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How TO...

**DEVELOP A
MANAGEMENT PLAN
FOR YOUR FACILITY**

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1.0 Introduction

“Good management is the single most important component of any leisure facility. Excellent facilities will never achieve their optimum with poor management. Yet, dynamic, creative management can turn a poorly planned and poorly designed facility into something close to a great success.”

[Marriot, 1986]

In today’s economic climate, few local government authorities can afford to continually inject large amounts of public money into recreation and leisure facilities that are not seen to be successful. As recreation centres become more sophisticated and elaborate, there is an expectation that they should be more efficient and effective, and less draining on the public purse. But what constitutes a successful facility?

In order to determine what “success” means, each Council needs to identify, in conjunction with its community, what outcomes it would like to achieve through its recreation/leisure facility. These financial and social objectives should focus on meeting local needs and should reflect the overall vision for sport and recreation provision within the municipality. But communities are dynamic and local needs change. What is considered a priority today may not be important in future years!

In order to remain relevant and to be an *ongoing* success, managers of recreation facilities need to plan ahead, anticipating change and modifying services accordingly. Developing a management plan involves using a marketing approach to determine future directions for your centre. Alternative strategies can be examined and reviewed with a view to maximising the effective use of resources. Through adopting a proactive management style, new markets and opportunities can be created while problems and risks can be minimised.

This kit is designed to help facility managers prepare a management plan for their recreation or leisure centre. Each management plan will, and should be, different. There is no set formula for either the content or process undertaken in preparing a management plan. However, there are a number of key principles that should be considered. The information provided in this kit constitutes a guide to more efficient management practices, which should ultimately result in more effective service delivery.

As Local Government own and manage the majority of recreation centres throughout the State, the text of this kit refers to Local Government. However, the content of the kit can be applied to any facility, irrespective of its ownership.

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2.0 *What is a Management Plan?*

2.1 A management plan (sometimes referred to as a strategy plan or a business plan) is a written document which outlines:

- The aims and objectives of the facility: *What are we trying to achieve?*
- The strategies used to meet the objectives: *How will we achieve it?*
- The evaluation methods used to measure performance: *How will we know if we are achieving it?*

Recreation and leisure centres are like any other business enterprise and, as such, managers need to act in an entrepreneurial fashion, be customer focused and constantly deliver quality programs and services. A management plan is a formal planning tool which aims to *design* the future operations of the centre, so as to achieve the best result with limited resources.

2.2 A good management plan will enable you to improve the effectiveness and efficiency of your centre. It will identify who your clients are, what services you are offering, and the reasons underlying their provision. It will provide you with both short and long term goals, improve the quality of your services and products, and ultimately, will enable you to manage a more successful operation. Some specific outcomes include:

- **Identification of Corporate Direction:** Consideration is given to how the facility fits into the broader corporate direction of the parent organisation.
- **Systematic Forward Thinking:** Management is forced to evaluate the consequences of alternative strategies and tactics.
- **Identification of Customers and Competitors:** Services and products are tailored to meet customer needs. New opportunities and competitive advantages are discovered.
- **Formation of Realistic Goals:** Aims and objectives are set based on a knowledge of existing conditions and opportunities.
- **Co-ordination of Action and Resources:** The amount of human and financial resources needed to launch or operate a facility are determined.

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- **Production of Financial Forecasts:** The financial requirements for any capital works, and for all operational activities, are detailed. Cash flows and balance sheets are projected for the next 1 - 3 years.
- **Risk Minimisation:** Potential problems and risks associated with managing the facility are identified and ways of overcoming them are detailed.
- **Formation of Performance Indicators:** Ways of measuring and evaluating the effectiveness of the facility are established.

A well developed management plan is a useful promotional tool for educating staff, community groups and decision makers about your facility, what you are trying to achieve, and why. It can be used to gain support, attract funds, and substantiate achievements. It sets up policies and procedures, and provides a sound reference document.

3.0 *Developing a Mission Statement, Goals and Objectives*

- 3.1 The first step in preparing a management plan, is to develop a mission statement for your facility. This should be developed and endorsed by all levels of management, not just senior staff.

The mission statement is a global statement which should reflect the facility's reason for being, its charter, and the way in which it will be managed. It should provide a common vision and value base from which all operations flow. It should describe:

- The purpose of the centre: *What is our business?*
- Why it exists: *What is our underlying philosophy?*
- What it has to offer: *What services or products do we provide?*
- Who will use it: *Who is our target group?*

A mission statement which truly reflects a shared vision will create unity and commitment within your organisation.

