

ESTABLISHING AND MANAGING SPORT AND RECREATION FACILITIES



Department of
**Tourism,
Sport and Racing**
Incorporating Recreation,
Youth Affairs and Liquor Licensing

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The SRMC consists of the Commonwealth, State and Territory Ministers with responsibility for sport and recreation matters and is supported by a committee of senior officials - the Standing Committee on Recreation and Sport (SCORS).

REFERENCE LIST

For more detailed information in respect to sport and recreation facility development, the following publication is recommended - "Getting It Right" - A Guide to Planning and Developing Sport and Recreation Facilities, published jointly by the Hillary Commission for Sport, Fitness and Leisure, New Zealand and the Recreation and Facilities Development Unit, Department of Tourism, Sport and Racing, telephone (07) 237 9968, facsimile (07) 237 1151.

- Recreation Planning - A Manual for Local Government - Dr Ken Marriott - 2nd Edition 1990
- Australian Standard 1428.1 1988
Design for Access and Mobility

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ESTABLISHING AND MANAGING SPORT AND RECREATION FACILITIES

INTRODUCTION

The information and suggestions in this booklet are intended to provide sporting and recreation clubs and associations, community groups and Local Government Authorities etc with a basic understanding of the necessary procedures and considerations involved in the development of a facility.

The development of sport and recreation facilities is a complicated task requiring the assistance of not only the appropriate professional people, but Local and State Government Authorities and also the general community.

Because the procedures involved often are time-consuming, the project itself can become a tedious undertaking.

This booklet is issued as a guide and not a comprehensive statement of requirements that may be necessary for the establishment of a sport and recreational facility. It is however, presented to confirm the necessity of approaching such a project in an ordered and methodical manner.



A publication of the Queensland Department of Tourism, Sport and Racing, Recreation and Facilities Development Unit, Sport and Recreation Bureau, 85 George Street, Brisbane, QLD 4000. Telephone: (07) 237 9968.

THE VIABILITY OF YOUR PROJECT

1.1 NEEDS ANALYSIS

Before any practical considerations of the design and planning stages of a sport and recreation facility are undertaken, it is imperative to consider the real needs of the community and to assess the viability of the project in terms of value to the community and to the organisation.

The overall objective of a needs analysis is to establish the basis on which to justify the viability of the project in terms of community needs, current demand and future potential.

Prior to any investigation of the needs of the community, however, the **Outcome/Benefits** of the project must be identified in light of the internal organisation.

- Consider if the project is appropriate to the organisation's present internal operations.
- Is the project compatible with the organisation's current direction and overall policy?
- Does the project "fit" the organisation?

Once the organisational value is established, the project must now be appropriate to the current external environment.

- Consider the currently available resources, facilities and personnel.
- Is there a complete up-to-date inventory of both public and private facilities and how fully are these being utilised?
- How widely available are the existing services by time/location/accessibility?
- What are the current opportunities for better utilisation of existing facilities?
- What projects are being planned for future developments?
- What are the likely economic developments that may take place within the community and the general economy.

POSITIVES



THE VIABILITY OF YOUR PROJECT

1.2 NEEDS ANALYSIS SURVEY

- Is there valid and reliable data available on the recreation needs of the community?
- Does a needs survey need to be carried out in the community?
- What are the trends/priorities/ deficiencies that are indicated by this data?
- Have all aspects of the community's recreation needs been considered and given priority?
- Has sufficient importance been given to the variability and changeability of people's needs and activity patterns over time?
- How is the proposed facility to meet community needs?
- How are people currently spending time and what effect will a new facility have?

THE VIABILITY OF YOUR PROJECT

1.3 USE & USERS

- Consider current recreation facilities, programs, services and evaluate the market situation.
- Are these services declining/rising/ageing/developing?
- Who are the specific users and how are they segmented?
- Highlight any user trends/cycles/seasons?
- Ascertain if there are any distinct price/volume/cost relationships.
- Identify the size of the market catchment area. How far does this extend to and can this size be increased?
- Identify the important social and economic characteristics of the likely user groups which would be helpful in design, location, operation and promotion.
- Assess the expected usage of the facility, considering capacity numbers and peak times.
- Determine who are the non-users and why.

