

MEMORANDUM

Date: Wednesday, July 30, 2014
To: Executive Committee
From: Database Review Committee
Subject: *AGC Database Analysis and Recommendation*

Database Review Committee

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Executive Summary

AGC’s database does not meet the business needs of the chapter. It is out of date, extremely difficult to use, the code breaks on a regular basis, and it lacks the ability to handle content needed by a membership organization. In addition, the database vendor who wrote the proprietary code moved out of country to pursue other business opportunities.

AGC’s current database is technology from 2006 that has required heavy modifications with custom coding to meet the growing needs of the chapter. Over the last eight years, due to budgetary considerations, software upgrades to the database have been passed over.

Even is the chapter had invested in upgrades to the current database, the Microsoft CRM product has been determined not a good fit for a membership organization. One of the biggest flaws is the lack of historical information and lack of ability to pull relevant data on member demographics. Instead of tracking history such as committee members, awards, continuing education, and program information, this database is essentially an address book.

Another important issue is that the chapter recently lost technical support from our CRM vendor, Dynamic Connections. That vendor closed its doors to pursue other business opportunities. Finding a new vendor will be expensive. The chapter’s current database version is 4.0 which was upgraded in 2007 is two versions behind current platforms. Technical support for the 4.0 version is limited and in the coming year’s be unavailable. An update would be required which would be expensive and exacerbated by the three layers of custom code.

History

2006 – Database was purchased from the company Protec in a beta version of *CRM for Members* which was supposed to integrate with Microsoft CRM 3.0.

- Protec was specifically chosen as the vendor because they were building a membership support system for organizations similar to AGC.
- Custom code was written to try to bring the database to AGC's needs.
- Protec over promised and under delivered and a new vendor was hired.

2007 – Ascentium replaced Protec

- Upgraded to Microsoft CRM 4.0. Custom code was written for events, sponsorships, dues billing and other revenue sources, and integration with the existing accounting software.
- The account manager left Ascentium in 2010 to start his own business – Dynamic Connections.

2010 – Dynamic Connections became the new vendor, as the account manager had written the custom code for the various revenue sources and integration with the accounting software.

- An upgrade to Microsoft CRM 2011 and cleanup of the Protec custom code was estimated to be \$50,000 and was not completed due to the cost.

2014 – Dynamic Connections closed business and the account manager moved to Africa

- AGC has minimal technical support through Ridgeline Solutions, but they have not written any of the custom code and their primary function is to support the SMC/SAIF application.
- At this time, the AGC membership database has little, if any technical support.

\$298,000 was spent on the current database from 2006 to 2012.

Major Issues

- Currently the chapter is without a CRM Vendor
 - Steep learning curve for a new CRM vendor as there are currently three different vendor-written codes within the database.
 - Automatic workflows, such as registration discounts, table reservations, and complimentary registrations for sponsors, cannot be completed without a vendor.
 - In the last seven months, when there has been a break in the database, Ridgeline Solutions, Inc was brought in for tech support. However RS did not write any of the custom coding and their support while very good, it is not a long-term cost effective solution to the chapters larger database issues. Ridgeline Solutions' primary function is to support the SMC/SAIF application.
- Events/Registration/Sponsorships/Safety Training
 - Event registration module does not work properly and has been limping along with very little functionality.
 - For example, payments are not properly processed without reason, sponsorship invoices do not carry over to the accounting software, members do not get their registration confirmation emails, and multiple registrations are created for the same class or event.
 - Interface with the website is unreliable and speed issues exist due to the many layers of custom code.
 - The functionality of duplicating events is not available. Some safety training classes happen 15 times a year and each class has to be manually entered instead of just being duplicated. The Summer Convention has 68 different billing categories that have to be entered each year instead of duplicating from one year to the next.
 - No way to track event substitutions.
 - No ability to allow only members to be able to register for certain events such as the golf tournament.
- Accounting/Finance
 - The custom code for dues integration is broken. 850 invoices had to be manually entered in the accounting software in May, and 150 will have to be entered for quarterly billed members. Not only does this take many hours to enter, it is also an accounting controls issue.

