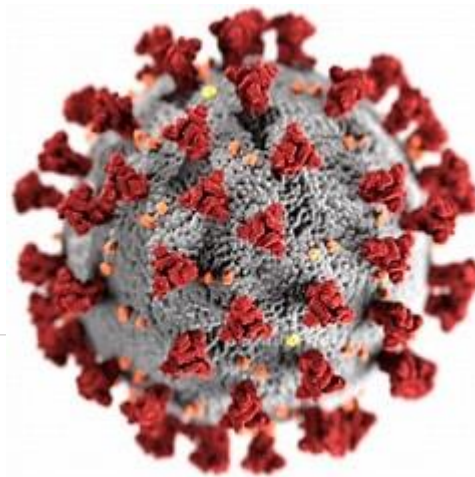


# LOCKDOWN Online Interactive Clinics

## Clinic four: Financial Leadership How to embrace the changing times





# Today's Topics

Our landscape

Commercial Imperatives

The 10 strategies for success

Smart budgeting



# Our Landscape

1. Lock down 2.0- Multi levels throughout the country
2. More people working from home
3. No international travel
4. Inflation in the rise
5. Interest rates lowest for some time but likely to rise
6. Economic forecasting unknown



# The Latest Economic News

Reserve Banks  
delays interest  
rate hikes

New Zealand Q2 GDP shrinks the  
most on record, 12.4 percent  
year-on-year

It was the second successive contraction and the  
steepest on record, as the COVID-19 outbreak hit the  
economy.

Unemployment  
up to 4.3%

Inflation, supply constraints could be worse post-lockdown

(GDP) rose 2.8  
per cent in the  
June 2021  
quarter.

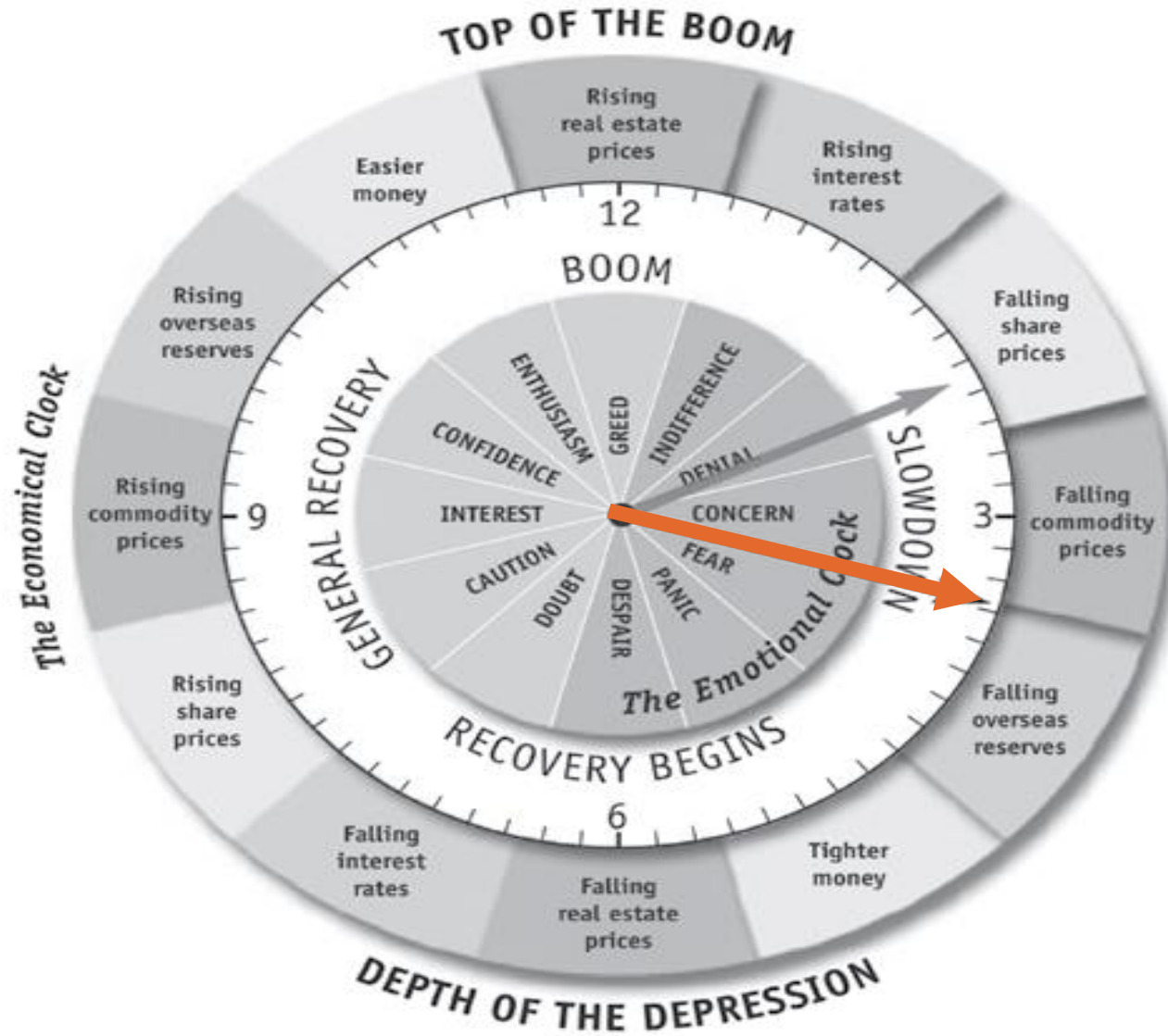
Economy rebounds strongly in Q1 amid booming housing market and low  
interest rates

