

Restaurants remain an integral component of big and small country clubs despite their often-negative affect on bottom lines. Unfortunately, it's very difficult to run anything by committee and a country club restaurant is no exception.

The following is how some country club managers have managed to get from in the red, to in the black. We hope you can use the information at your own club. Let Douglas USA ([Feedback@DouglasUSA.com](mailto:Feedback@DouglasUSA.com)) know what you think, and especially how it works for you.

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### **The Time Proven Plan**

Arguably, the most annoying problem of golf clubs has been the operation of the club restaurant. However, there is hope. While most clubs expect a financial deficit in the restaurant, there are a handful of club managers who regularly show a profit.

More the 50 years ago, the Club Managers Association suggested that the financial status of the club restaurant is largely dependent upon *how* Club Committees manage. It was argued that too much management adversely affects the profitability of club restaurants. These claims of potential profitability we're backed up with *real* examples of *in-the-black* club restaurant operations, along with how they did it.

Quite simply, the profitable club restaurants were the result of executive power given to the club managers. Club officers still govern policy, but the club manager was given executive authority to make timely decisions.

Douglas USA's Country Club Research findings point to a similar strategy of less management by some in authority, and more attention to detail by others.

### **Club restaurant operations are adversely affected by:**

- Difficulty in attracting suitable personnel to the cooking and kitchen vocations. This also results in increased wages to keep existing employees employed by the club.
- The demand for top quality foods at low menu prices.
- The practice of giving away food (at club parties and events) at cost and making it up on the bar. Most of these functions fail to pay for restaurant labor, fuel, laundry, and so on.
- Bad weather conditions when restaurant crews must be scheduled and ready to start when the weather improves.

If you are to make a small restaurant profit, it cannot be emphasized too strongly how much depends upon the *light-handed* policies of the club's House Committee and Directors. Club managers must have a *free hand* in executing plausible plans.

## The Road to Profitability

To improve restaurant operations, a restaurant must have an evenly distributed business volume. This, along with the necessary controls over quantities of supplies purchased makes it possible to break even or better.

Arguably, the largest problem a country club manager has to face is the waste and spoilage of food. In trying to estimate the number of meals to be served, there is no set pattern. The weather predominates in upsetting plans unless you have a good plan.

1. Establish a storeroom operations control for merchandise.

Under the storeroom operations, all food purchased is charged to the storeroom man, who is credited with the cost of items issued. At the end of the day he prepares a report of the items he received and those he issued, which, when considered with the difference in inventories, gives the necessary information for preparation of a daily food cost. The report on the last day of the month shows the inventory in the storeroom. This amount, when compared with the value determined by a physical count, shows whether there is a shortage or overage in the storeroom.

2. Establish a food preparation control on the kitchen.

Control of the kitchen operations is accomplished by having the chef determine the number of portions to be prepared for each item appearing on the daily menu. Requisitions are then prepared and issued from the storeroom. The amount prepared is then compared with the amount sold, as per record of unit sales (registered by the food checker). This record consists of the checker marking the units sold on the menu of the day.

3. Establish a control (food checker/checkout) on the sales of food.

The food checker registers the price of each item or meal served, and the total sales as per register readings are compared in the accounting department with the total as per the checks turned in.

## The Labor Variable

Labor, of course, is a mandatory expense. At all times, clubs must be prepared to serve at least one-third of the membership. Regrettably, on some days you will have more help than diners, but this can't be avoided. But, put them to work. There's always a need for cleaning which members will see and appreciate.

The best way to plan for the unexpected shower or cold spell is to serve all meals a la carte. Have the best foods on Thursdays, Saturdays and Sundays only. On those days clubs are generally busy and there is less gamble on food preparation. Additionally, no member is allowed to ask for personal favors that are not available to the entire membership.

## **It's a Delicate Balance**

It is very difficult for private membership clubs to make restaurant operations consistently profitable. It is our experience that only one-third of a club's membership is at any time *active*, and the balance is *sporadic*. It's also important to note that private club managers are confined to doing business with 300 or 400 members (cannot advertise or solicit additional business), and their guests.

To achieve a small restaurant profit, there must be a careful balance between outside and inside business, with more focus on inside service levels. If managers are allowed to book "sponsored" luncheons and dinners they are able to level out dining room service resulting in a reasonably even volume of business during the week. Without these "sponsored" parties it will be *nearly impossible* to reach a break-even point or profitability. However, be careful. The club that accepts too much outside party business, may find this "open" practice *resented* by the members. It is also possible that the restaurant personnel will be over-worked and a labor turnover will result. The profit that these types of operations produce *will not* be worth the effort.

Run your restaurant like a business paying careful attention to food costs and profit margin and you will find a great improvement in restaurant revenues.

## **About Douglas USA**

Douglas USA understands that private golf clubs are *businesses* that can always use publicity. The trick is to communicate club value and experiences in a way that will attract *new* members, homeowners, and private business events.

Douglas USA provides specialized marketing and publicity to some of the most exclusive private golf clubs. Douglas USA's innovative business development services and tactics include direct mail copy, club membership and member letters, real estate advertising copy, event management and themes, biographies, membership campaigns, grill and restaurant publicity, news releases, video scripts, and editing.

Douglas USA ([www.DouglasUSA.com](http://www.DouglasUSA.com)) is an award-winning strategic advertising, marketing, and public relations organization that specializes in business development that uses powerful community- and lifestyle-optimized communications and promotions. Call Douglas USA to get noticed, remain competitive, and target new markets. No contract, rock-solid reputation, and maximum results turn a necessary expense into a revenue-generating tactic.

Douglas USA is comprised of industry analysts, editors, graphic designers, published authors, news and sports reporters, and Webmasters. For more information contact Douglas USA at telephone: 770-972-4117, email: [info@DouglasUSA.com](mailto:info@DouglasUSA.com), or visit its Web site at [www.DouglasUSA.com](http://www.DouglasUSA.com).