

STATE OF THE INDUSTRY

The Dilemma: Security vs. Freedom to Prosper



By Lorin Anderson, President

I addressed this topic at our Summit in October and it's been discussed quite a bit on social media. The question is simple: What type of facility is the best to teach at? Well, at least it sounds simple until you start peeling back the layers on the onion. It may very well depend on the stage of your career, where you are located,

your comfort level for risk, and your level of desire to grow your business. Whatever your current situation, whether it be at a private club, a public driving range, a resort, a public golf course or an academy situated at any one of the above, the fact is that you can be very happy and make a nice living.

The big "but" in all of this is understanding a couple of variables that are changing the industry and are making some options more viable and lucrative in the future and you need to be aware of these shifts now.

First, nobody wants to carry any more employees on their books than they absolutely have to. We've seen our membership go from 60 percent employees five years ago to 60 percent independent contractors now and it looks like this trend is going to continue as it is pretty easy for most facilities to set up a Director of Instruction as an independent contractor. So, if you're going to lose the employee benefits anyway, why work someplace that doesn't really want you to prosper.

What do I mean? Well, sure, for a less experienced instructor, teaching at a private club can be a fantastic way to launch a teaching career, the problem is that there are built in ceilings on how much you can make. When

our members at private clubs start to approach what the head pro is making, it's amazing how many times they are told the club is making a change and their services are no longer needed.

The fact is for most high level teachers: You are very likely to outgrow the private club scene and that your best path is to go where you have freedom. I'm talking about a setting where you don't have restrictions on who you can teach, when you can teach, how much you can charge AND also allows you to hire additional instructors to work under you.

There is a very good reason that only six of the current Golf Digest Top 50 Teachers in America are working at private facilities. The reality is that if you are going to become one of the biggest teaching brands, you are probably not going to do it at a private club.

I'm not saying turn in your resignation to the club tomorrow and run down the street and build an academy at the nearest driving range. What I am saying is that you will be well served to pay attention to these changing economic dynamics so that your next move allows you to create as much financial upside as you would like.

Don't be afraid of some risk. Sure, it sounds scary taking on more responsibility, but if you look at the best known teaching brands they have shown there is tremendous upside available in return for taking off the employee handcuffs. It may be time to meet with your CPA and/or attorney to discuss the pros and cons of setting up your business to run independently. The industry is pushing more of our members this way anyway, so make sure you know all of your options before your next move. Over the life of your career, making the right move could be worth hundreds of thousands of dollars for you.

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