

Troon Golf projects six-figure savings and a threefold increase in IT time spent on innovation by leasing with Dell Financial Services



• Services



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Cary Westmark, Vice President, Technology, Troon Golf

Customer Profile

Company:	Troon Golf
Industry:	Sports and Gaming
Country:	United States
Employees:	9,000
Web:	www.troongolf.com

Business Need

Troon Golf needed to make it easier for its managed golf course customers to adopt an IT lifecycle management strategy and refresh computers and office equipment more regularly to lower total cost of ownership.

Solution

By setting up a leasing option through Dell™ Financial Services (DFS), Troon is enabling its managed courses to refresh hardware at more regular intervals to improve reliability, minimize maintenance and ultimately save the company hundreds of thousands of dollars.



Benefits

- Up to \$500,000 projected savings as the majority of clubs transition to leasing model
- Projected threefold improvement in IT innovation-to-maintenance ratio
- Reduced cost of ownership for IT for clubs that adopt leasing model
- More frequent hardware refreshes improve productivity and reliability of systems
- Online tools improve visibility and simplify lease management

Golf and IT haven't had an easy relationship. After all, for many, getting out on the green is all about escaping the pressures of everyday life, and these days, that includes technology. Most old-school golfers would prefer to reserve their tee times with a phone call, or paper and pencil, rather than log on to a website. For their part, golf course owners would rather invest in their grounds and facilities than upgrade computers.

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The result is that many golf courses are grappling with outdated IT infrastructures that pose continuing management challenges and make it difficult to offer services that will meet the expectations of a new generation of golfers who were raised as digital natives.

Solving the number-one IT challenge

Troon Golf understands this situation only too well. The Scottsdale, Arizona-based company provides management, development and marketing services to more than 185 golf courses around the world. For most of those courses, Troon manages IT as well. Helping its managed courses grasp the importance of hardware lifecycle management and getting them to refresh aging systems has been the number-one challenge for Troon's central IT department.

"We don't really have a lot of major technological challenges outside of convincing course owners and general managers that implementing an IT strategy makes sense for the business," says Cary Westmark, vice president, technology. "I spend 75 percent of my time educating course owners, general managers and executives on the value of strategizing IT. I'm an IT guy by trade, but when I entered the golfing industry, it was a little surprising to me how little focus there was on managing this part of the business. What I try to communicate to the business owners and managers is that if you have a lifecycle management plan in place, you can actually lower the total cost of

owning hardware by having a refresh cycle that is four years or less. Some of our clubs are still using equipment that is 7 to 10 years old, and they're paying more in support than they would to simply replace the hardware."

To make it easy for golf course owners to buy into the concept, Westmark decided to create a leasing option. "I talked to our CFO about it, and as I ran over the potential advantages, she asked me why weren't leasing already,"

Technology at Work

Services

[Dell™ Financial Services \(DFS\)](#)

Hardware

Canon imageRUNNER copiers

[Dell Latitude™ E6410 laptops](#)

[Dell OptiPlex™ 780 desktop PCs](#)

[Dell PowerConnect™ Ethernet switches](#)

[Dell PowerEdge™ T410 tower servers](#)

Trans-West Network Solutions voice-over IP phone systems

Software

[Dell Financial Services Online Services](#)

Jonas club management system

Windows® 7 Professional

Windows Server® 2008 R2

he says. “She agreed that it made more sense for us and for our managed courses to lease, because there is a fairly set lifecycle for almost every piece of equipment that we use. We’re not going to build any kind of equity in the equipment, so why not lease it? We decided that leasing made more sense from a financial perspective as well as from an IT management perspective, so those two things together made us decide to change our strategy from purchasing to leasing.”

Online lease management tools a must

Westmark evaluated leasing arrangements from a variety of vendors, paying particular attention to online management tools, since Troon will eventually be managing a large number of leases for its customers. Troon wanted to lease assets over different time periods, depending on the product, and needed a leasing partner that could offer a robust online lease-management portal. “We wanted to be able to go in and see which leases are coming up any given year so that we can plan for it,” says Westmark.

He investigated leasing solutions from Dell Financial Services, and found that Dell Financial Services Online Services (DFSOS) were superior to other vendors’ online management tools. When the financing rates compared favorably as well, he suggested that Troon partner with Dell.