Major Issues – *continued*

- Public Affairs
 - When creating a calendar item for the website, each has to be created separately. Very often there are multiple trainings/meetings that are exactly the same but occur on multiple dates. There is no way to copy an event and simply change the date; each has to be entered as an entirely new event.
 - Our website company has had to create workarounds to known problems in our database. This creates overly complicated programming and makes finding and fixing errors more difficult and expensive.
 - There is no history of who served on what committees, when, for how long, and no way to track chapter or national awards.
 - It is impossible to put together mail/email lists that have multiple requirements: a general contractor with 10 or fewer employees in a specific legislative district. Or even simple lists of contractors in specific districts. This would be helpful for legislative business and targeted communications.
 - No ability to pull demographic information about our members to provide support for media, industry partners, and legislative efforts.
- Membership
 - A developer is required to add new fields for information. For example: If AGC wanted to collect data on the number of fleet vehicles or the legislative district for each member, a CRM vendor has to make the change by writing new code.
 - The member company address has to be manually corrected on all contacts for the company instead of automatically being updated. Some companies have 50+ contacts.
 - Address verification tool is non-existent in the current version of Microsoft CRM. When mailings or invoices are sent out with incorrect addresses they are returned and postage is non-refundable.
 - There is no ability to track history – such as when a company changes its name, committee lists, when contacts move between companies, volume data, and start and resign dates for companies that change their membership annually. Basically, the database is a snapshot of current information only.

Major Issues – *continued*

- Reports
 - Getting email lists for our third-party email vendor is extremely difficult. The report initially took six months to have customized, and it regularly crashes. The membership information needs to be divided for more targeted and effective communications but staff cannot customize the reports.
 - Formatting a new report is difficult and requires a software developer using Microsoft Tools to create.
 - Ad hoc queries are very limited and instead multiple reports have to be run, combined, sorted, and duplicates removed.
 - Data needed for membership evaluation is not reportable. For example, the database currently lists when a member started a program but does not report what programs the member is *not* involved in.

Process to Pick New Vendor

- July 2013 – Database team formed to look into feasibility of CRM update
- January 2014 – Without a vendor the team changed path to look for a new database. February 2014 – Hired Ridgeline Solutions to help with technical aspects of database (needs vs. wants, capabilities of various databases, software and hardware needs)
- April 2014 – Phone/web interviews with five potential vendors
- May and June 2014 – Full day interviews with each of the three vendors and requested RFPs.
 - (8 staff and 2 consultants)
- July 2014 – Choose vendor and presented to Executive Committee

Timeline for Implementation – 6 to 8 months total

- Scope of Work (1–2 months)
- Configuration, training, testing, and data conversion (4–6 months)

Financial Analysis

Cost for Miscellaneous Work Needed on Current Database

If new vendor can even be found

	Cash	Annual Expense
• Correct Dues Billing Integration	\$8,000	\$8,000
○ 40 hours annually		
• Write Custom Reports	\$19,200	\$19,200
○ 8 Hours per month		
• Membership	\$9,600	\$9,600
○ 4 hours per month		
• Events/Registration	\$19,200	\$19,200
○ 8 hours per month		
• Total	\$56,000	\$56,000
• 5 Year Cost	\$280,000	\$280,000

This does not include the cost of the upgrade from Microsoft CRM 4.0 to 2013 or new server purchase. Estimated upgrade cost \$75,000-\$100,000. Estimated server cost \$25,000.

New Database Costs

	Cash	Annual Expense
• Implementation Costs		
○ ACGI (Database):	\$140,000–170,000	\$28,000–34,000
○ Ridgeline Solutions (SMC App):	\$10,000–20,000	\$2,000–4,000
○ PixelSpoke (Website)	\$10,000–15,000	\$2,000–3,000
• Total	\$160,000–205,000	\$32,000–41,000
• Annual Costs		
○ Contract with ACGI	\$37,800	\$37,800
• Five Year Cost	\$349,000–394,000	\$349,000–394,000

No hardware purchases necessary as database uses cloud storage.

Recommendation

AGC has limped by and made the best of a database that never met the needs of the chapter. Inefficiencies directly related to the existing system limit productivity of all aspects of the chapter. A modern database will dramatically improve the capabilities and efficiencies of all chapter operations.

We are now at the juncture of either investing more money into a broken database that has never worked for AGC's business needs, or invest in a new database that is specifically designed for a membership organization.

AGC's database team recommends the purchase of the new ACGI Association Anywhere database instead of spending more money on a broken database that does not meet the business needs.