which the business operates as well as the environment (Bärnlund, 2004; Benavides-Chicón & Ortega, 2014; Schiffman & Wisenblit, 2015). It is important that the activities of the business that require other external inputs follow sustainable procedures. Initiatives that require the business to report on its activities will assist the organisations in their goal for compliance in each area.

In summary, a club is a place where members with similar interests come together for social or sporting activities. The club requires a joining fee and annual subscriptions from its members therefore making it exclusive (Back & Lee, 2009; Perdue, 2007). The link between facilities and guest satisfaction was discussed, as well as the importance of the initial visual impact of the facilities that contribute positively to a members' experience. Functional systems within the establishment should be in good working order for the satisfaction of both members and employees (Stipanuk, 2002). The facilities will include core activities such as golf, but also non-core activities, such as the use of the clubhouse and other sporting facilities. The facilities should be aesthetically maintained as, these are areas of relaxation, dining and entertainment, for the guests but for employees, these remain their place of work. The ICT system should function efficiently to ensure that information is disseminated effectively, for both members and employees. A customer's past experiences impact on the expectations of the performance when the service is evaluated (Mullins & Dossor, 2013). Operating in a restricted market such as golf clubs, requires the club manager to manage with limited resources necessitating an efficient operation to maintain guest satisfaction. This efficiency is required in all areas of the business. By improving efficiency, the employee is able to concentrate their abilities on perfecting service. The establishment needs to examine patterns of trends, wishes and expectations, and the details of guest satisfaction and then train employees to be sensitive to these preferences (Pingitore, Huang & Greif, 2013). Marketing strategies have changed in clubs where emphasising relationship building improves business standing, whilst confirming a link between satisfied customers and improved financial results. Member satisfaction will lead to an increased number of new members and the retention of existing members, resulting in the golf club remaining sustainable.

## **Methodology**

Research design refers to the planning of the steps required for data collection, whilst research methodology refers to collection and analyses of data utilising either quantitative, qualitative or mixed methods approach (Brynard, Hanekom & Brynard, 2014; Leedy & Ormrod 2013). This research made use of a mixed methods action research design, involving the use of both quantitative and qualitative methods to collect statistical and experiential data (Bryman & Bell, 2007; Johnson, 2006; Leedy & Ormrod, 2013; Wahyuni, 2012) from the general managers of the golf clubs in Gauteng. Questionnaires were used to collect quantitative data from golf and country clubs. Semi-structured interviews were conducted with a purposively selected sample of seven managers to collect qualitative data. Purposeful sampling was used to obtain rich information and insight into the topic (Leedy & Ormrod, 2013; Merriam, 2009). The entire population or census (Bryman & Bell, 2007: 182) of 81 clubs was sourced within Gauteng, which is a province within South Africa. This allows for convenient cluster sample selection because there is a high population of golf courses, as well as factors that are similar within the region, for instance, the amount of rainfall. Although the clubs are located in various parts of Gauteng, the employees, facilities and service are of key concern. These golf clubs include nine (9)-, 18-, 27- and 36-hole golf courses, with various other facilities.

A pilot study was conducted with general managers outside of the sample group before the questionnaires were distributed. The respondents from the pilot study were encouraged to criticise the questionnaire, the researcher and supervisors noted their responses, making suggested changes to the questionnaire, before sending to the sample group.

The primary area of selection (Leedy & Ormrod, 2013) in this study was all golf clubs in South Africa, but owing to time and physical constraints, the census of golf clubs in Gauteng was utilised. As South Africa is divided into workable areas of provinces, the Gauteng province was selected, allowing for purposive sampling (Leedy & Ormrod, 2013; Wahyuni, 2012). In order to ensure that the list of golf and country clubs was complete, a list of 81 (100%) golf courses, either privately owned or equity clubs was compiled. The noted websites were compared to ensure that no club had been overlooked. The various sources used to compile the list were as follows:

- List from Club Management Association of South Africa (CMASA);
- [www.golfoncourse.co.za](http://www.golfoncourse.co.za);
- [www.southafricagolf.com](http://www.southafricagolf.com);
- [www.GolfNow.com](http://www.GolfNow.com); and
- [www.egoligolf.com](http://www.egoligolf.com).

