



North Sydney Leagues Club

Intelligence Drives Financial and Membership Growth at North Sydney Leagues Club

North Sydney Leagues Club Limited, commonly known as norths, was founded in 1955. Like most of the Leagues clubs established at that time, norths was the result of its high profile district rugby league team. Over the past fifty-odd years norths has evolved into a sophisticated and innovative entertainment and recreational centre servicing Sydney's lower north shore community. Its properties include norths club, the historic North Sydney Bowling Club, Seagulls Club located on the NSW/Queensland border, and two fitness centres..

The Need

When Grant Imeson took on the role of Chief Financial Officer at North Sydney Leagues Club in March 2009 it took less than a week for him to realise the company's financial systems were holding the organisation back. "We were working with a twenty year old accounting system that had not been updated to take advantage of the productivity gains of newer technologies," Imeson explains. "The business was being run with spreadsheets and four small business general ledgers – one for each site and one for consolidation. It was a real spaghetti spreadsheet syndrome. We would put data into one spreadsheet, then into another and another and another. Eventually it would arrive in the general ledger somehow, it was just like a plate of spaghetti."

"Spreadsheets are great personal productivity tools but they are not great at managing corporate data," he adds.

Over the next few weeks Imeson observed activity. He discovered that it took anywhere between 18 and 22 days to finish month end processing and reporting. A big part of the problem was the need to continually enter and reconcile data in spreadsheets, ensuring that as each change was made, the results were correct. "We needed more efficiency in our operations," Imeson says. We required access to all the information so that we could make better decisions."



At a glance

Business Objective

Replace spreadsheets, four general ledgers and an outdated financial system with an integrated business intelligence and financial system.

Solution

- Microsoft Dynamics GP
- ClubIntel from Professional Advantage

Business Benefits

- Month end reporting has been cut from twenty two days after close of business to seven
- Quarterly rolling budgets are bringing more accuracy to forecasting
- BI capabilities are enabling the club to become more responsive to members, their behaviours and expectations

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Once he was sure of the scope of the problem Imeson spoke to the then Chief Executive Officer and recommended replacing the spreadsheets and general ledgers with a single, integrated, modern financial system. The CEO gave his full support and Imeson proceeded with a proposal. He set three key goals for the project:

1. Deliver reports within 5 working days following end of month;
2. Give managers the tools and knowledge to be responsible for their own budgets;
3. Replace the practice of annual, locked-in-stone budgets with quarterly rolling forecasts.

In addition, Imeson had one more goal in mind. Once the financial system was in place he wanted to create a business intelligence (BI) capability whereby norths could report and analyse non-financial information, creating a balanced scorecard that would report on all aspects of the club's operations, from attendance numbers and peak service times through to food and beverage, POS, gaming and gym statistics.

By the end of his first 100 days on the job, Imeson received board approval to proceed with a new financial system.

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A Financial Decision

What norths needed was a financial system suitable for a medium-sized enterprise; capable of handling payroll and loyalty EFTPOS transactions and a multi-faceted hospitality business that operates nearly 24 hours per day, 7 days per week and 365 days per year. In addition, Imeson wanted to use the change as an opportunity to re-engineer and standardise certain processes across all norths businesses.

He looked in-depth at two financial solutions but experience and confidence in the software led him to select Microsoft Dynamics GP. "Our goal was to bring a more strategic focus to information rather than just being a score keeper. Our slogan was 'touch data once' so that as soon as data was in electronic format we didn't want to re-key it. It's a waste of resources. That made Integration Manager a particularly attractive part of the Dynamics GP solution. We also wanted to produce reports with timely, accurate information while not providing the end user with too much information. With FRx, we could create the reports and give users the ability to drill down so that those who needed extra information could access it if required," Imeson notes.

When it came to choosing a company to carry out the implementation, Imeson says, "It was always going to be Professional Advantage once we'd decided on Microsoft Dynamics GP. While there are various resellers of GP out there, Professional Advantage was our choice because of previous experience. I was the new kid on the block at norths so I certainly didn't want to blow the budget on my first exercise. I knew that Professional Advantage managed projects well, they gave reasonable estimates, and I knew they would keep me informed throughout."

In October 2009, less than 200 days after Imeson joined the company, norths went live with Microsoft Dynamics GP. The project came in on time and on budget.

Moving on to Full-Blown BI

With the financial software project judged a success, Imeson turned his thoughts to the broader question of Business Intelligence. However, before he could act, norths' Group Marketing Manager and Group Gaming Manager attended a trade seminar where they learned about ClubIntel, a BI solution designed by Professional Advantage specifically for the club industry.



