

Back of the Cup

A NEWSLETTER CONCERNING THE BUSINESS OF GOLF

Welcome to a special edition of the *Back of the Cup*. In this edition we investigate what the recent release of the Crawford Report means for the Australian golf industry.

Approximately 14 months after the terms of reference were announced for a major review of Australian Sport, its future was outlined last week with the release of a major report. What is now being referred to as “the Crawford Report” (“the Report”), was delivered by an Independent Sport Panel (“the Panel”) chaired by David Crawford following a request made by the Federal Government in mid 2008. Its brief was to outline and investigate the potential reforms required to ensure that the Australian sporting system remains prepared for future challenges at both community and elite levels.

At 365 pages in length and with a 56 page Executive Summary, the Report is the biggest review completed of sport in Australia for more than a decade. Over 220 submissions were made by various sporting bodies and individuals around the country, with submissions from the PGA, Golf Australia, and WGNSW putting forward golf’s case. Given its scope and contents it has gained significant media attention due to some of its findings and subsequent recommendations. Should the recommendations made to the Federal Government be adopted, the Australian sports community and the systems which control it will undergo significant structural reform.



The Future of Sport in Australia

Many of the recommendations made by the Panel are very significant for golf and create a strong framework in which golf can grow as a sport. It is therefore somewhat surprising that there has been no positive public statement made by any of the leading golf bodies. Reflecting the current competitive sports landscape, other sports that were seen as “winners” from the report certainly didn’t miss the opportunity to grab some press and further their individual cases.

Given golf’s recent higher than normal profile due to the visit of Tiger Woods and the upcoming summer of Australian golf, I would have thought that the press were ripe for a golf comment. Let’s hope that golf, unlike Rowing Australia, who initially issued a press statement welcoming the review and then the next day said it was “flawed and misguided”, has not been caged in its response by the Australian Olympic Committee (who have been vocal critics of the Report) now that it will be an Olympic sport in 2016.

Many of the recommendations made by the Panel also work on the premise that increased participation levels in sport will increase the output at the elite level. In doing so such a strategy will, as a by-product, help to address the Federal Government’s preventative health agenda. As the Government looks to the future and the increased drag on public health systems that will be caused by an ageing

population, the Report rightly identifies that a national sports strategy that results in improved health and wellbeing of our population should be a priority.

In this regard golf already has a good story to tell. The health benefits of golf are now being formally determined and more widely communicated and the industry is very alert to this reality. As an example, a 2008 study published in Sweden found that golfers in that country have a life expectancy five years greater than non golfers due to a 40% lower death rate. Despite being of overseas origin, the study does show that golf does have beneficial health affects and helps Australian golf sell its “health story”.

The mainstream press has already identified that the potential winners from the Report are the community sports facilities that cover the Australian landscape. With approximately 1.2 million golf participants and over 1,600 facilities nationally, golf is one of these potential winners. With facility provision at the forefront of the recommendations to assist in achieving these outcomes, golf is well positioned to partner with all levels of government and be a significant benefactor of the grass root investment made.

Some of the recommendations made in the Report also sting. Some administrators won't like what they read as there are personal implications. That is where the challenge lays – developing an industry and sport with the long term in mind, and not being short sighted or selective in the opinions held or views offered.

Ironically, the Australian Golf Industry Council (AGIC) is currently seeking to establish a terms of reference for a wide ranging independent review of the golf industry, almost as insurance to protect against these mistakes being made. Whether it happens or not, the Report and some of the recommendations included below provide a clear indication as to the areas where change would likely be required. Evidenced by the ASC's “financial encouragement” of the administration body mergers that have happened to date, it is clear that continued funding won't be available for sports which they feel are not efficiently and effectively administered. Whether it takes a separate Independent Review to make this happen, the reality is that to get more money from Government, change will be required.

In order to disseminate the Report's contents to all golf industry stakeholders, this BOTC edition outlines the golf relevant recommendations made in the Report, what they mean for the sport, the current status quo in some of these areas, what changes might be necessary and the opportunities that lie ahead.

Summary Findings

The following list summarises the key statements, findings and recommendations contained in the Report. Full detail and further background is contained within the following pages.

