

By Bill Boothe

Management Information *Who's Responsible?*

Our consulting work with private clubs across North America provides a valuable opportunity to discuss computer technology with a variety of club board members, managers, controllers and department heads.

A perennial topic of conversation is management information – or the lack thereof. Clubs commonly complain that their systems do not provide enough information, or the right kind of information, or timely information needed to effectively manage the club.

When we dig a little deeper into what is meant by “management information,” we find four basic categories of information:

1. Financial Reporting
2. Activity and Sales Tracking
3. Target (Member Niche) Marketing
4. Member Communications

NOT ONLY DOES A GREAT PERCENTAGE OF CLUBS REGISTER DISSATISFACTION WITH THE MANAGEMENT INFORMATION RECEIVED FROM THEIR COMPUTER SYSTEMS, THIS DISSATISFACTION SEEMS TO BE PRESENT REGARDLESS OF THE LEVEL OF SOFTWARE BEING USED.

Not only does a great percentage of clubs register dissatisfaction with the management information received from their computer systems, this dissatisfaction seems to be present regardless of the level of software being used. Clubs that have recently installed advanced

Windows-based solutions, as well as those with outdated DOS-based systems all seem to be looking for better management information.

Dissatisfied clubs generally place the blame for their management information woes on their software provider. And in many cases, that blame is justified. Older DOS-based solutions, which are currently used by several thousand clubs, are limited in their ability to provide robust management information. DOS-based systems offer limited (if any) ad hoc reporting functionality, and are not generally well suited for exporting data to advanced reporting tools.

However, more than a thousand clubs are now using relatively advanced Windows-based solutions, with powerful database and report writing capabilities. These systems offer users the opportunity to maintain detailed demographic information and transaction history on the club's members, and extract that information in a variety of formats. Yet, a majority of these clubs are still not satisfied.

We believe that, as with any relationship, both parties (in this case, the club and the software provider) bear some responsibility for its success. Our industry experience indicates that, when it comes to management information, those responsibilities can be divided as follows:

Software provider responsibilities

Create a robust demographics database – the provider should offer an advanced database structure that supports the club's need to maintain detailed demographic information on its membership (and optionally, on its employees).

Maintain detailed transaction history – the provider should allow storage and retrieval of an unlimited amount of transaction detail (i.e. member sales and activity, as well as employee and financial information).

Utilize a user-friendly database – the provider should use a database engine and structure that can be understood and used by trained club staff.

Offer superior reporting tools – the provider should offer powerful reporting functionality to allow users to perform sophisticated database analysis and produce custom reports.

Provide experienced software trainers – the provider should offer comprehensive user training to adequately prepare club staff for successful database management and reporting.

Now, using an A-F rating scale and our general industry experience, let's take a look at how well the average software provider fulfills their assigned responsibilities. Notice that we offer separate ratings for DOS and Windows software solutions.

	DOS	Win
Robust database	D	B
Detailed transaction history	D	B
User-friendly database	D	C
Superior reporting tools	D	B
Experienced trainers	D	D

As you can see from our ratings, DOS-based solutions are, by their very nature, doomed to poor performance. Conversely, Windows-based solutions hold much promise for producing advanced management information. In either case, we find the software providers, as a group, to be placing insufficient emphasis on user training with these solutions, in comparison to the more traditional accounting and POS applications.

Club responsibilities

Let's now turn our attention to the clubs, as we list their database management responsibilities:

Provide qualified staff – the club should employ at least one person capable of fully understanding relational database theory.

Purchase adequate training – the club should assure that all users responsible for database analysis and reporting activities are thoroughly trained to use the software.

Make a formal commitment to database management – the club should add database management responsibilities to one or more staff job descriptions, and should allocate sufficient time to staff to carry out these duties.

Again, using an A-F rating scale and our general industry experience, how well do clubs fair in fulfilling their database management responsibilities?

	DOS	Win
Qualified staff	D	D
Adequate staff training	D	D
Commitment to database management	D	D

Our ratings show a disturbing pattern – that even clubs using Windows-based solutions are not making an adequate commitment to maximize the database and reporting solutions provided.

The bottom line

While the software providers have a ways to go in meeting their responsibilities for powerful, user-friendly database management solutions, we are encouraged by their many recent improvements with new Windows-based applications. Clubs, on the other hand, have much farther to go in realizing the potential offered by the new Windows solutions. Here are our bottom line recommendations to those clubs seeking advanced management reporting:

If you have a DOS-based system, get rid of it. You have a slim to none chance of reaching your database and reporting goals with this antiquated technology.

Add at least one staff member with previous database management experience. We don't mean add a position. Just add this responsibility to an existing position – and then fill the position with a qualified person.

Formalize the database management responsibility. Recognize that database management, and the production of advanced management information, is important to club operations. Commit the financial, staffing and time resources needed to maximize the available technology.

Conclusion

Club software providers are now offering powerful Windows-based database and management information systems to replace the older DOS-based legacy solutions. The new systems allow clubs to mine their databases for member demographic, sales and activity information in an effort to improve club operations and member service. They also provide superior financial and operations information formerly not available from the legacy systems. What's needed is a commitment from clubs to switch to the new solutions, hire experienced staff to run them, and provide advanced training to users, to assure a strong return on the club's technology investment. **BR**

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