

MANAGEMENT CHARACTERISTICS OF
PRIVATE PROFIT-ORIENTED
GOLF ENTERPRISES IN MICHIGAN

Thesis for the Degree of M. S.
MICHIGAN STATE UNIVERSITY
GARY JOSEPH DAVIS
1974

LIBRARY
Michigan State
University



3 1293 10375 6692

L

BINDING BY
HOAC & SONS
BOOK BINDERY INC
LIBRARY BINDERS
EASTMAN, ILLINOIS

N — 126

N — 177

~~15-0352~~

CR 12 1974

~~JUN 10 88~~

JUN 29 1983
676 0155

PM

APR 19 1983

ABSTRACT

MANAGEMENT CHARACTERISTICS OF PRIVATE PROFIT-ORIENTED GOLF ENTERPRISES IN MICHIGAN

By

Gary Joseph Davis

In 1970 there were over 10,000 golf courses. This study's comprehensive inventory of 450 courses in Michigan reflects this national growth pattern. Many of the newly developed golf enterprises are experiencing economic difficulties. This study is an initial effort to provide present and future private golf course operators with information identifying specific management skills which contribute to the financial success of the enterprise. It examines, on an intimate level, the private profit-oriented golf courses in Michigan. It is hypothesized that certain management skills applied to golf course operation create a significant impact upon its success.

Management skills were separated into two groups: management practices, and management profile. There were ten management practice variables and thirteen management

profile variables designated crucial to the success of an enterprise. Success was defined as the relationship of the enterprises' gross income to the mean gross income. The present level of management skills of the 66 randomly sampled enterprises was identified through use of a personally administered survey instrument.

Analysis of the collected management information was a two-part process. The first part provided a comprehensive description of the 23 management variables using percentage/frequency statistics. This provided an overall descriptive picture of the 23 management characteristics as they appeared in the sample enterprises.

The second part of the analysis involved the identification of significant management variables through application of the Pearson product moment correlation statistic. There were several management variables found to have a significant bearing upon the success of the enterprises.

There were three management profile variables found to be significant to the success of the 18 hole courses. These include: level of education, job during the off season, and the number of years the course has been established. In the 9 hole courses, the profile variables found significant were: the number of seminars attended, membership in professional organizations, and managers' salary. The contrast in size of the 9 and 18 hole courses is reflected by the entirely different variables found significant.

Two management practice variables were found to be significant and they appeared only in the 9 hole enterprises. These are: sponsoring community events, and cooperative relations with businesses.

The results of this study provide a base from which to establish future research in determining the level of importance management skills have in determining the success of a private profit-oriented golf enterprise.

Further research could provide more conclusive evidence in establishing the significance of the management variables researched in this study.

MANAGEMENT CHARACTERISTICS OF PRIVATE
PROFIT-ORIENTED GOLF ENTERPRISES
IN MICHIGAN

By

Gary Joseph Davis

A THESIS

Submitted to
Michigan State University
in partial fulfillment of the requirements
for the degree of

MASTER OF SCIENCE

Department of Park and Recreation Resources

1974

ACKNOWLEDGMENTS

This study has been the result of a joint effort on the part of many people. I would like to give special thanks to Dr. Lewis Moncrief whose constructive criticism and counsel guided this study in its entirety. Also, special appreciation is expressed to Dr. Donald Holecek whose thoughtful suggestions contributed measurably toward the completion of this research. I am particularly in debt to fellow graduate students, Dan Stynes for his many hours of statistical consultation, and Jim Houck who assisted in the field administration of the survey instrument. Expressed appreciation is due to the 66 golf course managers without whose participation and cooperation this study would not have been possible. Also, special recognition goes to Dr. Kenneth Paine and Dr. James Beard of the Crop Science Department for providing timely advice and an initial sense of direction. I am indebted to typist, Lilah Hicks, who typed the final manuscript in the face of deadlines and last minute additions. And lastly, but most importantly, I am deeply grateful to my wife, Jo Ann, whose love, understanding and support were a continued source of inspiration.

TABLE OF CONTENTS

	Page
LIST OF TABLES	v
LIST OF FIGURES	ix
 Chapter	
I. INTRODUCTION	1
Purpose of the Study	1
Study Objectives	6
Scope of Study	7
Hypotheses	8
II. LITERATURE REVIEW	10
III. SAMPLING/METHODOLOGY	15
Sampling	15
Evolutionary Sampling Process	24
Study Design	32
Administration	33
Methodology	37
Limitations	39
IV. MANAGEMENT VARIABLES	43
Management Profile	44
Age of Managers	45
Level of Education	49
Previous Golf Experience	52
Number of Years Previous Golf Experience	53
Levels of Golf Experience	56
Number of Years Golf Course Manager	59
Previous Occupations	61
Number of Hours per Week Devoted to Management	66
Managers Holding Jobs During Off Season	70
Managers' Salary	72

Chapter	Page
Management Practices	74
Speed up Play	75
Cooperation with Local Community	77
Cooperation with Local Schools	79
Cooperation with Businesses	80
Youth Hiring Practices	81
Implemented Changes Suggested by	
Customers	82
Special Services for Customers	83
Use of Customers' Addresses in	
Advertising	86
Use of Financial Records to Influence	
Management	87
Use of Discounted or Donated Labor	88
Significance of the Data	90
Significant Management Profile Variables	92
Level of Education	92
Job During Off Season	94
Number of Years Course Established	95
Number of Seminars Attended Last 3 Years	95
Belongs to Professional Organizations	97
Managers' Salary	98
Significant Management Practice	
Variables	99
Significance of Gross Income	101
V. SUMMARY AND CONCLUSIONS	104
Management Profile Variables	104
Significant 9 Hole Profile Variables	105
Significant 18 Hole Profile Variables	107
Management Practice Variables	110
Significant 9 Hole Management Practices	110
Identifiable Patterns of Significant	
Variables	112
VI. RECOMMENDATIONS	114
Specific Areas of Investigation	114
BIBLIOGRAPHY	121
APPENDICES	
A. CORRELATION COEFFICIENT TABLES	124
B. SURVEY INSTRUMENT AND INVENTORY POSTCARD	132

LIST OF TABLES

Table	Page
1. Evolved sampling process	25
2. Random sample before final 9 and 27 hole dis- qualifications	26
3. Final random sample	30
4. Managers' age (9 Hole courses)	46
5. Managers' age (18 Hole courses)	48
6. Level of education for 9 and 18 hole golf course managers	50
7. Previous golf experience of 9 and 18 hole course managers	52
8. Number of years previous experience of 9 hole golf course managers	54
9. Number of years previous experience of 18 hole golf course managers	55
10. Fields of golf experience of 9 hole course managers	57
11. Fields of golf experience of 18 hole course managers	58
12. Number of years as golf course managers for 9 hole golf operations	60
13. Number of years as golf course managers for 18 hole golf operations	61

Table	Page
14. Prior occupations of 9 hole golf managers . . .	63
15. Prior occupations of 18 hole golf managers . .	64
16. Hours devoted to management by 9 hole golf course managers	67
17. Hours devoted to management by 18 hole golf course managers	69
18. Managers of 9 hole golf courses holding off season jobs	71
19. Managers of 18 hole golf courses holding off season jobs	72
20. Managers' salary for 9 hole golf course operations	73
21. Managers' salary for 18 hole golf course operations	74
22. Speed of play in 9 hole golf operations	76
23. Speed of play in 18 hole golf operations . . .	76
24. Cooperation of 9 hole golf operations with local communities	78
25. Cooperation of 18 hole golf operations with local communities	78
26. Cooperation of 9 hole golf operations with schools	79
27. Cooperation of 18 hole golf operations with schools	80
28. Cooperation of 9 hole golf operations with businesses	81
29. Cooperation of 18 hole golf operations with businesses	81
30. Youth hiring practices of 9 hole golf operations	82
31. Youth hiring practices of 18 hole golf operations	82
32. Implemented changes suggested by customers in the 9 hole golf operations	83

Table	Page
33. Implemented changes suggested by customers in the 18 hole golf operations	84
34. Special services for customers in the 9 hole golf operations	84
35. Special services for customers in the 18 hole golf operations	85
36. Use of customers' addresses in advertising by 9 hole golf operations	86
37. Use of customers' addresses in advertising by 18 hole golf operations	86
38. Use of financial records by 9 hole golf operators to influence management	88
39. Use of financial records by 18 hole golf operators to influence management	88
40. Use of discounted or donated labor by 9 hole golf operations	89
41. Use of discounted or donated labor by 18 hole golf operations	89
42. Pearson product moment correlation coefficients (Manager Profile - 18 hole)	93
43. Pearson product moment correlation coefficients (Manager Profile - 9 hole)	96
44. Pearson product moment correlation coefficients (Manager Practices - 18 hole)	100
45. Pearson product moment correlation coefficients (Manager Practices - 9 hole)	102
46. Pearson product moment correlation coefficients (Manager Profile - 9 hole successful)	124
47. Pearson product moment correlation coefficients (Manager Profile - 9 hole unsuccessful)	125
48. Pearson product moment correlation coefficients (Manager Profile - 18 hole successful)	126
49. Pearson product moment correlation coefficients (Manager Profile - 18 hole unsuccessful)	127

Table	Page
50. Pearson product moment correlation coefficients (Manager Practices - 9 hole successful) . . .	128
51. Pearson product moment correlation coefficients (Manager Practices - 9 hole unsuccessful) . .	129
52. Pearson product moment correlation coefficients (Manager Practices - 18 hole successful) . .	130
53. Pearson product moment correlation coefficients (Manager Practices - 18 hole unsuccessful). .	131

LIST OF FIGURES

Figure	Page
1. Golf course growth in the United States	3
2. Distribution of total golf enterprises in Michigan	18
3. Distribution of profit-oriented golf enterprises	19
4. Clustered areas for sample selection	21
5. Distribution of selected sample (100 golf enterprises)	22
6. Distribution of sample size 70	27
7. Distribution of final sample 66	31

CHAPTER I

INTRODUCTION

Purpose of the Study

Due to modern society's technological advances, the United States population is experiencing an increased amount of leisure time. This substantial amount of leisure time is also accompanied by higher discretionary income and greater mobility which, by their simultaneous occurrence, exerts a growing demand for outdoor recreational opportunities.¹

Private Enterprise

Outdoor recreation oriented private enterprise will play a vital role in satisfying this growing demand. A section of the 1962 O.R.R.R.C. Reports recognizes the importance of private enterprise as a significant factor in meeting the need for increased recreational opportunities. In regards to private enterprise, the report states

. . . that outdoor recreation, unlike a service such as police protection cannot be the responsibility of government alone Government can help make opportunities available and carry out projects in the public

¹Marion Clawson, Economics of Outdoor Recreation, John Hopkins Press, 1969, p. 163.

interest that cannot be done privately, but it does not, cannot, and should not provide for all outdoor recreation needs of every citizen.²

Development of Facilities

The number of private and municipal golf courses has increased in response to demand pressures created by the rapidly expanding golfing population. But, the municipalities are limited to minimal participation in the development of golfing facilities by the nature of their budgetary constraints, characteristic of public tax supported institutions. The municipalities are, therefore, financially unwilling or unable to invest the necessary large sums of capital required to develop golf facilities. The initiative is thrust upon the private sector to provide golfing opportunities that are demonstrably needed but inadequately provided by public agencies. Report 11 of the O.R.R.R.C. entitled, Private Outdoor Recreation Facilities, fully supports and encourages development by private recreational enterprises which would augment the public outdoor recreational services and facilities.

Golf as an outdoor recreation activity has gained tremendous popularity throughout the country, particularly in the last decade. Figure 1 shows the pattern of golf course growth on a national level. According to the

²O.R.R.R.C., Outdoor Recreation for America (Washington, D.C.: Government Printing Office, 1962), p. 156.

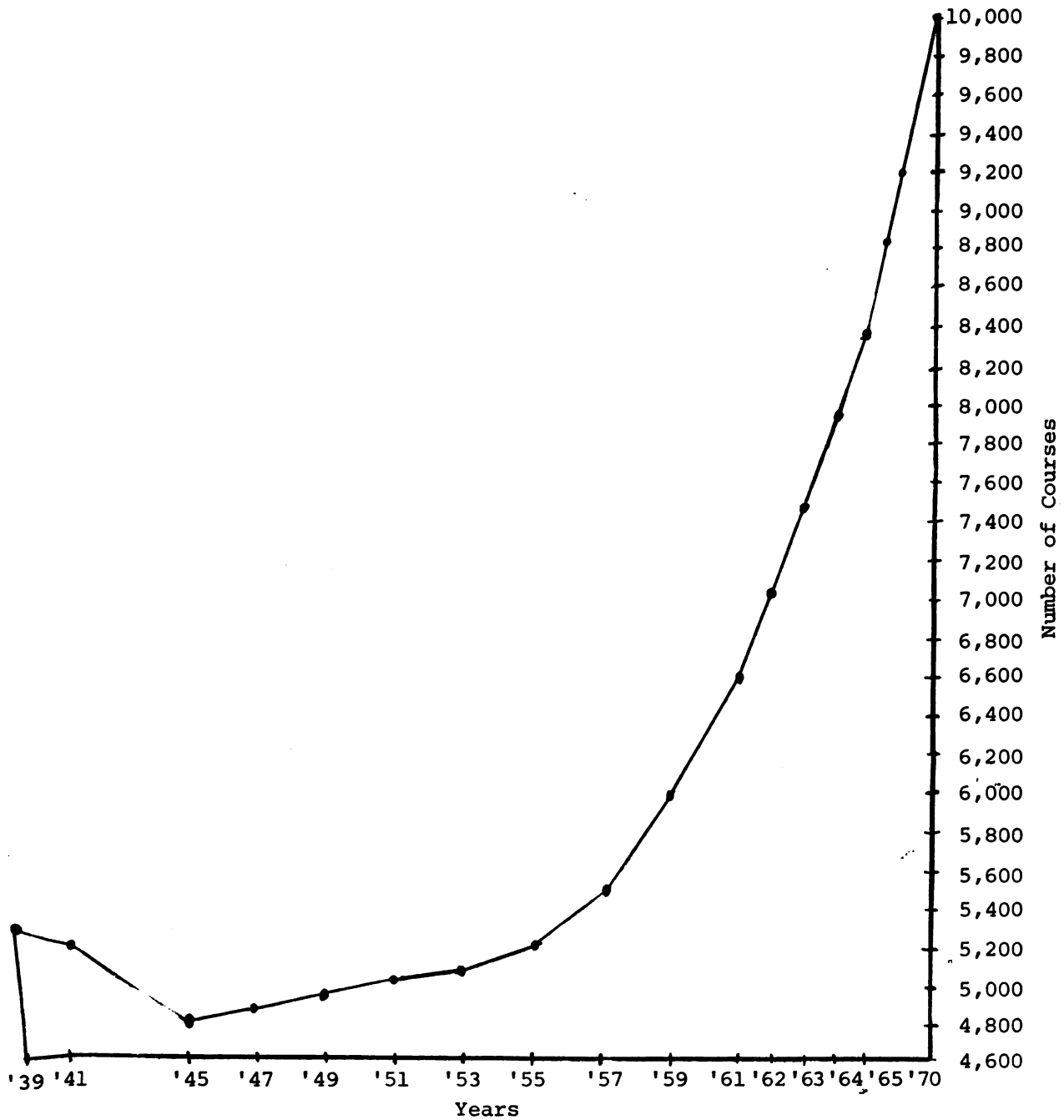


Figure 1. Golf course growth in the United States.

National Golf Foundation's 1967 statistics³ there were approximately 9 million golfers and 8700 courses in the U.S. From these 1967 figures the National Golf Foundation projected the existence of 10 million golfers and 10,000 courses by 1970.

Dichotomous Study

The total golf project is conceived of as being a two part analysis. This portion of the study involves the management profile and practices of the golf operation, while the second part is concerned with the financial and economic aspects. The second portion of the study has been assigned to another graduate student and will be finished approximately the same time as this one. Both research papers compliment each other and share the fruits of cooperative exchange of information between both researchers.

Management Analysis

This portion of the Golf Study will provide descriptive information concerning the management characteristics of private profit-oriented 9 and 18 hole golf courses in Michigan. The data gathered by this initial effort will provide broad management guidelines and information aimed toward maximizing the profits of existing operations by

³ Harry Eckhoff, Golf Development Reaches New Highs in 1965 (Chicago: National Golf Foundation Publication, 1965), pp. 1-2.

encouraging the conscious application of management techniques. The information obtained by this research will be useful as a point of reference and comparison for current operators and potential developers. The data generated by this research project should not be considered a panacea for management problems, but viewed as a yet to be refined tool which provides valuable insights into the unexplored areas concerning the management aspects of Michigan's 9 and 18 hole golf courses.

Measure of Success

In addition to the identification of specific management variables, a measure of success of the 9 and 18 hole enterprises will be developed. This success indicator will provide a measure which will result in a dichotomous grouping of courses, those more successful and those less successful. After the classification determining its degree of success, an effort will be made to identify those management variables of significance which are associated with the more successful operations.

Golf Project

This study is funded by Rural Development Funds made available under the Hatch Act and administered through the Agricultural Experiment Station at Michigan State University.

This research project represents an initial effort to investigate and identify management characteristics of privately owned, profit-oriented 9 and 18 hole golf courses in Michigan. The identification of management variables together with a measurement of success will provide a basis for further, more definitive research projects. Essentially, this research effort can be viewed as a pilot study exploratory in nature which attempts to identify and describe a population of unknown quantity and quality.

Study Objectives

There are a number of objectives which are relevant to purposes of this study. These are:

1. To provide a two-dimensional description of management characteristics consisting of a management profile, and management practices.
2. To identify significant management practices and profile variables associated with the more successful courses.
3. To develop a measure of success in order to compare and assess the management characteristics of the more successful operations with the less successful ones.
4. Hypothesis testing using the Pearson Product Moment Correlation statistical test in determining the strength of association of specific management variables to the success of an enterprise.
5. A general assessment and description of the golf industry as it now exists in Michigan.