Information on use and users may be available through sources such as - participant and management surveys of existing establishments, Local Authorities, Australian Bureau of Statistics, Recreation Participation Surveys, etc.

NEGATIVES

1.4 EFFECTIVE OPERATION REQUIREMENTS

Through observation of existing facilities and interaction with user groups, management and community clubs, certain information may become evident.

- What opportunities exist to develop future facilities in order to make them more effective in satisfying both potential and current users?
- Determine the best timing for the project. Is the facility urgently needed?
- What specifics should be considered in the management policy - objectives, quality considerations and operational procedures?
- Estimations can be made as to how effective the service/product will be in influencing demand (latent and current).

What level and type of promotion will be required to effectively influence demand? Does sufficient need already exist in the community or does it need to be developed?

- What factors dictate the options involved in program considerations? e.g. age group, availability.
- What are the priorities for program considerations?

What are the characteristics of each proposed service to be offered? That is:

- Is the service continual or sequential?
- What factors does the service product depend upon e.g. people, equipment, high capital outlay, etc.



1.5 EVALUATION OF DEMAND & SUPPLY

The next step is to estimate demand (both effective and latent) and supply (current and potential) and to evaluate the gaps that may exist in the market.

The possible sources of market information need to be researched.

Assessment of this information should take into consideration the reliability and validity of the data (particularly secondary data such as previous surveys and sponsored publications).

- Determine if there are specific requirements or factors involved in the supply and demand for the product service, i.e.:
 - Price elasticity;
 - Physical/psychological characteristics such as spacing/atmosphere/landscaping/aesthetics;
 - Site specifics.
- Determine the awareness level of the general community as to recreation opportunities. How much demand is there? How can promotion help?
- Determine the effect a new facility will have on present leisure patterns in the community. Evaluate past trends and pinpoint factors which may be helpful.

Once supply and demand are evaluated, shortfall or oversupply may become apparent. This information may need to be moderated with personal and qualified judgements of the "market" and established norms, and trends of behaviour.

1.6 PROJECT VIABILITY

Once the external environment has been thoroughly investigated, these results should be intermeshed with the internal environment of the organisation to show the project's optimum role and function. Does this proposal satisfy both management and user groups?

Are there any alternative projects to satisfy all of the relevant factors/requirements discussed above?

Should the project proceed?

1.7 OPERATIONAL FACTORS

Before the project can be developed, its viability must be evaluated in light of the information brought about through the needs analysis. There must be a decision in the affirmative to continue involvement.

If there is indecision, it may be worthwhile to call upon the services of a professional market research team. Naturally, this will depend on the envisaged worth of the project and the relative costs involved.

If the project is to succeed, there will need to be a team of interested persons committed to its completion. Such a project team would benefit by the involvement of members such as a Local Government Authority, architect/engineer, recreation adviser, facility manager (if appointed) and potential users. This project team will need to have some conceptual idea of the operational factors involved with the design and planning of the facility and be agreeable on common principles.

OPERATIONAL FACTORS THAT NEED TO BE CONSIDERED

- Style of Management/Type of Ownership/Framework of the Organisation.
- Function; services/programs, etc.
- Overall image of the facility including: standards to be adhered to and level of quality.
- Market - both primary and secondary target (WHO/WHERE/WHAT/WHEN).
- Location - preferences for general location and site specifics.
- Size/capacity of the proposed facility.
- Timing of developments. Consider priority community needs.
- Overall budget.
- Financial strategies - recurrent and capita.
- Conservation and optimum energy use.
- Publicity/promotion. How important is this to the success of the project?
- A system of evaluation/control.
- Expansion/development projections.
- Policies of staffing and training.

There may be other factors (specific to your situation) that need to be considered.

2.1 INTRODUCTION

To develop a successful sport and recreation centre you need:

- Good management practices.
- A clear statement of goals and aims - Mission Statement.
- A plan for achieving the goals and aims.
- The right persons to implement the plan.

If any one of these four ingredients are missing, your chances of success are reduced.