New Zealand Enters Recession





# SOME CONTEXT – WHERE ARE WE IN THE ECONOMIC CYCLE?



## Membership Report – End of August 2021

Month End	Total	Men	Women	Boys	Girls	On Previous Month	On Same Month Last Year
Jan-20	106,483	77,841	22,490	4,903	1,249	0.48%	3.03%
Feb-20	106,199	77,577	22,367	5,010	1,245	-0.27%	2.74%
Mar-20	105,259	76,944	22,122	4,962	1,231	-0.89%	3.51%
Apr-20	104,552	76,331	22,099	4,905	1,217	-0.67%	3.10%
May-20	105,192	76,989	22,055	4,950	1,198	0.61%	3.65%
Jun-20	105,779	77,474	22,085	5,033	1,187	0.56%	4.10%
Jul-20	106,456	78,029	22,142	5,090	1,195	0.64%	4.86%
Aug-20	107,427	78,855	22,254	5,124	1,194	0.91%	5.56%
Sep-20	109,432	80,393	22,494	5,323	1,222	1.87%	6.44%
Oct-20	111,663	82,061	22,792	5,555	1,255	2.04%	8.12%
Nov-20	113,040	83,083	22,950	5,709	1,298	1.23%	8.14%
Dec-20	114,574	84,296	23,049	5,907	1,322	1.36%	8.11%
Jan-21	116,564	85,739	23,272	6,201	1,352	1.74%	9.47%
Feb-21	117,253	86,272	23,333	6,291	1,357	0.59%	10.41%
Mar-21	117,571	86,459	23,369	6,374	1,369	0.27%	11.70%
Apr-21	118,062	86,827	23,415	6,448	1,372	0.42%	12.92%
May-21	118,507	87,136	23,529	6,471	1,371	0.38%	12.66%
Jun-21	118,061	86,829	23,399	6,467	1,366	-0.38%	11.61%
Jul-21	118,617	87,290	23,476	6,483	1,368	0.47%	11.42%
Aug-21	118,905	87,639	23,415	6,486	1,365	0.24%	10.68%

12% 74% 20% 5% 1%



## Rounds Played Increases – July 2021.

Rounds Played Increase	%
July 2020 vs July 2019	29.4
August 2020 vs August 2019	24.8
Sep 2020 vs Sept 2019	38.9
Oct 2020 vs Oct 2019	35.7
Nov 2020 vs Nov 2019	8.6
Dec 2020 vs Dec 2019	20.6
Jan 2021 vs Jan 2020	15.7
Feb 2021 vs Feb 2020	8.6
March 2021 vs March 2020	38.7
April 2021 vs April 2019	24.0
May 2021 vs May 2019	26.6
June 2021 vs June 2020	-0.5
June 2021 vs June 2019	11%
July 2021 vs July 2020	5.2%