Scope of the Study

This study will investigate and identify the management characteristics of a representative sample population of profit-oriented, privately owned 9 and 18 hole golf courses in Michigan. Profit-oriented courses heretofore being defined as those 9 and 18 hole courses operating on a profit making motive whereby the burden of loss is sustained by the owner. This definition necessarily excludes the following:

- a. All municipal and public courses operated by a unit of government
- b. County clubs established for private memberships exclusively, purposely for their pleasure or business entertainment and not for profit maximization
- *c. 27 hole operations
- d. Par 3 golf courses
- e. Miniature golf operations
- f. Driving ranges

Due to budgeting limitations the golf operations located in the upper peninsula were eliminated from our

*Due to the disproportionate scale of operation and relatively small population, the 27 hole operation is excluded from this study. The homogeneity of 9 and 18 hole courses regarding their size and sufficient numbers for sampling will provide a consistency to the data for analysis purposes.

study. The transportation costs and number of hours required to obtain the necessary data were the limiting factors.

Hypotheses

#1 The more successful 9 and 18 hole golf courses will exhibit significantly different management profile variables when compared to those identified with less successful courses.

Profile Variables:

- a. age
- b. number of years golf experience
- c. number of years golf course manager
- d. level of education
- e. number of seminars attended last three years
- f. job during off season
- g. manager's salary
- h. read professional literature
- i. belong to professional organizations
- j. number of years course established
- k. number of hours devoted to management

#2 The more successful 9 and 18 hole golf courses will exhibit significantly different management practice variables when compared to those identified with less successful courses.

Practice Variables:

- a. design or modify operations in any way to speed up play
- b. sponsor community events
- c. cooperative relations with local schools
- d. cooperative relation with business
- e. special hiring practices toward youth groups
- f. customers suggested any change in course operation which was implemented
- g. provide special services for customers
- h. use financial records to influence management
- i. use discounted or donated labor
- j. use customer's address in determining advertising markets

CHAPTER II

LITERATURE REVIEW

A limited amount of definitive literature and research exists concerning the management characteristics of private golf courses operated for profit. The bulk of information pertinent to golf course operation is published by the National Golf Foundation.

National Golf Foundation

The National Golf Foundation provides the most comprehensive source of statistical information regarding golf courses and their operation. The data package assembled and distributed by the N.G.F. is primarily general information available to individuals, groups and communities involved in planning, construction, and operation of golf courses. The prepared N.G.F. packets contain useful suggestions and guidelines emphasizing a preventive approach to golfing operations. The packet of N.G.F. information lacks identification of specific management factors which would improve climate for successful operation. Some examples of the general advice contained in N.G.F. publications are "expect to run in red for first year of established operation," "the manager must be

social and have good community relations," and "a high quality course superintendent will be an invaluable asset." This information is of limited value, in that it provides the "what" but leaves out the "why" and "how."

Promoting Growth and Success

The National Golf Foundation does an admirable job in promoting the growth of golf industry, but growth does not automatically mean success. The dramatic increase of golf courses in recent years, underscores the need for more specific information on the management and economic characteristic of the more successful golf courses. Identification of specific variables associated with the degree of success of private golf courses will provide a tool enabling the established and emerging enterprises to obtain a semblance of controlled growth and development, thereby enhancing their chances for success.

A process of identifying variables which would enhance chances of successful operation, will encourage future investors and promote stability of established courses.

Golfdom Annual Issue

The second source of information specifically directed toward golf course operation is the Annual Golf Survey issue of Golfdom Magazine. This publication provides an endless variety of general statistics having limited value

to this study. The golf operation variables range from maintenance supplies, golf carts, to tennis courts and swimming pools. The data is based on a nationwide mail-in survey form which is distributed to a sampling of their subscribers. Unfortunately, the annual issue does not supply information concerning its instrument, sampling technique or analytical methods. At best, the graphs and data presented in the annual issue provide an optimistic inflated picture of a wide array of operational characteristics. This scattergun approach in assemblage of data lacks depth in fact gathering, as well as analysis.

Related Outdoor Recreation Research

There are various other types of private outdoor recreational enterprises being researched which have some common bonds with golf enterprises. An increasing body of research is being accumulated in these areas. Although most of these studies are unrelated to the special aspects identified with golf, they all share common factors that can be associated with certain phases of golf as an outdoor recreational enterprise. Some of these common bonds of association are: (1) profit-oriented, (2) privately owned, (3) open to the public, and (4) a commitment toward meeting the demand for outdoor recreation.

Examples of this growing body of research include the following publications:

1. Form Recreational Enterprises in Missouri (Ronald Bird, 1963).
2. Rural Recreation Enterprises in New England (Moor, 1964).
3. Youth Camps in Vermont (Bevins, 1970).
4. Analysis of Campground Market in Northeast-Private Areas (Northeast Regional Research Publication, 1973).
5. Private Campground Industry in Michigan (Dice, 1971).
6. An Analysis of Private Commercial Horse Industry in Southern Michigan (Holleran, 1973).
7. An Analysis of Golf as a Recreational Business in Genesee County, Michigan (Moncrief, 1967).

These studies provided many useful insights and helped to identify the common group of characteristics that are relevant to the variety of outdoor recreational enterprises. Most of these studies are descriptive in their presentation of data, reflecting the initial efforts in their respective fields of investigation. The initial efforts will provide a baseline of research which future research can build and improve upon.

This study of specific management characteristics of 9 and 18 hole golf courses, represents an initial effort concerning this aspect of the golf industry in Michigan.

Previous existing publications concerning the golf industry in Michigan appeared in the form of recreational magazines, Chamber of Commerce bulletins, and informational materials pertaining to recreational and golf equipment

distributed by salesmen and manufacturers. Descriptions about the golf industry contained in these materials are generalized and evidenced wide variances in figures, depending on the source. This study will attempt to resolve some of the broad misconceptions and distortions that currently exist about the golf industry in Michigan.

The inaccuracies in tabulation, dissemination, and misinformation by the previously mentioned public and private agencies are due primarily to the lack of adequate factual research being available.

CHAPTER III

SAMPLING/METHODOLOGY

Sampling

Comprehensive Golf Inventory

Initially, a comprehensive inventory of Michigan's golf courses was compiled. To no avail, various agencies throughout the state were contacted in our search for an existing compilation of golf courses. Agencies contacted were the Michigan Tourist Council, State Chamber of Commerce, State Department of Transportation, and Michigan Golf Association. Inquiry of the Crop Science Department at Michigan State University resulted in the acquisition of a 1969 computerized listing of approximately 350 golf courses throughout the state. The list was compiled by a certain golf course maintenance equipment manufacturer. Future researchers of outdoor recreation businesses should note that many suppliers of equipment and materials maintain large inventory lists of outdoor recreational enterprises which aid them in identifying and establishing their markets.

The 350 course list provided by the Crop Science Department was further supplemented by the inclusion of

additional golf courses found in statewide telephone directories. Lists resulting from these combined sources were mailed to the county cooperative extension agent in each county with the request that each agent add courses to the list that were not included and to delete those erroneously listed or which had gone out of business. This procedure produced a comprehensive inventory list of 481 courses. This was considered an adequate number with which to begin the next step of population stratification.

It should be noted that 481 golf courses is not to be considered a finalized listing but will be subject to a continual process of additions and deletions.

Restated, the purpose of this study is to identify and describe the management characteristics of 9 and 18 hole golf courses run for profit and privately owned.

Inventory Postcard

Using this study's purpose as a guideline, an inventory postcard was designed to gain basic operational data (see Appendix). The postcard would allow further stratification of our total population. The postcard was then mailed to the 481 golf courses.

Population

The responses totaled 450 courses. It should be cautioned that this 450 is not a final figure and will be

adjusted accordingly upon the receipt of additional responses, delayed for various reasons. The distribution of the responding 450 courses is shown in Figure 2. Note the similarity of golf course concentration with respect to population densities in the state. This pattern is particularly evident in the heavily populated counties of the southeast lower peninsula. The sparsely populated areas of the rural northern lower peninsula mirror those found in the upper peninsula.

Survey Population

A study population of 290 golf courses was obtained from the 450 inventory postcard respondents. These 290 courses met this study's previously stated criteria identifying profit oriented 9 and 18 hole courses. Figure 3 shows the statewide distribution of the 290 study population. The regional distribution pattern displayed by the 290 profit oriented courses in the state closely parallels that of the total 450 golf course population (Figure 2).

Sample Population

An initial sample size of 100 was determined in consultation with project coordinator, Dr. Moncrief, to be sufficient. In accurately studying the sample population using a sufficient sample size to represent the total population, is an accepted procedure employed by most researchers when it is impossible or unfeasible to sample the total population.

Random Sample

The original sample size of 100 was selected by the use of random sampling techniques.⁴ To insure the probability of a representative sampling of golf courses throughout the state, the survey population was grouped into four arbitrary regions as shown in Figure 4.

The initially selected 100 sample size represents 34% of the 290 firms in the population. The determined sample size was selected to insure that an adequate number of observations were made with a minimum of variance from the study population.

Using the random sampling tables, a sample of 100 courses were proportionately selected from regions 2, 3A and 3B. The distribution of these 100 can be seen in Figure 5. Table 1 shows the percentages selected from the study population in each region. Note the disproportionate number of 25 sampled in region 2 which represent 49% of those within the region. The 47 courses selected in region 3B are almost twice those in other regions. This proportionately reflects that region 3B contains 54% of the study population.

A list of substitute golf courses for each region was randomly selected as a contingency measure to be used in case some original enterprises were unable to participate in the study.

⁴James Rohef, Statistical Tables (San Francisco: Freeman and Company, 1969), pp. 152-56.

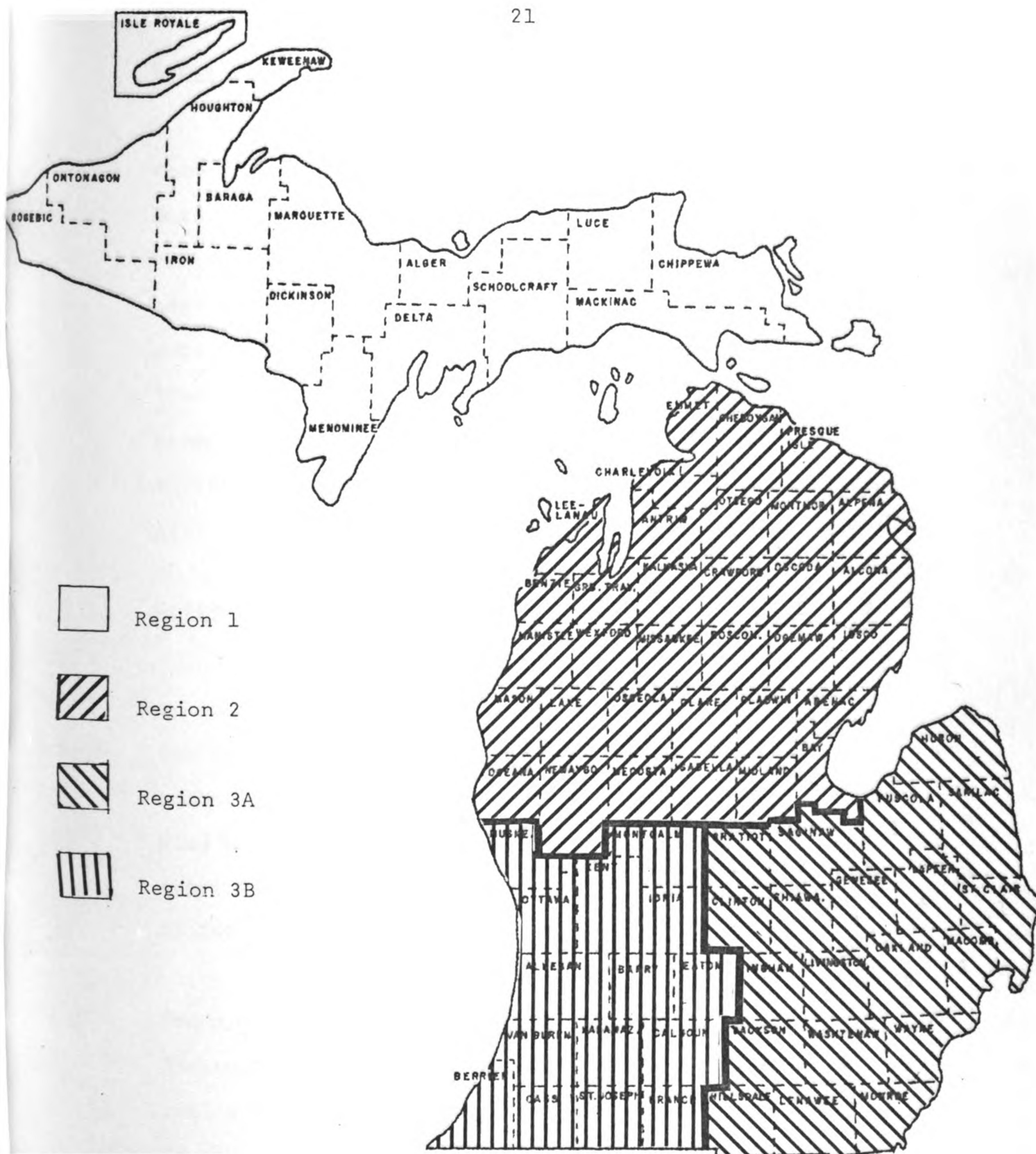
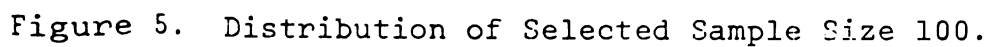


Figure 4. Clustered Areas for Sample Selection.



Sampling of Rural Areas

Golf courses in the upper peninsula were excluded from the sampling process because of their insufficient numbers and the prohibitive transportation costs involved. This decision reduced the survey population to 285; subsequently, a decision was made in consultation with project coordinator, Moncrief, to draw a disproportionate sample from region 2. This would insure an adequate frequency of response from rurally located courses. Region 2 includes courses in the northern lower peninsula which exhibits similar characteristics to those found in the upper peninsula.

Decrease Sampling Size

Unfortunately, the random sample size of 100 was not achieved due to difficulties and complications arising during the appointment making process. The unanticipated large number of disqualifications and refusals (see Table 1) coupled with the limitations of time and funds made it impractical and unfeasible to continue pursuit at a sample size of 100.

Pressed by the limitations of time and available funds, it was decided, after consultation with project coordinator Dr. Moncrief, that a final sample size of 70 was realistic and attainable. It was, therefore, agreed that 70 courses would provide us with an adequate number of responses which would accurately represent the study population.

Evolutionary Sampling Process

Tables 1 and 2 provide a view of the evolutionary process involved in arriving at the final sample size of 70. The final sample size of 70 resulted from a combination of several actions involving disqualifications, refusals and substitutions (Figure 6).

Disqualified Courses

We were totally unprepared for the high rate of disqualifications that we encountered. Some of these courses were discovered ineligible during the appointment making process, but most were encountered during the scheduled interviews. Among the reasons for disqualifications were: just began the operation this year and have inadequate records; some were non-profit subsidized by a corporation (which they neglected to specify in the postcard inventory); others had just bought the golf course and the former owner(s) had the records; and one course had just switched from a private to public course (a growing trend for many financially ailing private courses). There were 17 disqualifications which left the study population at 268.

Refusals

Another 15 courses were refusal casualties that occurred during the appointment phoning process. Responses

Table 1. Evolved Sampling process.

Region	# Profit-oriented Courses	% of Total Survey Population	Original Random Sample	% of Total in Respective Regions	Total # Disqualified	Adj. Random Sample After Disqualification	# of Refusals	Adj. Random Sample After Refusals	# Incomplete Interviews to be Mailed in	Adj. Random Sample Minus Mail-ins	Random Selected Substitutes	Final Random Sample Population
1	5	1%	-	-	-	-	-	-	-	-	-	-
2	51	17%	25	49%	4	21	3	18	3	15	3	18
3A	82	28%	28	34%	5	23	6	17	0	17	0	17
3B	152	54%	47	30%	8	39	6	33	3	30	5	35
TOTAL	290	100%	100		17	83	15	68	6	62	8	70

Table 2. Random sample before final 9 and 27 hole disqualifications.

Regions	Eligible Survey Population After Disqualifications	Eligible Population After Refusals	Final Eligible Population (Minus Disqualifications and Refusals)	Final Random Sample	% of Final Eligible Popu- lation Used in Random Sample
1	0	-	-	-	-
2	47	44	44	18	45%
3A	77	71	71	17	26%
3B	144	138	138	35	27%
TOTAL	268	253	253	70	28%

Figure 6. Distribution Sample Size 70.

by uncooperative operators were short and blunt. Among these are replies such as: "don't like governmental interference"; "will selectively disclose certain financial information"; and "do not want to participate at all." The refusals were anticipated and provided for by the inclusion of substitution lists. The 268 eligible study population is therefore decreased by 15 more and becomes 253.

Appointments and Field Administration

The appearance of disqualifications and refusals occurred as part of the ongoing administration of the study during the summer of 1973. Therefore the use and selection of substitutes was delayed until after the initial list of 100 random selected courses was screened during the field work administration. This would give us a perspective as to the number of interviews completed and how many random substitutes needed to be selected.

Interviews Completed

Toward the end of the allotted time scheduled for the field work portion of the study, we had 62 completed questionnaires. In addition, there were 6 incomplete questionnaires that were to be mailed in by the interviewed operations. (Note--none of these 6 were received.) Taking into account the 15 refusals, 17 disqualifications and 6

non-mailed responses, our original sample of 100 was decreased to 62. This entire process is presented in Tables 1 and 2.

Substitution

For reasons previously stated it was decided that a sample size of 70 would be ample in providing a representative picture of the total study population. Eight courses were randomly selected from a supplemental list of substitutes. The final sample of 70 represents 28% of the 253 courses considered eligible after the elimination processes had taken their toll.