- *More (funding) emphasis should be given to sports that are popular with many Australians.*
- *If sports are to be funded in part to encourage wide participation, some priority should be given to those sports played throughout the country and even more so to those that engage their participants through their lifetime.*
- *If we are truly interested in a preventative health agenda through sport, then much of it may be better spent on lifetime participants than almost all on a small group of elite athletes who will perform at that level for just a few years.*
- *The Australian Sports Commission (ASC) should make the adoption of appropriate and national skills-based governance structures that reflect the diversity of membership a funding condition for National Sporting Organisations (NSOs)..*
- *All NSOs that are highly dependent on public funding should have rolling five year national plans that set the targets and measures by which the NSO should be judged.*
- *We live in a complex era where executive teams must be the main initiator of strategy and change...and... the CEO should be a member of the board.*

- *NSO boards and managements should place engagement of recreational participation as a key priority and that this focus should be backed by government policy at all levels.*
- *NSOs that build a relationship with their community structures will be better placed to attract funding to assist the government achieve its preventative health and inclusion objectives through sport.*
- *NSOs should have primary responsibility for development of their own high-performance programs with assistance from the ASC.*
- *There should be rewards for volunteers.*
- *A straight-forward (grant/funding) application process should be designed.*
- *The Australian Government should establish a national sport facilities fund, which should have an initial focus on drought-proofing assets that are determined to be of 'high-priority'.*
- *We must support sports and physical activities that meet the needs of older Australians. In the past, the ASC's financial support has gone primarily to young athletes who are engaged in Olympic sports. Virtually nothing has gone to lifetime sports like golf, bowls and tennis or to sports organisations with programs for older people. This needs to change.*
- *From a sports policy point of view...the NSOs should be encouraged to develop more flexible products at club level, less organised around traditionally structured competition fixtures.*
- *There is a strong case for increased Australian Government funding of sport... Given the importance of sport to the nation and its potential to contribute to improving health and community outcomes.*
- *NSOs must position themselves to take every opportunity to increase sponsorships for their sports. As argued previously, some sports have neglected their grassroots participants and are losing the commercial opportunities that come with them. Others have governance structures that impede development of other sources of income and these need to be challenged.*

Will all of these be accepted by the Federal Government? Almost certainly not. The good news for golf however is that many of the recommendations made that are relevant to golf are logical and modern in their approach, are not controversial, and could therefore easily be adopted. That is not to say that there will be or should be any "free gifts" to certain sports, with the Report clearly suggesting that those sports with appropriate structures, good plans, an all embracing approach, a positive health story and strong participation numbers will be deserving beneficiaries of the Panel's recommendations. Let's hope one of those sports is golf.

The Crawford Report – An Overview

The 56 page Executive Overview Report contains eight chapters, as follows:

- 1.1 Defining our National Sports Vision
- 1.2 Reforming the Australian Sports Commission to Lead the Sports Systems
- 1.3 Merging our Institutes of Sport
- 1.4 Building the Capacity of our National Sporting Organisations
- 1.5 Putting Sport and Physical Activity Back into Education
- 1.6 Building Community Sport with People and Places
- 1.7 Ensuring Australia's Sport System is Open to All
- 1.8 Sustaining the Funding Base for Sport

Each chapter's content is assessed and commented on where relevant to golf.

Chapter 1.1: Defining Our National Sports Vision

The following key points are made in this chapter that are relevant to golf:

“Australia does not have a national sports policy or vision.”

It could easily be said that Australian golf does not have a national policy or vision. Whilst each of the key respective bodies within the industry (there are at least 10) do or are preparing their own plans/outlining their own visions, they are yet to formally synchronise with each other. The formation of the AGIC (that has as its members seven of the major bodies within golf – the PGA, Golf Australia, GMA, AGCSA, SAGCA, ALPG, and the ASGA) is a mechanism by which this could potentially occur but an agreed policy that has had input from all key stakeholders is a long way off.

“More recently, the importance of sport’s contribution to the national health agenda and social inclusion has been emphasised. However, with no clearly defined ambitions, no measurable targets and no collection of supporting data, implementation has been poor.”

With regard to health, the example stated in the introduction of this paper cites overseas research determining the health benefits of golf. If golf in Australia is to secure a permanent place high on the Federal Government’s radar, Australian research will be required that perhaps better allows for the impact of wider Australian lifestyles on general health levels.

“The absence of a definition of sporting success has led to a failure to collect meaningful data about the quality of Australia’s sport and recreation participation. This has inhibited an evidence-based approach to the development of sports policies and strategies.”

