

## *The Golf Membership Cap - What Is Right?*

Normally there will be a cap established for the number of full golf memberships that are allowed at a club. This cap is usually based on what was determined in the past as the amount of members that would be comfortably accommodated by the golf course. Caps vary substantially from club to club and based on the region of the country. Obviously, those clubs in the north with restricted playing seasons may have caps that are less in number than a club in a climate that allows for year round play.

A cap may have been established many years ago by the bylaws of the club. It may be the result of a developer making a determination prior to a membership takeover. In the south for example, the number 450 is used with regularity as the number of family memberships that an 18 hole course can reasonably accommodate.

Unfortunately, blanket approaches such as this may be causing harm to many private clubs. We suggest that the cap may be better served if it has the flexibility to move with the changing habits of your membership. DD suggests that clubs should base their golf membership caps on compaction of the course. Let's look at the following example.

Assume that a club was playing 34,000 rounds of golf five years ago. Today with the same membership levels there are 26,000 being played on the same course. The reduction may be due to the changing habits of the existing members or the change in the type of member that the club has taken in the last five years. It also may be due to the economic factors that require members to spend more time tending to business and less on the course.

If the club was comfortable with the higher levels of play, then it would appear that there is space available for more rounds of golf and therefore, more members. A higher level of members will strengthen the dues base and offset rising the rising cost of operations. DD suggests that a club may be better served by managing the membership levels based on facility usage and not some arbitrary historical number. This concept should be used for all types of membership.

### **About the Author**

Jerry N. McCoy, MCM, is the President of Clubwise, LLC, a consulting firm specializing in strategic planning, master planning, operational audits and governance issues. He is the author of The Director's Guide for Understanding Club Governance, The Governance Checklist and The Board Resource Manual all of which are publications of CMAA's Premier Club Services®, the new Strategic Management Handbook for private clubs and is an extensive contributor to the new CMAA Facilities and Amenities Texts Volume I & II which are available through Bookmart. He can be reached at [www.clubwiseconsulting.com](http://www.clubwiseconsulting.com) or [CMAAMCM@msn.com](mailto:CMAAMCM@msn.com)