Adjusted Final Sample Size

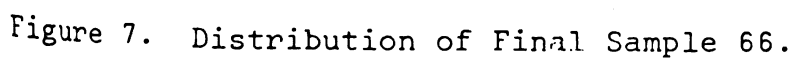
The final sample size of 70 unintentionally included two 27 hole operations and two 9 hole courses that were part of a larger recreational complex. These courses were not discovered until after the interview process had been completed and therefore were not substituted for. This left us with a final sample size of 66 courses, 32 9 hole and 34 18 hole. The adjusted final sample size of 66 represents 27% of the 249 eligible survey population.

Distributions

The distribution of the 66 sample courses can be seen in Figure 7. Table 3 presents a review of Table 2 with adjustments accounting for the four late disqualifications.

Table 3. Final random sample.

Regions	Eligible Survey Popu- lation Minus Four Disqual- ified 9 and 27 courses	Final Random Sample	Percent of Eligible Pop- ulation Used in Final Ran- dom Sample
1	0	-	-
2	43	17	40%
3A	71	17	24%
3B	135	32	24%
TOTAL	249	66	27%



Study Design

This study constitutes a groundbreaking effort of intensive investigation into the management aspects of 9 and 18 hole courses. Consequently, there was an extremely unlimited body of research existing which could be used to provide guidelines in designing and administering this research project.

Sampling Instrument

The sampling instrument was designed with the dual purpose of gathering both management and financial data. A variety of sources were drawn upon to insure that relevant management and economic questions were incorporated in the survey questionnaire. Among these were several golfing publications which included: Golfdom, Pro-Shop Operations, Golf Digest, and Grounds Maintenance. The National Golf Foundation and Dr. Lewis Moncrief's theses⁵ provided additional information in formulating the survey instrument.

Pre-Testing

Due to budgeting and time constraints inherent in this study, an adequate pre-testing of the questionnaire as to its degree of reliability and validity was not totally completed. The direct result of foregoing rigorous pre-

⁵Private Golf Courses in Genesee County, Michigan, 1967.

testing was the accumulation of surplus information not specifically crucial to this study. The additional information acquired has been coded and stored for future application and relevant research.

Administration

Field Work

The administration of the questionnaire to the individual golf course managers occurred from June 7 to August, 1973. I was assisted by graduate student Jim Houck. Maps of the state with detailed locational marks of the random sample population were used as reference guides in assigning specific areas and noting completions. After assigning specific geographical areas of the state to each interviewer, the golf course managers located within these regions were then contacted by phone to set up an appointment. Usually the interviewer selected courses that were somewhat clustered within his assigned area. The average number of completions was three per day but it was not uncommon to do five or six.

Interview Procedure

The interviews were usually arranged during the weekdays and in the morning or early afternoon. This procedure developed due to the nature of the golf business which is

characterized by heavy weekend play and night leagues. The interview period lasted from 20 to 30 minutes and occasionally ran up to 45 minutes. Most of the managers honored the pre-arranged time for the interview and adjusted their working schedules accordingly. The interview method involved the use of flash cards on certain questions structured in multiple fashion. The use of these cards did aid in presenting the several part questions and answers.

Personal Interview Advantages

The personal interview method used during the sampling process provided several advantages over the mailing procedure. Among these were increased accuracy and rate of response. The interviewer had an opportunity to instantly respond to the manager and gain feedback. Any tendency of questions to be misleading or ambiguous could have been corrected through on-the-spot adjustments and interpretations.

The financial information being requested (taxes, gross and net profits, etc.) required an established air of trust, and assurance of strict confidence between the interviewer and manager. As it was, there were several instances when managers displayed hesitance and reluctance to divulge financial information. The financial information required to complete this study dictated personal contact with each manager in order to establish mutual confidence and trust.

Effectiveness of Personal Interview

Using the technique of personal interview proved to be very effective in gaining financial information about the various enterprise operations. Many of the operators interviewed cooperated to the extent of showing last year's tax forms. On the other hand, there were examples of various managers literally pulling figures from memory resulting in guesstimate type information.

Overall, the combination of financial data from these two extremes had a tendency to balance out and provided a representative mean figure. The financial data acquired is the best quality that could be obtained under the short-term probe circumstances inherent in the concept of this study.

Administrative Problems

Not all of the sampling procedures went as smooth as is previously indicated. A majority of the difficulties were uncovered during the phoning for appointments phase. Making the personal appointments with each manager by phone resulted in our discovery of most of the 17 unqualified courses.

Some managers contacted by phone remained skeptical and unconvinced as to our legitimate purposes and therefore refused to participate. Several managers that did make appointments refused to cooperate once we had traveled to their course and began asking questions.

Also, there were a few instances where a course had just been acquired, or turned public which was not clearly indicated over the phone. Although these managers were willing to cooperate, they did not have the necessary records to do so. After a few fruitless trips involving these types of courses, we became more discerning with future phone calls.

Organization Approval

One additional aspect that we incorporated into our sampling methods was the attempt at getting the tacit approval of professional organizations representing the golf businesses in the State of Michigan. The Michigan Golf Association was contacted in this respect, but there was no follow-up response on their part. This was probably due to our belated discovery that the Michigan Golf Association caters to exclusive private clubs which would be excluded from this study.

An organization that did cooperate and encouraged its members to do so was the Northern Michigan Turk Managers Association and its President, C. E. Tate. Mr. Tate and his organization expressed keen interest in the study and its objectives. He requested and will be sent the final results.

Cooperation

Generally, the individuals interviewed, whether manager, owner or pro, were receptive and sympathetic to the goals of the study. They expressed a genuine interest in contributing to a useful research effort such as this one. Overall, they expressed enthusiasm and are looking forward to the published results.

A list of those participating in the survey will be kept to insure that all cooperating managers are among the first to gain any beneficial information generated by this study.

Methodology

The analytical techniques employed are, to a large extent, determined by the quality and quantity of the collected data. The analytical techniques used will also reflect the need to meet the previously defined objectives of this study.

Percentage - Frequency Analysis

To provide the descriptive information concerning two dimensional management characteristics, it was decided that the use of percentage and frequency ratios, with the use of percentage and frequency ratios, with the aid of

simple tables, would be suitable. The use of this simplified method of analysis will provide a source of basic descriptive information on previously unidentified quantities involving the management aspects of Michigan golf courses.

Pearson Statistical Measure

The second part of data analysis involves the use of a more sophisticated statistical measure. This analysis uses the Pearson product moment correlation coefficient. The Pearson correlation coefficient is a simple regression analysis of two variables indicating the strength of relationship existing between the two designated variables. A significance level of .05 is used in conjunction with the Pearson statistical measure.

Measure of Success

To fulfill one of this study's important objectives, it is necessary to designate a measure of success that is applicable to the golf enterprises. Therefore, due to the wide variances and inconsistencies exhibited by net income data, reported gross income will be used to determine the degree of success. This success measure has previously been instituted for similar reasons in the preliminary draft of the NEM 42 research.⁶ Those courses with

⁶Agricultural Experiment Station, "Analysis of the Campground Market in the Northeast-Private Areas" (University of Vermont, Burlington, Va., 1973), p. 5.

gross incomes above the mean of their respective 9 and 18 hole groups will be considered as "more successful" than those falling below. The 9 hole mean gross is \$52,468, whereas the 18 hole mean is \$127,411.

It should be stressed that the use of gross income as a measure of success is an adaptive measure, in response to the high degree of error and inaccuracies displayed by the net figures gathered. The designation of an operation as less successful than another implies a degree of success, and does not unequivocally categorize such a course as being a failure. The measure of success should be viewed as an analytical tool based upon data fluctuating in degree of reliability and accuracy.

If the golf enterprises had been able to provide accurate and complete expense figures, net income would have been used as a measure of success.

Limitations

Lack of Cooperation

Many of the operators were suspicious, distrustful, and elusive in regards to divulging financial information. Their reluctance to cooperate fully in revealing financial information can be attributable to such diverse reasons as:

- (1) dislike of any type of government connected project;
- (2) distrustful of revealing confidential tax returns; and
- (3) fear of competition gaining inside information.

Despite repeated assurances of anonymity given prior to and during the interviews, there were many operators hesitant to respond fully to the financial portions of the questionnaire.

There were a substantial number of operators unable or unwilling to supply accurate figures on expenditures and incomes, thereby producing unreliable net figures. In fact, the response pattern to financial portions of the questionnaire ranged from guessestimates to specific referrals from last year's tax statement.

Success Indicator

The use of gross income as a measure of success should be viewed as the best alternative to using net, considering the quality of the collected data. It is recognized that net income would produce a more meaningful measure of success, but that the use of gross income as a success indicator is made necessary by the wide variance and inaccuracies exhibited in the accrued financial data. It should be noted that this study is initial in nature, and lacks the sophisticated monitoring set up and time allowance necessary to obtain reasonably accurate and reliable data.

Sampling Difficulties

There occurred several unanticipated difficulties during the sampling portion of this study which ultimately affected the final sampling form. The unusually high number of disqualifications (17) in combination with 15 refusals and 6 unanswered mail-ins forced an adjustment of decrease in the final sample population. These factors coupled with budgetary and time limitations, produced a final sample size of 70 as compared to the initially targeted 100. Also, using hindsight of the 70 courses sampled, there were two 27 hole courses inadvertently sampled which were eliminated due to their disparity in size of operation. This factor alone would disrupt any existing homogeneity and consistency of data emanating from the main sample of standardized 9 and 18 hole courses.

Another slight sampling adjustment was made in eliminating two 9 hole courses from the final 9 hole sample. It was discovered, after the sampling period, that these two 9 hole operations were part of a total recreation complex, and the data obtained reflected the operation of the complex and not the golf course itself.

These final modifications resulted in a final sample size of 66 golf courses, 32 9 hole and 34 18 hole. When viewing the entire sampling process, all of the above procedures should be taken into consideration. The resulting

final sample essentially evolved from a basic trial and error process.

Concluding Limitations

When evaluating the sampling methods regarding degree of error, it is crucial to take into account various externalities which cannot be separated from the total body of this research. This includes such factors as the short term nature of the research, the lack of previous relevant research in this area, and the unknown quantities which had existed in the field prior to the initiation of this investigation.

Hopefully, the acknowledgment of the previously stated limitations will provide guidelines for future researchers which they can use to improve and expand the original body of knowledge initiated by this study.

CHAPTER IV

MANAGEMENT VARIABLES

To get a representative picture of the management characteristics associated with the profit oriented golf enterprises in Michigan, it is necessary to isolate and identify numerous variables considered crucial to the overall management operation. There are basically two groups of variables easily recognized and separated by their degree of participation within the total management of operation.

Profile Variables

The first set of descriptive variables consists of what will be referred to as the static group. Static, in a sense of pre-established conditions not actively changing the complexion of management. The static group of 13 variables will describe the basic manager profile.

Practice Variables

The second part of our dichotomy of management variables is the presentation of management practices. Now this word--practices--suggests change and, therefore, this is the

dynamic aspect of the total management operation. There are 10 variables that make up management practices. These practice variables are the action ingredient in the management operation of the golf enterprise.

Selection of Management Variables

The management variables that compose the profile and practice groups were carefully screened and pre-tested. Admittedly, we had a much larger group of potential variables on the questionnaire but this was a precautionary measure to insure that some critical factors were not left out. A culling out process was used to attain the final select group of critical variables pertaining specifically to the management question.

Management Profile

The following is a comprehensive list of the 13 management profile variables.

1. Age of manager
2. Level of education
3. Previous golf experience
4. Number of years of golf experience

5. Type of golf experience
6. Number of years golf course manager
7. Prior occupation
- *8. Membership in professional organizations
- *9. Number of seminars attended in last three years
10. Hold another job during season
11. Number of hours devoted to management
12. Managers' salary
13. Number of years course has been established

Age of Managers

Age of 9 hole Managers

There does not appear to be any great disparity in age groupings or mean age between the successful 9 hole and the unsuccessful 9 hole managers.

*These two variables were omitted from the descriptive analysis due to 100% negative or affirmative responses which obviate analysis.

Table 4. Managers' age (9 Hole courses).

Successful 9 (n=11)			Unsuccessful 9 (n=21)		
Age Group	%	Combined Percent	Age Group	%	Combined Percent
20-40 yrs.	18	36	20-40 yrs.	9	36
41-50 "	18		41-50 "	27	
51-60 "	54	72	51-60 "	46	73
60+ "	9		60+ "	14	
Mean= 47			Mean= 52		

The age breakdown in Table 4 reveals that the manager of successful 9 hole operations had a mean age of 47 which is five years younger than the mean of 52 for the unsuccessful 9. Eighteen percent of the successful 9 hole managers fall within the 20-40 age group compared to only 9% of the unsuccessful 9 hole managers. Emergence of younger 9 hole managers will lend support to the theory that operating the 9 hole golf course enterprise is no longer to be considered a hobby or supplementary exercise, but has blossomed into a full-time occupation requiring sharp business sense and long hours.

The higher mean age of 52 in the unsuccessful 9 hole managers could possibly reflect a miscalculation on the part of many of the managers who are retirees seeking a self generating income with part-time efforts.

The higher mean age not only of the unsuccessful 9, but successful 9, could be related to an extended period of

ownership. This would be conducive to promulgating old habits and locations not attuned to our present fast-paced mobile society.

Age of 18 Hole Managers

If a youth trend in management is hinted at by the 9 hole data, then the 18 hole golf course operation reinforces this pattern. It may be possible to get by in a small 9 hole operation from year to year by using part-time management and family supplemental help, but the 18 hole course labor requirements demand at least double the effort. Golf has become a highly competitive business requiring more time and energy to manage a course profitably.

The figures in Table 5 show that 40% of the managers of successful 18 hole golf courses fall within the 20-40 age group. This is in contrast to only 18% of the successful 9 hole managers falling within this bracket. There seems to be a greater accent on youth in the successful 18 hole operations. Seventy percent of the successful 18 hole managers are 50 or under, while only 36% of the successful 9 hole operators fall in this category.

The mean age for successful 18 hole golf course managers is 45 which is two years less than the 47 of the successful 9 hole managers, and also two less than the unsuccessful 18 hole operators. Conversely, 20% of the successful 18 hole managers are age 60+ in comparison to only

Table 5. Managers' Age (18 Hole courses).

Successful 18 (n=10)			Unsuccessful 18 (n=24)		
Age Group	%	Combined Percent	Age Group	%	Combined Percent
20-40 yrs.	40	70	20-40 yrs.	25	54
41-50 "	30		41-50 "	29	
51-60 "	10	40	51-60	34	63
60+ "	20		60+ "	12	
Mean= 45			Mean= 47		

12% of the unsuccessful 18 hole managers. These mean age groups are substantially above the respective 9% and 14% of the 9 hole managers. This may indicate a tendency of the successful 18 hole managers to remain longer with a profitable business. The possible reasons for this tendency could be explained by the huge investments of time and money necessary to sustain this size of operation.

Financially and administratively, 9 hole operations are easier to market, reflecting their smaller size and costs.

In summary, there seems to be a marked difference in the age of the respective successful 9 and 18 hole courses. The successful 18 hole manager age group emphasizes managers 50 years or younger, whereas the successful 9 hole operations have only 36% of their managers 50 or under.

A closer look at the data points interestingly to 54% of the successful 9 hole managers falling between the ages 51-60. Only 10% of the successful 18 hole managers are in this age bracket.

This further strengthens the preceding observations concerning the stress of youth in the 18 hole enterprises. The 54% of 9 hole successful managers between ages 51-60 suggests that the 9 hole golf course still has an attraction for retirees or near retirees with their preconceived notions about leisurely retiring into a money making, relaxing business. Many are falsely led to believe that a small 9 hole golf course is an easy attractive money making proposition requiring minimal work. Some of the operators interviewed actually stated that they had held these beliefs before entering the business but were quickly converted to principles of hard work and long hours which characterize modern day golfing businesses.

Level of Education

The third variable used in the composition of a total manager profile is the managers' level of education.

The level of education of the successful 9 and 18 hole managers is higher than those of the unsuccessful 9 and 18 hole managers. Table clearly shows the superior education displayed by the successful 9 and 18 hole golf course managers.

Table 6. Level of education for 9 and 18 hole golf course managers.

Level of Education	Combined % Percent	Level of Education	Combined % Percent
Successful 9 (N=11)		Unsuccessful 9 (N=21)	
Some High School	9	Some High School	-
High School	18	High School	43
Some College	55	Some College	33
College Graduate	18	College Graduate	24
	73		57
Successful 18 (N=10)		Unsuccessful 18 (N=24)	
Some High School	-	Some High School	4
High School	10	High School	46
Some College	50	Some College	29
College Graduate	40	College Graduate	21
	90		50

Seventy-three percent of the successful 9 hole managers had some college or were college graduates, whereas, only 37% of the unsuccessful 9 hole managers were so endowed. This disparity is also accentuated when analyzing the data on the 18 hole operations. A 90% majority of the successful 18 hole course managers had some college or were college graduates. Of the unsuccessful 18 hole managers, just 50% had some college or better. The evidence points toward strong positive relationships between successful enterprise operations and the amount of education possessed by the managers.

In the successful 9 hole operations, 73% of the managers had some college education or better. The unsuccessful 9 hole managers had only 57% of their numbers achieving this level.

There is a greater percentage of the successful 18 hole managers having attained a higher level of education than that achieved by the successful 9 hole managers. This figure is 90% compared to 73% of the successful 9 hole managers.

Modern Management

In effect, the level of education data is reinforcing the previous observation of a trend toward younger managers. The youth of today are better educated than their predecessors, and therefore utilize their youth and

education in combination to effectively manage in the demanding, competitive golfing business. The 18 hole operations are more complex requiring a greater skill in management. This is reflected in the greater percentages of successful managers attaining higher levels of education. This is markedly shown by the 40% difference in level of education between the successful and unsuccessful 18 hole managers.

