



HEATH VILLAGE INCREASES REVENUE, PRODUCTIVITY AND COMPETITIVE EDGE WITH AN AUTOMATED OPENEDGE-BASED POS SYSTEM FROM CARDWATCH

There are now more Americans age 65 and older than at any other time in U.S. history. In fact, approximately 10,000 Americans turn 65 every day, and experts expect the retirement population to soar over the next two decades. This change is transforming the idea of the retirement community. Residents and prospects have high expectations as well as lots of options. Consequently, today's retirement communities are moving away from traditional services and embracing more exciting and attractive options to draw and retain residents.

Heath Village is an example of a retirement community that is continuously evolving its facility and services to meet the needs and wants of its customers. Located on over 100 acres in Hackettstown, NJ, Heath Village is a non-profit, full service retirement community, offering a choice of lifestyle options, first-rate amenities, numerous social opportunities and the security of comprehensive health care services on-site.

Tony Puccio, Controller at Heath Village, says as with any community, residents' needs and preferences have changed over time. "We used to have just one formal dining room where all meals were served. But times have changed. While some residents still like the experience of a more formal environment where they can take their time and be waited on, others wanted a quicker, self-service option. So we decided to split the dining room into two venues – a formal dining room and an informal café."

It was this move that prompted Heath Village to look at a POS system. Previously, the organization relied on an entirely manual process for tracking meals in the dining room. Because the menu has a fixed price, the host or hostess only needed to keep track of which residents showed up for certain meals. At the end of the month, an employee would manually tally up the numbers and send the raw data down to the business office where the information would be inputted into the accounting system and the resident would be billed.

Aside from the inefficiency of this system, the process also left a large margin for error. "We know mistakes were being made and not every meal was being tracked. I anticipate we were only capturing about 75% of all meals served. That's a major discrepancy that had a direct impact on our bottom line," says Puccio. "A café would add an entirely new level of complexity to the process – à la carte pricing, the ability for employees and guests to use the café, the introduction of swipe debit cards, and more. We needed a far more sophisticated way to track and manage the information."



CHALLENGE

Heath Village sought to improve its ability to track and manage sales in order to support new dining options and services for residents, employees and guests.

SOLUTION

The facility chose the CARDWATCH POS point of sales system, based on the Progress OpenEdge platform, to track and manage sales in its formal dining room, café, gift shop and beauty salon and the company will soon extend use of CARDWATCH to three new restaurants.

BENEFIT

By automating the point of sales process, Heath Village has increased sales by 25%; significantly improved employee productivity by automating 15,000 transactions a month that were once performed manually – reducing at least one full time employee [FTE]; and improved inventory management.

CARDWATCH POS AND PROGRESS OPENEDGE DELIVER BOTTOM-LINE RESULTS

Heath Village looked at a number of software options, but found CARDWATCH POS was the best fit for their needs. “There are a lot of retail point of sales solutions out there. But the CARDWATCH system was a POS plus an entire meal plan management system,” says Puccio. “We also visited a facility using CARDWATCH and saw the application in action. It was impressive to see and the customer had great things to say about the software. That experience along with our own research and interaction with CARDWATCH gave us the confidence we needed to move forward.”

Heath Village has relied on the CARDWATCH POS point of sales solution from Progress Application Partner CARDWATCH for over eight years. Based on the Progress® OpenEdge® application development platform, CARDWATCH POS is a Windows-based point of sale solution for Fine Dining, Quick-Serve Cafe, Retail and Services that are “purpose-built” for senior living environments. The system provides multi-company, multi-location, and terminal management in a graphical touch screen user environment to ensure easy, fast, yet comprehensive sales and account control.

Puccio says the on-premise implementation was smooth, taking just six days to get the system up and running including all admin training. “The CARDWATCH POS, with the underlying Progress OpenEdge platform, is incredibly reliable; we have had zero downtime attributable to the software. The system requires minimal maintenance, so we don’t need to employ a database administrator. And the system is incredibly easy to use for our employees and volunteers – even those unfamiliar or uncomfortable with technology.”

INCREASED REVENUE

Today, Heath Village is using CARDWATCH POS to track and manage all of the sales activity for its café. The café is a cashless system, but it is able to accommodate a variety of diners and payment options. For example, residents can use a key fob to have a meal deducted from their meal plan. If the resident is not on a meal plan, the system will automatically charge the sale to a bill that is paid at the end of the month. Residents, employees and guests can also use a pre-paid debit card at the café. And the system is able to automatically reflect variances, like an employee discount. CARDWATCH POS interfaces directly with Heath Village’s accounting system where billing is taken care of automatically.