35%

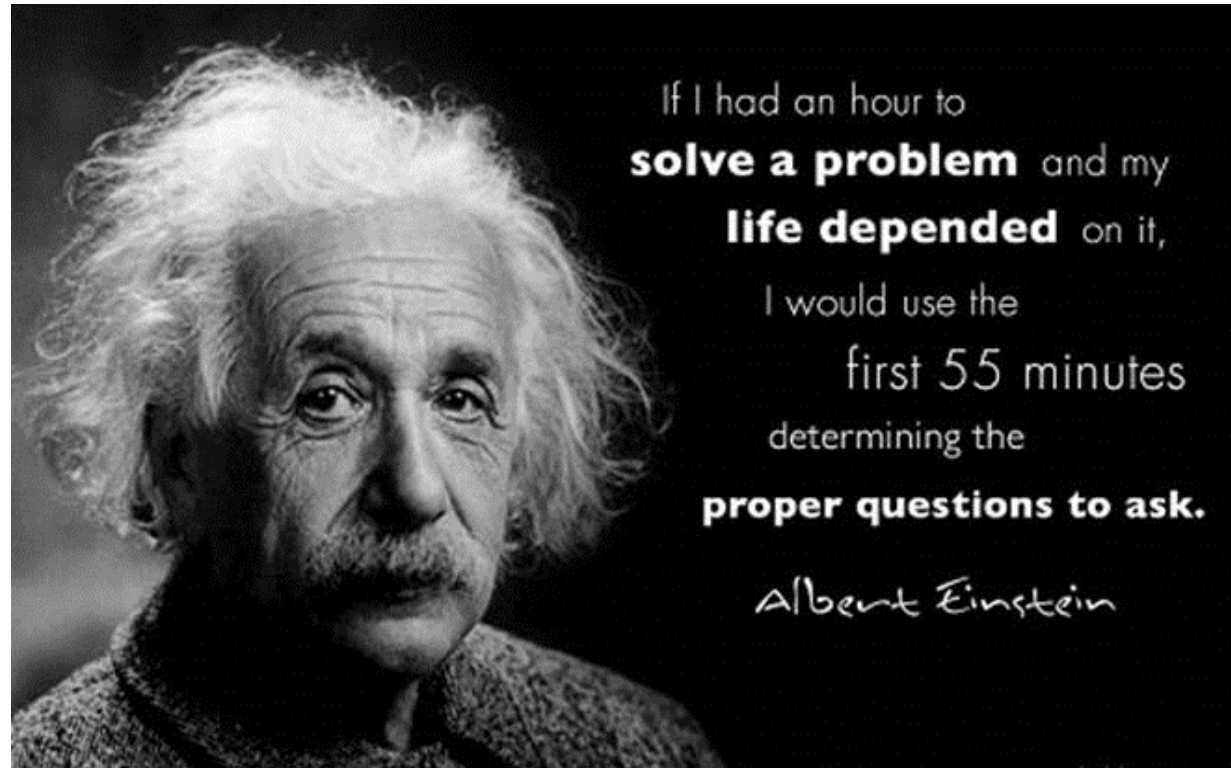
# Our Changing Landscape- Impacts on Fiscal Decision Making

1. More members
2. More green fee players
3. More rounds
4. More cash flow
5. Bigger reserves
6. Value add verse discounting
7. Possible recession