Having a key desire to report on statistics, JBAS can confirm that more and better quality data is required on a more regular basis to enable more informed decisions to be made. A standard reporting template should be created so key industry data can be compulsorily collected each year. Industry surveys can then focus on key issues and not have to collect basic information that should already be known.

“More (funding) emphasis should be given to sports that are popular with many Australians” and adds that “the bias towards funding Olympic sports leads to outcomes that make little strategic sense for Australia.”

The current funding reality illustrates one of golf’s challenges. The Report uses an example stating that “water polo receives as much high performance and Australian Institute of Sport (AIS) funding as golf, tennis and lawn bowls combined.” It then rightly points out that this is despite these sports being “whole of lifetime sports and significant contributors to the Australian Governments preventative health agenda.” It continues that “if sports are to be funded in part to encourage wide participation, some priority should be given to those sports played throughout the country and even more so to those that engage their participants through their lifetime.” This is golf’s definition.

The Report questions the funding imbalance between Olympic and non-Olympic sports. If much of the value obtained from Olympic medals is intangible then why should non-Olympic sports, which generate the same intangible values, be treated so differently? Golf is noted as a sport that carries the national ethos and is part of the national psyche. Given the example above, golf has a right to feel historically hard done by in terms of funding.

Given the imbalance one could naturally conclude that one of the benefits of Olympic inclusion is potential access to more money. If the Report’s recommendations are accepted in this area, it would appear that a sport will not need to be an Olympic sport to access improved funding. In its own words, the chapter concludes with the now more logical funding basis “If we are truly interested in a preventative health agenda through sport, then much of it may be better spent on lifetime participants than almost all on a small group of elite athletes who will perform at that level for just a few years.”

Chapter 1.2 to 1.4: Reforming the Australian Sports Commission to Lead the Sports System, Merging Our Institutes of Sport and Building the Capacity of Our National Sports Organisations

Chapters 1.2, 1.3, and 1.4 concern themselves with leadership, elite sport and the capacity of National Sports Organisations (NSOs). Given these three topics are inextricably linked and that there are references to each other in the separate chapters, they are commented on together in this section and in a different order to the Report. The following key points are made in these chapters that are relevant to golf:

The System

The Australian sporting system was described in the Report as “being at a fork in the road where we can either accept the status quo or confront the critical problems.” It goes on to say that “active lifestyle is under threat and the sport system which has evolved over our history is now struggling to adapt and compete with modern challenges and inactive leisure pursuits.”

The same conclusions could easily be made for golf as its traditions collide with many 21st century realities. If participation is the sole measure, then right now the 21st century is winning, particularly on the club side of the industry as membership numbers have fallen by 13% since the high water mark of approximately 500,000 members was set in 1998.

The Report stated that “if the Australian sports system is to work well and deliver on the ambitions of a national sports strategy, it needs:

- a leader for the whole sports system—elite and grass roots
- a generator of ideas, projects and innovation across the sector
- a problem solver—helping solve the big problems facing sport
- an advisor to government on sports policy and standards
- a source of Australian Government funds for various participants in the system
- a builder of consensus and collaboration across the sector
- a facilitator of conversations with relevant stakeholders.”

A national strategy is perhaps the biggest challenge confronting Australian golf. Highly fragmented with many administration bodies and interest groups, it is the lack of cohesive agreed direction that is limiting golf’s ability to mix it with the big five sports – Australian Rules, Cricket, Rugby League, Rugby Union, and Soccer. Limited scale, duplication of resources and inefficient internal funding flows all restrict golf’s ability to sell itself to the corporate world and get the presence it requires to compete with other sports in the 21st century.

The AGIC is a potential solution, though is still in its infancy as an umbrella entity. Its seven member body (the PGA, Golf Australia, GMA, AGCSA, SAGCA, ALPG, and the ASGA) are still forming relationships (and trust is materialising)but the above bullet points are a reflection of the AGIC’s goals.

Should the Report’s recommendations play out, one suspects it will be such a structure that the Government will require from sports that have many stakeholders. If the success of the “Golf goes to Canberra” day earlier this year is a gauge to measure this by, then golf, via the existence of the AGIC, is already “government ready” and the development of the AGIC should therefore be encouraged by all.

