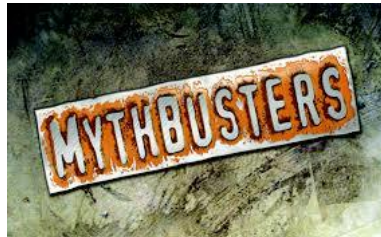# My Favorite Software Myth – Gets Busted!

I'm a big fan of the TV show MythBusters. Originating in January 2003, this show continues season after season to highlight a variety of urban myths – and keep things interesting even after airing almost 300 episodes. The cool thing about MythBusters is that from the outset you don't actually know if the myth being investigated will be "busted" or will prove to be true and not a myth at all. And that's a big part of what holds the viewer's attention.

For decades we've heard a compelling software myth in the private club industry:

Using a best-of-breed approach should be better than buying a single integrated suite of software modules from a single provider.

Seems logical. If we pick the very best software program for each club department, wouldn't that provide the best overall solution for the club? Let's investigate that theory by looking at the pros and cons of best-of-breed vs. a single integrated solution. Starting with the advantages of best-of-breed. Here they are:

- Provides the best solution for each club department. Each vendor selected provides the strongest feature set for a particular operation or department.

That's it. One advantage. A big one to be sure. But how big in comparison to the offsetting disadvantages.

Let's take a look:

Software Myth (continued)

- Does not share a common database of information. Each separate module has its own separate database. A major obstacle when performing business intelligence queries across multiple departments and separate databases.
- Must coordinate multiple databases by synching them or interfacing them. These separate solutions don't just magically talk to one another. They require communications interfaces to move data back and forth between them. Not any fun when one provider updates their software affecting the interfacing with another provider's software.
- Must obtain customer support from multiple sources. Here comes the finger-pointing. Communications between Vendor A and Vendor B stops working. You call Vendor A to report the problem. Vendor A says "not my problem – call vendor B". You call Vendor B and hear "not my problem – call vendor A". Tempers begin to boil.
- Always more expensive to acquire and support. On average 2 to 3 times more than an integrated suite.

Now to the advantages of an integrated suite. As you might have guessed, they are the reverse of the best-of-breed disadvantages:

- Single member database. Easy to query and report across departments.
- No syncing or coordination of multiple databases.
- Single source for customer support – one vs. many – no finger-pointing.
- Way less expensive.

Disadvantages of integrated suites? Just one. You will sacrifice some functionality in some modules because no single vendor can be the best at everything. How significant are those shortcomings? In most departments hardly noticeable. But in a few departments/operations, the shortcomings might be severe with certain clubs. So, there is a place for best-of-breed, in what we call a limited best-of-breed scenario. This approach can be effective if a single department truly cannot function with the module provided by the integrated suite vendor. Common examples include golf tee times, court reservations, banquets and catering, spa management, websites and mobile apps. Fortunately, there are companies that operate in the club market space that offer club-specific modules that are not part of an integrated suite. But because they are geared for clubs, these best-of-breed modules are often able to interface with the major integrated suites to replace one or more of their modules.

Where does this leave us? In most cases, the best-of-breed myth is completely "busted". In a few cases, limited best-of-breed might be the answer. But in our opinion, full best-of-breed has no place in the private club industry.

6 Tech Myths People Still Believe

1. A battery should be at zero before you recharge it.
2. Leaving your phone plugged in destroys the battery.

Tech Myths (continued)

3. The more magapixels your camera has, the better the picture.
4. Planned obsolescence is why your phone slows down just before a new model comes out.
5. Extended warranty plans are worth your money.
6. (My favorite) – Pong was the first video game. (Actually, there were several video games introduced before Pong.)
   (Myths provided by The New York Times and The Quad.)

Paperless Member Billing – Why Wait?

Some things never seem to change with private clubs. But paper-based member billing is one thing that should have gone out the window long ago. Printing and mailing paper statements is a costly monthly ritual at almost every club, requiring lots of low-productivity labor hours to complete a chore that could easily be automatic. Most clubs have tried to encourage members to opt for electronic (email) statements, but only have low participation rates to show for their efforts. The reason these efforts come up short is because they lack the three ingredients of any successful plan for change:

1. <u>Tangible benefits to the target audience of the plan</u>. People resist change – any change – even if it is good for them. It's human nature. But if you can sweeten the pie with tangible benefits for the target audience, your chances of success go way up. The benefits of paperless billing are both financial and environmental. The financial benefits are evidenced by significant cost reductions – printing, mailing and associated labor. The environmental benefits are demonstrated by reductions in paper usage that translate into fewer trees lost and a lower carbon impact on the atmosphere. This double whammy of financial and environmental benefits is the key to getting the attention of your club's membership. And don't make the mistake of dismissing these savings out of hand as being minor. Even for a small club, we're talking many thousands of dollars, many trees and tons of carbon – year in and year out!
2. <u>A specific plan of action</u>. In order to change member behavior, you'll need an action plan. A plan with specific tasks and measurable goals. In this case, your plan should begin with a series of communication pieces to the membership emphasizing the financial and environmental merits of paperless billing. To engage your membership, you will need to set measurable goals. For example, you might establish a 12-month plan that looks something like this:

Our Club's Goals	Participation %	$ Savings Per Year	Trees Saved Per Year
Today	10%		
In 3 Months	25%		
In 6 Months	50%		
In 9 Months	75%		
In 12 months	90%		

You'll need to calculate the financial and environmental savings based upon your club's individual membership population. But that can be done rather quickly (the trees saved and carbon reduction data is all over the Internet).

Paperless Member Billing (continued)

3. <u>Long-term commitment to the plan</u>. Ah, here's the part that escapes most clubs. To be successful you'll need to keep the plan fresh and visible to the membership. That will require someone on your staff to "own" this project and to see it through. Or you might consider forming an ad hoc member committee to create and manage the plan. Either way, someone must stay on it to get the intended results. And those results must be communicated regularly to the membership as a way of rewarding those who are participating and encouraging those yet to join in. Think fundraising contributions "thermometer" or something similar.

The most important element for success is to get started – now. Don't wait for a "convenient" time, since that time never seems to arrive. Assign this project to someone today and get the ball rolling. Every day you wait is wasting money and killing more trees!

How to Calculate the Actual Cost for Your Club – in Dollars and Trees

Below is a spreadsheet you can use to do the calculations for your club. This first image shows you the results for a club that prints 1,000 statements a month on plain copier paper – with an average of 3 pages per statement. This example assumes check history is being printed along with the statement. **Also assumes you are not using 100% recycled paper.**

	A	B	C	D	E	F	G	H	I
1	Number of statements per month - plain copier paper	Average number of pages per statement (with check detail)	Total number of pages per month	Paper, toner, toner drum cost per page @ 2.47 cents	No. 10 envelope cost with single window, security tint, self sealing @ 3.2 cents	No. 9 return envelope with security tint, self-sealing @3.0 cents	Postage per statement @ 47.0 cents	Monthly cost	Annual cost
2	1000	3	3000	$74.10	$32.00	$30.00	$470.00	$576.10	$6,913.20
3									
4	Reems of paper per month @ 500 pages per ream	40' Trees per month @ 0.06 per ream	No. 10 envelopes per month	Pages of paper per No. 10 envelope @ 0.9	40' Trees per month @ 0.06 per 500 pages of No. 10 envelope paper	Pages of paper per No. 9 return envelope @ 0.8	40' Trees per month @ 0.06 per 500 pages of No. 9 envelope paper	40' Trees per month	40' Trees per year
5	6	0.36	1000	900	0.11	800	0.10	0.56	6.77

The second image shows you the formulas you should use to make the calculations…

	A	B	C	D	E	F	G	H	I
1	Number of statements per month - plain copier paper	Average number of pages per statement (with check detail)	Total number of pages per month	Paper, toner, toner drum cost per page @ 2.47 cents	No. 10 envelope cost with single window, security tint, self sealing @ 3.2 cents	No. 9 return envelope with security tint, self-sealing @3.0 cents	Postage per statement @ 47.0 cents	Monthly cost	Annual cost
2	1000	3	=A2*B2	=C2*0.0247	=A2*0.032	=A2*0.03	=A2*0.47	=D2+E2+G2	=H2*12
3									
4	Reems of paper per month @ 500 pages per ream	40' Trees per month @ 0.06 per ream	No. 10 envelopes per month	Pages of paper per No. 10 envelope @ 0.9	40' Trees per month @ 0.06 per 500 pages of No. 10 envelope paper	Pages of paper per No. 9 return envelope @ 0.8	40' Trees per month @ 0.06 per 500 pages of No. 9 envelope paper	40' Trees per month	40' Trees per year
5	=C2/500	=A5*0.06	=A2	=C5*0.9	=D5/500*0.06	=A2*0.8	=F5/500*0.06	=B5+E5+G5	=H5*12

Formulas provided by Dartmouth University. Results are rounded.

TBG The Boothe Group,LLC

About Our Services… IT Strategic Planning

This is one of our most popular consulting services for private clubs. We begin with a thorough review of each club department's technology needs—software, equipment and connectivity. Our review explores all facets of technology available to the club. We then evaluate and prioritize each area of technology. Finally, we create a five-year technology implementation plan and budget – to create a roadmap for management to follow over the coming years. For more information on this and other services we offer, visit our website at www.boothegroup.com.