

# CLUB DIRECTOR

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## Technology Trends

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# WHAT'S YOUR CLUB'S TECHNOLOGY STRATEGY?

*Steps to Move from Maintenance to Leading Edge Technologies*

BY BILL BOOTHE



**W**hen it comes to planning and strategy, the private club industry is fully engaged. At all levels and in all disciplines, clubs are planning for the future. Just ask any club manager “What’s on the planning board at your club?” and you’ll be presented with an impressive list of upcoming projects and initiatives—new and renovated facilities, new services and amenities, innovative approaches to improve member service and satisfaction, and more. Then ask that same manager “What’s on tap for technology at your club?” and most likely you’ll get a blank stare.

It’s no secret that private clubs continue to lag behind other industries in technology spending and staffing. And for a whole host of reasons, that situation is not likely to change any time soon. However, clubs can use some strategic and practical approaches to maximize the return on their investments in computer technology.

Unlike most other industries, clubs do not generally define IT as a dedicated professional on staff, but rather as whoever at the club is responsible for making IT decisions. Clubs that do not have a dedicated IT professional on staff typically have the controller, an outside com-



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pany, individual consultant or various staff members from throughout departments who are responsible for making IT decisions. This is an important distinction to keep in mind as IT strategy is defined and discussed.

### **DEFINING A TECHNOLOGY STRATEGY**

Every club has some sort of IT plan. It may be sketchy and not well documented, but invariably some amount of thought has taken place. Most commonly, IT planning is focused on maintenance items. That is, planning and budgeting for such things as hardware repairs and replacement, software upgrades and replacement, hardware and software support, user training, and enhancement to handle planned (known) facility or amenity changes. But maintenance is just the first of three levels in strategic IT planning. The other two levels are alignment and discovery.

Level two involves the alignment of the IT strategy with the club's overall business plan. This means that technology planning is coordinated with the club's strategic 'big picture' vision, the major initiatives that are in the works to accomplish that vision, and the various tactics that will be employed to carry out those initiatives.

Level three involves the discovery of leading edge technologies that can improve the member experience, reduce costs, increase revenue or enhance productivity. Such discovery requires a continuous process of learning to stay abreast of new developments, as well as the evaluation of those innovations as to practicality and cost/benefit.

For most clubs, the current distribution of planning effort across the three strategic levels looks like this:

#### **Typical Allocation of IT Planning Effort**

Maintenance – 85%  
Alignment – 10%  
Discovery – 5%

Such an allocation indicates that most clubs spend almost all of their planning efforts on maintenance tasks, with almost no effort spent on alignment and



discovery. However, a major contention of this presentation is that the distribution of planning effort should be approximately equal between each of the IT strategy levels, as shown below:

#### **Recommended Allocation of IT Planning Effort**

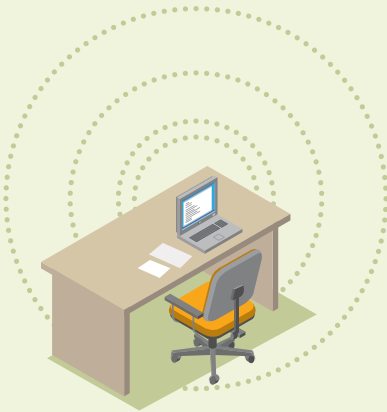
Maintenance – 33%  
Alignment – 33%  
Discovery – 33%

By allocating a balanced amount of planning effort to each strategic level, clubs will be positioned to maximize the return on their technology investments.

### **ALIGNMENT**

During the past 20 years or so, the club industry has paid an enormous price (in dollars and project delays) for its failure to align IT strategy with overall business >>>

*Making IT a member of the strategic team assures that nothing will be missed that could increase costs or delay delivery.*



strategy. Stories abound of costly redesigns, stranded technology investments, and debilitating delays due to poor IT planning—or no planning at all. What's really unfortunate about this history is that proper alignment of IT and business strategy requires very little investment of club funds, and easily pays for itself in savings over time. Alignment does, however, require an understanding that virtually all aspects of club operations are impacted by technology.