Structure, Engagement and Planning

The Report makes three key recommendations regarding structure which aim to reduce inconsistent and ineffective delivery. These recommendations are made with reference to the Panel's view on typical sports structure, saying that "most of the NSOs have 'federal' structures consisting of several layers of governance and control." It goes on to say that "the result is that every aspect of sport has to be managed across multiple organisational boundaries by voluntary collaborative effort involving many stakeholders. This takes time and effort and does not always happen. There is frequently poor co-operation between stakeholders, leading to inconsistent and ineffective delivery."

The recommendations are:

1. The ASC should make the adoption of appropriate and national skills-based governance structures that reflect the diversity of membership a funding condition for NSOs.
2. NSO boards and managements should place engagement of recreational participation as a key priority and that this focus should be backed by government policy at all levels.
3. All NSOs that are highly dependent on public funding should have rolling five year national plans that set the targets and measures by which the NSO should be judged.

With regard to the "adoption of appropriate and national skills-based governance structures" one could easily conclude that, on the amateur administration side at least, the current structure is far from appropriate, has no independence and is lacking some current necessary skills. Yes, Golf Australia is a merged entity with a Board of Directors not formally linked to any state but the fact remains that only state based representatives vote on their election. With the voting power controlled by those in the three eastern seaboard states, they therefore solely and effectively control who is firstly elected and then re-elected. In doing so, they directly control what thought and process can be brought to the GA Boardroom. Is this appropriate?

Should the governance recommendation be accepted and become an NSO requirement, surely there will also be a requirement for the appointment of skilled independent directors. What are we waiting for? It would certainly be embarrassing for golf should no-one with the skills required actually not want to become an independent director given the structure beneath it and the reality of where the true power base lays.

Continuing within the governance theme, another recommendation made by the Panel was with regard to Board make up. The Report suggests that taking the view that "the board is the mind of the organisation and the executives are the hands is a diminished view of the role of management". It supports this view by stating that "we live in a complex era where executive teams must be the main initiator of strategy and change." It continues by saying that it may be acceptable when management is part-time or of a volunteer nature, but "it is completely wrong in a professional management environment where the executive team is responsible for developing strategies and negotiating commercial arrangements with sponsors, governments and media organisations." Such as golf.

The Panel believe that the "role of the board is to appoint, support and challenge the executive team but it is the executive team that drives the business. They are 'minds' as well as 'arms', and as is the common practice in the corporate world, the CEO should be a member of the board." Presently neither the GA CEO nor any of the State Sporting Organisation (SSO) CEOs are automatically a member of the Board they work for. Whilst likely seen as a dramatic change, this would be another step in the right direction for golf.

With regard to recommendation #2 above, the Report states that “a pre-occupation with elite performance and winning medals has led some NSOs to neglect grassroots participation. As well, lifestyle changes are driving growth towards non-structured recreational activities because participants want less competitive exercise at times of their choosing rather than being committed to structured competition over months of the year.”

Whilst not directly reflective of golf (no pursuit of medals (yet) or structured competition over only certain months) up until only very recently Golf Australia and the SSOs have not recognised the large recreational component of the industry focusing on clubs only. Their members and the funding it gets comes from clubs, so clubs must be the focus and responsibility for recreational participants is not in their charter.

The question that needs to be asked then if it isn't their charter then whose charter is it? The Report rightfully suggests this has to change, stating that “NSOs must work hard to ensure these participants are affiliated with the NSO and that the NSO is able to support them in ways that both parties see as valuable.” This is particularly relevant for golf when the majority of the participation base is of the recreational variety and does not contribute anything to the funding of the sport.

Acknowledging this responsibility (and potential revenue source), Golf Australia is currently undertaking a project that looks to deliver as an outcome better engagement levels with the recreational golfer, and this will feed to the local level. With immediate benefit expected, even if intangible, the eventual carrot for doing so successfully will be money with the Report suggesting that “NSOs that build a relationship with their community structures will be better placed to attract funding to assist the government achieve its preventative health and inclusion objectives through sport.”

The Report goes on to encourage sharing services to create efficiencies and cost savings, minimising the need to work independently of each other which results in duplication and loss of expertise. Consider this example - Would a number of regional sports clubs (say football, netball, cricket, golf) located in the same town not function more effectively and efficiently if they were able to share administrative support and aggregate other operating costs and overheads? Would this not reduce overall costs (per club) and “increase skill and lower the burden on volunteers?” Imagine a time if this strategy was actually encouraged and financially supported by local government, all because sport had an efficiently organised structure that recognised and appropriately addressed its challenges. The carrot again to encourage this will be money, with grants forthcoming to those who show readiness.

