

Volume 5 | Issue 3 | September 2006

BULLETIN



RSL & SERVICES CLUBS

RSL and clubs meet to face the future

Discussions have commenced between the RSL & Services Clubs Association and the RSL NSW State Branch aimed at addressing a number of emerging management issues impacting on club operations.

Senior representatives of both organisations have held two meetings and the CEO and Chairman of the Association have addressed a meeting of the RSL State Council to outline the industry's concern and seek a partnership to secure a more certain future for clubs and the RSL.

Association CEO, Graeme Carroll, says there is a renewed sense of co-operation between the two groups and a growing realisation of each other's issues and ways in which the two organisations can work together.

At the top of the list of issues is the declining number of full RSL sub-branch and ex-service members available to fill club director positions and form quorums for the running of Annual General Meetings.

An increasing number of member and non-member clubs of the Association are reporting difficulties in filling director positions and several have been forced to defer AGMs due to a lack of a quorum of sub-branch members. Others have reported a reluctance by sub-branch members to amend constitutions despite mounting financial pressures facing clubs from increased gaming taxes and an impending ban on smoking.

A recent survey by the Association showed that some 85% of clubs still require sub-branch members to fill director positions and more than 80% of clubs had not adopted a management succession plan to address the

issue. Only about fifty percent have so far amended the constitution to allow for all members to vote on any changes.

The Association has proposed to the RSL that the two organisations need to devise a partnership with the objective of maintaining traditional values of the clubs but allowing them to meet their increased corporate governance requirements.

For its part the RSL sees its current 65,000 strong membership dropping to 45,000, but it is moving to address the decline with an estimated 200,000 ex-service personnel in NSW eligible to be members of the RSL. Complimentary membership is provided to ex-service personnel on leaving the forces but a retention rate of less than 40% is of concern. The recent Australian Defence Medal and National Service medal are expected to lead to a small increase in membership.

Potential solutions put forward in the discussions, but not yet considered, include:

- Smaller Boards – less directors to recruit
- Policy guidelines for RSL sub-branch members on director responsibilities
- Education program for sub-branch members on industry issues
- Cross-promotion of membership between the RSL and clubs
- A 'Model' club constitution which addresses sub-branch concerns in retaining traditions, but allows clubs to determine their own destiny

Canberra conference registrations open

Registrations are open for the 5th annual conference of the RSL & Services Clubs Association to be staged at the Hyatt Hotel, Canberra from 29th October to 1st November.

The theme for the conference, sponsored by Aristocrat Technologies, will be "Competing in an evolving market". It is not restricted to RSL and services clubs and is open to delegates from any clubs to attend.

Chief of the Australian Defence Force, Air Chief Marshall, Angus Houston, will deliver this year's Keynote Address on the question of what role the RSL and services clubs can play in relation to today's defence personnel.

The CEO of The Linchpin Group, Bill Hovey, will address the complex issue of succession planning which is challenging so many RSL and services clubs as a result of the declining number of sub-branch members available to fill director positions on club Boards.

Mr Hovey will outline to delegates the key drivers of successful organisational succession including the Board's leadership role and the linkages between tradition, values, legacies and succession.

In a presentation entitled 'Evolve or Dissolve' a leading

marketer of brands, Troy Hazard, will look into how clubs can compete in a changing market and share with delegates his experiences in working with several of the country's leading brands, including some of the largest hospitality chains.

Rounding out this year's conference will be comic Vince Sorrenti who will look at how the club industry has managed multiculturalism. The son of Italian immigrants who have grown up in suburban clubland, Vince is highly qualified to comment on the subject. In what will be a sometimes humorous and sometimes serious discussion he will examine what is it about the clubs that has created such a harmonious environment for all and what can the real world learn from the way clubs have handled the situation.

Other topics to come under the microscope at the



Vince Sorrenti



Susie Eleman

Continued from page 1

conference will include whether franchising can work for your club; what women managers and directors can add to club management beyond their male counterparts; consolidation of the club industry; understanding club taxation obligations; technology and the problem gambler and the age old question of contract catering versus in-house catering.

The conference will be hosted by Susie Elelman, lifestyle and fashion show host, keynote speaker and now author, who has been described as "the most versatile, informed and professional person in Australian media".

The conference will open with a welcome reception on the evening of Sunday 29th October and conclude with a remembrance service and the signature dinner at the Australian War Memorial on Tuesday evening, 31st October.

Delegates can register 'online' via the Association's website at www.servicesclubs.asn.au Inquiries can be directed to Conference Coordinator, Zoe Blanusca on (02) 9579 4555.

As numbers are expected to increase, in-house accommodation will be limited, so delegates are advised to book early.



Chief of the Australian Defence Force,
Air Chief Marshal, Angus Houston

Qld smoking bans take hold

Initial reports out of Queensland show clubs and pubs have dropped an average 16.1% in gaming revenue in the first three weeks of July, compared with the previous month, since the introduction of full bans on smoking.

