



**RENARD INTERNATIONAL
HOSPITALITY SEARCH
CONSULTANTS**

2018 Members Clubs Compensation Study



Prepared September 2018



Table of Contents

1. Introduction of Renard International
2. Our People / Code of Ethics
3. Methodology of our Surveys
4. Definitions of Club Types
5. Compensation, Benefits & Bonuses
6. Surveys
7. Executive Summary / Comments
8. Conclusions / Notes
9. Disclaimer & Contact



Stephen Renard
steve@renardinternational.com



Introduction of Renard International

Renard International is the leading executive recruitment firm serving the hospitality industry globally. This year we celebrate our “48th Anniversary”. We are the longest operating hospitality recruitment company and have successfully completed searches in 55 countries.

We are proud of our company’s success over these past five decades. Having received the highest ratings from international and independent hotel companies, restaurants, casinos and food service organizations, we have become one of the most respected hospitality search companies in the world.

Renard International has been deemed the “benchmark” of recruitment companies. We are pleased and honored by this recognition.

OUR CORE STRENGTHS - CONFIDENCE, CONFIDENTIALITY & EXPERTISE

Confidentiality remains fundamental and we have a proven ability to protect both clients and applicants alike. This security is necessary for applicants during the sensitive transition period, when unwanted exposure may endanger their current position. No fee is required from applicants, a factor which attracts outstanding individuals from around the world.

By utilizing our resources and expertise, clients save significant time and money throughout the sourcing and selection process.



Our People / Code of Ethics

**** Specialists who know your industry.****

Our employees have fueled our achievements, with their dedication and commitment to both our clients and our applicants. These employees constantly strive to refine and improve the services we provide.

Renard International is comprised of talented hospitality professionals who make it their business to stay well-informed of current trends and practices. We invest considerable time and resources into visiting client properties and applicant workplaces.

The robustness and accuracy of our sourcing and selection process are backed up by our strong success rate. Almost all of our successful placements have remained throughout their contract period, many of them advancing to the upper echelons of renowned corporations in the industry.

We thank you for your continued loyalty and confidence in us as your partner in talent recruitment and we assure you of our team's commitment to delivering service excellence to your business.





Methodology of our Surveys

“2018 Members Club Compensation Study” was prepared in August 2018. The report outlines the outcomes from a comprehensive information analysis extracted from Renard International’s own database of 68,000 candidates and supplemental 20,000 contacts as well as written answers to our global survey sent to Executives across more than 15 countries in January/February 2018. The data was also taken from thousands of resumes received monthly by Renard offices and Consultants worldwide, which confirm in writing individuals’ current remuneration, benefits, bonuses, etc. They also signpost desired salary, benefits, preferred location and ideal role.

Some of the salary ranges in this guide are based on actual transactions between employers and employees of Renard International and represent a true reflection of the job marketplace.

In 2017 alone, Renard Consultants successfully completed assignments in over 40 countries from Culinary to the CEO of a major Club/Hotel/Casino Group. We have now assisted clients in nations that were non-existent when we first commenced business 48 years ago.

Our Remuneration Reviews are produced using an **average format** in which the information is totaled and divided by the number of replies, or, in a **median format**, which is calculated using data mid-range to extremes. We hope this guide will serve as a useful tool for your talent compensation planning.



Definitions of Club Types

Public or Semi-Private Clubs

Public or Semi-Private Clubs (all types) offer paid entrants most or all of these facilities: recreation – golf, tennis, pool. Many seasonal clubs also have restaurants plus banquet and meeting spaces open to public.

Some Public Golf or Yacht Clubs and Marinas are community-owned and operate solely in high season – many are closed in off peak months (winter).

Private Golf Clubs

Private Golf Clubs are similar to Public or Semi-Private Golf Clubs except entry and use of facilities is reserved solely to those whom are paid members of the club.

Private Clubs offer paid members all of these facilities: recreation (i.e. golf, tennis, pool), restaurants plus banquet and meeting spaces reserved for all members and their guests only.