What is therefore stopping golf from vocally pursuing and championing these outcomes now? Naturally to do so the NSO and SSO and District Golf Association (DGA) will all need to be in alignment. The Report questions whether such alignment is possible with a federated structure, stating that “such structures make it hard for sports (golf) to build any commercial capability and make decisions that cut across the respective state and territories... meaning that most NSOs are still struggling to gain consensus, alignment and the resources to create a nationally unified vision and product.”

It goes one step further, and perhaps as a way of building/encouraging long term commercial capability, the Report concludes that “the day of each state/territory having its own separate ‘company’ with its own chief executive officer (CEO) has surely passed.” This outcome may well be a big stretch for the golf industry given the resource levels, funding levels, skill levels and difference in coal face access that the NSO and the SSOs have but lets hope, as a minimum, that respect, support and trust is shown between all and up and down the tree, that consensus can be regularly found, and that all move together in the same positive direction.

With regard to recommendation #3, business planning and strategies within golf administration are a relative new phenomenon but should the Report's recommendations be accepted, they could become compulsory and an annual requirement. Importantly, Boards/Sports will be accountable for the results they achieve.

This will be a new level of pressure and should result in Boards being elected that have the skillsets to deliver as a lack of or under-delivery may mean reduced future funding. Continuity may well be a problem here with Boards unwillingly to accept past Board statements or forecasts. Case in point is Golf Australia - a year on from the instalment of its first Board it is still preparing its new business plan to be adopted after the replacement of most of the interim Board (and its business plan) in November 2008 when its two year tenure was completed. In future it likely won't have this time flexibility and measurement will not stop.

Elite Development

The Report makes a number of comments that equally apply to elite development and the roles of the various state Institutes of Sport golf programs, but perhaps the most appropriate and relevant statement with regards to golf is that "the current structure is limited because collaboration is voluntary and may not always be forthcoming."

With no established chain of command, currently the state based golf programs do what they feel is best, which may well be best, but it is without any national coordination. The Report captures this reality stating, "the current structure is second-best because collaboration is voluntary and never guaranteed. Even with reasonable collaboration, when agreeing on their high performance plans, the NSOs still have to deal with each of the AIS and the various SIS as separate entities with differing objectives, which can be time consuming, expensive and frustrating."

Given the final recommendation that "NSOs should have primary responsibility for development of their own high-performance programs with assistance from the ASC", there seems to be an opportunity for golf to voluntarily create this outcome now, rather than being forced to at a later date.

Chapter 1.5: Putting Sport and Physical Activity Back Into Education

With reference to golf, this chapter is essentially concerned with exposing today's children and youth to golf via school sport and after school programs. The Report notes that whilst the Active After-School Communities Program has had limited success overall due to its disconnection (possibly to be re-connected) with the respective NSOs, Golf Australia, in its own submission to the Panel, noted that there were some 3,000 participants in the golf program between 2005 and mid 2007, perhaps being 3,000 participants who might not have been exposed to golf had the program not existed.

Other key recommendations in this chapter were:

1. Making sport in schools an ongoing priority and that physical education be a stand-alone key learning area in the national curriculum.
2. The Australian Government should consider the repair, upgrade and development of sport and recreation facilities in schools as an integral part of its 'education revolution' initiative on the basis that public access to school sporting facilities is maximised."

With regard to recommendation #1, the relevant thought to golf is that the more people in the general sports participation pool developing skills relevant for golf, there will be a greater opportunity for golf to access its share and attract people to the game.

Whilst on first read the second recommendation above might appear not to have any relevance to golf, but it would if "development" included the construction of some golf relevant practice equipment (golf nets or golf cages, like cricket nets in Australia and baseball cages in the USA) thus encouraging the learning/practicing of golf separate to a golf course or driving range. Some years ago Golf Australia was pursuing such a strategy with some councils in Melbourne.

Chapter 1.6: Building Community Sport with People and Places

Chapter Six of the Report investigates the challenges of declining volunteerism, infrastructure and access to funding and grants. It states that the “the infrastructure of community sport, made up of both people and facilities, is under threat. The supply of volunteers, often the lifeblood of any club or association is under pressure. There is no coherent approach to building community sports and the physical facilities they need.”