Six (7.41%) of the clubs no longer exist, and 15 (18.52%) were uncontactable. Either telephone numbers have changed or websites not updated, but the researcher was unable to make contact with these clubs. A total of 60 questionnaires were emailed to golf and country clubs in Gauteng. The first stage of the research included a questionnaire which was emailed to the sample group and a reminder was sent if no response was received, within three weeks. Where there was no email address existed for a general manager, the researcher attempted to contact explaining the nature of the research, obtained contact details and then sent the questionnaire. A questionnaire was used to collect the quantitative data, to obtain numerical facts about the golf club industry in Gauteng. The results from the information that was gathered regarding the environment, socio-economic influences and historical factors, were examined to make recommendations and draw conclusions (Brynard *et al.*, 2014; Leedy & Ormrod, 2013). This was done over a seven-month period, from April to October 2014. Once the questionnaires were returned, a group of seven managers were purposively selected from these. Qualitative data was gathered from the semi-structured interviews of 35-60 minutes, conducted with the purposively selected group. Each manager was interviewed for their opinions on sustainability within the golf club industry. These interviews occurred over a three-month period from December 2014 to February 2015.

The managers were purposefully selected for the following reasons:

- The managers' experience in the club industry;
- The age of the club; and
- The number of members.

The agreed-to recordings were transcribed, coded and analysed manually (Bergin-Seers & Jago, 2007; Leedy & Ormrod, 2013). In order to ensure the confidentiality of the respondents, the quantitative and qualitative responses were stored separately and coded differently.

Triangulation of data from the quantitative and qualitative research tools, as well as information presented in the literature study, were compared to accept or reject the identified research objectives (Leedy & Ormrod, 2013). Triangulation compares the findings of the primary data to the secondary data collected in the literature review through a 'process of verification' (Yeasmin & Rahman, 2012:156).

## **Results and discussion: Quantitative data**

When contacting the club receptionist or manager via telephone, one percent (1.23%) refused to complete the questionnaire, 27 (33.33%) responded, and 32 (39.51%) failed to do so. This represented a response rate of 45%. Of the clubs located in Gauteng, a total number of 27 managers (100%) responded, of which 17 (63%) were from golf clubs and ten (37%) country clubs (Figure 1.1). The categories of membership included town (regular), golf, social, country and homeowners. Some respondents specifically indicated that 'other' refers to members who are either lawn bowlers or corporate members (Figure 1.2). This indicated a greater number of golfers than any other category of membership.

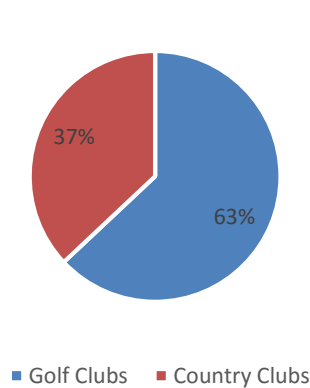


Figure 1.1: Percentage of golf and country clubs in the research sample

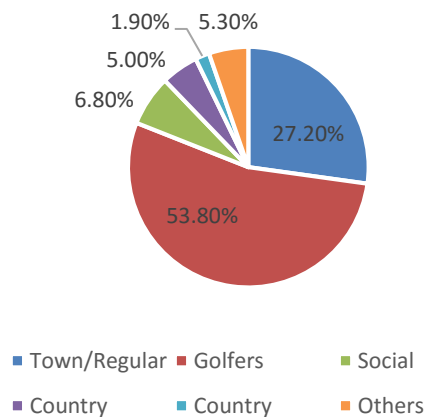


Figure 1.2: Categories of club members

### The size and age of the club

The oldest club has been in existence for 122 years and was established in 1894, whilst the newest club was established in 2009. The mid-point was a club that was established in 1947. Just as the clubs vary in age, so do they vary in the number of members. The smallest club has 225 members while the largest has 6800 active members of the total of 9741 members, including country members who are unable to frequent the club as often as the others. The median of all the clubs is 573 members. Most of the clubs have fewer than 3000 members with the majority having less than 1000 members. When examining the data further, there are outliers which are reflected in Table 1.1, note that these four are country clubs.