Private Executive Clubs

First class Private Executive Clubs routinely operate: 2 restaurants (one all-day, the other a signature restaurant opened evenings) plus gym, banquets/meetings. They are open year round.

GMs of Private Executive Clubs must be market driven in order to entice members to use the club. They create and promote functions from speed dating to inviting guest speakers and themed party evenings etc.

These clubs offer meeting spaces open only to members and their guests. Many offer some overnight accommodation.



Definitions of Club Types

Yacht Clubs

Yacht Clubs offer some or all of these amenities: a marina, docking facilities for public and private boats & yachts, boat rental and/or sale as well as fuel stations.

For all-day boaters and their night-time guests, they customarily operate a casual and a themed restaurant. Some offer banquet facilities, gym, tennis, and other recreation facilities. A managed retail shop offering food, clothes and other items for boaters is normally available.

Executive Clubs – Sports & Fitness

In sports & fitness clubs, the only full-time employees are the general manager, maintenance, squash and maybe tennis pros – all other staff are hourly and increase income through gratuities or lessons to members. The general manager's main responsibilities are sales to attract new members and housekeeping of the club.



Compensation, Benefits & Bonuses

Our survey focused on cash compensation, which we describe as the total of salary and guaranteed bonus. Other benefits are not included in the total compensation because it is difficult to measure and dependent on performance of individual and club. Please note in Section 6 a list of all possible benefits offered. We also differentiate between personal benefits (i.e. medical insurance) and professional benefits (i.e. membership fees or support for continuing education) which are non-taxable.

Total cash compensation is dependent on club size in terms of revenue, type, location and number of members. Occasionally, cash compensation may be skewed by one or more reasons. A median statistic, on the other hand, is less influenced by extreme values at the top and bottom ends of the replies we receive. The median is the middle value above and below which lie an equal number of values so to provide additional insight in the survey results – our report includes the median value as well as the lowest and highest responses.

In all clubs, the employee taxation is dependent on country laws; some are fully taxable, others are tax free.



Surveys

Golf Club Superintendent Compensation

The average annual salary for a Golf Superintendent in Canada in 2013 for all types of Golf Clubs was \$77,276 (18-hole clubs) vs \$89,642 in 2018. In the 5 year period between 2013 and 2018, the average annual salary for superintendents globally, based on all the research we have done, has increased by over 14% or an average of about 3% per year.

Club Type	*Average Salary (USD)		
	¹ Canada / USA	¹ Europe	² Asia / Middle East
Private	\$ 100,378	\$ 109,450	\$ 119,183
Public	\$ 69,587	\$ 83,300	\$ 82,725
Resort	\$ 72,081	\$ 81,825	\$ 81,450
Semi-Private	\$ 69,792	\$ 73,950	\$ 74,917

* Benefits are not included

¹ Full taxed – Average 30% No expatriate benefits offered

² Generally Tax Free plus some expatriate benefits

Notes:

- 18-hole or large club: minimum 1000 members
- Canada/USA combined salary for USA/Canada dollar differential at time of survey was 1 CAD = 0.75 USD
- Canada, USA and Europe: compensation is normally fully taxed
- Europe equivalent USA dollars to Pounds or Euros
- Asia & Middle East: many are foreigners and full expat package is offered with tax-free salary

Golf Club General Manager (Sometimes called CEO's) Compensation

Canada	* Salary + Bonus (Total Cash)		
	Average	Median	Range (includes highest reported)
All Clubs	\$ 177,811	\$ 155, 950	\$ 121,000 - \$ 305,000
Top 25% Trophy Clubs	\$ 296,406	\$ 253,720	\$ 185,000 - \$ 575,000
Top 50% Private & Trophy Clubs	\$ 209,512	\$ 226,000	\$ 140,000 - \$ 575,000