The present management trend is leaning more toward well educated younger managers.

Previous Golf Experience

Another phase of the managers' profile concerns his experience. It is obvious that previous experience in a particular job is an invaluable asset to the efficient and profitable operation of an enterprise. Previous golf experience appears to play a significant role in relation to the profitability of an enterprise.

Table 7. Previous golf experience of 9 and 18 hole golf course managers.

Successful 9 (Total N=11)				Unsuccessful 9 (Total N=21)			
% yes	N	% no	N	% yes	N	% no	N
36	4	64	7	50	5	50	5
Successful 18 (Total N=10)				Unsuccessful 18 (Total N=24)			
% yes	N	% no	N	% yes	N	% no	N
19	4	81	17	25	6	75	18

Previous Experience -
9 Hole Managers

Of the successful 9 hole managers, 36% had previous experience in golf course operations. In contrast, only 19% of the unsuccessful 9 hole managers had this experience. This strengthens the concept of prior experience being a positive force in running a successful golf course operation.

Previous Experience -
18 Hole Managers

Fifty percent of the successful 18 hole managers had previous experience compared to 25% of the unsuccessful managers. This data confirms the positive relationship between prior experience and success.

Number of Years Previous
 Golf Experience

Number of Years Prior
Experience - 9 Hole Managers

Table 8 shows that 100% of the successful 9 hole managers with previous golf experience had 5 years or more. The unsuccessful managers with prior experience have only 75% of their number with 5 or more years.

The unsuccessful 9 hole managers had 50% of their number with 25+ years experience. This suggests the possibility of goal motivations other than profit maximization among these managers.

In the successful 9 hole managers group, 50% have 5-10 years experience indicating management seasoned by experience.

Table 8. Number of years previous experience of 9 hole golf course managers.

Number of years previous experience	%	N	Percent with (N=4) previous experience
Successful 9 Total (N=11) (N=4)			
0 years	64	7	-
under 5 years	-	-	-
5-10 years	18	2	50
11-15 years	-	-	-
16-25 years	18	2	50
25+ years	-	-	-
Unsuccessful 9 Total (N=21) (N=4)			
0 years	81	7	-
under 5 years	5	1	25
5-10 years	5	1	25
11-15 years	-	-	-
16-25 years	-	-	-
25+ years	9	2	50

The unsuccessful 9 hole managers have only 25% with 5-10 years experience. The remaining 25% falls in the under 5 year category.

The unsuccessful 9 hole managers with previous golf experience exist at the extremes in number of years. In

contrast, the successful 9 hole managers fall into a middle position suggesting seasoned but not outdated experience.

Number of Years Previous
Experience - 18 Hole Managers

The pattern of 18 hole managers closely parallels those of the 9 hole. Table 9 shows this characteristic quite clearly.

Table 9. Number of years previous experience of 18 hole golf course managers.

Number of years previous experience	%	N	Percent with previous experience
Successful 18 Total (N=10)		(N=5)	
0 years	50	5	-
under 5 years	10	1	20
5-10 years	20	2	40
11-15 years	-	-	-
16-25 years	20	2	40
25+ years	-	-	-
Unsuccessful 18 Total (N=24)		(N=6)	
0 years	75	18	-
under 5 years	13	3	50
5-10 years	-	-	-
11-15 years	-	-	-
16-25 years	8	2	33
25+ years	4	1	17

Eighty percent of the successful 18 hole managers had had 5 or more years experience. This high percentage is in agreement with the 100% figure of successful 9 hole managers.

The unsuccessful 9 and 18 data is very similar. Both range through the extremes of under 5 years to 25+ years. The majority of successful 9 and 18 hole managers having experience fall within the balanced range of from 5 years to 25 years.

Levels of Golf Experience

Closely related fields of experience afford an opportunity to gain skills and knowledge necessary for administration of a golf course.

9 Hole Areas of Golf Experience

Fifty percent of the successful 9 hole managers had supervisory experience. None of the unsuccessful operators had previous administrative experience, and only 25% held a supervisory position. (See Table 10.)

18 Hole Areas of Golf Experience

Forty percent of the 18 hole successful managers with previous experience gained it from the administrative and supervisory level. None of the unsuccessful 9 or 18 hole managers claiming prior golf experience were in an administrative position. (See Table 11.)

Table 10. Fields of golf experience of 9 hole course managers.

Experience	%	N	Percent with previous experience
Successful 9 (Total N=11)			
No previous experience	64	7	-
Golf course administrator	-	-	-
Golf course laborer	18	2	50
Golf course maintenance supervisor	18	2	50
Family golf operation	-	-	-
Other	-	-	-
Unsuccessful 9 (Total N=21)			
No previous experience	81	17	-
Golf course administrator	-	-	-
Golf course laborer	10	2	50
Golf course maintenance supervisor	5	1	25
Family golf operation	5	1	25
Other	-	-	-

Table 11. Fields of golf experience of 18 hole course managers.

Experience	%	N	Percent with previous experience
Successful 18 (Total N=10)			
No previous experience	50	5	-
Golf course administrator	10	1	20
Golf course laborer	-	-	-
Golf course maintenance supervisor	10	1	20
Family golf operation	20	2	40
Other	10	1	20
Unsuccessful 18 (Total N=24)			
No previous experience	75	18	-
Golf course administrator	-	-	-
Golf course laborer	12.5	3	50
Golf course maintenance supervisor	-	-	-
Family golf operation	12.5	3	50
Other	-	-	-

A high percentage of family golf experience characterizes both the successful and unsuccessful 18 hole managers. The prominence of this experiential factor suggests that the 18 hole golf course operations exhibit a stabilizing factor of family ownership and operation. This is a practical and economically dictated arrangement considering the large initial investment needed to start an 18 hole operation. Just 25% of the unsuccessful 9 hole operators with prior experience had attained it through family operations. None of the successful 9 hole managers had experience in this field. This data, therefore, would lend credence to the concept that 9 hole golf courses are more susceptible to a higher rate of turnover than the 18.

Number of Years Golf Course Manager

9 Hole Managers

The successful 9 hole operations had 37% of their managers with over 10 years management experience. The unsuccessful 9 hole operations had only 10% of their managers with over 10 years experience.

At the other end of the experience scale, 63% of the successful 9 hole managers had 5 years or less, whereas there was 52% of the unsuccessful 9 managers in this range. These percentages seem to contradict the theory that the more successful operations would display a greater number

of years of experience. None of the successful 9 hole managers fell in the 5-10 year range, while 38% of unsuccessful managers were in this group. The mean of the successful group was 8.8 compared with 7.1 of the unsuccessful.

The tables generally indicate a greater participation by less experienced people in both the successful and unsuccessful 9 hole operations.

Table 12. Number of years as golf course managers for 9 hole golf operations.

Successful 9 (Total N=11)			Unsuccessful 9 (Total N=21)		
No. of years	%	N	No. of years	%	N
5 years or less	63	7	5 years or less	52	11
5 - 10 years	-	-	5 - 10 years	38	8
10+	37	4	10+	10	2
Mean	8.8	-	Mean	7.1	-

18 Hole Managers

Fifty percent of the successful 18 hole managers had 5 years or less experience as a manager. Only 10 percent of the successful 18 managers had between 5 and 10 years experience.

The unsuccessful 18 managers response rate was 33% in the 5-10 year range. The aforementioned pattern of responses closely resembles those found among the 9 hole operations.

Table 13. Number of years as golf course managers for 18 hole golf operations.

Successful 18 (Total N=10)			Unsuccessful 18 (Total N=24)		
No. of years	%	N	No. of years	%	N
0-5	50	5	0-5	50	12
6-10	10	1	6-10	33	8
10+	40	4	10+	17	4
Mean	8.7	-	Mean	7.0	-

Detectable Patterns

The only recognizable pattern that appears to surface from this data is that the more successful managers have a greater edge in years of experience above 10 years than those being less successful.

Another interesting pattern that can be seen developing from the existing data is the total number of managers that have 5 years or less experience. This reflects the current degree of flux occurring in the golf business. The high turnover rate of ownership has become commonplace today, as opposed to the stability and long-term ownership patterns established in the past.

Previous Occupations

Only two groups of prior occupations associated with golfing evolved from the sample. These are the managers

that have been working a golf enterprise previously, and those that gained their experience by being part of a family golf operation.

Due to the large number of prior occupations, it was necessary to develop general classifications. These classifications are shown in Tables 14 and 15.

The occupational fields that occur with the greatest frequency in Tables and are those of business and golf enterprise operators. These occupations are associated with both successful and unsuccessful golf operators.

The prevalence of business as a prior occupation suggests there are common denominators of business practices existent in all types of businesses that can be transferred from one occupation to another. Among these transferable denominators would be skills in accounting, budgeting, purchasing, taxes, public relations, advertising, and personnel management.

Fifty percent of the successful 18 hole managers had prior occupations in business, whereas the successful 9 hole managers had 18%. The larger percentage of 18 hole operators is consistent with the concept that 18 hole operations are more complex requiring greater attention to the multitude of business procedures. Business procedure in 9 hole operations are similar but smaller in scale and number.

The second most frequently occurring prior occupation is that of golf enterprise operator. The carry-over

Table 14. Prior occupations of 9 hole golf managers.

Occupation group	%	N	Combined Percent
Successful 9 (Total N=11)			
Business	18	2	45
Golf enterprise	27	3	
Professional services	-	-	
Skilled trades	-	-	
Sales field	18	2	
Farming	-	-	
Public service	-	-	
Education	9	1	
Family golf	-	-	
Other	27	3	
Unsuccessful 9 (Total N=21)			
Business	38	8	43
Golf enterprise	5	1	
Professional services	5	10	
Skilled trades	10	2	
Sales field	10	2	
Farming	14	3	
Public service	5	1	
Education	5	1	
Family golf	-	-	
Other	10	2	

Table 15. Prior occupations of 18 hole golf managers.

Occupation group	%	N	Combined Percent
Successful 18 (Total N=10)			
Business	50	5	70
Golf enterprise	20	2	
Professional services	-	-	
Skilled trades	-	-	
Sales field	-	-	
Farming	-	-	
Public service	10	1	
Education	10	1	
Family golf	10	1	
Other	-	-	
Unsuccessful 18 (Total N=24)			
Business	33	8	41
Golf enterprise	8	2	
Professional services	17	4	
Skilled trades	17	4	
Sales field	4	1	
Farming	4	1	
Public service	4	1	
Education	-	-	
Family golf	8	2	
Other	4	1	

benefits of this occupation to successful golf course management is obvious. Nine and 18 hole managers considered to be less successful were less representative in this occupational group.

Twenty percent of successful 18 hole managers had prior occupations in golf enterprises compared to 8% of the unsuccessful managers. Twenty-seven percent of the successful 9 hole managers had prior golf enterprise experiences whereas only 5% of the unsuccessful managers had it.

The data indicates that prior relevant experience produces transferable skills that may be important in contributing to the success of a golf operation. The fact gleaned from this variable strongly suggests that the two prior occupations of business and golf enterprise operators provide a background of skills and training which could probably influence the success of a golfing operation.

Other than the two occupations mentioned, the data does not reveal any apparently significant occupations relating to the success of a golf operation.

One interesting pattern that is present is the fact that the prior occupation of farming is not represented in either the successful 9 or successful 18 hole enterprises. Only 14% of the unsuccessful 9 managers and 4% of the unsuccessful 18 managers had prior occupations as farmers. This data tends to destroy the common myth that a farmer can easily convert his farmland into a profitable golf

operation on the basis of having cheap land available. Although cheap land may relieve part of the large financial burden associated with beginning a golf course, there are added externalities that need to be considered. Among these are capital for development and operation, business skills, public relations, labor, location, etc.

Number of Hours Per Week
Devoted to Management

The hypothesis, restated, is that the number of hours per week a manager spends running his golf operation will be directly reflected in the degree of success.

9 Hole/Hours

The number of hours spent per week by 9 hole managers is shown in Table 16. A significant pattern arises showing the less successful managers spending fewer hours per week on management than their more successful counterparts. Zero percent of the successful 9 hole managers worked less than 50 hours per week, whereas 29% of the unsuccessful managers fell in this category. This pattern continued as the hours per week spent on managing increased. Twenty-seven percent of the successful 9 hole managers work 51-70 hours per week in contrast to only 14% of the unsuccessful managers. In the final grouping of 71-100+ hours per week, 72% of the successful 9 managers were included, whereas 58% of the unsuccessful managers were in this category.

Table 16. Hours devoted to management by 9 hole golf course managers.

Number of hours per week	%	N	Combined Percent	
Successful 9 (Total N=11)				
0-20	-	-		
21-40	-	-		< 50 hrs./wk.
41-50	-	-	0	
51-60	9	1	27	51-70 hrs./wk.
61-70	18	2		
71-80	27	3	72	71-100+ hrs./wk.
81-90	27	3		
91-100	-	-		
100+	18	2		
Unsuccessful 9 (Total N=21)				
0-20	14	3	29	< 50 hrs./wk.
21-40	5	1		
41-50	10	2		
51-60	-	-	14	51-70 hrs./wk.
61-70	14	3		
71-80	14	3	58	71-100+ hrs./wk.
81-90	10	2		
91-100	5	1		
100+	29	6		

The data strongly suggests a recommendation that new or potential 9 hole managers should plan on spending a minimum of 50 hours per week and an average of 70 hours per week in actively managing their operations.

18 Hole/Hours

The number of hours per week devoted to management by successful and unsuccessful 18 hole managers presents no identifiable pattern of time spent. Both successful and unsuccessful groups of managers display similar numbers of working hours per week.

A statistic of some possible consequences is 10% of the successful managers and 8% of the unsuccessful managers spending less than 50 hours per week. The more prevalent practice of 18 hole operations in hiring salaried managers could account for these figures. Hired managers are generally given regular time off thereby spending less hours managing than manager/owners.

A small number of successful 18 hole managers appear to work fewer hours per week at the lower end of the hourly work scale than their 9 hole counterparts. At the upper end of the hours per week scale shown in Table 17, a majority of the successful (70%) and unsuccessful (68%) 18 managers spend more than 70 hours per week managing. This is also apparent in both types of 9 hole operations.

Table 17. Hours devoted to management by 18 hole golf course managers.

Number of hours per week	%	N	Combined Percent	
Successful 18 (Total N=10)				
0-20	-	-		
21-40	10	1]	10	< 50 hrs./wk.
41-50	-	-		
51-60	10	1]	20	51-70 hrs./wk.
61-70	10	1]		
71-80	20	2]		
81-90	10	1]	70	71-100+ hrs./wk.
91-100	20	2]		
100+	20	2]		
Unsuccessful 18 (Total N=24)				
0-20	4	1]		
21-40	4	1]	8	< 50 hrs./wk.
41-50	-	-		
51-60	16	4]	24	51-70 hrs./wk.
61-70	8	2]		
71-80	13	3]		
81-90	17	4]	68	71-100+ hrs./wk.
91-100	13	3]		
100+	25	6]		

There seems to be no significant difference between the hours per week spent managing 9 and 18 hole operations. Although the 18 hole operation would seem to require more managing hours in actuality, its managing hours per week are similar to the 9 hole operation. This fact may result from use of salaried managers in some golf enterprises and the efficiency of operation associated with scale and length of establishment.

The large blocks of time put into the operation of a golf course, whether it be 9 or 18 hole, are related to the peculiar nature of golf as a recreational business. The main factor responsible for the required large inputs of time is the seasonal nature of golf in the Michigan climate. More periods of concentrated time are necessary to gain the maximum benefits of weather and climate which are closely associated with the volume of golf played during a season.

Managers Holding Jobs During Off Season

Off Season Jobs - 9 Hole Managers

The pattern that evolved from the 9 hole operations was largely predictable. In Table 18, 45% of the successful 9 hole managers held jobs during the off season. Similarly, 38% of the unsuccessful managers also retained off season employment.

Table 18. Managers of 9 hole golf courses holding off season jobs.

Successful 9 (Total N=11)				Unsuccessful 9 (Total N=21)			
% yes	N	% no	N	% yes	N	% no	N
45	5	55	6	38	8	62	13

The preceding percentages reflect special aspects common to 9 hole operations. Many of the 9 hole managers are retirees or part-time operators holding down full-time jobs. These types of managers use the golf course operation as just one facet of their total income. Using the golfing business as a supplemental income source, most 9 hole managers demonstrate their awareness of the risks involved in such a recreational enterprise. There are, of course, exceptions in which the manager depends solely on the golf course for income. Their 9 hole courses are usually well established with a steady clientele built up over the years.

The sheer size of 9 hole enterprises limits the profits. The 9 hole course has a decreased ability to handle volume which would tend to generate more profit. This decrease in profit, therefore, provides the impetus for seeking supplemental income in order to survive.

Off Season Jobs -
18 Hole Managers

The successful 18 hole managers responded 100% negatively to holding an off season job. In contrast, only 54% of the successful 9 hole managers responded in the negative. This emphasizes the point that a successful 18 hole operation requires full-time attention and generates sufficient profit to support a full-time manager. Although some if not all of the 9 hole operations may require full-time devotion to management, few seldom get it. The 9 hole operator generally views the golf field, upon entering the market, as a part-time venture; only after a substantial commitment of time and money does he fully recognize the full-time implications of the golfing business.

Table 19. Managers of 18 hole golf courses holding off season jobs.

Successful 18 (Total N=10)				Unsuccessful 18 (Total N=24)			
% yes	N	% no	N	% yes	N	% no	N
0	0	100	10	25	6	75	18

Managers' Salary

9 Hole Managers' Salary

Forty-three percent of the successful 9 hole managers made \$10,000-\$15,000 a year. None of the unsuccessful

9 received this salary. In fact, 66% of the unsuccessful 9 managers received \$5,000 or less compared to only 28% of the successful managers.

Table 20. Managers' salary for 9 hole golf course operations.