Table 1.1: The outliers - Total number of active members

Outliers	Type of club	Age of club in years in 2014	Number of active members	Largest membership category	Second largest membership category
Club 15	Country club	104	2000	Golf	Town/Regular
Club 1	Country club	81	2000	Golf	Homeowner
Club 2	Country club	66	2640	Golf	Social
Club 9	Country club	108	6800	Town/Regular	Golf

In three of the four clubs, golf membership is still the most important. Each golf course can only accommodate a certain number of rounds which limits the number of golfers on the course at any one time. This impacts on revenue. The largest of the clubs has mainly town/regular members, resulting in a demand for more facilities, thus generating increased revenue. It appears that the country clubs are the outliers with respect to the number of active members (Table 1.1). These clubs will have a greater number of membership categories and they tend to have members who retain their membership as a family tradition and show their loyalty.

### Facilities available to members

The hospitality and therefore, club industry, are in business to satisfy guests' needs. The clubs should ensure that besides the golf course other facilities should be equally well maintained to satisfy the non-golfing members'. Lillicrap and Cousins (2010) explain that golf and country clubs exist within a restricted market which relate to members who expect service excellence (Hubbard & O'Neil, 2007; Perdue, 2007). These service excellence expectations include premises and facility systems that should be well maintained, clean and efficient (Barrows & Powers, 2009; Davis, Lockwood & Stone, 2003). When analysing the number of available



facilities that the club offers its members, several patterns emerged. The clubs with the greatest number of facilities besides a golf course, reported a popular combination of squash, tennis and bowls venues; Club two (2) which has 15 venues, Club nine (9) has 26 and Club 15 has 14 venues. Note that these clubs are included in Table 1.1 and are all country clubs.

These clubs all fall in the top third category of revenue generation, of more than R15 million per annum (Table 1.2). It should be noted in 2014 that the clubs were 108, 104, and 66 years old and are all country clubs. From this it can be assumed that because of the age of the club, a number of facilities have been added over the years. However, the size and extent of the facilities will depend on the financial support and members' demands (Perdue, 2007). When analysing the data relating to additional facilities, areas for card games such as bridge, together with sauna and steam rooms, gyms and billiard rooms may be available to the club members. All clubs have nine (9)-, 18-, 27- or 36-hole golf courses and in addition, there may be a pro-shop, driving range and/or practice greens. The country clubs however, will include other sporting facilities besides these, such as a;

- walking trail,
- running and cycling track,
- cricket pitch,
- mountain bike track; and
- putt putt course.

A cross tabulation of facilities and total revenue (Table 1.2) indicates that the clubs that had a revenue of more than R15 million have the greatest number of facilities available to the members.

Table 1.2: Cross tabulation of facilities and total revenue for 2013/2014

<b>Other facilities</b>	<b>0-5 Million Rand</b>	<b>5-15 Million Rand</b>	<b>More than 15 Million Rand</b>	<b>Total</b>
Swimming pool	0	1	3	<b>4</b>
Volleyball court	0	0	1	<b>1</b>
Areas for croquet/ lawn games	0	0	4	<b>4</b>
Billiards rooms	1	1	2	<b>4</b>
Areas for card games, for example, bridge	0	4	7	<b>11</b>
Spa	0	1	2	<b>3</b>
Sauna and steam room	0	2	7	<b>9</b>
Gym	1	2	4	<b>7</b>
Other	1	1	5	<b>7</b>
<b>Total</b>	<b>3</b>	<b>7</b>	<b>9</b>	<b>19</b>

Many of the clubs will offer either minimal or extensive food and beverage services (Barrows & Powers, 2009; Davis *et al.*, 2003; Perdue, 2007). The extent of the provision of food and beverage facilities will depend on the financial well-being of the club, and what the members request. Table 1.3 shows that 11 (61%) of the clubs have one formal dining room, while 13 (62%) have a casual dining restaurant, which may include a grill room, and 16 (80%) have a takeaway or quick counter service. In addition, when comparing the number of other facilities at the various clubs, observe that 24 (88.9%) of the 27 have a lounge and bar area (Table 1.5) with 22 (81.5%) having conference or meeting rooms (Table 1.4), and 21 (78%) clubs having casual dining restaurants, which may include a grill room or card room (Table 1.3). Tables 1.4 and 1.5 show the number of banqueting, conference, lounges and bars that are available for the guests. Seventeen (85%) of the clubs have between one and three banqueting rooms; nineteen (86%) have between one and three conference or meeting rooms; nineteen (79%) have a maximum of two lounges and bars; only two clubs have four to six banqueting and conference rooms; and one club has seven to nine. These latter three are country clubs.