* Total compensation including all taxable benefits



Surveys

All Clubs – General Manager Compensation*

Surveys – USA, Asia & Middle East – 2018

Compensation in USA Dollars

Golf & Country Club - Public/Semi-Private ¹			
Under 3000 members including families		Over 3000 members including families	
Lowest Reported ²	Highest Reported ²	Lowest Reported ²	Highest Reported ²
\$ 96,500	\$ 211,000	\$ 131,000	\$ 243,000

Golf & Country Club - Private			
Under 3000 members including families		Over 3000 members including families	
Lowest Reported ²	Highest Reported ²	Lowest Reported ²	Highest Reported ²
\$ 111,000	\$ 249,000	\$ 144,000	\$ 295,000
Trophy Clubs		Trophy Clubs	
Lowest Reported ²	Highest Reported ²	Lowest Reported ²	Highest Reported ²
\$ 129,000	\$ 274,700	\$ 143,000	\$ 365,000

Private Executive Club – City Centre			
Under 3000 members including families		Over 3000 members including families	
Lowest Reported ²	Highest Reported ²	Lowest Reported ²	Highest Reported ²
\$ 125,000	\$ 220,000	\$ 150,000	\$ 239,000
Trophy Clubs		Trophy Clubs	
Lowest Reported ²	Highest Reported ²	Lowest Reported ²	Highest Reported ²
\$ 136,000	\$ 246,000	\$ 155,000	\$ 255,000

* Our data as to the lowest and highest income reported was received from statistics form our poll to major clubs, candidates seeking new assignments or searches Renard International was retained to complete

¹ Sometimes called “pay as you play” daily fees club

² Taxation is dependent on country laws; some are fully taxable, some are tax free.



Surveys

Yacht Club			
Under 3000 members including families		Over 3000 members including families	
Lowest Reported ²	Highest Reported ²	Lowest Reported ²	Highest Reported ²
\$ 100,000	\$ 148,000	\$ 128,000	\$ 198,000
Trophy Clubs		Trophy Clubs	
Lowest Reported ²	Highest Reported ²	Lowest Reported ²	Highest Reported ²
\$ 129,000	\$ 189,000	\$ 134,000	\$ 255,000

Health & Sports Club ³			
Under 2000 transient members incl. families		Over 2000 transient members incl. families	
Lowest Reported ²	Highest Reported ²	Lowest Reported ²	Highest Reported ²
\$ 44,000	\$ 89,000	\$ 72,000	\$ 96,000

² Taxation is dependent on country laws; some are fully taxable, some are tax free.

³ Only gym trainers, squash and maybe tennis pros – normally no F&B facilities. Main responsibilities are sales and housekeeping.

Notes:

We were unable to produce a survey in average or median format as the results would be skewed. The club industry is not like other hospitality businesses as it is totally inconsistent in its remuneration system, they literally pay “what they have to” for general managers while other executives, especially in the golf industry, such as superintendents, do follow an accountable salary pattern. Some clubs offer unusually high packages for GMs, others less than expected. We therefore can only provide a guide based on the lowest and highest compensation packages reports.

These figures are base salaries only, no benefits are included. The following are personal benefits received by general managers of all categories of clubs worldwide – some clubs offer all and some just a few of these benefits:

- Housing or allowance for family
- Car provided or allowance
- Clothing or dry cleaning allowance
- Dining out allowance
- Meals and beverages for self & family
- Use of Club facilities for self & family
- Membership in another Club
- Paid vacation from two to six weeks
- Life/medical/dental/disability insurance
- Pension Plan
- Bonuses
- Profit sharing / shares
- Ownership opportunities
- Free professional advice/income tax
- Other personal benefits
- Schooling for family in the country of employment or an allowance for higher learning in an offshore institution



Executive Summary / Comments

Private Clubs – Europe

European Clubs are very problematic to do a reliable remuneration chart and to categorize. The reason is each country has its own variety of club.

