

MCMAHON GROUP / CLUB & RESORT BUSINESS
**2009 Excellence in Club
 Management Award Winner**



Military Precision

By Joe Barks, Editor

It's hard to ignore the influence of his service in the U.S. Marine Corps on John Schultz's club management career—especially when staring at the gleaming, framed sabre that hangs behind his desk at Carmel CC in Charlotte, N.C.

Schultz does credit his four years of active service as a USMC Sergeant at Guantanamo Bay, followed by five years as a Reserve Staff Sergeant while in college, with helping him learn to shape the “tactical” approaches and “command and control” operational style that have served him well in management roles at four clubs during his career (including The Landings on Skidaway Island in Georgia, Chattahoochee CC in Gainesville, Ga., and The Country Club of Little Rock [Ark.], before becoming Carmel's General Manager in 2003).

But he also makes it clear he doesn't attribute his achieve-



John Schultz, CCM, keeps a menacing sabre within arm's reach of his desk—but has directed impressive change and growth as GM of Carmel CC without ever needing to break the glass to get or use it.

Achievements

AT CARMEL CC UNDER JOHN SCHULTZ'S LEADERSHIP

- Eliminated \$7 million in debt in three years while increasing retained earnings by \$12 million.
- Net gain of 125 members in five years.
- Completion of \$5 million pool complex (Spring 2008) and start of \$10 million redesign by Rees Jones of South Course, as first two phases of 10-year strategic plan.
- \$1 million increase in banquet sales and \$700,000 increase in casual dining sales over five-year period.



Carmel's new “resort pool” complex has brought a new spirit—and many new people (including 50,000 annual in-season guests)—to the property on a round-the-clock basis.

Carmel CC, founded in 1947, is one of the largest family clubs in the Carolinas, with over 1,400 members. Amenities that include a 68,000-sq. ft. clubhouse (right) and 36 holes of golf (50,000 annual rounds) yield over \$18 million in annual revenues, including \$4.5 million in F&B.



ments in the profession—which now include recognition from his peers as the 2009 recipient, in the 600 or More Full-Privileged Members category, of the Excellence in Club Management Award co-sponsored by the McMahon Group and *Club & Resort Business*—to running clubs like they were boot camps. In fact, Schultz feels that a major driving force behind what's been accomplished at Carmel—which has not only shown membership and revenue growth during the economic storms of the past decade, but moved forward with major capital improvements—has been how he's found and encouraged other qualified specialists to step into leadership roles.

"Probably the single best hiring decision I've made was to create the position of Human Resources Director, and bring in certified professionals with experience from places like Disney and Nordstrom's to fill that role," Schultz says. "And this wasn't done just to keep up with documentation or compliance issues. Hiring and training for organizations built around service and creating memorable experiences are just too important to be left as add-on duties for your existing department heads.

Ideas IMPLEMENTED SUCCESSFULLY AT CARMEL CC

- Debt retired by directing 50% of new initiation fees towards that purpose, with remainder set aside for capital projects.
- As banking crisis hit Charlotte to exacerbate an already tough year for the club industry, staff ideas for bottom-line savings were solicited—400 ideas for new efficiencies were received that yielded \$300,000 in net income for one year.
- Traditional holiday events recast with family focus. Over 2,000 members and guests now attend 4th of July Extravaganza (pictured).



"Before we created the position, our annual turnover [among 250 employees] was 60%; now we're under 30%," Schultz adds. "I don't think that's coincidental. You can't function as a true organization, especially one this large, without recognizing that personnel issues require full-time attention from a department-level professional. I wish I'd learned this two clubs ago."

Similarly, Schultz has elevated the equally critical areas of membership development and family-oriented programming, by creating new positions such as Membership Director, Club Events Coordinator, and Youth Director. He's also encouraged existing department managers, such as Carmel's popular Executive Chef, Michael Vergilli, to lead the charge into promising new areas, such as chef's table dinners.

Even without special space created for them (tables are wedged into the kitchen between a prep line and bank of coolers), the concept has taken off at Carmel, with more than two chef's tables a week now being held—at over \$115/person. "We'll hold them anytime from Tuesday through Saturday, unless we have to black out a date for a banquet," says Vergilli. "We've had over 100 of them, and there hasn't been the same menu for one yet. We simply ask members what they like and don't like, or if they want a theme like 'old-school Italian,' and go from there. It's become an awesome creative outlet for our chefs—and we find it's also a good way to get members to go beyond the culinary risks they don't normally want to take."

That same go-for-it spirit now pervades many activities at Carmel CC—from the complete transformation, as a result of a new Rees Jones design, of its South Course (the monstrous pile of dirt created by the project was dubbed "Mt. Schultz"), to how traditional holiday celebrations have been transformed into "New Year's Rockin' Eve" parties for 800 and 4th of July Extravaganzas, complete with Ferris wheel (see photo at left), that draw over 2,000 members and guests to the property.

The liveliest example of this new spirit is the "resort pool" complex (see photo, pg. 49) that opened two springs ago and now teems (in-season) with round-the-clock activity (the Tiki Bar that stays open well into the night is perhaps the most popular feature). "It really started as just an expansion of our existing pool," Schultz says. "But as we got into the planning, we saw a gap between how clubs traditionally offer pool amenities, and what's needed for a true family concept. I kept going back to the feeling I got at Lake Lanier in Georgia—not 'waterparkish,' but that 'resort feeling' where your shoulders dip and you relax as soon as you get through the gates."

Under Sgt. Schultz's leadership, Carmel CC has found many ways to truly put everyone At Ease.

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