Table 1.3: Available Food and Beverage outlets

Number of F&B facilities	1	2	3	Total respondents	% of total sample
Number of formal dining rooms	11	5	2	18	67
Number of casual dining restaurants - may include a grill room or card room	13	5	3	21	78
Number of takeaways or quick counter service	16	3	1	20	74

Table 1.4: Available banqueting and conference rooms

Number of banqueting and conference facilities	1-3	4-6	7-9	Total respondents	% of total sample (27)
Number of banqueting rooms	17	2	1	20	74
Number of conference or meeting rooms	19	2	1	22	82

Table 1.5: Available lounges and bars

Number of lounge and bar facilities	1-2	3-4	Total respondents	% of total sample
Number of lounges and bar areas	19	5	24	89

Facilities are regarded as the unacknowledged champions of any hospitality establishment, as their presence, maintenance and upkeep are essential for guest satisfaction (Barrows & Powers, 2009; Davis *et al.*, 2003; Okoroh *et al.*, 2003; Zemke & Pullman, 2008). Okumus *et al.* (2010) and Stipanuk (2002) indicate that there were both tangible and intangible aspects of the establishment. Tangible aspects refer to actual facilities and intangible refers to the service that is offered. Although these offerings may vary from one club to another, they need to be well maintained and satisfy guests' needs (Lattin, 2005; Perdue, 2007).

### Facilities: ICT systems

Members and employees alike expect their club and workplace to have an efficient Information communication technology (ICT) system (Kasavana, 2013). Questions asked related specifically to the ICT systems that clubs utilise. An integrated system is one where all the ICT activities network with each other to make information collection simpler and more efficient which enhances the manager's reporting capabilities (Kasavana, 2013). In some clubs, three or four systems are used simultaneously to prepare the management reports necessary for member convenience. The extent of integration of ICT systems reflect that 48% of the clubs have a fully integrated system, 40% partially integrated and 12% of the clubs are not integrated (Table 1.6).

The clubs that indicated that they were fully integrated added that:

- the system that is in use is Jonas. This is a fully integrated system that includes F&B inventory, eventing, online accommodation booking, finance and golf tee bookings;
- the systems VIP Payroll and Keystone were mentioned;
- another club uses Pastel, InTouch, Aloha and Ideal stock – the four systems are linked;
- Club Master is used by several clubs, although a manager did indicate that Pastel is not fully integrated with Club Master; and
- Real Time is a system that communicates with HNA (Handicap Network Africa)/SAGA (South African Golf Association), and is equipped with a point of sales.

The clubs that were partially integrated indicated that some systems were combined and others not.

Table 1.6: Level of ICT system integration

		Frequency	Percent
Valid	Not at all integrated	3	12%
	Partially integrated	10	40%
	Fully integrated	12	48%
	Total	25	100%
Missing	System	2	
Total		27	

An open-ended question probed whether there would be an effect on staff numbers if the ICT system was fully integrated. Managers indicated that integration of ICT systems did not affect employee numbers but suggested that this was due to the skill level of the staff. If the systems are not integrated, but five independent systems are used instead to fulfil the club's needs, the club should investigate whether it would be financially beneficial to implement one system. The respondents confirmed that productivity is not greatly affected and that the systems are frequently under-utilised possibly due to insufficient training of staff (Jones, 2007). When systems are not integrated or do not `talk` to each other, information needs to be transferred from one programme to another resulting in possible errors and inaccuracies in management reporting. Kasavana (2013) indicates that ICT systems are a part of business and should be utilised to make employees and management more efficient.

The last question was open-ended and asked the managers to complete the following sentence; the responses are shown below.