This statement accurately illustrates the plight faced by many regional golf clubs that while not only fighting declining participation numbers, are also faced with ageing infrastructure and declining volunteerism. All need to be addressed but in this case there is no easy answer.

Encouraging participation will help but the Report also recommends that:

1. There should be a central resource to help volunteers with technical support including advice on legal and insurance matters, handling GST and applications for grants.
2. There should be rewards for volunteers.
3. A straight-forward (grant/funding) application process should be designed.
4. The Australian Government should establish a national sport facilities fund, which should have an initial focus on drought-proofing assets that are determined to be of ‘high-priority’.

A central administration resource would greatly assist the industry as golf clubs are small businesses and are all becoming more complex off the field, with significant regulatory, legal, accounting, insurance and other administrative components. These demands place pressure on volunteers who are not fully equipped to carry out these roles.

Volunteerism plays a key role in Australian golf. Many clubs only survive because of it. A scheme that rewards volunteers such as reduced fees (used as an example in the Report) would help to encourage this to remain so.

The difficulty with accessing government grants, or even knowing that they exist, has been highlighted with the current industry challenges regarding water. In some cases they are well kept secrets and require significant digging by the SSOs to identify the programs and schemes available. As the Report states “community sports facility funding is simply not co-ordinated across all levels of government. Community groups find it difficult to apply for funding support. The process is complicated with several levels of government often involved. Invariably the community groups lack the necessary expertise.” I am sure the golf club community concurs with the statement and an improved system would greatly assist them complete the processes required.

As infrastructure ages around the country and as water becomes an even more valuable, but in some cases less accessible resource, government assistance in this area would be invaluable for golf, fitting with the Reports recommendation that “preference should be given to projects that have the potential to engage wide sections of the community, such as multi-sport facilities in proximity to other community infrastructure, to help with sustainability and to increase social capital.” There is no other sport more exposed to the effect of drought than golf and in many of the drought stricken areas, the golf club is a key social conduit, surely infrastructure worthy of protection.

Chapter 1.7: Ensuring Australia’s Sport System is Open to All

The Report notes that “according to survey data around 50 per cent of Australians participate ‘regularly’ in sport and physical activity. If sport contributes to the nation’s health and community cohesion, a key task for sports policy makers and administrators is to address the factors and, in some cases, the barriers that prevent participation.” The same comment can be extended to golf. With a national participation rate of just over 7%, but with approximately 1.2 million participants, any increase in golf’s participation rate would dramatically improve the outcomes for all involved with golf.

The Report outlines nine areas identified by the Panel which must be a focus of a reformed Australian Sports Commission (ASC). Each requires specific strategies to remove existing barriers to participation so as to “create inclusive environments where participation can grow.” Without wanting to alienate some, all nine areas are relevant to golf but those particularly relevant are:

- Women
- Our ageing population
- Our young people
- The time-poor

Women account for approximately 50% of the total population but only approximately 20% of those participating in golf. They have approximately the same level of representation on boards within the industry. As lifestyles change so should the sports traditions around gender.

Our ageing population is perhaps one of golf’s biggest opportunities. More people are moving into the age brackets where golf is played by the highest percentage of the population who also have the highest level of frequency. The Report notes that “over the next 20 years Australia will have many more young children but it will have lesser growth of numbers in the 35 to 64 year age bracket and a more than doubling of people aged over 65.” It continues with “the relative contraction in the mid-age category spells trouble for sports that rely mostly on parent volunteers to staff their programs. Still, the growing ‘grandparent’ age group provides opportunities to draw them in as volunteers.”

The opportunity is best summed up by the Report’s own conclusion. “A special focus on older people is now warranted, encouraging them as volunteers and participants. We must support sports and physical activities that meet the needs of older Australians. In the past, the ASC’s financial support has gone primarily to young athletes who are engaged in Olympic sports. Virtually nothing has gone to lifetime sports like golf, bowls and tennis or to sports organisations with programs for older people. This needs to change.”

Exposing today’s young people to golf is crucial to golf’s current and future participation base. Current handicap data shows that the younger one begins the game, the better they will become at it. The better they are at it the more likely they will return to it should they cease playing at any stage. The Report states however that “their participation in more traditional sports is being affected by their increasing involvement in ‘non-traditional’ sports, which involve physical activity and participation rather than formal competition. Such reality confirms the importance of sport and education and golf’s need for exposure in the sports curriculum. In golf’s case, it will also need to accept “the range of entertainment and recreation activities with which sport now competes, the emerging trend of greater emphasis on other social activities, and the rapidly changing dynamic of family life,” and adapt its views and products accordingly.