Successful 9 (Total N=11)			Unsuccessful 9 (Total N=21)		
Salaries Reported	%	N=7	Salaries Reported	%	N=3*
5,000 or less	28	2	5,000 or less	66	2
5,001-10,000	29	2	5,001-10,000	33	1
10,001-15,000	43	3	10,001-15,000	-	-
15,001 +	-	-	15,001 +	-	-

18 Hole Managers' Salary

Seventy-two percent of the successful 18 hole managers made \$10,000 or more (Table 21). Only 34% of the unsuccessful managers were in this income bracket. In comparison to 72% of the successful 18, only 43% of the successful 9 hole managers made \$10,000 or more. This data substantiates the fact that 18 hole operations, overall, do provide higher salaries to their managers than do 9 hole operations. The data on the disparity between 9 and 18 managers' salaries is also supported by the fact that 18 hole operations have higher gross incomes.

*Data's reliability and validity questionable, due to small number of cases.

Table 21. Managers' salary for 18 hole golf course operations.

Successful 18 (Total N=10)			Unsuccessful 18 (Total N=24)		
Salaries Reported	%	N=7	Salaries Reported	%	N=17
5,000 or less	14	1	5,000 or less	6	1
5,001-10,000	14	1	5,001-10,000	60	10
10,001-15,000	44	3	10,001-15,000	34	6
15,001 +	28	2	15,001 +	-	-

Management Practices

The second group of variables associated with our two-dimensional view of golf management are those identified as describing management practices. This group of variables is dynamic in nature, suggesting active participation by the managers. The following is a list of these ten management practices.

1. Has manager designed or modified the course and/or its operation to speed up play?
2. Sponsor community events
3. Cooperative relations with schools
4. Cooperative relationships with busines
5. Special hiring practices toward youth
6. Have any of the customers or members suggested changes in golf course operations which the manager has implemented?
7. Provide special services for customers

8. Direct advertising based upon customer address information
9. Use financial records to influence management decisions
10. Uses discounted or donated labor

Speed up Play

Active management of a golf course can involve the use of a variety of physical changes and/or operational modifications which would speed up play. A list of these possible changes used in our survey include the following:

1. fewer or no fairway traps
2. fewer or no green traps
3. shorter holes
4. provision of adequate signs
5. few or no hazards (i.e., creeks, ponds, gullies)
6. use of winter rules
7. increase or decrease number of out-of-bounds
8. wider fairways
9. close-cut or no roughs
10. use of starters, weekends and/or weekdays

The above mentioned changes are those commonly encountered in most golfing operations. There is an endless variety of changes instituted by some managers which particularly suit their operations. They are too numerous to list.

The data shown in Tables 22 and 23 representing the speed of play variable of the 9 and 18 hole operation indicates that fewer of the more successful courses were modified by management to speed up play.

Table 22. Speed of play in 9 hole golf operations.

Successful 9 (Total N=11)				Unsuccessful 9 (Total N=21)			
% Yes	N	% No	N	% Yes	N	% No	N
55	6	45	5	81	15	19	6

Table 23. Speed of play in 18 hole golf operations.

Successful 18 (Total N=10)				Unsuccessful 18 (Total N=24)			
% Yes	N	% No	N	% Yes	N	% No	N
70	7	30	3	83	20	17	4

The figures in Tables 22 and 23 indicate a negative association between this variable and success of the enterprise. In the successful 9 hole operation, only 55% responded affirmatively. In contrast, 81% of the unsuccessful 9 hole responded yes. This pattern tends to suggest that the more profitable operations emphasize maintaining the

quality of their courses rather than compromising quality by seeking and encouraging increased volume.

The pattern of using course and/or policy modification to speed up play reaches a higher frequency in the 18 hole operations. In these larger enterprises the pattern of higher use in the unsuccessful 18 is present. The 70% yes response of both successful and unsuccessful 18 still reflects the necessity to maintain course quality by controlling the distribution of their increased volume. It is interesting that 81% of the unsuccessful 9 and 83% of unsuccessful 18 are notably higher than their successful counterparts. This reinforces the previous mentioned theory that over manipulation of course operations may adversely affect the quality of the course, thereby affecting its overall success.

Cooperation with Local Community

The 100% yes responses of the successful 9 hole operations and the 90% recorded by the successful 18 hole courses show that these managers actively promote golf in their local communities. Also, there are high percentages of unsuccessful golf operations that sponsored community events. Due to the high number of positive responses in successful and unsuccessful courses, it is, therefore, plausible that the practice of sponsoring community events (pro ams, mudders, scotch double, etc.) seems to be a

stabilizing ingredient found in most operations. A nurtured supply of satisfied customers and members from the local community can produce a consistently dependable source of income. A cooperative relationship with the local community could mean financial survival for an enterprise, particularly during a bad season.

Table 24. Cooperation of 9 hole golf operations with local communities.

Successful 9 (Total N=11)				Unsuccessful 9 (Total N=21)			
% Yes	N	% No	N	% Yes	N	% No	N
100	11	0	0	76	16	24	5

Table 25. Cooperation of 18 hole golf operations with local communities.

Successful 18 (Total N=10)				Unsuccessful 18 (Total N=24)			
% Yes	N	% No	N	% Yes	N	% No	N
90	9	10	1	96	23	4	1

Cooperation with Local Schools

This variable alone does not have a great impact on the financial well being of an enterprise, but in combination with the cooperative relationship established in the local community and businesses, it becomes part of a carefully cultivated source of reliable income. None of the golf courses surveyed were fortunate enough to be located near several schools which could possibly provide them with a significant source of income.

Having cooperative relations with local schools and colleges usually brings in small amounts of income but can pay off immeasurably in public relations and advertising.

The figures in Tables 26 and 27 reveal almost identical figures for both the successful and unsuccessful 9 and 18 hole operations. The high percentage indicates that most courses having cooperative relations with schools show that the managers recognize the value of its public relations aspect.

Table 26. Cooperation of 9 hole golf operations with schools.

Successful 9 (Total N=11)				Unsuccessful 9 (Total N=21)			
% Yes	N	% No	N	% Yes	N	% No	N
91	10	9	1	81	15	19	6

Table 27. Cooperation of 18 hole golf operations with schools.

Successful 18 (Total N=10)				Unsuccessful 18 (Total N=34)			
% Yes	N	% No	N	% Yes	N	% No	N
80	8	20	2	75	25	25	9

Cooperation with Businesses

This variable has a high potential of significantly increasing the profits of an operation. Businesses have money to sponsor leagues and tournaments which add a significant source of income to many golf courses. Cooperative agreements with businesses increase profits perceptibly.

The money businesses spend during golf outings is experience distributed throughout all facets of the operation (i.e., clubhouse, dinner, bar, dances).

In Tables 28 and 29, 64% of the successful 9 hole courses have business relationships. This compares to only 29% of the unsuccessful 9 having these relationships.

The 18 hole courses display an even 50% response in cooperation with businesses. The data indicates that both successful and unsuccessful 18 hole operations equally solicit business relationships. The larger, more successful 18 hole operations would possibly attract the larger, more prosperous accounts thereby contributing to their degree of success over the unsuccessful operations.

Table 28. Cooperation of 9 hole golf operations with businesses.

Successful 9 (Total N=11)				Unsuccessful 9 (Total N=21)			
% Yes	N	% No	N	% Yes	N	% No	N
64	7	36	4	29	6	71	15

Table 29. Cooperation of 18 hole golf operations with businesses.

Successful 18 (Total N=10)				Unsuccessful 18 (Total N=24)			
% Yes	N	% No	N	% Yes	N	% No	N
50	5	50	5	50	12	50	12

Youth Hiring Practices

It is hypothesized that the use of unskilled, cheap young labor during the summer or weekends would be a factor in cutting overhead costs. The figures tabulated in Tables 30 and 31 do not support this hypothesis. All types of golf operations surveyed exhibit the same low frequency pattern of hiring youths. Relevant to this low rate of youth hiring are the state laws of Michigan forbidding youths under 18 years of age from operating tractors. This type

of vehicular equipment is used by golf course managers in maintaining their operations.

Table 30. Youth hiring practices of 9 hole golf operations.

Successful 9 (Total N=11)				Unsuccessful 9 (Total N=21)			
% Yes	N	% No	N	% Yes	N	% No	N
27	3	73	8	29	6	71	15

Table 31. Youth hiring practices of 18 hole golf operations.

Successful 18 (Total N=10)				Unsuccessful 18 (Total N=24)			
% Yes	N	% No	N	% Yes	N	% No	N
30	3	70	7	17	4	83	20

Implemented Changes Suggested by Customers

It is hypothesized that the more successful operators would be more sensitive to customer feedback and implement suggested changes resulting in greater customer satisfaction. Unfortunately, an organized, efficient feedback system does not exist on most courses. Usually the managers gain feedback through informal oral suggestions. The

countless oral suggestions offered are generally regarded as an inherent part of the business. They are tolerated and usually discarded.

The figures in Tables 32 and 33 indicate that there is no marked difference in positive responses between the successful 9 and 18 hole courses. The relatively mid-range percentages of yes responses tends to support the idea that many of the managers listen to suggestions with one ear and then proceed with applying their usually superior prior experience managing the course. If a manager took seriously every customer's suggestion, he would have little time for management. The 45% and 40% negative responses shown in the tables of the successful 9 and 18 hole operations reflect this attitude.

Table 32. Implemented changes suggested by customers in the 9 hole golf operations.

Successful 9 (Total N=11)				Unsuccessful 9 (Total N=21)			
% Yes	N	% No	N	% Yes	N	% No	N
55	6	45	5	38	8	62	13

Table 33. Implemented changes suggested by customers in the 18 hole golf operations.

Successful 18 (Total N=10)				Unsuccessful 18 (Total N=24)			
% Yes	N	% No	N	% Yes	N	% No	N
60	6	40	4	75	18	25	6

Special Services for Customers

There is an overwhelming affirmative response rate by all successful and unsuccessful courses. In Tables 34 and 35 the data shows over 80% yes responses from all golf courses. The fact that the data shows such high percentages of affirmative responses in all courses indicates that even the least successful managers recognize that they are in a customer service oriented business. The high yes responses of a majority of the managers suggest a consensus by them that providing service for the golfer is an inherent part of the business.

Table 34. Special services for customers in the 9 hole golf operations.

Successful 9 (Total N=11)				Unsuccessful 9 (Total N=10)			
% Yes	N	% No	N	% Yes	N	% No	N
82	9	18	2	90	9	10	1

Table 35. Special services for customers in the 18 hole golf operations.

Successful 18 (Total N=10)				Unsuccessful 18 (Total N=24)			
% Yes	N	% No	N	% Yes	N	% No	N
90	9	10	1	88	21	12	3

A variety of special services were offered by the golf courses interviewed. Some of the services provided were:

1. free tees
2. permit purchaser to try new clubs
3. allow customer to special order merchandise
4. discounts to members
5. free minor equipment repairs
6. provide 9 hole refreshment opportunities
7. provide club cleaning
8. gifts to new members

The resulting high frequency of affirmative responses to this variable reveals that the provision of services is a widely used and accepted practice varying in degree from one course to another.

Use of Customers' Addresses in Advertising

The daily sign-in sheet can become a useful tool for golf course operators. By using the addresses and information provided by signing in customers, the manager can more effectively direct his advertising. This concept is theoretically plausible but is contradicted by the gathered data. Only 18% of the successful 9 hole managers and 30% of the successful 18 used this method of determining areas for advertising. The unsuccessful operations had similar percentages of 33% unsuccessful 9 and 20% unsuccessful 18.

Table 36. Use of customers' addresses in advertising by 9 hole golf operations.

Successful 9 (Total N=11)				Unsuccessful 9 (Total N=21)			
% Yes	N	% No	N	% Yes	N	% No	N
18	2	82	9	33	7	67	14

Table 37. Use of customers' addresses in advertising by 18 hole golf operations.

Successful 18 (Total N=10)				Unsuccessful 18 (Total N=24)			
% Yes	N	% No	N	% Yes	N	% No	N
30	3	70	7	20	5	80	19

The results of this data suggest that most golf operators do not use semi-sophisticated marketing techniques but rather rely on their accrued familiarity with the market area and the personal day to day contact with regular customers. Of no small significance is the fact that 100% of the managers interviewed expressed the viewpoint that word of mouth was the most prevalent and effective method of advertising.

Use of Financial Records to Influence Management

There are important management decisions that can be made with the aid of an organized accurate body of financial information. Some of these are:

1. purchasing and selling of merchandise
2. purchase of maintenance equipment
3. amount and kinds of advertising
4. scheduling of work
5. hiring of personnel

There is a high percentage of all managers using this kind of practice. Tables 38 and 39 show that 70% or more of the successful and unsuccessful managers use their financial records to influence management. The fact that a high percentage of both successful and unsuccessful managers use this management practice suggests the crucial role it plays in normal operations. It was not expected that this

variable would have been more refined and developed in the successful operations, thereby contributing to their success. The data does not support this but instead, indicates that this is common practice basic to most enterprises.

Table 38. Use of financial records by 9 hole golf operators to influence management.

Successful 9 (Total N=11)				Unsuccessful 9 (Total N=21)			
% Yes	N	% No	N	% Yes	N	% No	N
91	10	9	1	76	16	24	5

Table 39. Use of financial records by 18 hole golf operators to influence management.

Successful 18 (Total N=10)				Unsuccessful 18 (Total N=24)			
% Yes	N	% No	N	% Yes	N	% No	N
70	7	30	3	87	21	13	3

Use of Discounted or Donated Labor

The use of family labor or devoted friends is one method of cutting overhead costs thereby increasing chances for profit and success. In Tables 40 and 41 fifty percent

of the successful and unsuccessful 18 hole operators interviewed use discounted or donated labor. According to the data, this type of labor does not appear to be a positive factor in influencing the success of the 18 hole operation.

Table 40. Use of discounted or donated labor by 9 hole golf operations.

Successful 9 (Total N=11)				Unsuccessful 9 (Total N=21)			
% Yes	N	% No	N	% Yes	N	% No	N
18	2	82	9	76	16	24	5

Table 41. Use of discounted or donated labor by 18 hole golf operations.

Successful 18 (Total N=10)				Unsuccessful 18 (Total N=24)			
% Yes	N	% No	N	% Yes	N	% No	N
50	5	50	5	46	11	54	13

The 9 hole golf courses provide interesting data which represents just the opposite of the hypothesis that using discounted or donated labor will have a positive effect on the success of an operation. Only 18% of the successful 9 used this type of labor compared to 76% of the

unsuccessful 9. This negative association may be the result of the inconsistent, unreliable, and unskilled nature associated with family labor. The adverse effect of this variable on success of the 9 hole enterprise would tend to slow down operations thereby decreasing efficiency and profit. This seems to be amplified in the 9 hole operations.

Significance of the Data

Pearson Product Moment Correlation

Pearson's product moment correlation is a uniquely adaptive statistical test. The flexibility of this statistic in measuring mixed forms of data is particularly useful in this study. The Pearson correlation statistic is based upon a simple linear regression model which guesses the value of one variable on the basis of knowing the other. It should be cautioned, however, that the predictor value of this study's significant correlation coefficient is limited by the mixed quality and form of the data. With respect to this study, the pearson correlation coefficient is primarily descriptive in nature.

A significance level of .05 is to be used in conjunction with the pearson product moment correlation coefficients.



Flexible Statistical Measure

Restated, the Pearson product moment correlation statistical measure is particularly useful in analyzing mixed data (i.e., interval, nominal, ordinal). The Pearson correlation formula has two short-cut versions that are used in analyzing relationships between interval/nominal and nominal/to nominal data.⁷ The measure of association between nominal to nominal data is called the phi coefficient. When measuring the relationship between interval and nominal data, the coefficient is labeled point biserial. The coefficient resulting from using the normal Pearson product moment formula is labeled the Pearson correlation coefficient.

The Pearson product moment correlation coefficients were obtained by using the S.P.S.S. statistical package programs made available through Michigan State University Computer Services. The resulting correlation coefficients measure the degree of association between the independent management variables and the dependent variable of success.

For each group of independent variables (profile practices) there are six tables of coefficients. Four of these six tables use only net and gross as success measures. All eight tables with net and gross indicating success are for comparison purposes and can be found in the Appendix.

⁷Jum C. Nunnally, Psychometric Theory (New York: McGraw Hill Company, 1967), pp. 118-120.

The remaining four tables (42-45) use the appropriate measure of success in depicting their coefficients. Significant correlations between the dependent variables of success and independent management variables in these tables are primarily for comparison purposes. The central focus will be upon the coefficients using the developed success measure.

Significant Management
Profile Variables

Level of Education

The .3416 Pearson correlation coefficient in Table 44 denotes a significant positive relationship between the 18 hole managers' level of education and the success of their enterprises. This correlation indicates that the higher level of education a manager has, the greater are his chances for success. The significant relationship is supported by the fact that 90% of the successful 18 hole managers had some college or were college graduates. However, level of education is not significant in the successful 9 hole operations. There could be many factors causing this discrepancy between 9 and 18 hole operations. Nine hole operations are smaller, less complex and are often pursued as an avocation or retirement business. Under these conditions the drive for profit becomes less intense. Many

Table 42. Pearson product moment correlation coefficients.

Manager Profile - 18 hole (Total N=34)			
	Gross	Net	Measure of success
Age	.0234 a	.0571 a	-.0720 c
Any previous golf experience	.3394 c	.0488 c	.2435 b
No. yrs. previous golf experience	.2594 a	.0484 a	.1927 c
No. yrs. golf course manager	.1965 a	.4902*a	.1334 c
Level of education	.3378*a	.2000 a	.3416*c
No. seminars attended last 3 yrs.	-.2684 a	-. 915 a	-.2379 c
Reads professional literature	.1012 a	.1204 a	.1124 b
Holds job during off season	-.2369 a	-.1713 a	-.2988*b
No. hrs. devoted to management	.0178 a	-.0785 a	.0051 c
Managers' salary	.4913*a	-.0432 a	.2055 c
Belongs to professional organizations	.0580 c	-.1462 c	.2422 b
No. yrs. course established	.6543*a	.2798 a	.4092*c
Gross	1.000	.2855*a	.7872*c
Net	.2855*a	1.000	.2202 c
Measure of success	.7872 a	.2202 a	1.000

*Indicates significance at .05 level.

a = pearson coefficient (Interval to interval)

b = phi coefficient (nominal to nominal)

c = point biserial (nominal to interval)

of the 9 hole operators enter the market with a risk venture attitude not totally dependent on it for the financial survival.