Consider a club that is adding a new fitness/spa facility for its members. Such a project involves a heavy load of planning. Architectural and exterior design, floor plans, interior design, wall coverings, flooring, furnishings, electrical, plumbing, etc., all must be considered and coordinated to deliver a successful project. Yet, it is not uncommon for technology to be virtually ignored in such a project until late in the game. And the reason is simple—nobody is tasked with

the responsibility of assuring that technology considerations are addressed at every step along the way. Even clubs with professional IT staff often exclude them from the early planning meetings, with the strange notion that technology can be handled as a last minute add-on.

For example, consider the following IT issues that might be addressed with the design of a new fitness/spa facility:

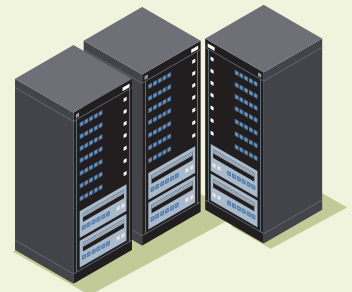
- Adequate and redundant data and voice cabling to the building
- Multiple data jacks for check-in, POS and administrative PC's to allow for placement flexibility
- Check-in desk design to accommodate multiple PC's, laser printers, retail bar code scanners, gift and credit card swipe devices and signature capture devices
- Check-in area design to accommodate traffic flow if computer check-in is required
- Adequate Internet service to accommodate online credit card authorization and transactions
- Secure wireless service or member/guest Internet kiosks, if clubs allow use of electronic devices
- Proper data cabling to accommodate after-hours entry with swipe cards

An effective alignment strategy includes IT in all major planning discussions from the start. The governing assumption is that technology is an integral player and should be consid-

ered at each significant juncture of the project. Making IT a member of the strategic team assures that nothing will be missed that could increase costs or delay delivery.

### DISCOVERY

The key thing to understand about discovery is that it's not a passive act. Discovery isn't stumbling upon a new technology that can add value at a club. The essence of discovery is being proactive—taking direct responsibility for identifying new tools and approaches. Proactive discovery implies activities such as attending industry IT education events, learning from club IT vendors, learning from other clubs, learning from other (related) industries, reading IT publications, and when necessary, hiring



## DEFINING INFORMATION TECHNOLOGY (IT)

The Information Technology Association of America (ITAA) defines Information Technology (IT) as “the study, design, development, implementation, support or management of computer-based information systems, particularly software applications and computer hardware.” IT includes both the hardware and the software that are used to convert, store, protect, process, transmit, and securely retrieve information.

By its very nature, information technology continually evolves to include new and diverse aspects of computing and technology. It encompasses technology, such as networking, hardware, software and the Internet. IT jobs include computer programming, network administration, database management, computer engineering, Web development, technical support, and many other related tasks.

Simply put, information technology is the production, storage, and communication of information using computers—from mainframes to PDAs—and electronic technology in its various forms (data, voice conversations, still images, motion pictures, multimedia and other forms, including those not yet conceived).



outside expertise. To be effective, proactive discovery must receive support from club management in four forms:

- Making discovery required
- Rewarding discovery
- Including discovery in performance evaluations
- Publicizing discovery successes

A common question is: “How can my club accomplish alignment and discovery with no existing IT staff, no prospect of adding such staff any time soon, and no one person on staff with time available to tackle these responsibilities?”

### FORMING A TECHNOLOGY COMMITTEE

The key to successful IT strategy is spreading the work and responsibility across several staff members in the form of a technology committee. The committee should be comprised of one representative from each club department, plus

the IT manager (if there is one), plus the club manager. If possible, the representatives should be tech-savvy individuals who are interested in making a contribution. Their commitment is for monthly two-hour meetings—for the first six months—with quarterly meetings thereafter. Their responsibilities include:

- Reviewing the club’s strategic business plan
- Creating a brief, written IT strategy that is aligned with the club’s business plan
- Attending all significant planning meetings of the employee’s own department
- Dedicating time each month to the discovery process

It is suggested that committee duties be added to each individual’s performance evaluation goals, and if appropriate, be recognized in their compensation. Also, the efforts of the committee should be

recognized through the employee newsletter or other channels.

While maintenance chores are certainly a necessary foundation for strategic IT planning, the addition of alignment and discovery will take a club’s technology to the next level. By employing a technology committee to carry out the strategy work, the return on the club’s IT investment can be maximized with minimal up front cost. What better way to bring technology strategy in line with the ongoing planning activities at your club. ■

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