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It involved creating a data warehouse using SQL server platform to link information from all club systems, applications, QlikView reporting, analytics and dashboarding platform to deliver exactly the sort of broad-sweeping yet granular analysis and reporting that norths' management was after.

"They told the CEO about it and the project took off from there," Imeson smiles. In mid-2010 work began on the solution. To better budget for the project and to avoid an overload of change, work was split into two phases. The data warehouse to support ad-hoc reports and 'what if' analysis was built first and completed in early 2011. This immediately provided management with access to the data and enhanced analysis.

The second portion of the project – the BI front-end involving dashboards and at-a-glance graphics highlighting performance against key indicators – is scheduled for completion during the 2012 financial year.

The Results

The changes introduced by this new era of technology have been dramatic. From a financial perspective Imeson has managed to reduce month end reporting time from 22 days to 7 working days. He and his team are confident that they will eventually bring this down further, to just 5 working days.

Imeson has also achieved his goal of making managers responsible for their own budgets. "They will always know their own operation ten times better than I ever can, because it's not my job," he notes. In 2010, managers first took on the task of preparing their budgets. In 2011, with the process now firmly understood, Imeson has introduced quarterly rolling forecasts.

These project 5 quarters into the future and are updated every 3 months. "If you look at the Seagulls club, we've had 2 recent significant impacts on business – the Australian dollar being over parity resulting in a significant decrease in tourism on the Gold Coast and early this year, half of Queensland was flooded. 12 months ago neither of these things could have been thought of and neither would have been accounted for in an annual budget. The beauty of a rolling forecast is that we can more accurately reflect what's going on, rather than just score keeping past events," Imeson points out.

Imeson believes that Microsoft Dynamics GP has been instrumental in providing norths with flexibility to develop some unique industry tweaks. Rather than financial data being divided into 12 monthly periods, for example, norths has adopted 52 weekly periods which better reflect their club environment. The software has also made it comparatively easy to introduce rolling forecasts.

The club's plans for BI have proceeded apace. The ClubIntel data warehouse has brought together information from payroll, Microsoft Dynamics GP, the membership system, gaming, point of sale including beverage and sundry sales, and the clubs' 2 gyms. Now managers can analyse member behaviour such as gym usage, restaurant or coffee shop visits and whether members are using the complimentary bus to travel to and from the club. "We can see who our frequent members are, what they like to do at the club, what they like to drink and whether they are enjoying the promotions," Imeson says.

Marketing, for example, is using promotions data to evaluate response rates and decide which activities provide the best return on investment. "We're learning how to better manage our good customers, to know what they want, so that we can make sure they are well-served and rewarded," Imeson explains.

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Old style member reward coupons have been replaced with tiered loyalty points on an EFTPOS card. The points can be spent anywhere that accepts EFTPOS, making the rewards less limited, more convenient and more valuable in the eyes of members.

"BI is letting us see what our customers want and enabling us to invest in the areas that they enjoy. We're in the business of recreation so if we can provide a better experience at norths our business will grow. It's all about looking after our customers," Imeson acknowledges.

Over the next 12 months, work on ClubIntel will continue with the development of the dashboard front end, bringing even more timely and relevant reporting. As managers begin to explore the new tool, norths can expect to continue to learn more about its members, their behaviours and expectations.

Looking Back

Imeson believes part of the success of the projects is due to the role played by Professional Advantage. "The project manager from Professional Advantage pushed us to make sure that we achieved what we set out to achieve. Support following implementation has been professional and readily available. The help desk is run by a very efficient, friendly team and there's never any long queue or waiting times. They are always happy to help and they understand our business."

Imeson sums up the experience saying, "Looking back, a fast system replacement was the thing to do. I didn't have to get bogged down in learning the old software. We just changed to a new and better one. The project has been a great opportunity because it's not often you get such a great brief. I was able to change everything that I wanted, it was like a greenfield site. If the organisation had reasonable technology to begin with, this would never have been possible. But because the systems were so out-dated, we've been able to move to world's best practice."

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About Professional Advantage

Professional Advantage focuses on providing technology and services that enable high-performance workplaces and organisations. Professional Advantage was established in 1989 and today employs more than 230 people in Sydney, Melbourne, Brisbane, Perth, London and Fargo, USA. The company is the largest provider of leading brand global business management systems, such as financial management, ERP, CRM, retail, business intelligence, business process management and portal solutions to mid-sized organisations in Australia, supporting over 800 clients nationally. Its multi-product offering is complemented by its development, systems integration, consulting, training, and support services. Professional Advantage is the winner of many business and vendor awards and is a member of the Microsoft President's Club 2011.

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