'My club could be more profitable if...'

- there was an increase in the number of rounds of golf;
- the amount charged for playing golf at the facility was increased;
- the overheads, staff and wage costs, operational costs could be reduced, but increase income streams and optimise facility usage;
- the number of members, especially social members could be increased;
- the number of golf days, especially in the low season could be increased;
- the ICT system was fully integrated; and
- the club buildings could be revamped.

The first four comments were mentioned frequently. 'More rounds, more members' was the general comment from all the managers interviewed, but the clubs that have a variety of facilities, appeal to a greater variety of members.

### Results and discussion: Qualitative data

The purposively selected group of managers were asked the following question during the interviews. 'In your club, what are the key aspects of sustainability?' This question focussed on the manager's own club and even though the clubs are all based in Gauteng, with similar geographic conditions, there are still differences as a result of the areas or suburbs where the clubs are located. It should be noted that the club managers all agreed that financial well-being is important, together with maintaining their membership numbers and, therefore, revenue generation.

From the respondents, the following comments were made:

*Club 1: The holistic product needs to be examined. If your service levels are not maintained, then your membership drops as well as your revenue. Profitability is vital, with little focus on the social and environmental aspects of the club.*

*Club 2: Main focus is on the product because if these are not maintained or priced correctly, you will not be able to keep your members. Service levels are continually being improved upon. Meeting the members' needs are a priority as the members believe that it is 'their club'.*

*Club 3: The most obvious key aspect is to maintain your existing membership and grow your membership base.*

*Club 4: Increase golf rounds and membership. The expectation is that the golf section must be self-sustainable and pay for all overheads.*

*Club 5: Our service delivery is predominantly the golf course and the condition in which we present the golf course is what brings the member back here.*

*Club 6: There is a three and ten-year plan in place which is reviewed every year to ensure financial sustainability. Management is also working at making the members understand what the key points of sustainability are. Social responsibility has been a sensitive issue but the members are beginning to drive programmes themselves, including getting involved with charity activities in the area.*

*Club 7: The GM explained that their focus is not financial as they have the membership numbers. If the club does not have financial constraints, management has an opportunity to focus on other areas that require attention. The main focus is more on environmental; being environmentally friendly, aiming to improve the carbon footprint, conserving water, limiting the waste and improving standards so that the club is 'giving rather than taking'. Training and development of staff members.*

The collected data confirmed that the primary goal of any business is to generate a profit (Adams *et al.*, 2014). The clubs that are financially sound are able to focus on other areas of the business. The size of the operation was a deciding factor for its success, simply because many smaller operations lacked the resources, accompanied by unstable finances and insufficient expertise (Bergen-Seers & Jago, 2006). Key to sustainability is the club's objective to consider all aspects of the business (Bärlund, 2004; Chong & Verma, 2013; Mead & Andrews, 2011)

## **Conclusion**

Fundamentally, this exploratory research analyses whether golf clubs in Gauteng are sustainable or not. Sustainability includes the three aspects of social, economic and environmental factors. The managers at present have a clear understanding of sustainability and report on each aspect as one of the management tasks. In this study the aspect of sustainability was examined with the exception of the environment. The discussions with the managers clearly suggest that they recognise that environment responsibility exists. Management is already taking steps to preserve the waterways and the subsequent bird life. One of the pleasurable aspects of golf is the opportunity to be outdoors, hence managers must ensure that the course is maintained. They did however, state that the environmental friendly changes, such as the reduction of water consumption, are expensive, forcing them to work within the budget.

Economic sustainability focuses on the financial well-being of the club. The retention of members and the recruitment of new members are at the forefront of the managers' and all the employees' activities. Guest satisfaction and service excellence are an integral part of the hospitality industry within which the clubs operate. Member retention and this intangible form of satisfaction is, imperative to sustainability. The physical aspects or facilities of the club are required to be well maintained and appealing, as these are the first features of the club that the member will see. Although the member does not know about the systems within the facility such as water, lighting and air-conditioning systems, there is an expectation that these are operational. Employees of the club expect and require these systems to be operational in

order to carry out their daily functions optimally. The system most frequently used by managers is the ICT system. This is the first interaction that the member has with the club through on-line registration, bookings and enquiries.