The 18 hole operations require a heftier investment of time and money and are more complex. The managers' livelihood becomes unseparable with the success of the business. Sophisticated business knowledge and marketing techniques are required to keep a competitive edge. Out of size and complexity of operation it is only natural that successful 18 hole managers have a higher level of education than the successful 9 hole managers.

Job During Off Season

Holding a job during the off season has a definite negative significance in 18 hole operations. This relationship was expected in that an 18 hole operation demands full-time management on a year around basis. This yearly aspect includes necessary planning of capital developments, merchandising, and creating good public relations during the off season. The $-.2988$ point biserial correlation coefficient in Table 42 reinforces the theory that the fewer outside jobs or distractions pursued by an 18 hole manager during the off season appears to have a positive effect upon his overall success. This variable was not significant in the 9 hole operation. If any, a positive significance would be anticipated. This would reflect the fact that

many 9 hole managers do not have sufficient volume to support themselves year-round without gaining supplemental income from an outside job.

Number of Years Course Established

In the successful 18 hole operation this variable has a significant Pearson correlation coefficient of .4092 (Table 42). This indicates that the length of establishment has a positive effect on success. This variable does not appear significant in the 9 hole operations.

The 18 hole courses have a tendency to be established longer which provides them with a greater stability compared to most 9 hole enterprises. There are many reasons for the longevity displayed by the 18 hole courses. The required size of investments in time and money reflects a kind of permanence. The 18 hole operations require full-time attention in managing. Through the years it becomes more permanently established and recognized as a community asset.

There are only three profile variables that appear significant in the successful 9 hole operations.

Number of Seminars Attended Last 3 Years

The .5186 coefficient of this variable in Table 43 indicates it may have a positive effect upon the success of

Table 43. Pearson product moment correlation coefficients.

Manager Profile - 9 hole (Total N=32)			
	Gross	Net	Measure of success
Age	-.2115 a	-.1625 a	-.2341
Any previous golf experience	-.0839 c	.0470 c	.1899 b
No. yrs. previous golf experience	-.0788 a	-.0748 a	.1459 c
No. yrs. golf course manager	-.0371 a	-.0286 a	.0943 c
Level of education	-.2079 a	-.2619 a	.0051 c
No. seminars attended last 3 yrs.	.2625 a	.1392 a	.5186*c
Reads professional literature	.0118 a	.1874 a	.1300 b
Holds job during off season	.1436 a	-.0490 a	.0712 b
No. hrs. devoted to management	.0571 a	.2215 a	.1410 c
Managers' salary	.6368*a	.3370*a	.5757*c
Belongs to professional organizations	.2351 c	.2433 c	.4228*b
No. yrs. course established	.0610 a	-.0351 c	.2740 c
Gross	1.000	.6360*a	.7136*c
Net	.6360*a	1.000	.5422*c
Measure of success	.7936*a	.5422*a	1.000

* Indicates significance at .05 level.

a = pearson coefficient (interval to interval)

b = phi coefficient (nominal to nominal)

c = point biserial (nominal to interval)

the 9 hole operations. Most of the 9 hole courses are younger than the 18, therefore, this newness may motivate managers to seek out seminars and absorb all available information in order to gain even the slightest edge over competition.

The frequent attendance at seminars also had a familiarity and socializing affect upon those having recently entered into the golfing business. Usually the entrance into golf begins with 9 hole operations which would account for the greater participation of successful 9 hole managers in attending seminars which would offer doses of experienced knowledge. There are a few managers that extol their seminar attendance as strictly a status builder.

Belongs to Professional Organizations

Belonging to professional organizations has significance of .4228 (Table 43) in relation to the success of 9 hole operations. In combination with attending seminars, this practice of belonging to professional organizations also gives the newcomer, less established 9 hole course, a chance for identity with the profession. These professional organizations are accepted and recognized by the public and therefore this acceptance can be indirectly focused upon affiliated course members.

The significance of these two variables upon 9 hole operations reflects efforts of the newer operations to

establish a reputation and gain recognition by associating with specific golf-oriented organizations. Conspicuous and frequent at various golf seminars, coupled with belonging to professional organizations, promotes a sense of identity among the 9 hole courses. A lack of significance of these variables in the 18 hole operations indicate their strong sense of being established and already having competitive management experience.

Managers' Salary

The managers' salary appears significant in the 9 hole operations with a Pearson correlation coefficient of .5757 (Table 43). It is not significant in the 18 hole enterprise. This difference could be the result of the multiple but separate systems of paying managers' salaries.

The 18 hole managers are paid a basic flat salary whether they are hired or part owners. This is considered as part of the operating costs. Managing the 18 hole operation is essentially a full-time occupation and is paid as such. Usually the manager gets his same salary whether the enterprise gains or loses during the year.

Managing the 9 hole operations are not financially rewarding. Many 9 hole operators manage part-time and depend upon the actual monthly or weekly receipts before determining how much salary they draw. In bad seasons, it is not unusual for a manager to go without his periodic salary

or a substantial decrease in earnings. Therefore, when the managers' salary appears significant in the 9 hole operations, it is more of a direct reflection of how financially successful the enterprise is doing. This may not be true in most 18 hole enterprises where the managers may still get the same salaries even though their overall operation is losing money.

Significant Management Practice Variables

Of the ten management practices involving 18 hole enterprises (Table 44), there were none that showed a significant negative or positive influence. The initial implication is that these management practices have an insignificant impact on the overall success of the 18 hole enterprises.

There are two management practices in the 9 hole operations that appear significant.

1. Sponsor Community Events.--The point biserial coefficient of .3115 for sponsoring community events indicates that this practice contributes to the overall success of the 9 hole operations. The 9 hole enterprises, more so than the longer 18 hole operations, need to rely upon the local communities for their business volume. The 9 hole operators depend more heavily upon a solid core of satisfied customers to sustain their operations, whereas the 18

Table 44. Pearson product moment correlation coefficients.

Manager Practices - 18 hole (Total N=34)			
	Gross	Net	Measure of success
Modify course for speed play	-.2543 c	.1238 c	-.1502 b
Sponsor community events	-.4298*c	.1068 c	-.1132 b
Cooperate with schools	-.1047 c	.0743 c	.0537 b
Cooperate with businesses	.0433 c	-.3250*c	.0000 b
Youth hiring	.2903*c	.0187 c	.1502 b
Customers' suggested changes	.0393 c	-.1995 c	-.1500 b
Offer special services	.0519 c	-.1220 c	.0354 b
Use customers' addresses in advertising	.1724 c	-.1414 c	.0985 b
Use financial records to influence management	-.2985*c	.0740 c	-.2092 b
Use discounted or donated labor	-.1722 c	-.2553 c	.0380 b
Gross	1.000	.2855*c	.7872*b
Net	.2855*a	1.000	.2202 b
Measure of success	.7936*b	.5422*b	.0000

*Indicates significance at .05 level.

a = pearson coefficient (interval to interval)

b = phi coefficient (nominal to nominal)

c = point biserial (nominal to interval)

hole operators can rely upon their greater volume and attraction of non-local customers.

2. Cooperative Relations with Businesses.--The management practice of establishing cooperative relationships with businesses by arranging special golf outings has no significant effect upon the success of the 18 hole enterprises (Table 44).

Most 18 hole operations accommodate and solicit business outings but the effects of their resulting injections of income upon the overall success of the 18 hole operation are minimal in comparison with the affect they have on the success of the more sensitive 9 hole enterprises.

The point biserial coefficient of .3391 in Table 45 shows that the solicitation and establishment of cooperative agreements with businesses has a significant impact upon the success of the 9 hole courses. The 9 hole operations that succeed in attracting business outings during a season can substantially increase the gross income. A business outing on a 9 hole course can and usually does produce above average income. These peak periods of increased income can offset losses from slow days or inclement weather.

Significance of Gross Income

There appears a significant positive correlation of gross income to net and between gross income and measure of

Table 45. Pearson product moment correlation coefficients.

Manager Practices - 9 hole (Total N=32)			
	Gross	Net	Measure of success
Modify course for speed play	-.3505*c	-.1952 c	-.2790 b
Sponsor community events	.3004*c	.1582 c	.3115*b
Cooperate with schools	.0511 c	-.0016 c	.1302 b
Cooperate with businesses	.3296*c	.1512 c	.3391*b
Youth hiring	.2046 c	.2838*c	-.0137 b
Customers' suggested changes	.0777 c	-.0974 c	.1575 b
Offer special services	-.1128 c	.3092*c	-.2187 b
Use customers' addresses in advertising	.1067 c	.0018 c	-.1601 b
Use financial records to influence management	.2337 c	.2077 c	.1791 b
Use discounted or donated labor	-.3858*c	-.3025*c	-.554 b
Gross	1.000	.6360*c	.7936*b
Net	.6360*a	1.000	.5422*b
Measure of success	.7936*b	.5422*b	.0000

*Indicates significance at .05 level.

a = pearson coefficient (interval to interval)

b = phi coefficient (nominal to nominal)

c = point biserial (nominal to interval)

success. This relationship supports the justification of using the mean gross income as a more realistic measure of success. The relationship between these income measures and the degree of success occurs significantly in both the 9 and 18 hole operations.

CHAPTER V

SUMMARY AND CONCLUSIONS

This study includes two distinct groups of management variables representing the total management picture of golf enterprise. One group of 13 describes the manager's profile and is passive in nature. Secondly, there are 10 separate variables of management practices depicting more active processes of management.

Management Profile Variables

1. Age of manager
2. Level of education
3. Previous golf experience
4. Number of years of golf experience
5. Type of golf experience
6. Number of years golf course manager
7. Prior occupations
8. Belong to professional organizations
9. Number of seminars attended in last 3 years
10. Holds job during the off season
11. Number of hours per week devoted to management

12. Managers' salary

13. Number of years course established

Six of these profile variables have significant correlation coefficients. The number of seminars attended in the last three years, managers' salary, and belonging to a professional organization were found to be significant in the successful 9 hole courses. Three different profile variables--level of education, hold job during the off season, number of years course established--appeared significant in the successful 18 hole enterprises.

Significant 9 Hole Profile Variables

Number of Seminars Attended in Last 3 Years

The 9 hole enterprises in general are younger, newly established courses in comparison to the 18 hole enterprises. There are exceptions which include some of the older 9 hole operations. Overall, our inventory revealed a consistent pattern of recently established 9 hole enterprises.

The newer 9 hole managers are usually inexperienced or less than full-time operators. Therefore, to sharpen their managerial skills, and to retain a competitive edge, they are inclined to attend and participate in more seminars than their 18 hole counterparts. The 18 hole managers, usually established longer, gain managerial experienced

skills by working longer hours on the job. The 9 hole manager generally has not spent an equal amount of time on the job in acquiring competitive managerial skills and therefore, seeks to supplement his deficiency by frequently attending seminars.

Frequent participation in professional seminars of various kinds produces recognition and bonds of association with golf as a business. Also, the attendance at seminars may act as a socializing agent to promote feelings of pride and signal a level of status among other golf managers.

Belong to Professional Organizations

The successful 9 hole managers tend to belong to professional organizations more than the 18 hole. Again, the new developing, less established aspect of the 9 hole course is interwoven with the significance of this variable. The 9 hole enterprises lack the offering of an 18 hole course and in a sense, present an incomplete image to many golfers.

Belonging to professional organizations such as the PGA, USGA, etc., promotes a sense of professional identity and recognition among the developing 9 hole courses. The public accepts and recognizes various professional organizations which lend a certain qualities and economic advantages to businesses.⁸ Many 9 hole courses are in competition with

⁸"Professional Associations," Science News (September 27, 1969), p. 266, and (December 6, 1969), p. 525.

the longer established 18 hole enterprises, and therefore, must avail themselves of every opportunity to gain acceptance by the public. They must continually develop a clientele. Membership in professional organizations can and has provided many useful management tips and ideas issued through their publications.

Managers' Salary

The scale of operation in the 9 hole enterprises is smaller than the 18. Fixed costs in the 18 hole enterprises are spread out more reflecting the size and volume of the operation. The managers' salary in 9 hole operations is a much greater part of the whole than is so in the 18 hole. Consequently, its impact upon the total profit is far greater. The 18 hole managers' salary tends to be a predictable, assigned cost, whereas in many 9 hole operations the salary may vary substantially with the weekly or monthly operating costs. Some 18 hole managers are hired and paid fixed salaries; in contrast, all of the 9 hole managers interviewed were either owners or part owners. The 9 hole managers' salary is generally a draw on profits and fluctuates with the current status of profit.

Significant 18 Hole Profile Variables

Level of Education

Previous findings in this study show that 90% of the successful 18 hole managers have had some college education

or better. The 18 hole golf course operations have become sophisticated and complex businesses. Stiff, stringent competition makes the use made on marketing techniques and business skills essential to maintaining profit and survival. Many of the 18 hole enterprises are diversifying their services by offering tennis, swimming, bar and restaurant, etc., offering additional recreational or secondary services requiring an increase in management skills.

Job During the Off Season

The negative significance of this variable reinforces the concept that today's 18 hole golf courses are complex, sophisticated business operations which require full-time management.

A typical 18 hole golf enterprise generally has a restaurant/bar combination and a sizeable pro shop. Some of the food and drink facilities remain open year-round requiring golf course manager's supervision during the off season. The maintenance, purchase and evaluation of new equipment is also taken care of during the off season. New supplies and merchandise for next season must be ordered months ahead of time to insure delivery. Planning of capital improvements, playing regulations, membership meetings, professional seminars, and public relations are all parts of the total year around management responsibilities found in 18 hole operations. All of these administrative

responsibilities and duties characteristic of the 18 hole operations require substantial input of management time leaving little time to devote to an off season job.

Number of Years Course
Established

The length of establishment of a golf course is comparable to the longevity of other businesses. This longevity in and of itself, denotes success and survival which establishes a reputation. Reputation and experience cannot be bought or built overnight. Unfortunately some of the newer enterprises are becoming painfully aware of this fact.

The substantial investments of time and money required to establish an 18 hole course necessitates long-term commitments lending a degree of stability to the operation. Many 18 hole courses were specifically designed and built as complete courses. Some started out as 9 hole and then expanded to their present form. The permanency aspect reflected in the 18 hole operations can be attributed to long-term growth and thoughtful planning.

In contrast, present day 9 hole courses have sprung up everywhere trying to capitalize on the recreation boom. Characteristically, 9 hole operations can be built with modest amounts of time, money, and land. This is reflected in the relative ease of entry into the golfing business. Few of these overnight operations were well planned in regards

to site selection and marketing factors. Therefore, when dreams of success and abundant profit fail to materialize, these courses invariably changed hands. This has given many of these 9 hole courses a transient characteristic that discouraged the accumulation of a faithful clientele.

Management Practice Variables

1. Manager designed or modified course or operation to speed play
2. Sponsor community events
3. Cooperative relations with businesses
4. Cooperative relations with schools
5. Have special hiring practices toward youth groups
6. Have customers' or members' suggested changes in course operation which were implemented
7. Customer addresses used in determining advertising markets
8. Special services for customers
9. Use financial records to influence management decisions
10. Use discounted or donated labor

Significant 9 Hole Management Practices

Sponsor Community Events

The 9 hole enterprises need the participation of local clientele in order to sustain their businesses. The shortness of a 9 hole course and the minimal time required

to play it, makes the enterprise attractive to the working people of the community. It has become important for the 9 hole manager to cultivate his clientele and establish a reputation. The management actions suited for these purposes are the setting up of local leagues, tournaments, and clinics. The manager should implement a program to educate the local population in terms of golf, thereby demonstrating his interest in their recreational welfare.

The 18 hole enterprises must also be responsive to the local communities but the local patronage does not have as great an impact on their business. In the 18 hole operation, a larger volume of golfers is necessary to offset fixed and variable costs. The 18 hole managers spend more money advertising to draw outsiders within reach of their markets. Generally, the smaller 9 hole managers do not have surplus cash to advertise and most have no advertising budget to speak of.

Cooperative Relations with Businesses

The solicitation of business outings by 9 hole courses becomes important to the profits of a small enterprise. Businesses supply much needed injections of income providing a constant number of captured clientele. Of necessity, the solicited businesses would be small. The 9 hole courses have a limited capacity in accommodating certain numbers of users. Nine hole managers must be aware of

and persistent in attracting sufficient numbers of businesses. The acquisition of business outings serves to enhance and build the reputation of the newer courses.

The effect of local business outings of 18 hole operations is usually less critical due to the overall volume experienced by this size operation. This is not to say that the peaks of income resulting from catering to businesses would not be helpful to 18 hole operations, but that it would not be crucial to its survival.

Identifiable Patterns of Significant Variables

Four of the five significant variables associated with the successful 9 hole enterprises become inseparably linked with the characteristics of newness and transience. The number of seminars attended in the last three years, belonging to professional organizations, sponsors community events, and cooperative relations with businesses are the significant variables which indicate efforts of the 9 hole operations toward establishing reputations and clientele.

These variables were not found to be significant in the 18 hole enterprises which appear to be established longer. The 9 hole operations have not necessarily decreased--just less business volume compared to their 18 hole counterparts. Therefore, the management of these smaller size courses must persuade every advantage toward gaining a foothold in the

competitive business of golf. The patterns can be viewed as primary motivating forces behind the apparent significant impact that the mentioned management variables have upon the success of the 9 hole enterprises.