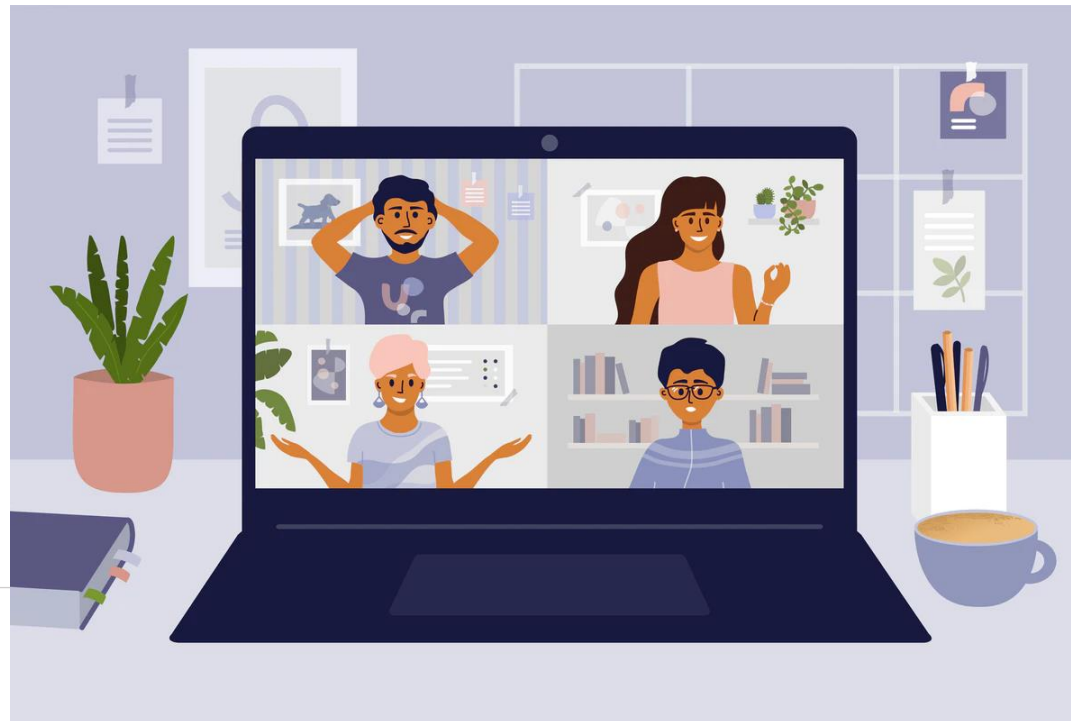
# Explaining the Business



What are the Key Questions?

# What is changing your golf club?

Break out groups



# Key Business Imperatives for your Commercial Advantage

1. Know who you are
2. Know where you are going
3. Know who your customers are
4. Know what your customers want
5. Deliver on customer needs
6. Communicate
7. Take the right actions



# Leading Through Changing Times: Ten Strategies for Generating Success

## 1. Align Costs to Support Revenue Growth

Where are the investment opportunities for growth?

What can we save now that won't have any impact on future revenue generation?

## 2. Be Proactive—Not Just Defensive

What are the next steps in your plan to take advantage of increased revenues?

What new thing are we going to do/provide now that we have some cash??

## 3. Be clear on your Value Proposition

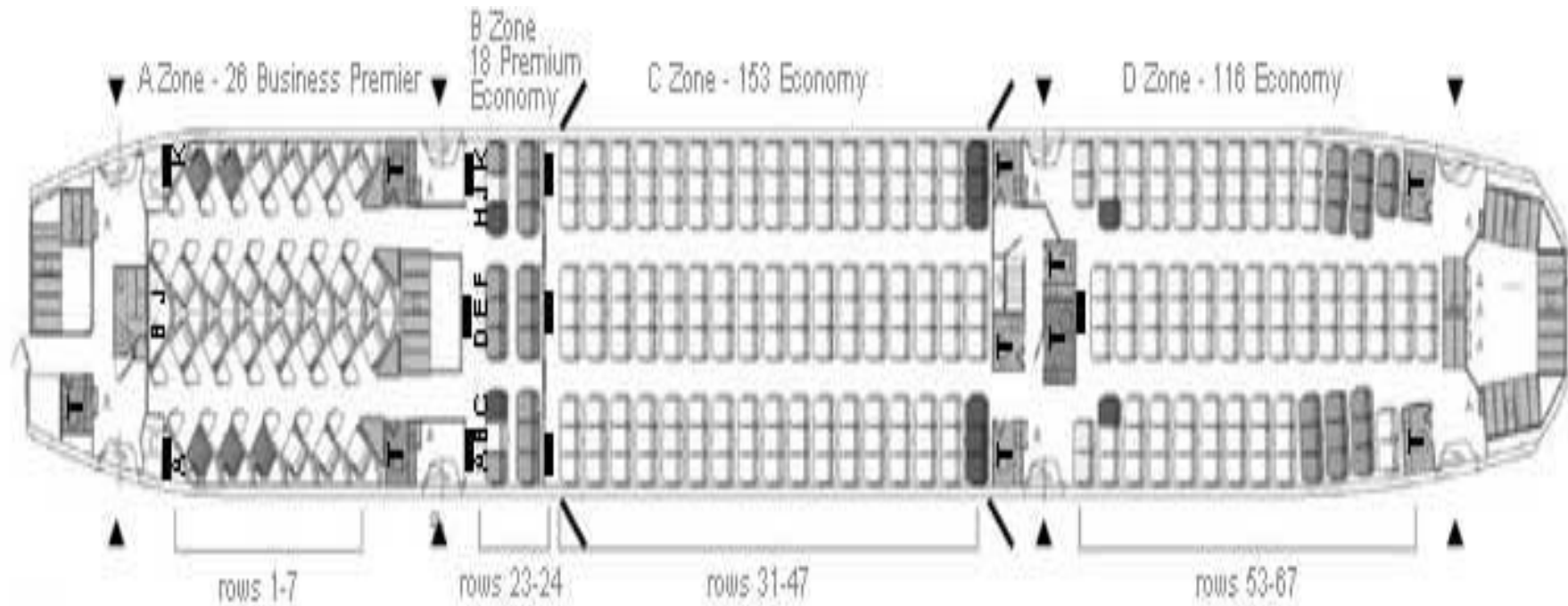
What can we do to improve value to those using our facilities?