For example, the UK has more private and executive clubs than any other European country. Some UK clubs have casinos attached – these clubs offer table games and electronic slots. Some allow only members, their guests, and foreign passport holders to enter (with an admission fee of course). In Switzerland and Albania, local casino clubs allow the public to enter and offer F&B facilities and electronic slot machines only, no table games.

To confuse the issue even further, “The Soho House” enters the private club environment globally. The Soho House in large offers no facilities other than F&B outlets and in some cases hotel rooms, which muddies the water even more. These clubs are marketed & fashioned for millennials, trendy socialites and stars of the arts.

Size of Facilities (Membership) – Europe

The size of the facilities in terms of memberships was markedly different across the European continent. In France, Spain and Italy, 60% of clubs had a membership of 500 or less whereas in Scandinavia, only 10% had memberships of 500 or less. Europe as a general has 55% of clubs with memberships in excess of 1,000.

Size of Facilities (Staffing) – Europe

50% of the golf facilities (not including staff working in other facilities i.e. F&B Clubhouse or sports) employed 25 full-time staff and 50% of clubs polled employed a minimum of 10 part-time employees.



Executive Summary / Comments

Type of Golfing Facilities in Europe

70% of golfing facilities who reported to this survey in Europe were semi-private or daily “pay & play” facilities. The exceptions were Scandinavia and Germany where 90% of facilities were semi-private and only 10% were daily pay.

Club Managers / F&B Managers / Stewards

Salaries for Club Managers, Food & Beverage Managers as well as Stewards were lower in Scandinavia and Germany than in other main Western European markets.

Year-on-year comparison – 2017/2018

Data suggests that half the golf and country clubs surveyed globally increased membership and green fees in 2018 as a mean of generating higher revenues than the previous year. The expectation is this pattern to continue for years to come



Conclusion / Notes

Noteworthy

“Michelin Star” is to restaurants what “Leading hotels of the World” is to hotels. In the Club industry there are also “trophy clubs” which host the large international golf tournaments i.e. the British, USA or Canadian Open. In the private club industry there is also “trophy, prestige clubs” – some host the likes of World Series of poker or are frequented by Presidents, politicians and leading community decision makers.

There are clubs who hire Michelin Star Chefs and charge enormous initiation fees for the honor of membership. For example, the Capilano Club in British Columbia has a 4-year waiting period and Trump’s Mar-a-Lago membership fee doubled to \$250,000 when he became President. Some Japanese Golf & Country Clubs have been known in the past to charge over 1 million USD as initiation fee and still had a waitlist.

Some issues shared with us in our poll which are encountered by a majority of General Managers in the private club arena:

1. Challenging reporting lines – they tend to change as club management changes (new president or head of members/committees)
2. Get more diners in restaurants and increase banquet business as competition for food and banqueting in large cities is difficult
3. Adding more paying members
4. Renovation of club, especially while the club is open
5. Security issues in light of current worldwide environment
6. Too many board committees to meet with and many members with very differing opinions
7. Some clubs have a preference of GM or senior executives based on location (want someone within the same community) origin or nationality i.e. Swiss, Thai, American, British clubs etc.
8. Increasing dues without an uprising. Different classes of members with different usage of the club argue the increase - i.e. social, golf, tennis, curling etc.
9. In light of the “me too” women’s rights movement and harassment scandals, clubs need to evaluate their gender equality issues and staff conduct policies.
10. Seasonal hiring issues when clubs are not four seasons where some of the facilities are closed during winter.
11. Spas & restaurants: some clubs manage them while others outsource, creating quality & members issues.



Disclaimer & Contact

Whilst proper due care and diligence has been taken in the preparation of this document, Renard International cannot guarantee the accuracy of the information contained and does not accept any liability for any loss or damage caused as a result of using information or recommendations contained with this document.

Stephen J. Renard, President

121 Richmond Street West, Suite 500, Toronto, Ontario, Canada M5H 2K1

Tel: (1) 416 364-8325 • Fax: (1) 416-364-4924

Email: steve@renardinternational.com

*Division of Walard Corporation

