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Making Data-Driven Decisions

Clubs spend an astounding number of hours entering information into their club management system but very little time analyzing the data to make business decisions.

For many clubs, satisfying the reporting needs of managers, board members and stakeholders can be an intimidating and daunting task.

Most often, these reports are printed on paper or exported to Excel for additional manipulation. Business intelligence (BI) and data analytics have been around for many years and are finally making their way into the club industry.

Most club management software providers now have excellent BI offerings, and there are third-party options as well. A few years ago, the software alone for a custom BI project would cost at least \$25,000. Today, you can use powerful tools built right into Excel (pivot tables, Power Query and Power Pivot).

You can also explore Microsoft Power BI, which is free to download. With the vast online community of Power BI enthusiasts and resources, you can create some stunning dashboards from your existing Excel files in a matter of minutes.

Some forward-thinking clubs are starting to embrace tools such as Power BI tied right into their club management software, eliminating the need for human intervention and Excel sheets altogether (imagine that!). Once you tap into your data, the possibilities are endless.

Gone are the days of printing and exporting reports and sending them via email for review. Whoever wants the data simply opens the dashboard, and it's there. Without any involvement, the data is continually refreshed.

The implementation around a project like this starts by creating a data culture at your club. Managers and stakeholders should determine which key performance indicators and metrics they want to monitor and measure to make smarter business decisions.

Marius Ilie, GM/COO of the Glen Oaks Club in Old Westbury, NY, has been making data-driven decisions for over a year with Power BI.

"There is no training or orientation when a new general manager arrives at a club," said Ilie, who joined the Glen Oaks Club in 2020. "As soon as I got to Glen Oaks, we implemented Power BI, and I started the season with great historical information, allowing me to jump in and start making educated decisions right away. I can now monitor the performance of the club and make decisions in real time instead of waiting for the financial reports at month-end."

"It doesn't matter what club management system my club uses," said Ryan Kenny, general manager of the Dedham

Country & Polo Club in Dedham, MA, which uses Quip for BI. "These business intelligence tools today bring the data together from multiple sources, allowing me to identify trends and spot areas of opportunity without burdening my staff with report-writing requests."

"As soon as I saw Power BI, I knew this was the right solution for my club," said Jonathon Goodman, chief financial officer of Lost Tree Club in North Palm Beach, FL. "Our managers now have access to real-time sales, revenue and utilization data in ways they have never seen before. Once we started giving them access to the data, they were hooked."

The initial goal of any BI project should be to eliminate repetitive/mundane tasks and automate the club's data-gathering needs. When starting, the question is **not what reports do I want? It's what questions do I want answered?** The latter allows the staff to be creative with their requests and analyze pertinent data to deliver an exceptional operational and member experience.

Here are some of the most frequent answers clubs seek from BI tools:

1. How does my labor cost compare to revenue?
2. Are my new members engaged?
3. Are my top-selling F&B items profitable?
4. How are we operating compared to budget and forecast?
5. Should we increase/decrease hours of operations in our outlets (covers, sales and labor)?
6. Does our usage warrant an expansion of the fitness (or tennis) center?

The opportunities are endless once you start analyzing your data. Some of the most common areas to explore are financial reports, budget comparisons, payroll/labor, cover counts, product/menu mix, server productivity, top/bottom spenders, rounds of golf, amenity utilization, demographics, membership mapping and weather trends.

Embracing a data culture at your club can start today. Don't be overwhelmed with the options; instead, start analyzing your current data and build on that as your team embraces the technology and solutions.

Until now, clubs have focused on results looking backward. Now we can see data in real time, and BI products are starting to offer excellent predictive modeling, eventually allowing your club to "peek around the corner" to see what the future may hold. Being equipped with this information allows for some game-changing data-driven decisions. **BR**