The facility is also using CARDWATCH in the formal dining room. The CARDWATCH system automatically tracks meals as residents enter the dining room via their key fobs, recording the information, and automatically tracking it against their meal plan or charging the amount to their bill. And if a resident has exceeded their meal plan limit, the plan also tracks that information and bills the overage to the resident’s account.

“Since implementing CARDWATCH POS from the Progress OpenEdge platform, we have realized a significant improvement in meal tracking,” says Puccio. “We generate about \$600,000 in meal sales each year. We are now capturing approximately 25% more meals than we did with our manual-based process which translates into a \$150,000 increase in sales.”

Heath Village has extended the use of CARDWATCH POS beyond its dining facilities, relying on the system to manage sales in its gift shop and beauty salon. Similar to the formal dining facility, residents use the key fob in the salon to charge against their account. However, unlike the other facilities, the gift shop is not cashless. The CARDWATCH system is able to easily accommodate all payment methods, including cash, credit and the residents’ key fobs. “CARDWATCH has also drastically improved our inventory management process which has subsequently improved our sales,” says Puccio. “We now have complete visibility into what is



“Since implementing CARDWATCH POS from the Progress OpenEdge platform, we have realized a significant improvement in meal tracking. We generate about \$600,000 in meal sales each year and we are now tracking approximately 25% more meals than we did with our manual-based process which translates into a \$150,000 increase in sales.”

Tony Puccio
Controller
Heath Village

selling and what people want. So we know what items to stock and in what quantity, and we know what items to take off our shelves.”

IMPROVED PRODUCTIVITY

The impact on employee productivity using CARDWATCH POS has been significant. With approximately 250 residents conducting on average two transactions per day [e.g. a meal or a purchase in the gift shop], Heath Village now automatically manages 15,000 transactions a month that were previously performed manually. “With CARDWATCH POS, our staff is no longer spending their time manually recording information, crunching numbers or inputting data into systems,” says Puccio. “Rather, all of those processes are managed automatically via the system. I estimate we have saved two full days per month by automating the month-end reporting process and saved at least one full time employee [FTE] due to the collective productivity savings we have realized across all areas of our business.”

A COMPETITIVE EDGE

Implementing CARDWATCH POS has given Heath Village a competitive edge. “Our customers are our residents, so it is important that we are able to respond to their evolving needs and wants,” says Puccio. “Unlike a restaurant, our dining facility has a fixed audience; we aren’t open to the general public. We also don’t require a minimum meal plan, so people are free to choose where they want to eat. If they opt for the plethora of other dining options, like the local Applebee’s or Friendly’s, we will quickly lose revenue. With CARDWATCH POS we have been able to compete with those restaurants by providing new and attractive options like the café [without the added administrative burden] and subsequently increase our revenue.”

Heath Village is undergoing a major \$3 million expansion project in response to its residents’ interest in additional dining options. The facility is building a completely renovated fine dining room, a tavern that will serve alcohol, and a center-stage venue where residents can watch a chef prepare meals. CARDWATCH POS will manage all of the sales across these new venues. And Heath Village will extend use of the system to also manage the order process, similar to major restaurants. Servers will enter the orders into a terminal and the information will be routed to the kitchen and eventually to the accounting system.

“This level of automation will reduce the number of servers required on the floor, will expedite service and enable servers to spend more time with customers.” Not only will the expansion project deliver improved services to residents and guests, but it will further differentiate Heath Village in a highly competitive market.

CARDWATCH RELIES ON PROGRESS OPENEDGE TO DELIVER CONTINUOUS INNOVATION AND A COMPETITIVE ADVANTAGE

For close to 30 years, CARDWATCH has relied on the Progress OpenEdge platform to power its solutions. The CARDWATCH suite of applications has evolved to become one of North America’s most advanced Privilege & Spending Management tools on the market. Today, CARDWATCH is the popular choice for One Card solutions with retirement communities and health care institutions.

Initially selecting Progress OpenEdge for its scalability, the company has stayed with the platform due to its flexibility, performance and ease of development. “We have been able to modernize our solution while maintaining the software’s business logic. The ability to leverage our existing investment in OpenEdge while having the flexibility to innovate our technology has saved us significant time and costs and enabled us to maintain a competitive edge,” explains Gary McMullen, President and Founder of CARDWATCH.

“We have been able to modernize our solution while maintaining the software’s business logic. The ability to leverage our existing investment in Progress OpenEdge while having the flexibility to innovate our technology has saved us significant time and costs and enabled us to maintain a competitive edge.”

