



BILL BOOTHE

# Aligning Your Club's IT Strategy

## ONE THING IS FOR SURE IN THE PRIVATE CLUB INDUSTRY: STRATEGY IS ON THE FRONT BURNER.

Strategic planning is a hot topic at industry conferences, in trade literature, and at club member board meetings. Formalized strategic planning, board planning retreats, long range financial planning, member surveys and focus groups – whatever the approach, strategy is front and center at a great number of private clubs.

Most typically, strategy focuses on capital projects, amenities, service levels, member retention and attraction, member satisfaction and “enhancing the member experience.” Yet with all of this attention on strategy and planning, one important area is often overlooked – *information technology*.

Here's what we observe at most clubs – even those with advanced and formalized strategic plans:

- There is no formal, documented IT plan or strategy
- IT is severely under-budgeted for future needs
- IT is generally reactive, rather than proactive
- The club is poorly positioned to take advantage of new IT developments.

The result is predictable. Most clubs receive a relatively poor return on their IT investment. Fortunately, there is an easy and inexpensive way to turn this situation around. It's called *IT Strategy Alignment*.

## ALIGNMENT WITH WHAT?

The key to success is aligning IT with the overall strategy driving the club's planning and budgeting. Whether your club has a formal strategic plan, an informal planning outline, or a simple “strategic understanding” of your future goals and direction, IT should be a part of that plan.

You begin by reviewing the overall plan and looking for specific goals, strategies or tactics that have an impact on or are affected by IT. Ask these simple questions:

- Could this strategy have an impact on our computer software, computer equipment or telephone system?

- Could this strategy be enhanced by IT?
- Do we have IT-knowledgeable personnel involved with this strategy?

Misalignment of strategies can produce unpleasant and potentially costly results. Here's an example. Recently in assisting a club with evaluating software for its new fitness and spa facility, management was interested in tracking use of the fitness area by implementing an electronic check-in system for members and guests.

During our initial walk-through, we noticed that three separate entrances were available for member use. We also noticed that the check-in desk was physically positioned away from the expected traffic flow, which would allow members to easily by-pass the desk and walk directly into the fitness area.

In designing the physical structure, no real thought had been given to controlling member/guest access to facilitate fast and accurate check-ins. Net result? Lots of after-the-fact discussions about closing off the alternate entrances, and additional construction costs to re-position the check-in desk to better control access.

All of this aggravation and extra cost could have been avoided if IT had been at the table when the fitness center design was first being planned.

## WHO SHOULD REPRESENT IT?

Most private clubs don't employ an IT professional on staff, so what's the best way to make sure IT is properly aligned with the club's overall operations and planning strategy?

In our experience, the formation of a strategic IT planning committee is your best bet. This is a permanent committee that includes a representative from each club department, the club manager or assistant manager, and an outside vendor representative (most clubs outsource their network maintenance and support).

Department representatives should be the “champions”

with primary responsibility for core application software (accounting, POS, reservations, website, e-communications, etc.) within the various club departments. For some clubs, member participation may also be important and these members should be computer-literate, but not necessarily computer professionals.

Individuals with good business savvy that understand the use of information technology in a business environment may be more suitable than highly technical individuals.

## TECH COMMITTEE ROLE

A technology committee assumes a number of responsibilities in an effort to assist club management with the ongoing task of anticipating technology changes and implementing new solutions. Traditionally, the role of the committee has been to do the following on a regular basis:

- Evaluate software, equipment and vendor performance
- Evaluate systems security
- Evaluate user proficiency
- Prioritize technology issues
- Maintain five-year technology budget.

Meeting Frequency and Agenda: A new committee should meet once a month for the first three months, and quarterly thereafter. The technology challenges faced by the club may affect the frequency of the committee meetings. If core systems are being replaced, the committee may meet more often until the new systems are up and running.

The meeting agenda can be very simple:

- Strategic alignment - review all club activities/strategies that involve IT. Make sure IT has been considered as a part of each strategy.
- Departmental reports – review any new/ongoing IT issues affecting each club department.
- Special projects – assign members to carry out the annual evaluations and budgeting tasks, and review progress on each.

## BENEFITS OF IT STRATEGY ALIGNMENT

Giving IT a seat at the strategic planning table is a smart and inexpensive way to save money and reduce aggravation. By involving IT in the planning process, consideration is given to how IT can positively impact a particular strategy, or how that strategy might negatively impact IT.

Establishing a strategic IT committee formalizes the alignment process. In addition, the committee assists management with the short and long term planning for the club's technology challenges, maintains a budget that matches the club's needs, and promotes consensus among staff and members on technology priorities. Most importantly, the committee keeps technology issues on the front burner, allowing IT to be proactive rather than reactive in addressing myriad strategic and operations issues.

Each of these evaluation activities should be carried out on an annual basis. The technology budget should be updated annually as well. The technology issues prioritization is an ongoing process that is guided by severity of need and available funds.

*Now comes a new responsibility for this committee* - the monitoring of, and participation in, all significant club strategy activities.

No matter what the topic, no matter which departments are affected, IT should have a seat at the table when key strategies are being discussed and formulated. The IT Committee should be represented by a single member with an adequate understanding of computer/telephone systems and software. That representative's mission is to attend strategy meetings, take lots of notes, and bring back items of interest or importance to the full committee for consideration and recommendations.

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Most importantly, the committee keeps technology issues on the front burner, allowing IT to be proactive rather than reactive in addressing myriad strategic and operations issues. **BR**

*Bill Boothe is president of The Boothe Group, LLC, an independent consulting firm that helps clubs understand computer technology, make good decisions and get the most from their technology investment. During his 20-plus years in the club industry Bill has assisted more than 300 private clubs with the planning, evaluation, selection and implementation of computer technology in all facets of their operations. Bill can be reached at [bboothe@boothegroup.com](mailto:bboothe@boothegroup.com) and at (561) 281-0459.*