A direct comparison with July 2006 and July 2005 paints a slightly better picture with an average drop of 11%. However, reports from some clubs which have done little to address the smoking bans indicate drops in gaming revenue of up to 40%.

On the flip side a number of clubs have reported an increase in 'non-gaming, non-smoking' patrons visiting clubs, signalling that the smoking bans are good news for people who previously stayed away from smoke-filled venues.

The reports have put New South Wales clubs on alert

given that Queensland also had a progressive implementation of the smoking bans which was expected to negate some of the impact due to the time to allow for education of patrons.

Full smoking bans come into effect in NSW clubs and hotels on 1 July 2007.

One thing is very clear from the smoking bans - there is an expected whole new consumer market willing to join, or attend clubs, with a strong focus on non-gaming services.

Smoking bans offer the opportunity to attract significant numbers of new members, most of whom will not play poker machines. Clubs will therefore need to concentrate on improving both the range and quality of non-gaming services to win over these new patrons.

'Operation CARE' launched

The Association's Board has launched 'Operation CARE' a project to support Australian Defence Force personnel back into family life after being wounded on active service and in recognition of the sacrifice made by the soldier and his family.

The fund for the recently launched Operation CARE project has been opened with donations of \$2,000 each from the RSL & Services Clubs Association and national conference partner, Twin Towns Services Club, which will also offer access to its accommodation facilities. Earlwood-Bardwell Park RSL (\$2,000), Shoalhaven Ex-Servicemen's Club (\$1,000) and Coffs Ex-Services Club (\$500) have so far pledged donations for the fund.

There are several eligible recipients as a result of current conflicts in Iraq and Afghanistan and the first recipients of Operation CARE are expected to undertake their recuperation next month.

The Association announced the launch of the project at the recent national conference of RSL and services clubs where it was first mooted last year, but has been further refined through discussions with the National RSL, Chief of Army and Chief of Defence.

The project, which aims to provide a respite arrangement for Defence personnel and their families is seen as bringing tangible benefits to both the Defence family and the wider Defence and veteran community. Importantly, it is seen as being in line with the Anzac traditions of RSL and services clubs and comes at a time when Australia's defence forces are enjoying huge public support.

Association CEO, Graeme Carroll, said the project will build enable the Association to build on its relationship with the RSL at a national and state level and the Australian Defence Force.

"In the wider context it is designed to encourage the serving and retiring defence force personnel to become active in RSL and services club activities and carry on the Anzac traditions of the clubs", he said.

There is no similar support offered by the Defence Forces or the Government. The project has been approved by the Liquor Administration as eligible CDSE (Category 1) expenditure for beneficiaries resident in NSW, however, due to forces being stationed all over Australia this cannot be guaranteed.

It is estimated that Operation Care will require an annual budget of up to \$50,000 and the Association is moving to establish the Operation Care Benevolent Fund, governed by a Board of representatives of Association member clubs and the RSL. The Association will invite sister Associations in Victoria and Queensland to contribute to the project and it is also intended to seek registration of the Fund as a 'deductible gift recipient'.

Contributions to Operation Care can be made by sending cheques to the Association made out to the 'RSL & Services Clubs Association' - all money will be transferred to the 'Operation Care' Fund upon its establishment.

Inquiries can be directed to Association CEO, Graeme Carroll on (02) 9579 4555.

National RSL/Clubs Forum formed

The RSL & Services Clubs Association has agreed to be part of a National Forum of RSL and services clubs and the RSL to pursue issues of mutual interest.

At the recent National Conference of RSL and services clubs held at Twin Towns Services Club, representatives of the clubs and RSL in Victoria, New South Wales and Queensland adopted the recommendations of a Steering Committee to develop the Forum, which will meet to discuss matters of importance relating to National and State issues and other general business.

The Forum is seen as providing the ideal platform where all States would be represented and have input into issues pertinent to the future of the RSL brand and will consider any potential new marketing or business opportunities that could be of mutual benefit to both the RSL and clubs at a national and state level.

The State President's and Secretaries of the RSL and the Chairman and CEOs of the relevant State RSL and services clubs Associations will be invited to form the executive of

the Forum, which will be chaired by the National Secretary of the RSL, Derek Robson. The Executive committee will have the ability to co-opt other forum members as required.

The Forum will meet in conjunction with the National Conference of RSL and services clubs held each July at Twin Towns Services Club, the RSL & Services Clubs Association conference in Canberra in October/November and a State meeting of Victorian clubs in April each year.



National RSL Secretary,
Derek Robson

National RSL Conference a success

More than 230 delegates and partners - double that of the previous year - attended the recent national conference of RSL and services clubs staged at the Twin Towns Services Club at Coolangatta.

The conference attracted delegates from New South Wales, Victorian and Queensland clubs along with representatives from the RSL State and National offices.