What can we do better than we have before?





# Pricing Models - Be Clear What Value are You Selling and Pricing?



# Leading Through Changing Times: Ten Strategies for Generating Success

## 4. Stay Close to Your Customers/Members

What are you doing to actively stay **close** to your customers/members?  
So many options today- don't give people the reason to go elsewhere

## 5. Focus on Your People

What are you doing to really support your people?  
Motivated staff means better customer experiences

## 6. Grow or Die!

How can you ensure that your new revenue will lead to sustained grow?  
What opportunities are there for you to develop/enhance revenue streams?



# Leading Through Changing Times: Ten Strategies for Generating Success

- So far, these are all strategies about the business of the organisation.
- Less attention is typically devoted to the next group of strategies, because they require governance and management to take a look in the mirror at themselves.
- There's normally plenty of room to improve the governance and management dimensions, and when you do this, you will create the momentum that can make your club move forward and keep it there



# Leading Through Changing Times: Ten Strategies for Generating Success

## 7. Improve Management Systems and Embrace Technology

What have you done to improve your management systems in the last 12 months?

How are you embracing technology to improve your organisation?

## 8. It's Not Just About Doing!

Are your team feeling happy and successful? - how do you know?

Attitude and mindset are critical

## 9. Get into the Right Mind-set

Does your club have a clear vision and strategy?

Has it been reviewed to make relevant to the current environment?

## 10. Get Some Attitude!!

Do you and your club have a positive attitude to how you operate and communicate?

This passion needs to be modelled by leaders – Board and Management.





## So what does all this Mean for Financial Planning

- Your existing budgeting processes may not serve you well as often they are too rigid and backward looking
- Using historic data may no longer be that useful
- Linking financial strategy & planning to overall strategic planning has never been more important
- For the first time in a long-time we can be future focused

"Far better an approximate answer to the right question, than the exact answer to the wrong question" – John Tukey