- 3.2 Once the mission statement has been agreed to, the next step is to work out *how to do it*. Through developing your management plan, you will identify goals that will enable you to achieve your mission. Goals reflect more particularly what you aim to achieve and give direction to the operation of the centre. They are usually broad statements which have no time frames.
- 3.3 With your goals in place, the final step is to set out your objectives – the specific actions you will take at a particular time in order to achieve your goals. Setting out your objectives and designing your action plan is discussed in section 5.0 of this kit.

To assist you in developing your mission statement, goals and objectives, three working examples are provided in Appendix A. It should be remembered that these examples are *excerpts* from complete management plans, and are provided to illustrate the difference between mission statements, goals and objectives. They are not complete documents and as such, do not detail the total number of goals or objectives in each plan.

4.0 *Components of a Management Plan*

Although each management plan is and should be different, there are a number of key components which should always be considered. The following checklist provides the framework for developing your management plan and identifying your goals and objectives.

- 4.1 **Executive Summary and Recommendations.** Found at the beginning of the document, the executive summary provides a brief overview of the key components of the plan and sets out all the recommendations. The executive summary should be able to stand alone from the rest of the plan and be able to be read as a separate document.
- 4.2 **The Industry and Organisation.** This component should provide an assessment of influential trends in the recreation industry and background details on the organisation. It should include:
- *A Review of the Recreation Industry:*
Detail the current status and prospects for the recreation industry; new services, developments, trends / factors which may affect your facility.
 - *A Description of Your Parent Organisation:*
Outline the number and type of recreation facilities managed by your organisation and how successful the organisation has been in achieving its goals.
 - *Operational Philosophy:*
Outline the financial, social and equity philosophy of your parent organisation and how these ideals and values impact on the operation of your facility.
 - *Mission Statement:*
Outline the purpose of the facility; the target market and the type of services to be offered (as referred to in section 3.0 of this kit).
- 4.3 **Market Research.** This component should provide an analysis of your competitors, your customers and of the market place. It should include:
- *A Review of Your Competitors:*
Identify who your competitors are; their strengths and weaknesses; and how they are likely to react to competitive pressure.

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- *A Review of Your Customers:*
Provide data on your existing customers and usage patterns. Identify your target group(s); their size; their particular needs; why they purchase your programmes and services; and how much they are willing to pay.
- *A Review of the Market Place:*
Analyse the market in which you operate and create a market niche for your facility. Evaluate the services/products being provided by your competitors and look for gaps within the market place. Broaden the boundaries of the market by envisioning services/ products that do not yet exist. Seek out opportunities which will enable you to make a difference — the potential to offer something new!

4.4 **Customer Services Plan.** This component should provide a description of your programs and services, and should detail how you intend to sell them to your potential customers. It should include:

- *Target Markets:*
Describe your targeted customers and your lower priority customer groups.
- *Programs and Services:*
Describe the features of the programs and services to be offered to each target group. Include a proposed program timetable and details of any permanent bookings. Consider how future programs will be developed.
- *Marketing Strategies:*
Detail how you plan to promote your services and facilities to your target group(s). Include advertising methods; fee schedules and discounting strategies; standards of presentation; methods of quality control and desired image.
- *Support Services:*
Provide information on the range of support services to be offered such as kiosk and merchandising services; creche and disabled facilities; locker facilities, security services and equipment hire.

4.5 **Human Resources Plan.** This component should provide a clear outline of your organisational structure, levels of authority and strategies for maintaining a high standard of management. It should include:

- *Organisational Structure:*
Provide detail on the management style; staff structure; lines of authority; number of staff and required qualifications; job descriptions; employment contracts; staff rosters; relief staff; external professional support and volunteer involvement.

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- *Training Opportunities:*
Provide information on proposed training and professional development programs; prospects for career development and multiskilling.
- *Administration Systems:*
Describe day to day operational procedures; booking and enrolment procedures; hours of operation; safety and emergency procedures.