Delegates delivered high praise for the program and the prominent array of speakers, including current affairs commentator, Dr. Keith Suter, best selling author, Patrick Lindsay and high profile food and wine commentator, Peter Howard.

Extracts from the two of the speeches are included below:

RSL brand needs refining

In a world dominated by brandpower RSL and services clubs have one of the finest brands of all, but it needs refining and it needs highlighting.

That's the view of best-selling author and journalist, Patrick Lindsay, who told delegates at the recent National Conference of RSL and services clubs that RSL and community clubs represented the essence of the Australian community.

"You have a much loved and respected brand. It's authentic. It's proven. It's a sleeping giant", he said.

"Your industry is under siege. It's reeling from the impact of legislative change. It's faced by governments determined to rip out as much money as they can. It's hamstrung by its archaic structure. It's under sustained challenge by pubs and predatory retailers. Membership of the RSL is falling dramatically. Further, the industry's main sources of revenue were under direct threat by major operators like Woolies & Coles.

Mr Lindsay said that while that represented a grim scenario, it also represented opportunity.

"If you look around you can see people are trying to recapture their community connections. Look at the way young people are drawn to Gallipoli and the Kokoda Track. They're seeking ways to belong.

Mr Lindsay said that now is the time to create new links with your communities and clubs needed to think outside the box of the many new ways they you can reach out to them.

Mr Lindsay told delegates never to forget the massive

advantage they have in not being driven in their decisions by the relentless, soul-less and often mindless demands of making profits for shareholders.

"You have been demonstrating corporate social responsibility long before some boffin at Harvard wrote a thesis on it.

"You have untapped ... and in many ways unlimited ... power at your fingertips. You represent the combined will of a vast mosaic of intertwined interests ... from the social and sporting clubs you nurture ... to the combined buying power you wield.

"Rather than looking at the many negatives facing you in these difficult times, consider the far greater positives with which you can arm yourselves", he said.

Mr Lindsay said he believed it was time to look at things differently, both the problems facing clubs and the solutions available them.

"If you do what you've always done, you'll get what you've always got. Look to the future ... think long-term and put some succession plans into place. Above all, plan together and act together."



Patrick Lindsay

Dramatic need for trained staff in hospitality industry



Food and wine commentator, Peter Howard (second left) chats with conference delegates.

One of Australia's most recognised and passionate food and wine commentators, Peter Howard, says there is a dramatic need for training of chefs to become a main issue in the hospitality industry, particularly in the club industry.

In addressing delegates at the recent National Conference of RSL and Services Clubs at Twin Towns Services Club, Mr Howard said that a recent economic outlook for 2007 by BIS Schrapnel cited one of the major issues confronting growth is "Skilled Labour Shortages".

"Training has got to be re-introduced onto the main agenda if this business of ours is to survive. Until we have a sense of ownership on this problem it is simply not going to go away...no matter how many people we import", he said.

"There is a culture that says it is not my problem, but it definitely is an industry issue."

Mr Howard told delegates there is also a cultural issue - the problem of men and their limited knowledge of food.

"Mostly, managers are males and mostly chefs are males and there is the 'two bulls in a paddock' syndrome only too often. Also, we have elevated chefs to star status and that is because they are a rare species and management know they have to look after them. However, it is crucial that management know whether they want the chefs to cook or manage...and fancy titles don't alleviate that problem".

"Some chefs can manage, but mostly they are thrown in at the deep end...train your chefs to be managers if that is what is needed to fit that job description."

Mr Howard said that in so many cases mature staff are the best alternatives. But, mature or otherwise, staff have to be trained to fit into an operation; they may well have the qualifications, but they still have to be inducted and trained to do what you want them to do.

He said there is a move to take hospitality staff from up scale hotels and move them into large Clubs.

"Without training or making these new staff aware of the culture in your club, they will flounder as I have seen in a few examples around Sydney."

On the issue of changing palates of patrons, Mr Howard pointed to a recent survey by BIS Schrapnel on the types of ethnic cuisines people would LIKE to try - African, Spanish, Turkish and Middle Eastern were the top four.

However, in another of their surveys on our current tastes - the Chinese cuisines still rank as the most popular. In the survey, Italian food dropped from 29% to 18% in a matter of 2-3 years, while Chinese (no particular type) was up from 31% to 46% for the same period.

Mr Howard said that while Chinese food was still very popular in the bush and with the aging members, it does not mean that clubs should offer only Chinese foods - the alternatives must be offered.

He said that fusion food has been a popular buzz word for years - the east meets west - and Australia, with its close proximity to Asia and its Asian infused population - does it best. It can provide the best of both worlds, if done properly.

Mr Howard said that by 2007 Asian restaurants and takeaways will represent 60% of the total ethnic foodservice market - a market that was worth \$30 billion here in 2004 - while Italian (and other European) cuisines will see a slower growth.



Delegates enjoy pre-conference dinner cocktail party.

The Association acknowledges the following sponsors and encourages your support:



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