None of the significant variables appearing in the 9 hole courses are found in the 18 hole operations and vice versa. Conspicuously absent is the lack of any significant management practices in the 18 hole enterprises.

An extensive range of management practices was included in the survey instrument to assure a complete evolution of common management practices as they occur throughout the golf industry. The lack of significance of any practice variables in the 18 hole operations suggests that there are possibly other critical factors which could affect success. Among other possible factors affecting success are physical quality of the course, geographical location, and public relations.

CHAPTER VI

RECOMMENDATIONS

As indicated in stating the purpose of this study, this financial research is an initial effort to gain some basic financial research and management information concerning 9 and 18 hole golfing operations in Michigan. Due to the pilot study nature of this study, there were areas of investigation that were not covered. This initial study is necessarily broad, enabling the coverage of an extensive range of management characteristics. Subsequent studies will use this research as a foundation upon which to base their investigations.

Specific Areas of Investigation

In seeking a general financial and management picture of the golf industry in Michigan it was not possible to specifically focus upon narrow specialized areas. This study included many variables extensively describing the various management characteristics of 9 and 18 hole courses. Although a concerted effort was made to gain as comprehensive a picture of management as possible, it is recognized that there are certain areas needing more intensive research.

Some of these areas were lightly touched upon or excluded by the scope of this study. These unexplored areas could have crucial implications as to the success of an enterprise. Future research efforts evolving from this study should be narrower in scope, concentrating on specific areas of management.

Public Relations

The personality and friendliness of a manager and his employees are directly reflected in the operation of the business. This intangible factor could have considerable effects upon the overall success of an enterprise. This is particularly true of golf since it essentially depends upon relations with the public.

Possible areas of investigation would include the gathering of a personality profile of the manager and his help. This type of research could improve employer-employee relations resulting in less turnover and greater efficiency. The results of these specially tailored psychological tests could be compared with the success of an enterprise. Possible resulting actions would be managerial adjustments to improve chances for greater success. Personality testing of employees could aid the manager in the hiring of suitable personnel able to contribute positively to overall success.

User Profile

A user profile would be highly beneficial to the operator of a golf course. It would provide valuable marketing information, not only for merchandising, but in areas of providing special conveniences and services. The potential advantages of a user profile to management are numerous and should be intensively investigated. It is possible that higher profits and greater efficiency of operation can be achieved by gaining specific knowledge of customers' habits, demands, and origins. This area of research could provide valuable, practical information for managers.

Course Quality

The physical aspects of golf course design and quality of maintenance have an important bearing upon the frequency of use. This fact is generally accepted throughout the business. It is not a new concept but one which is applicable to most businesses. People understand and like orderly, well maintained, attractive buildings and grounds. The relationships of customers (first time and repeat) to overall golf course quality and design should be thoroughly investigated. It only naturally follows that attractive, well maintained courses have more customers. More customers usually are associated with increased profit. Two courses having been determined equal in all factors excepting design and quality of maintenance could be used as case

studies for comparison. The effects of design and maintenance upon success could then be described and further defined.

Location Analysis

The location of a golf course with respect to users can be an important factor in determining its overall success. This area of investigation merits a singularly intensive effort not achievable within the scope of this study.

The daily users, weekenders, and vacationers all make up the total user population of a golf course. The geographical location of the course may determine, to a large extent, the volume of users. If in an out-of-the-way location, it may give other local competitors a favorable edge in competition.

The local population as well as travelers look for convenience of access. This reflects the increased demands on peoples' time required by work and other activities. People sometimes prefer convenience of location over quality just to save time. Location next to major expressways or highways may or may not accurately reflect total course quality due to the negative effects of traffic.

The evening users, or women golfers having partial blocks of time to spend may choose more convenient locations rather than an extra 5 miles. There are numerous reflected factors involving golf course location that require extensive

research. In total, these factors may have a significant affect upon the success of an enterprise.

Financial Data

One of the crucial areas of concern in this study was the creation of a reliable success indicator. Due to the inconsistencies and lack of accuracy in this study's financial data, it was necessary to base success on gross income.

The financial information gathered in this study was mostly by spontaneous verbal recall. Many of the smaller 9 and 18 hole enterprises kept inadequate accounting records. Those that did keep accurate records were unwilling and hesitant to divulge the information contained. Cooperative efforts are needed between researchers and golf managers to establish and maintain a simple accounting system.

This system could be patterned after the computerized TELE-FARM system.⁹ This type of monitoring system would supply university researchers with a method of providing corrective feedback information to enterprises.

Under controlled circumstances using a computerized monitoring system, it would be feasible to have a sampling

⁹ TELE-FARM, Computerized form business accounting system between M.S.U. Cooperative Extension Services and selected farms.

population of 10-20 courses. This would greatly decrease the degree of error and provide better quality control over data collection. The main objective of future financial research should be to gain accurate reliable figures. Using these, a measure of success can be attained. Once success of the golf operation is determined, then significant relations to the selected management variables can more accurately be predicted. The ultimate goal of this research effort and others to follow is to obtain an index of variables determined crucial to the success of the enterprise.

Making this index information available to potential investors and those already in operation will provide the necessary tools to predict success. This predictive index will aid in the elimination of golf course failures. It would also control overbuilding and increase management efficiency.

Degree of Cooperation

The degree of cooperation between researchers and golf course owners/managers could be improved. Although there were numerous refusals and reticent managers encountered throughout this study, the degree of cooperation attained was remarkable. To improve relations between researchers and golf course managers regional mini-conferences could be held throughout the state. These conferences would

inform the golf course operators of current research efforts and encourage their future cooperation.

To further develop a spirit of cooperation, the Cooperative Extension Service at Michigan State University will be publishing reports based upon the findings of this study and future studies. These reports will be available to all interested golf enterprises and related recreational businesses.

BIBLIOGRAPHY

BIBLIOGRAPHY

- "Annual Buying Issue." Golfdom. March, 1973.
- Babbie, Earl R. Survey Research Methods. Belmont Calif.: Wadsworth Publishing Company, Inc., 1973.
- Bird, Ronald. Income Potential of Various Kinds of FARM RECREATIONAL ENTERPRISES in Missouri. University of Missouri, Agricultural Experiment Station and Resource Development Economics Division, USDA Cooperation, No. B 783, 1963.
- Bevin, Malcolm I. Youth Camps In Vermont. Burlington, Vermont: University of Vermont Agricultural Experiment Station. Bulletin 662, 1970.
- Clawson, Marion, and Knetsch, L. Jack. Economics of Outdoor Recreation. Baltimore, Maryland: The John Hopkins Press, 1966.
- Cook, Walter, and Holland, Ray. Public Golf Courses. Bulletin 3. Wheeling, West Virginia: American Institute of Park Executives, 1964.
- Department of Interior, Bureau of Outdoor Recreation. Financing of Private Outdoor Recreation. Washington: U.S. Government Printing Office, 1967.
- "Fifth Annual Golf Course Industry Marketing and Research Regent." Golfdom. Feb., 1973.
- Gaylor, Earl E. Par-3 Golf. Bulletin 47. Wheeling, West Virginia: American Institute of Park Executives, 1965.
- Hehn, Donald Russell. "Fundamental Social and Economic Aspects of Commercial Outdoor Recreation Enterprises in Michigan." Unpublished M.S. dissertation, Michigan State University, 1968.
- Johnson, Hugh A. "Opportunities and Limitations in Private Recreation Development." Paper presented at a Recreation Workshop for Federal and State Employees, Greensburg, Pa., April, 1966.

- Johnson, Hugh. Sources of Capital for Recreation Enterprises. United States Department of Agriculture, Economic Research Service, Washington, D.C., 1968.
- Johnson, Hugh. The Enterprise Analysis. United States Department of Agriculture, Economic Research Service, Washington, D.C., 1968.
- Moncrief, Lewis. "An Analysis of Golf as a Recreational Business in Genesee County, Michigan." Unpublished M.S. dissertation, Michigan State University, 1967.
- Moore, Elmer J. Rural Recreational Enterprises in New England: Investments, Returns, and Problems. Agricultural Economic Research Report No. 56. U. S. Government Printing Office, 1964.
- Nunnally, Jum, C. Psychometric Theory. New York: McGraw-Hill Company, 1967.
- Outdoor Recreation Resources Review Commission. Outdoor Recreation for America. A report of the Outdoor Recreation Resources Review Commission to the President and Congress. Washington, D.C.: U.S. Government Printing Office, 1962.
- Outdoor Recreation Resources Review Commission. Private Outdoor Recreation Facilities. O.R.R.R.C. Report 11. Washington, D.C.: U.S. Government Printing Office, 1962.
- U.S. Congress. House. Committee on Environmental Problems. Small Business Opportunities in Outdoor Recreation and Tourism. Hearings before the subcommittee of the Committee on Environmental Problems, House of Representatives, pursuant to H. Res. 5 and 19, Vol. 1, 92nd Congress, 2nd sess., 1972.
- Soil Conservation Service. Golfers and applies keep family on farm. Washington, D.C.: U.S. Government Printing Office, 1970.
- Soil Conservation Service. Guide to Making APPRAISALS OF POTENTIALS for OUTDOOR RECREATION DEVELOPMENTS. Washington, D.C.: U.S. Government Printing Office, 1966.
- Soil Conservation Service. Technical Help for Rural Recreation. Washington, D.C.: U.S. Government Printing Office, 1962.

"The Pro Shop Sale: Make It a Profit Tool--Not a Necessity." Golfdom. April, 1973.

U.S. Department of Agriculture. Outdoor Recreation: Opportunity for Farm and City. Washington, D.C.: U.S. Government Printing Office, 1962.

U.S. Department of Agriculture. Rural Recreation: A New Family Farm Business. Washington, D.C.: U.S. Government Printing Office, 1962.

APPENDIX A

CORRELATION COEFFICIENT TABLES

CORRELATION COEFFICIENT TABLES

Table 46. Pearson product moment correlation coefficients.

Manager Profile - 9 hole (Total N=11) (Successful)		
	Gross	Net
Age	-.0586 (a)	-.0716 (a)
Any previous golf experience	-.5959*(c)	-.1462 (c)
No. yrs. previous golf experience	-.5715*(a)	-.3192 (a)
No. yrs. golf course manager	-.2997 (a)	-.2485 (a)
Level of education	-.4274 (a)	-.3878 (a)
No. seminars attended last 3 yrs.	-.3740 (a)	-.4306 (a)
Reads professional literature	99.000**	99.000**
Holds job during off season	.4366 (a)	.2778 (a)
No. hrs. devoted to management	-.1142 (a)	-.4595 (a)
Managers' salary	.4281 (a)	.1837 (a)
Belongs to professional organizations	-.2507 (c)	-.2812 (c)
No. yrs. course established	-.4668 (a)	-.4593 (a)
Gross	1.000	.4795
Net	.4795	1.000

*Indicates significance at .05 level.

**A value of 99.000 is printed if coefficient cannot be computed. (In most cases this is because either all owners possessed the characteristic or none had it.)

a = pearson coefficient (interval to interval)

b = phi coefficient (nominal to nominal)

c = point biserial (nominal to interval)

Table 47. Pearson product moment correlation coefficients.

Manager Profile - 9 hole (Total N=21) (Unsuccessful)		
	Gross	Net
Age	-.0245 (a)	-.0141 (a)
Any previous golf experience	-.1183 (c)	.0124 (c)
No. yrs. previous golf experience	-.0428 (a)	-.0744 (a)
No. yrs. golf course manager	-.0492 (a)	.0459 (a)
Level of education	-.3274 (a)	-.2642 (a)
No. seminars attended last 3 yrs.	.1112 (a)	.4008*(a)
Reads professional literature	-.3359 (c)	.2166 (c)
Holds job during off season	-.2451 (a)	-.4429*(a)
No. hrs. devoted to management	-.1297 (a)	.4936*(a)
Managers' salary	.0466 (a)	-.3812*(a)
Belongs to professional organizations	-.1418 (c)	.2708 (c)
No. yrs. course established	.1791 (a)	.0977 (a)
Gross	1.000	.2620
Net	.2620	1.000

*Indicates significance at .05 level.

a = pearson coefficient (interval to interval)

b = phi coefficient (nominal to nominal)

c = point biserial (nominal to interval)

Table 48. Pearson product moment correlation coefficients.

Manager Profile - 18 hole (Total N=10) (Successful)		
	Gross	Net
Age	.1640 (a)	-.3559 (a)
Any previous golf experience	.3601 (c)	-.3370 (c)
No. yrs. previous golf experience	.1917 (a)	-.3259 (a)
No. yrs. golf course manager	-.0500 (a)	.4119 (a)
Level of education	.4102 (a)	.4378 (a)
No. seminars attended last 3 yrs.	-.3624 (a)	.0926 (a)
Reads professional literature	99.000**	99.000**
Holds job during off season	99.000**	99.000**
No. hrs. devoted to management	-.1013 (a)	-.1921 (a)
Managers' salary	.8874*(a)	.1177 (a)
Belongs to professional organizations	-.3204 (c)	.2207 (c)
No. yrs. course established	.6737*(a)	.2118 (a)
Gross	1.000	.0485
Net	.0485	1.000

*Indicates significance at .05 level.

**A value of 99.000 is printed if coefficient cannot be computed. (In most cases this is because either all owners possessed the characteristic or none had it.)

a = pearson coefficient (interval to interval)

b = phi coefficient (nominal to nominal)

c = point biserial (nominal to interval)

Table 49. Pearson product moment correlation coefficients.

Manager Profile - 18 hole (Total N=24) (Unsuccessful)		
	Gross	Net
Age	.1357 (a)	.2941 (a)
Any previous golf experience	.1541 (c)	.1800 (c)
No. yrs. previous golf experience	.2310 (a)	.1799 (a)
No. yrs. golf course manager	.5044*(a)	.5095*(a)
Level of education	-.1208 (a)	.0298 (a)
No. seminars attended last 3 yrs.	-.0789 (a)	-.0775 (a)
Reads professional literature	.0506 (c)	.1233 (c)
Holds job during off season	-.0070 (c)	-.1416 (c)
No. hrs. devoted to management	.2002 (a)	-.0319 (a)
Managers' salary	-.1437 (a)	-.2692 (a)
Belongs to professional organizations	.2394 (c)	-.3821 (c)
No. yrs. course established	.3191*(a)	.2487 (a)
Gross	1.000*	.4863*
Net	.4863*	1.000*

*Indicates significance at .05 level.

a = pearson coefficient

b = phi coefficient

c= point biserial

Table 50. Pearson product moment correlation coefficients.

Manager Practices - 9 hole (Total N=11) (Successful)		
	Gross	Net
Modify course for speed play	-.3738 (c)	-.1287 (c)
Sponsor community events	99.000**	99.000
Cooperate with schools	-.2928 (c)	-.1995 (c)
Cooperate with businesses	.4170 (c)	.2388 (c)
Youth hiring	.4967 (c)	.4569 (c)
Customers' suggested changes	-.2847 (c)	-.1574 (c)
Offer special services	.1045 (c)	.3687 (c)
Use customers' addresses in advertising	.6799*(c)	.2678 (c)
Use financial records to in- fluence management	.3604 (c)	.3069 (c)
Use discounted or donated labor	.2809 (c)	.1718 (c)
Gross	1.000	.4795 (a)
Net	.4795 (a)	1.000

*Indicates significance at .05 level.

**A value of 99.000 is printed if coefficient cannot be computed. (In most cases this is because either all owners possessed the characteristic or none had it.)

a = pearson coefficient (interval to interval)

c = point biserial (nominal to interval)

Table 51. Pearson product moment correlation coefficients.

Manager Practices - 9 hole (Total N=21) (Unsuccessful)		
	Gross	Net
Modify course for speed play	.0136 (c)	.0247 (c)
Sponsor community events	.2043 (c)	-.0205 (c)
Cooperate with schools	.0897 (c)	-.0272 (c)
Cooperate with businesses	-.3403 (c)	-.2966 (c)
Youth hiring	.2635 (c)	.2740 (c)
Customers' suggested changes	.2012 (c)	-.2859 (c)
Offer special services	.1028 (c)	.7591* (c)
Use customers' addresses in advertising	.2061 (c)	.0051 (c)
Use financial records to influence management	.0288 (c)	.0536 (c)
Use discounted or donated labor	-.0765 (c)	.1288 (c)
Gross	1.000	.2620 (a)
Net	.2620 (a)	1.000

*Indicates significance at .05 level.

a = pearson coefficient (interval to interval)

c = point biserial (nominal to interval)

Table 52. Pearson product moment correlation coefficients.

Manager Practices - 18 hole (Total N=10) (Successful)		
	Gross	Net
Modify course for speed play	-.2127 (c)	.3038 (c)
Sponsor community events	-.8227*(c)	.1472 (c)
Cooperate with schools	-.4131 (c)	.3383 (c)
Cooperate with businesses	.1970 (c)	-.2879 (c)
Youth hiring	.3814 (c)	-.2468 (c)
Customers' suggested changes	.5319*(c)	.4596 (c)
Offer special services	-.1024 (c)	-.1141 (c)
Use customers' addresses in advertising	.2912 (c)	-.3836 (c)
Use financial records to influence management	-.5293*(c)	.2890 (c)
Use discounted or donated labor	-.5635*(c)	-.4101 (c)
Gross	1.000	.0485(a)
Net	.0485 (a)	1.000

*Indicates significance at .05 level.

a = pearson coefficient (interval to interval)

c = point biserial (nominal to interval)

Table 53. Pearson product moment correlation coefficients.

