

Board governance in Danish golf club

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Since 2009, the Sport Management Department at University College of Northern Denmark has delivered a diploma program at the Bachelor's level in Club Management for the Danish golf sector. Denmark has 186 Golf Clubs, and 157.496 registered members. Approximately 100 are membership owned. The remaining 86 are a mix of privately owned golf courses renting their facilities out to membership based clubs, and entirely commercially based golf facilities. The Danish golf sector is, like the rest of Europe, experiencing an increased competition for members and greenfee guests. This represents a significant change for a sector that has been used to rising membership numbers for a long period of time. The whole sector is changing from an "inside out" country club business model, where members are willing to pay substantial fees just to join the clubs, to an open "outside in" service economy, where the clubs are competing for members in a more open market by offering flexible memberships, low prices and special package deals. To be successful in the golf sector of today a golf club needs to be competitive when it comes to cost efficiency, service, quality, marketing and sponsorship.

The current presentation focuses on effective board governance within Danish Golf Clubs. However, the issues concerning effective board governance in professional Sport Clubs transcends to almost all areas of professional and semi-professional sport in Denmark. Football clubs, handball clubs and sport venues are just some areas in Denmark, where voluntary boards are usually politically elected to be in charge of organisations that oftentimes have a substantial turnover and high number of employees. This means that many of the factors presented within this presentation would be equally relevant to other areas of the sports sector. Considering the major impact boards have on the success and failures of sport clubs, it is significant that there has been very little research within sports governance in Denmark. This presentation is, therefore, primarily based on theory and research conducted internationally, supplemented with qualitative and quantitative data generated from the Danish

golf Clubs. The presentation can, therefore, also be seen as an invitation to focus on board governance as relevant areas of research in Denmark.

The profiles of Club Managers are changing rapidly, with increased focus on the need for business skills and competencies rather than practical experience from the game of golf itself. As the nature of the golf business, and the profiles and competencies of club managers are changing so are the importance of boards that are able to act efficiently and professional, establish a strong relation with the Club Manager, and contribute to the overall formulation of strategy and business development.

However, there are many factors that point to potential disfunction within the board structure, specifically as it relates to the recruitment of individual board members, decision-making processes, ensuring that individual team members understand their role within the board, and the establishment of a professional relationship between the club manager and the board.

In general terms it may be stated, that while the golf clubs have experienced a big change in business conditions, and many clubs are in the process of changing the way they do business. One of the areas where change is coming very slowly is when it comes to the board itself. In this respect, the golf sector seems to be very similar to the rest of the sport sector.

Therefore, the purpose of this presentation is to demonstrate a coherent model for effective board governance within a golf club.

Aim of abstract/paper

To explain the strategic and organizational problems regarding democratically elected, voluntary boards in charge of running golf clubs in an ever increasingly competitive golf business, and to present a model for efficient board governance in golf clubs.

Practice description

A slide presentation

Context description, actors involved

Slide show presented by Klaus Frejo

Implications and learning

It is a strong belief that the implementation of such a model will improve the individual board members performance and satisfaction, strengthen the relationship with the club manager, improve the boards' ability to make good decisions and, thus, improve the boards' overall performance for the benefit of the club.