4.6 **Asset Management Plan.** This component should provide a physical description of your centre and detail strategies for building maintenance. It should include:

- *Asset Inventory:*
Detail the various components/ areas within the facility; equipment inventories; key design features; rental or leasing arrangements for buildings, plant or equipment.
- *Maintenance Schedules:*
Provide building maintenance schedules; procedures for rectifying faults and repairs; plant and equipment replacement schedules; purchasing systems; security features; inventory control systems and conditions of use policies.
- *Energy Consumption Program:*
Outline specific cost saving technologies; plant and equipment monitoring systems; quality control features.

4.7 **Financial Plan.** This component should provide past, present and projected financial data to assess the viability of the centre. It should include:

- *Detailed Financial Statements:*
Provide past and projected financial statements covering the last 12 months and the next two years. Include cash flow statements, profit and loss statements, and balance sheets.
- *Break Even Chart:*
Show the level of sales required to meet budget expectations.
- *Risks and Assumptions:*
Clearly outline all assumptions made; state contingency plans in case of shortfalls in attendance levels, increases in interest rates, cost escalations on major expenditure items, loss of key staff or reductions in competitors fees.

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4.8 **Future Considerations.** This component should outline any future considerations which impact on your facility. It should include:

- *Strategic Plan:*
Outline how your management plan links into the strategic plan or long term vision of your parent organisation.
- *Research Needs:*
Detail what resources will be required to determine future programs and directions.
- *Technological Needs:*
Detail what resources will be required to remain competitive in a technological sense.
- *Capital Works:*
Describe what building extensions, modifications or upgrades will be required in the future.

4.9 **Performance Indicators:** This component should describe how you intend to measure your performance to evaluate whether or not you are achieving your objectives. Gather only information which can be used. Regular monitoring of both quantity and quality aspects should include:

- *Daily Checks:*
Daily attendances and user profile information (age, sex, address, time of use); customer attendances relating to a specific promotion.
- *Weekly Checks:*
Cash flow into the centre; wages costs; operating account balance; number and nature of complaints, suggestions and compliments received; number of injuries and accidents which occurred.
- *Monthly Checks:*
Financial reports; attendance figures; meter readings of gas, electricity and water; maintenance checks.
- *Quarterly Checks:*
Stock levels and gross profit margins on various product lines; satisfaction ratings of customers obtained via surveys of ratepayers, residents and service users.

[Hillary Commission for Sport, Fitness and Leisure, 1993]

Performance indicators may be linked to specific staff positions through the use of staff contracts.

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5.0 *Putting it into Action – Setting Objectives*

5.1 In order to be able to complete each of the components listed in section 4.0 of this kit, you will need to gather a broad range of information on your facility. This process of researching and questioning will enable you to set your goals, and devise a number of objectives to achieve those goals. Collectively, your objectives form an action plan, detailing specific actions which will be taken at a particular time in order to achieve a defined outcome. Objectives should:

- Be specific to a goal.
- Be attainable – challenging but not too difficult.
- Have a timeline.
- Address specific issues such as financial performance and efficiency.
- Have clearly defined outcomes.
- Be quantifiable – they can be measured using performance indicators.
- Delegate responsibilities beyond the Manager.
- Be used as a day to day management tool.

(See examples in Appendix A)

5.2 Together your objectives should form an action plan showing:

- *What has to be done.*
- *When it has to be done, and*
- *Who will do it.*

6.0 *Practical Hints*

The best time to start developing your management plan is right now! Without a management plan in place you run the risk of being ineffective, vulnerable to changing trends and wasting valuable resources. Deciding to develop a management plan may be the best decision you'll ever make as a facility manager. Preparing the plan isn't a difficult task, however it will require a considerable time commitment. As an alternative to tackling the task in one hit, it may be more practical to develop your management plan in stages, adding to it and refining it over time — having part of a plan is better than having none at all!

6.1 When preparing a management plan consider the following:

- The plan should be *written* by the facility manager.
- Keep it simple and easy to read — refrain from using industry jargon.
- Don't be selective and don't repeat information unnecessarily.
- Support your claims and use examples.
- Seek a second opinion — managers of similar facilities are an invaluable resource.

6.2 The responsibility for developing a management plan for a recreation or leisure facility lies with the facility manager. However, it is critical that all staff and volunteers are given the opportunity to input their ideas. It may also be appropriate to invite input from other departments within your organisation, and to seek ideas from key members of your community such as school principals, representatives of local sporting clubs/associations, local business people, youth workers and co-ordinators of other community facilities (i.e. seniors centres, neighbourhood centres, day care centres etc).