Gary McMullen
President and Founder
CARDWATCH

The scalability and reliability of the Progress OpenEdge platform is key to the solution's success. "Take a retirement community," says McMullen. "Many offer meal plan service during a limited span of time. That means all of the residents – hundreds – will take their meals at the same time. The system has to be able to scale with that volume. Any downtime can result in slow service and possibly revenue loss for our clients. The OpenEdge platform is incredibly reliable and can scale to meet the needs of any of our customers." McMullen says Progress OpenEdge also requires very little maintenance, which is critical since the majority of CARDWATCH's customers do not have an on-site IT department or database administrator.

"The ability to deliver its solution on premise and through the SaaS model has given CARDWATCH a competitive edge with the ability to reach customers with varying needs and budgets. "There have been customers that just don't have the capital budget for our solution, so SaaS puts it within reach and delivers an ROI often in the first month," explains Kevin McIntosh Vice President of Business Development for Heath Village. "We have others that choose SaaS to avoid the lengthy approval cycles – sometimes years – required for capital expense approval."

Because most of the company's clients move from a manual paper-based system to CARDWATCH POS, the benefit curve tends to be steep. "Our clients realize a dramatic and rapid increase in transaction throughput, visibility, service levels, productivity and even profits," says McIntosh. "And the ease of integration of Progress OpenEdge enables them to tie the POS system to other third-party systems like an accounting system for further productivity and efficiency gains in the back of house."

There is an old adage that says, "you can't improve what you don't manage, and you can't manage what you don't measure"; that has absolutely been the case for many of CARDWATCH's clients. "Some facilities don't realize they are losing revenue until they implement our system," explains McIntosh. "One client found that within the first six months of using CARDWATCH POS they increased sales by 10%, but in reality, they were actually losing 10% of their sales through manual error before CARDWATCH. With a \$250,000 raw food budget, that came to \$25,000. Now they have total visibility and control over that process."

CARDWATCH recently developed a web-based module for a college enabling its 28,000 students to view their meal plan accounts, make online payments, review transactions, print receipts, etc. "There are so many more new opportunities we want to explore with the availability of OpenEdge 11, like Multi-Tenancy, data encryption and mobility," explains McMullen. By the beginning of next year, CARDWATCH plans to offer a new mobile option that would allow clients the ability to not only manage their accounts, but to also place orders for food service delivery.

"The pace of change when it comes to operating systems, connectivity, mobility and the cloud is happening at a far more rapid rate than ever before," says McMullen. "But with Progress, we don't have to worry. We know that when the time comes, OpenEdge will support whatever direction we choose to take our solution and our business."

"Our clients realize a dramatic and rapid increase in transaction throughput, visibility, productivity and even profits. And the ease of integration of Progress OpenEdge enables them to tie the POS system to other third-party systems like an accounting system for further productivity and efficiency gains."

Kevin McIntosh
Vice President of
Business Development
CARDWATCH

ABOUT HEATH VILLAGE

Heath Village represents an affordable choice for today's retiree who wants to remain active, involved and independent. A non-profit, full service retirement community, Heath Village offers a choice of lifestyle options, first-rate amenities, numerous social opportunities and the security of comprehensive health care services on-site. www.heathvillage.com

ABOUT CARDWATCH POS



The CARDWATCH™ suite of applications has evolved to become one of North America's most advanced Privilege & Spending Management tools on the market. Today, CARDWATCH is the popular choice for One Card solutions with retirement communities and health care institutions. www.CARDWATCHpos.com

PROGRESS SOFTWARE

Progress Software Corporation (NASDAQ: PRGS) is a global software company that simplifies the development, deployment and management of business applications on-premise or in the cloud, on any platform or device, to any data source, with enhanced performance, minimal IT complexity and low total cost of ownership.

WORLDWIDE HEADQUARTERS

Progress Software Corporation, 14 Oak Park, Bedford, MA 01730 USA Tel: +1 781 280-4000 Fax: +1 781 280-4095 On the Web at: www.progress.com

Find us on facebook.com/progresssw twitter.com/progresssw youtube.com/progresssw

For regional international office locations and contact information, please go to www.progress.com/worldwide

Progress and OpenEdge are trademarks or registered trademarks of Progress Software Corporation or one of its affiliates or subsidiaries in the U.S. and other countries. Any other marks contained herein may be trademarks of their respective owners. Specifications subject to change without notice.

© 2014 Progress Software Corporation. All rights reserved.

Rev. 06/14 | 140624-0027