Manager Practices - 18 hole (Total N=24) (Unsuccessful)		
	Gross	Net
Modify course for speed play	-.3188 (c)	.0790 (c)
Sponsor community events	-.1164 (c)	.1296 (c)
Cooperate with schools	-.1296 (c)	-.0577 (c)
Cooperate with businesses	-.0789 (c)	-.3563*(c)
Youth hiring	.2048 (c)	.1228 (c)
Customers' suggested changes	-.0841 (c)	-.5180*(c)
Offer special services	.2430 (c)	-.1427 (c)
Use customers' addresses in advertising	-.0050 (c)	-.0505 (c)
Use financial records to influence management	.3256 (c)	.0175 (c)
Use discounted or donated labor	-.1410 (c)	-.2037 (c)
Gross	1.000	.4863*(a)
Net	.4863*(a)	1.000

*Indicates significance at .05 level.

a = pearson coefficient (interval to interval)

b = point biserial (nominal to interval)

APPENDIX B

SURVEY INSTRUMENT AND

INVENTORY POSTCARD

SURVEY INSTRUMENT

Code No. Golf; Region; CC; EC

Name of Facility _____

Address _____

City, County, State, Zip _____

Telephone _____

Interviewer _____

Date _____

Interviewee _____
(Name of individual being interviewed)

Sex Male Female

Relationship to Enterprise:

Owner

Salaried Manager

Owner and Manager

Officer on Board of Directors

Other: specify _____

Description of the Enterprise

We would like to obtain some descriptive information of your enterprise.

1. Please estimate the total acreage of your enterprise; this would include the golf course operation as well as other income generating activities that you might provide (tennis, swimming, etc.) _____ acres.
2. Of the above acreage, how much would you estimate is devoted solely to the golf course operation? _____ acres
3. To the best of your knowledge, was the course originally designed by a professionally recognized golf course architect? ____ Yes ____ No
4. Which months of the year would you consider as peak months in terms of golf play? (interviewers please circle peak months.)
 4 5 6 7 8 9
5. Which months would you consider as peak months in terms of sales? 4 5 6 7 8 9
6. What was the total number of 18 hole rounds played at this facility in 1972? # _____
7. What is the average time to play a round of 18 hole golf?
 _____ a) 3 - 3 1/2 hours
 _____ b) 3 1/2 - 4 hours
 _____ c) 4 - 4 1/2 hours
 _____ d) 4 1/2 - 5 hours
 _____ e) 5 +

Facilities and Course Operation

We are interested in gaining some information related to management practices.

8. Please list all greens fees: 18 hole weekday \$ _____
 9 hole weekday \$ _____
 18 hole weekend \$ _____
 9 hole weekend \$ _____
9. Important: Could you please estimate the total revenue (monies) generated by greens fees in 1972?
 \$ _____

10. How are green fees determined and set?
- ☐ a) price charged by local competitor
 - ☐ b) what patrons are willing to pay
 - ☐ c) analysis of costs
 - ☐ d) past experiences
 - ☐ e) outside consultant
 - ☐ f) by Board of Directors
 - ☐ g) other: specify _____
11. What is the total number of season memberships in 1972? (family and single) # _____
12. What was your total revenue from these season memberships? \$ _____
13. What percentage of the total play on your course is done at the following times?
- Holidays and weekends _____ %
- Weekdays _____ %
14. Have you modified or designed the course in any way to speed play? ☐ Yes ☐ No
- Examples: ☐ a) less number of fairway trips
- ☐ b) fewer green traps
 - ☐ c) shorter holes
 - ☐ d) adequate signs
 - ☐ e) less hazards
 - ☐ f) local winter rules
 - ☐ g) more out-of-bounds
 - ☐ h) less out-of-bounds
 - ☐ i) wider fairways
 - ☐ j) close cut roughs
 - ☐ k) other: specify _____
15. How many golf courses in the area would consider to be competing for customers? # _____

Professionalism

We would like to gather information on the background and experience of managers and owners in order to develop a management profile for all golf course operators.

16. What is your age? _____ Years
17. Have you had any previous experience in golf course operations or related fields? ☐ Yes ☐ No

Yrs full time experience

Parks Dept.	_____
Recreation Dept.	_____
Golf Course Manager	_____
Horticulture Dept.	_____
Nursery	_____
Other _____	_____

Pro-shop help	_____
Golf course maintenance	_____
Grounds maintenance Dept.	_____
Park Maintenance	_____
General turf (garden or nursery)	_____
Other _____	_____

Athletic field maintenance chief _____
 Golf course Supt. _____
 Parks maintenance foreman _____
 Head gardener _____
 Grounds maintenance foreman _____
 Other _____

18. Which of the following (show flash card) would best describe the level of formal education that you have completed? ___a) grade school
 ___b) some high school
 ___c) high school grad.
 ___d) some college
 ___e) college grad.
19. How many golf merchandise shows, golf business schools, and professional seminars have you attended in the last 3 years? # _____
20. Do you read professional literature related to golfing operations? (i.e., Golf Digest, Golfdom, etc.) ___Yes ___No
21. Are you a member of: ___PGA ___USGA ___GCSA
 ___MGA ___Other: Specify_____
22. Prior to your ownership or management of this golf facility, what was your occupation?

23. What types of consulting and professional help did you solicit in either the development or acquisition and management? (Show flash card)
- ☐ a) Golfing Professionals
 - ☐ b) National Golf Foundation
 - ☐ c) Engineering Consultants
 - ☐ d) Agricultural Cooperative Extension Serv.
 - ☐ e) Soil Conservation Services
 - ☐ f) Plant materials consultants
 - ☐ g) Chemical Company Consultants
 - ☐ h) Management conferences
 - ☐ i) Hotel-Restaurant management consultants
 - ☐ j) Marketing specialists
 - ☐ k) University personnel
 - ☐ l) other: Specify _____
24. How much experience do you require for the following classes of full-time employees?
- Maintenance Sup't. _____ years
- Pro Shop Manager _____ years
- Salaried golf course manager _____ years

COMMUNITY RELATIONS

It will be very useful in our study to identify and describe golf course management's relationship with the local community.

25. Do you sponsor and hold community events? (i.e. local sponsored tournaments, high school or college golf team, ladies' day, etc.) ☐ Yes ☐ No
26. Do you have cooperative relations with local schools?
☐ Yes ☐ No
27. Do you have a cooperative relationship with business and hotels for course use?
☐ Yes ☐ No
28. Do you have any special hiring practice toward youth groups, handicap or other special populations?
☐ Yes ☐ No

CUSTOMER RELATIONS

To further develop a management profile, it will be necessary to define the managers relationship with customers.

29. Do you keep customer records? (i.e., sizes, preferences in merchandise, etc.) ☐ Yes ☐ No

30. During the day to day operation of your enterprise, in what ways do you promote customer relations? (i.e., playing golf with customers, discuss course operations, etc.) ☐ Yes ☐ No

31. Have your customers said anything to you or your employees which has prompted any changes in course operations? ☐ Yes ☐ No

If yes: How was this feedback obtained?

- ☐ Person to person (Verbal)
- ☐ Suggestion box
- ☐ Written comments (letters of complaints, etc.)
- ☐ Meetings

32. What changes did they suggest that you implemented?

- ☐ Maintenance
- ☐ Pro-Shop
- ☐ Course, Design
- ☐ Course Management (Tee times, hours open, leagues, ladies' day, etc.)
- ☐ Clubhouse Restaurant, snack bar operation

33. Do you provide special services or conveniences for customers and members? ☐ Yes ☐ No

EXAMPLES:

- ☐ a) free tees
- ☐ b) permit purchaser to try new clubs before buying
- ☐ c) special order merchandise for customers and members
- ☐ d) discounts to members
- ☐ e) free minor equipment repair to members
- ☐ f) none-hole refreshment opportunities
- ☐ g) knowledgeable caddies
- ☐ h) club cleaning (free for members)
- ☐ i) gifts to new members
- ☐ j) reminder, to wives, secretaries, etc. on "special days" for purchase of merchandise for others.
- ☐ k) Other _____

Please specify

ADVERTISING

Advertising: A couple of quick questions on your methods of advertising.

34. Do you use information on member and/or customer address in determining those areas where you direct your advertising? ☐ Yes ☐ No

35. Could you please estimate the percent of users which come from each of the following distances to your golf course?
- | | |
|---------------------|---------|
| a) less than 1 mile | _____ % |
| b) 5 - 15 miles | _____ % |
| c) 16 - 25 miles | _____ % |
| d) 26+ miles | _____ % |
36. In what ways do you advertise your golf enterprise and how much would you estimate you spent on each of these forms of advertising in 1972?
- | | |
|------------------------|----------|
| a) television | \$ _____ |
| b) brochures | _____ |
| c) magazines | _____ |
| names: 1) | _____ |
| 2) | _____ |
| d) telephone book | _____ |
| e) radio | _____ |
| f) newspapers | _____ |
| g) directories | _____ |
| h) word of mouth | _____ |
| i) chamber of commerce | _____ |
| j) promotion gimmicks | _____ |
| k) other | _____ |
| 1) | _____ |
| 2) | _____ |
| calculate total | \$ _____ |

MAINTENANCE

Maintenance is an important part of the total golf enterprise, and knowledge of maintenance operations of golf courses, will be an invaluable asset to the study.

37. What are your most frequently occurring difficulties encountered during the physical maintenance of the course?
- | | |
|----------|--------------------------|
| _____ a) | poor drainage |
| _____ b) | poor green construction |
| _____ c) | mowing around traps |
| _____ d) | mowing around greens |
| _____ e) | fairway mowing |
| _____ f) | rough mowing |
| _____ g) | inadequate irrigation |
| _____ h) | poor equipment |
| _____ i) | lack of equipment |
| _____ j) | lack of experienced help |
| _____ k) | other, please specify |
| 1) | _____ |
| 2) | _____ |
| 3) | _____ |
38. Does the design of your course provide for ease of maintenance? (i.e. access to greens, gentle slopes, maintenance roads, easy to mow, tees, etc.)
- ____ Yes ____ No

39. Some golf courses have experienced conflicts between golfer play and maintenance scheduling. Do conflicts occur between golfer use and maintenance of the course? ☐ never
☐ infrequently
☐ frequently
☐ very frequently

Financial Management

We are interested in finding out information on the financial management of your operation.

40. Approximately how many hours per week do you devote to the management of your golf facility during an average week of the season?
☐ a) 0-20 hours
☐ b) 21-40 hours
☐ c) 41-50 hours
☐ d) 51-60 hours
☐ e) 61-70 hours
☐ f) 71-80 hours
☐ g) 81-90 hours
☐ h) 91-100 hours
☐ i) 101+ hours
41. Which of the following sources of financing were utilized to either acquire or develop the golf course?
☐ a) financed primarily by the owner
☐ b) financed by stock issue
☐ c) financed by sale of memberships
☐ d) financed by government loan
 type: _____
☐ e) financed by private lending firm
☐ f) other: specify _____
42. A) What types of investment do you plan to make during the next three years?
☐ a) purchase additional land
☐ b) new major equipment
☐ c) new buildings
☐ d) major repairs to existing structure
☐ e) provide new recreational services
☐ f) renovation of greens
☐ g) redesign course
☐ h) other
☐ i) none
- B) Approximately how much do you anticipate such investment will cost? \$ _____

43. In what way, if any, do you use your financial records to influence or modify management of the enterprise? (Show flash card)

- ☐ a) purchasing merchandise
- ☐ b) purchasing equipment
- ☐ c) selling merchandise
- ☐ d) determining markets
- ☐ e) plan capital improvements
- ☐ f) scheduling maintenance
- ☐ g) personnel practices
- ☐ h) other _____
- ☐ i) none

We would like to ask some questions about family and non-family labor.

44. Who maintains your financial records and accounts?

- ☐ a) manager
- ☐ b) owner
- ☐ c) professional accountant
- ☐ d) member of family
- ☐ e) golf pro
- ☐ f) other: specify _____

45. Do you keep records on family labor? ☐ Yes ☐ No

46. Approximately how much did you spend in 1972 for:

	<u>Actual</u>	<u>Pay to hire work done</u>
(paid) non-family labor	_____	
(paid) family labor	_____	
(unpaid) non-family labor		_____
(unpaid) family labor		_____
managers salary	_____	_____
professional services	_____	_____

Your help will be greatly appreciated in obtaining financial information concerning your golf enterprise.

47. Approximately how much did you pay in 1972 for interest on all loans taken out to support your golf enterprise? \$ _____

48. Please estimate the current market value (\$ per acre) of undeveloped land adjacent or in the vicinity of your golf enterprise.
\$ _____ per acre

49. Please estimate the current market value of your golf enterprise (price which you feel that you could receive on the open market). \$ _____

50. Important: Approximately how much did you pay in 1972 for the following items:
- a) total property taxes \$ _____
 - b) total insurance costs \$ _____
 - c) total utilities costs \$ _____
51. Important: Please estimate your total outlay for golf course maintenance supplies for the year 1972. This would include disease control supplies like insecticides, fungicides as well as seed, fertilizer, oil, gas, fuels, etc. \$ _____
52. What is the actual value of all maintenance equipment? \$ _____
53. What is the present value of all buildings? \$ _____
54. What would you estimate to be the rate of depreciation on equipment _____%, buildings _____%
55. What is the present value of all land and land improvements? \$ _____
56. Please indicate the current rate of tax assessment on your golf enterprise? \$ _____ per _____ assessed valuation.
57. Could you please estimate your total investment in:
- a) Pro shop merchandise \$ _____
 - b) Golf carts \$ _____
 - c) restaurant supplies and equipment \$ _____
58. Please indicate to the best of your knowledge the total gross and net revenues during 1972 for the following list of activities that your enterprise may have provided. Please indicate other services that are not covered by our list.
- Interviewer: If interviewee does not know these figures, please ask him to at least indicate the four largest profit generating activities from the list. Place 1, 2, 3, or 4 by the appropriate activity. But first try to obtain revenue figures for these activities.

<u>Activity</u>	<u>Revenue</u>	
___ a) pro shop	gross \$ _____	net \$ _____
___ b) full restaurant	gross \$ _____	net \$ _____
___ c) bar	gross \$ _____	net \$ _____
___ d) snack bar	gross \$ _____	net \$ _____
___ e) golf cart rental (motorized)	gross \$ _____	net \$ _____
___ f) losses	gross \$ _____	net \$ _____

59. Please estimate the enterprise's total gross \$ _____ and total net _____ in 1972 (all phases of operation)

Thank you very much for your cooperation.

Interviewers Personal Evaluation

60. Is the golf enterprise located adjacent to a major interstate highway or main transportation artery? ☐ Yes ☐ No
61. If no, how would you characterize the location with respect to accessibility from main transportation arteries?
☐ a) close: _____ miles away
☐ b) moderately close: _____ miles away
☐ c) off the beaten path: _____ miles away
62. Please rate the quality of golf course maintenance. (Physical attractiveness of course through maintenance).
- | | | | | |
|------|---|------|---|-----------|
| 1 | 2 | 3 | 4 | 5 |
| poor | | fair | | excellent |
63. Please evaluate the appearance (neatness, variety of items, organization, etc.) of the pro shop.
- | | | | | |
|------|---|------|---|-----------|
| 1 | 2 | 3 | 4 | 5 |
| poor | | fair | | excellent |
64. Does the interviewee appear to be interested in study and cooperative in interview?
- | | | | | |
|----------------|---|-------------|---|--------------|
| 1 | 2 | 3 | 4 | 5 |
| unenthusiastic | | indifferent | | enthusiastic |

INVENTORY POSTCARD

COOPERATIVE EXTENSION WORK IN AGRICULTURE AND HOME ECONOMICS

U S DEPARTMENT OF AGRICULTURE AND MICHIGAN STATE UNIVERSITY COOPERATING

Name of Facility	Street or P.O. Box	Telephone
------------------	--------------------	-----------

City	County	Zip Code
------	--------	----------

1. Please check your appropriate role in the enterprise.
☐ owner; ☐ manager; ☐ owner and manager
2. Please select the response that best describes the ownership characteristic of your golfing enterprise:
☐ owned by a single individual; ☐ owned by partnership or group;
☐ profit-oriented corporation; ☐ non-profit corporation;
☐ owned and operated by city or county
3. What type of clientele is your facility open to:
☐ general public; ☐ private membership; ☐ other: _____
4. Which of the following categories best describes your golfing business.
☐ 9-Holes; ☐ 18-Holes; ☐ 27-36 Holes; ☐ Par 3 Golf Course
5. Please indicate the length of time your enterprise is open during the year:

From _____ to _____
 Month Month

6. At what approximate date did your enterprise go into active operation?

Month _____ Year _____



NAME: (please print) _____

Thank You for your cooperation.

COOPERATIVE EXTENSION SERVICE

MICHIGAN STATE UNIVERSITY • EAST LANSING • MICHIGAN 48823

AND U.S. DEPARTMENT OF AGRICULTURE COOPERATING

Department of
Park and Recreation Resources
Natural Resources Building

Dear Sir:

The Michigan State University Department of Park and Recreation Resources is undertaking a research project in cooperation with private recreational enterprises in the state. Campgrounds and commercial horse enterprises were completed in 1972.

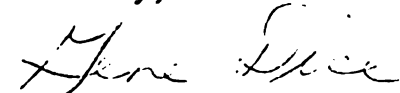
We are not initiating an intensive study of Michigan GOLF enterprises in order to assess their micro-economics and determine the relative economic contribution of golfing to the various counties and regions.

Our research group is attempting to first complete a thorough inventory of various types of golf enterprises, both public and private. Such a directory will be the first of its kind and could be a great aid to you as a golf enterprise operator. In order that we may compile as thorough an inventory as possible, we are asking you to fill out the enclosed post card at your earliest possible convenience and drop it in the mail. The card does not require a postage stamp.

We hope to use this inventory information to develop better research information on the business aspects of golf enterprises. We will be happy to send you a copy of this inventory when completed.

Thank you for your help.

Sincerely,



Eugene F. Dice
Extension Specialist
Recreation Resource Development

/vs
Enclosure



Typed and Printed in the U.S.A.
Professional Thesis Preparation
Cliff and Paula Haughey
144 Maplewood Drive
East Lansing, Michigan 48823
Telephone (517) 337-1527

MICHIGAN STATE UNIV. LIBRARIES



31293103756692