“The ability to manage our lease portfolio online was one of the main drivers for finding a leasing partner, and Dell Financial Services Online Services gives me everything I need,” says Westmark. “We’ve also been a Dell customer for years, and we’re standardized on Dell for desktops, laptops and servers. So we’re comfortable with Dell, and we know that Dell service and support is excellent.”

When Westmark requested a change to the user interface, DFS promptly implemented the feature. “I was pretty impressed that the request didn’t just go into a black hole somewhere,” he says. “I wanted the customer bill-to

name to appear on the first screen when you’re looking at your contract, instead of just the contract number, because I needed to know who owned that contract at a glance. It was nice to see that DFS is open to customer feedback and also quick to respond.”

Flexible leasing options from a single vendor

Now, clubs that are due for a refresh of their IT infrastructure can lease a standardized set of solutions, including Dell Latitude E6410 laptops and Dell OptiPlex 780 desktop PCs running Windows 7 Professional, Dell PowerEdge T410 tower servers running Windows Server 2008 R2, Dell PowerConnect Ethernet switches, as well as voice-over IP phone systems from Trans-West Network Solutions and Canon imageRUNNER copiers. Clubs use Jonas, a dedicated club management system, to run the business. All software and hardware is leased through Dell Financial Services, regardless of the manufacturer or reseller.

“One requirement we had for our finance partner is that we needed to be able to finance everything in one package,” says Westmark. “I don’t want to have to go to a different leasing entity to get something we need, and Dell Financial Services is doing a great job by allowing us that flexibility. If we want to lease equipment that’s not Dell—which we do—it’s no problem.”

Lease terms have been flexible as well. “We have 24-, 36-, 48- and 60-month leases,” says Westmark. “We’ve been able to tailor the lease agreements to do fair market value or dollar buyouts. For equipment that’s not going to have any value to Dell at the end of the lease, we’re able to put that on a separate lease so we’re not tying up the stuff that will have value with higher interest rates. Dell Financial Services has really been dynamite about making sure that we understand what our options are.”

When equipment reaches end-of-life, DFS performs data wiping and asset disposal. “That’s something we’ve typically done ourselves, and getting that task off our plate is wonderful,”

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says Westmark. "We've been a bit pinched in terms of desktop support staff over the last couple of years, and it doesn't make sense for us to pay our highly skilled engineers to wipe desktops."

Saving up to \$500,000

Although Troon's managed clubs are just beginning to transition to the leasing model, the benefits of having up-to-date equipment at remote locations are already coming into focus.

"Every single club that we manage today has, at some point in their existence, driven their systems to the point where parts of their club weren't functioning, their data was unreliable, and systems were costing a ton of money to support," says Westmark. "To be honest, that's just how the golf industry operates. And it's not until Troon takes the clubs over that they realize there's a better way to do this. Once we get them into a lifecycle management program, club owners usually see that it will reduce their total cost of ownership for IT. Also, Windows 7 offers more desktop management controls, helping us to prepare for application changes coming over the next four to five years."

Educating club owners about the benefits of leasing could pay off big for Troon. "We're promoting it hard, because if the owners don't agree to it, we still have to operate the facility, and

outdated equipment drives up support costs," Westmark explains. "Once a club gets on a lease cycle, IT support costs for that club go down by \$2,000 to \$4,000 annually, and IT assets are no longer capital purchases—they just become a predictable business expense. Between lower support costs and less downtime, once we get the majority of our clubs on board with leasing, we're going to see a quarter of a million to half a million dollars in savings over the next couple of years."

Flipping the innovation-to-maintenance ratio

Once 75 percent of the clubs adopt the leasing model, Westmark projects he will be able to improve the innovation-to-maintenance ratio for Troon's IT department threefold.

"I'm the head IT strategy guy for Troon, and Dell Financial Services is helping me change my focus from trying to convince people how to best manage their technology from a cost perspective to improving our systems, integrating them and adding more functionality," he concludes. "Instead of spending 75 percent of our time just getting things done and 25 percent of our time on strategy, we will be able to reverse those figures. That's going to be a great day for Troon, and I think that's going to happen slowly over the next few years for us."



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