Through adopting an open planning process you are more likely to:

- Provide needed and relevant services.
- Attract high usage levels, producing optimum financial and social returns.
- Service a diversity of users.
- Encourage happy, motivated and committed staff to goals and outcomes.
- Develop a sense of ownership towards the facility.
- Minimise vandalism.
- Generate support from local business and individual volunteers.

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- 6.3 Finally, it should be noted that a management plan is not a static report. It is a *management tool* which provides direction, and as such it needs to be regularly updated to ensure it continues to be a relevant guide. Future changes within the recreation industry, the parent organisation, the target group(s), the market place and in the broader community, will impact on the operations of your facility, and will require your goals and objectives to be refined, modified and, in some cases, rewritten. Management planning is an *continuing* process which fosters growth and development in a changing context.

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7.0 Conclusion

Good management doesn't just happen — it needs to be planned! Achievable goals and objectives need to be established and followed; sound methods in accounting, budgeting and pricing must be adhered to; and maintaining up-to-date knowledge of client needs and aspirations must be made a priority. The importance of flexibility in terms of programming and staffing cannot be overstated. Equally important is the need for ongoing evaluation and assessment, to ensure services are aligned with current trends and developments in the industry and local environment.

Through developing a management plan, you will become more effective, efficient and relevant in your service provision, maximising the use of resources while creating meaningful recreation opportunities for your community. Furthermore, you will develop your own image, which will be reflected in all aspects of the facility's operations. Planning your management is smart and will ultimately take you down the road to success!

8.0 References

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Appendix A

EXAMPLE 1

**An excerpt from the Recreation Facilities Management Strategy,
City of Wanneroo, 14/6/94.**

- Facility** *Warwick Leisure Centre, City of Wanneroo.*
To be actioned by the Recreation Facilities Manager of the Warwick/
Greenwood Zone.
- Mission** To enrich the quality of life for the City of Wanneroo residents through
the provision of access and participation in recreation and cultural
pursuits.
- Goal** To increase awareness of Warwick Leisure Centre and associated
facilities to ensure the increased usage and an increase in the numbers
of participants in the creative leisure course programme.
- Objectives** To provide regular press releases to the Wanneroo Times combined with
selected advertising to promote the awareness of Warwick Leisure
Centre.
- To conduct two shopping centre promotions in January 1994 to promote
activities for term 1, 1994.
- To make effective use of display booth foyer to attract non users from
the basketball stadium.

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EXAMPLE 2

An excerpt from the Management Plan for the Langford Community Centre, City of Gosnells, 1994-99.

- Facility** *Langford Community Centre, City of Gosnells.*
To be actioned by the Centre Manager.
- Mission** To provide constructive, integrated programmes which promote the benefits of an active lifestyle for all members of the community, by increasing opportunities for their participation in sport and recreation.
- Goal** To utilise all current facilities and equipment available to the Langford Community Centre to the fullest extent.
- Objectives** To develop and implement programs to attract a broad cross section of the community including: working women, children aged 5-12, teenagers, youth at risk, seniors, women with children, mums and toddlers, unemployed, working men, families, disabled, and aboriginals. To achieve an average of 350 participants per week attending Council run programs by June 1995 and increase this figure by at least 50 each year thereafter.
- To provide eight sporting competitions in total by June 1995 and increase this figure by at least one for each year thereafter.



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EXAMPLE 3

An excerpt from the Leisure Australia Management Plan for Belmont Oasis Leisure Centre.

- Facility** *Belmont Oasis Leisure Centre, managed by Leisure Australia for the City of Belmont.*
To be actioned by the General Manager.
- Mission** The aim of Belmont Oasis Leisure Centre shall be to enrich community life and enhance the general well-being of people of all ages, particularly the residents of the City of Belmont by the provision of leisure facilities and services.
- Goal** To maximise use of the Centre by the provision of the highest quality activities and support services, consistent with appropriate and recognised standards.
- Objectives** To achieve an average weekly attendance of 11,000 visits or 572,000 visits per year by June 1995.
- To attract 1 500 students in Swim School programs at any one time by March 1995.
- To conduct ten special events in the Aquatics area by June 1995.
- To build casual aerobics participation to 360 per week by December 1994.
- To conduct the Bingo program on a week night with an average attendance of 400 by December 1994.
- To pursue and obtain a licence for the function room by August 1994.