The social aspects of sustainability include the members, employees and the community in which the club operates. During the interviews with the managers, each one identified community activities or projects with which the club is presently involved. Employee development programmes develop the person into a more productive and efficient employee, as well as caring for the environment and community in which they operate. The employees should remain respectful at all times towards members, especially if different cultures are involved. Likewise, the treatment of employees should be one of growth and development, which not only develops a more productive employee, but also nurtures a good impression of the employer.

In order to remain sustainable, customer service and satisfaction are vital to the hospitality industry including the club industry. The study established a positive link between the number of facilities, guest satisfaction and sustainability. With the variety of food and beverage operators to satisfy members' needs, club management must be vigilant to the need for changes by adapting their operations to satisfy these guests. Within the hospitality industry the non-financial or intangible aspects of the business are equally as important as the tangible. As Bergin-Seers and Jago (2007) conclude in their study, management should clearly understand the roles that both inputs and outputs have on the success of the business. Interestingly, during this research the managers automatically viewed sustainability as a holistic effort to ensure longevity, highlighting the necessity for the club to look presentable and provide the facilities that members require.

This exploratory study of a sector of the hospitality industry may encourage further research within the club industry. The research done in the club industry may not specifically be transferrable to the rest of the hospitality industry, owing to the unique nature of each club and its membership. Guests stay in a hotel for a limited period of time, however, within the club sector, a member selects the club, pays annual subscriptions and is treated as a 'guest' that does not leave after a mere couple of days. The member demands service excellence and expects to be satisfied. This study also showed that club managers do realise that all aspects of the club should be analysed, while areas of weakness should be approached with enthusiasm to correct shortcomings.

The retention of members and employees satisfies the aspects of economic and social sustainability, with an improvement in the business finances, and impacting on the community. The tangible aspects refer to the buildings and other facilities that the member will utilise. These facilities should be maintained regularly and renovated at frequent intervals to keep up to date with aesthetic trends. The functional systems that are used at the club should be maintained, as these will satisfy guests and make employees' tasks more efficient allowing the focus to be on member satisfaction. The intangible aspects of the club relate to the guests' comfort and the employees' ability to entertain and satisfy members.

### **Areas of further research**

The academic literature available within the South African hospitality and club industry is limited. Constant research within this industry will assist to improve and streamline efficiencies within the South African context. The following are recommendations for further research:

- The ten manager competencies that are referred to should be analysed in conjunction with job requirements within the South African club industry. Identifying existing management competency models that are utilised in the industry with the inclusion of aspects which surround sustainability;
- Identify a performance measurement tool that can be used in the club industry or perhaps adapt existing tools specifically for the club industry. Utilising the GRI and BSC, and modify

these for the club industry, specifically, to assist in finding a solution to measure performance;

- A study should be conducted on members' perceptions regarding what acceptable minimum facilities would be required at a golf or country club;
- Carry out a comparative study of the changes in the use of various sporting facilities to compare what was required ten years ago what members demand presently;
- Investigate whether there is a linear relationship between the number of members and the number of managers. Attempt to establish a manager and employee to member ratio as a tool to determine a point of efficiency. There should be an optimal balance between these factors to ensure sustainability. This could be useful from a human resource management perspective for recruitment, forecasting, training and strategic management; and
- Determine club characteristics, which are specifically linked to member satisfaction and loyalty: distributing a survey to a larger sample of clubs in order to establish these characteristics. As noted in the literature, (Chen McCain *et al.*, 2005; Dale, van der Wiele & van Iwaarden, 2011; Hubbard & O'Neill, 2007), customer emotions are important to the level of loyalty experienced by the member, but a study should research the level of trust and commitment that members experience.

### **Study limitations**

The delimitations in this research refer to areas that were not included in this study:

- Other categories of clubs such as city, corporate, university, military and sports clubs, besides golf clubs;
- How the conditions/circumstances in the workplace influence employees' contentment;
- Environmental sustainability, as the scope of the subject is too vast, but at no point should it be neglected, and
- An in-depth study of the specific computer systems that are utilised, aspects of financial reporting, or statements.

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