Traditional golf is a sport that is not necessarily a quick one to play. In this regard and relevant to golf, the Report states “from a sports policy point of view...the NSOs should be encouraged to develop more flexible products at club level, less organised around traditionally structured competition fixtures.” Whilst not required by all, the industry is certainly moving on this issue and more innovation continues to be seen, with products such as 9hole golf and Sevens Golf established as alternative forms of the traditional game.

Chapter 1.8: Sustaining the Funding Base for Sport

This chapter deals with what is perhaps the biggest challenge facing sport in Australia, that is a sustainable funding base. It is particularly true for golf and whilst parts of the industry may have enough money to do what they normally do each year, none have enough to do what they would really like to do or need to do to compete effectively in the 21st century.

The Report poses the question “does sport need more money, or does it just need to use the existing pool of funds better?” In relation to golf it needs both. I am certain that we would all like to see golf with a bigger profile, gaining more press, and being more visibly marketed to consumers. Current revenues do not allow for that. Thankfully the Report, as outlined in this summary, has illustrated that “there is a strong case for increased Australian Government funding of sport. Given the importance of sport to the nation and its potential to contribute to improving health and community outcomes, the Australian Government’s identified direct sport budget does not appear large at present (at around \$200 million per year).” It does need to use what it gets more effectively however, with recommendations made regarding structure and removal of duplication encouraging that.

The Panel made it clear that the “justification for government funding lies largely in achieving elite success in international events and in the health and community inclusion benefits that derive from community participation in sport.” Despite the benefits provided by golf with regard to health and community becoming more identifiable, it will be up to golf to continue and further prove itself to Government in order to access increased funding that we all know it needs.

Whilst some potential funding sources were identified, (notwithstanding some potential hurdles attached), the Report stated that “the NSOs must position themselves to take every opportunity to increase sponsorships for their sports. As argued previously, some sports have neglected their grassroots participants and are losing the commercial opportunities that come with them. Others have governance structures that impede development of other sources of income and these need to be challenged.”

In this regard one SSO had previously considered developing a HECS style scheme to “claim back” the value of funds invested in the development of elite golfers who went on to become successful golfers. Although never formally pursued and not contained in any of golf’s submissions to the Panel (but included in other sports submissions), the Panel recommended an alternative scheme be considered, being a program “that requires graduates from these institutions to donate time and or expertise to the Australian sport system.” In golf’s case, this time donation could be a commitment to play in all professional home state and national golf events for a certain period of time.

Imagine seeing Geoff Ogilvy, Stuart Appleby, Robert Allenby, Aaron Baddeley, Alistair Presnell, Jarrod Lyle, Paul Sheehan, Marc Leishman, and Stephen Allen all playing in the Victorian Open together at Spring Valley Golf Club in early January next year. Now that would be great for golf and a great pay back for the investment made in the establishment of their careers by the VGA and the AGU / GA.

Full Report

For those wanting to obtain a copy of the full report it can be viewed/downloaded at <http://www.sportpanel.org.au/internet/sportpanel/publishing.nsf/Content/crawford-report>

About JBAS



Jeff Blunden, Director of JBAS

JBAS is an independent advisory company offering dedicated, professional advice to the golf and leisure industries. Over the past seven years Jeff Blunden, the Principal of JBAS, has provided specialised advisory services to over 70 different clients in the Australasian region.

Invaluable assistance has been provided in most aspects of the golf industry, including club operations, new developments, project and membership structuring, strategic planning and market and consumer research.

As the author of most of the major reports produced for the industry, the resultant knowledge held by the company is significant and with an on-going commitment to research, the beneficiary of this knowledge will be the clients of JBAS.

Specialist services offered by JBAS include:

- Operational analysis and financial reviews
- Asset oversight services
- Business strategic planning
- Competitive market reviews
- Board presentations
- Equipment brand/market share studies
- Member survey studies
- Consumer research projects
- Pro shop/retail operations reviews
- New development/market feasibility studies
- Expert witness services
- Asset due diligence
- Asset valuation assistance
- Clubhouse development and spatial needs studies.

If you have a need in the golf industry JBAS is able to provide you with all of the necessary knowledge and experience required to help ensure you achieve your goals.

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