# Key Factors to Consider When Developing Budgets and Forecasts

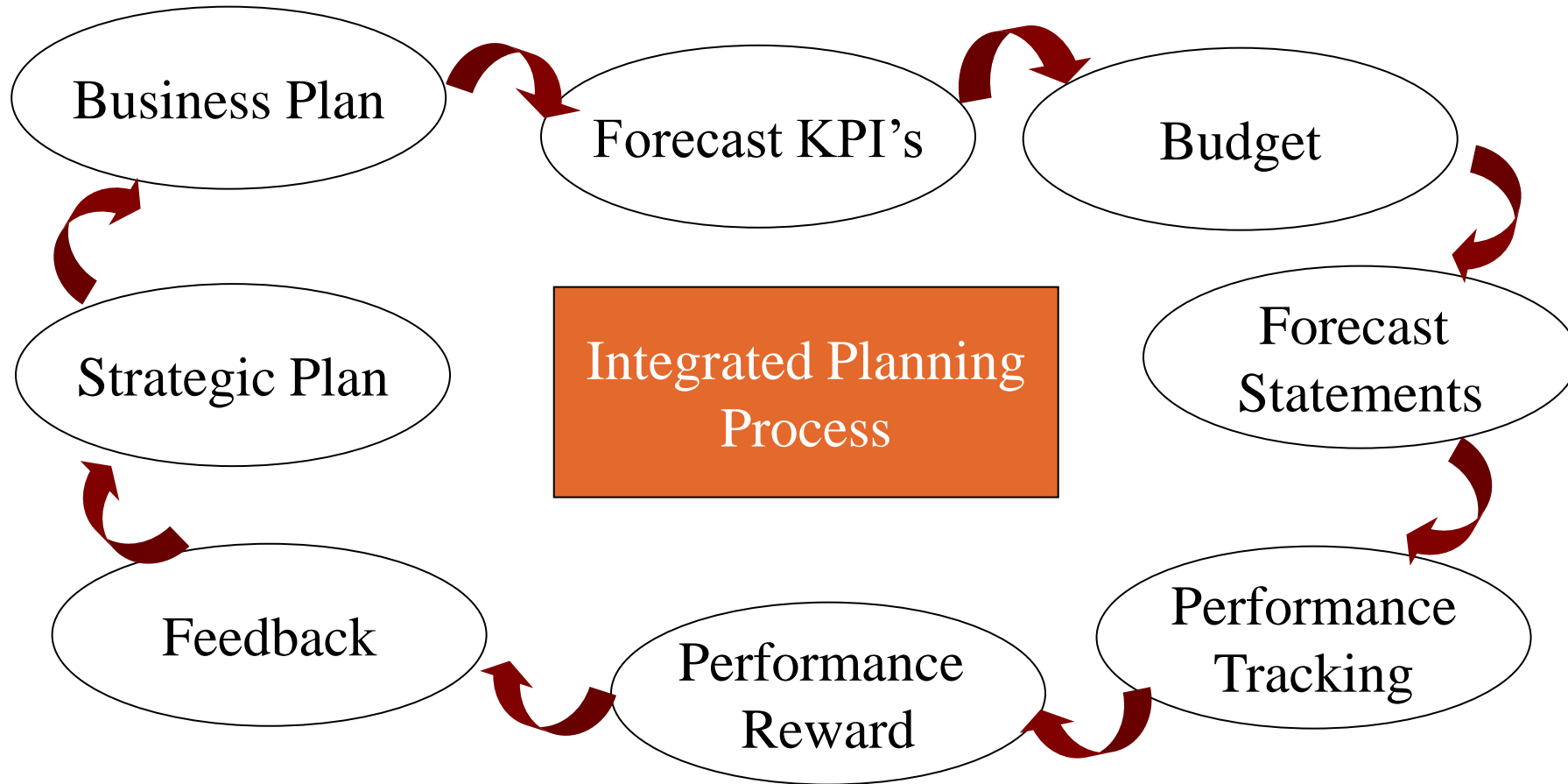
- Budgeting and planning are not one-off events
- Review all external and internal factors
- Involve everyone (where appropriate)
- Be realistic and look ahead as much as back
- Allow Flexibility
- Re-Forecast at least quarterly to reflect changing events
- Integrated systems may be required

*Perfect can be the enemy of the good!*



GOLF NZ  
T KOROWHĀ AOTEAROA

# Reminder - Budgeting is an Integrated Process





## Some Overall Key Takeaways.....

- **Make sure your strategy is up to date** – have a clear vision and future focus
- **Make technology a strategic asset and competitive differentiator** by increasing your investment in technology infrastructure and applications.
- **Leverage innovation and technology to deal with challenging issues**, especially around hot-button issues such as sustainability and environmental change.
- **Invest in your people**, make sure you have effective performance management and development tools in place
- **Sustain cost-efficiency measures** don't let the current positive revenue cycle allow inefficient spend to come in to your organisation
- **Ensure your Budgeting & Forecasting is robust**, in changing times your old systems won't cut the mustard!