2.2 GOOD MANAGEMENT PRACTICES

If you adopt the following practices, your chances of running a successful centre will increase:

Have clear aims:

- Put them in writing.
- Have them formally adopted by all levels of management.
- Plan actions to achieve the aims.

Be a "people person manager":

- Develop good human relations skills.
- Be receptive towards your customers.
- Encourage other people to treat staff and customers in the same way.

Listen to your clients:

- Discuss your centre with clients.
- Fine tune your programs after listening to your clients.

React to changing market circumstances:

- Don't offer the same programs all the time.
- Be aware of trends and events outside the recreation centre.
- Look for new programs.
- Be willing to try new ideas.

Keep good records:

- Keep accurate records of: Finances; Attendances.
- Use this information to make decisions on programs and services offered.

Planning

2.3 WRITING A GOAL AND AIMS FOR A RECREATION CENTRE

The purpose of preparing a goal and aims for your recreation centre is to describe why it exists and what it will accomplish. A successful centre is one that achieves most of its aims and objectives.

WRITING A GOAL AND AIMS STATEMENT

STEP 1

Prepare a Goal (or Mission Statement).

The goal describes:

- Purpose of the centre.
- Why it exists.
- What it has to offer.
- Who will use it.

Normally the goal is described in a short paragraph of two or three sentences.

STEP 2

Prepare a series of aims.

Aims:

- Expand the goal and give direction to the operation of the centre.
- Are usually broad statements.
- Have no timeframes.

STEP 3

Write the goal and aims down.

STEP 4

Have the goal and aims endorsed by all levels of management.



COMMON AIMS FOR RECREATION CENTRES

Some of the more common aims are:

Financial:

- To operate within the budget.
- To achieve budget targets, e.g: profit; break even.

Patronage:

- To increase the total number of people using a centre.
- To increase the number of people using the centre from a particular client group, such as young people under the age of 18 years.

Satisfaction:

- To increase the satisfaction level of clients. This can be measured by: the level of complaints; the level of compliments.
- User surveys of satisfaction levels.
- Changes in patronage.

Programs:

- To increase the number and quality of programs offered.

Other less common aims:

- To provide staff and volunteers with the opportunity for personal development.
- To involve the community in the operation of the recreation centre.
- To maintain a high degree of operational flexibility to react quickly to changing circumstances.
- To capitalise on opportunities.
- To optimise use of the facilities.
- To adequately maintain the facilities.
- To efficiently administer the centre.
- To provide adequate security.

2.4 PLANNING TO ACHIEVE YOUR GOALS AND AIMS

After you have written a goal and aims for your centre, the next step is to plan how they will be achieved.

There are many ways of preparing a plan and many names for them. They are referred to as:

Management Plans

Strategy Plans

Business Plans.

WHY YOU SHOULD PREPARE A BUSINESS PLAN

A good business plan increases the chances of a sport and recreation centre being successful because:

- It presents a unique opportunity to think through all the facets of a venture by:
 - Examining the consequences of different strategies and tactics.
 - Determining the human and financial resources for launching or operating the facility.
- It is a written document that outlines:
 - Existing conditions.
 - Why an opportunity exists.
 - How the opportunity will be seized.
 - Who will seize the opportunity.
- It details finance requirements for capital development and projects the cash flow and profit and loss statements for the next few years.
- It can be used to convince decision makers and financiers to put money into the project.
- It identifies the most significant problems and risks associated with the recreation centre and details ways of overcoming them if they occur.

PRACTICAL HINTS ON PREPARING A BUSINESS PLAN

PLANNING THE PLAN

The main steps in the planning process are:

- Be clear about what information has to be included in the plan.
- Decide on the format for the plan and prepare an index.
- Select someone to co-ordinate and write the plan.
- Decide who will collect information for each section of the plan.
- Collect the information (jot down ideas as they come up).
- Organise the information into a logical sequence.
- Start writing.
- Challenge every assumption used in the plan.
- Seek comments and expect changes to the plan. The first draft will not be the final version.

BE AWARE OF THE IMPACT OF THE PLAN.

Write the plan so that it can be used and remember different people will use the plan in different ways.

Policy makers will:

- Decide whether to proceed with its implementation.
- Approve the necessary finances.

Senior staff will:

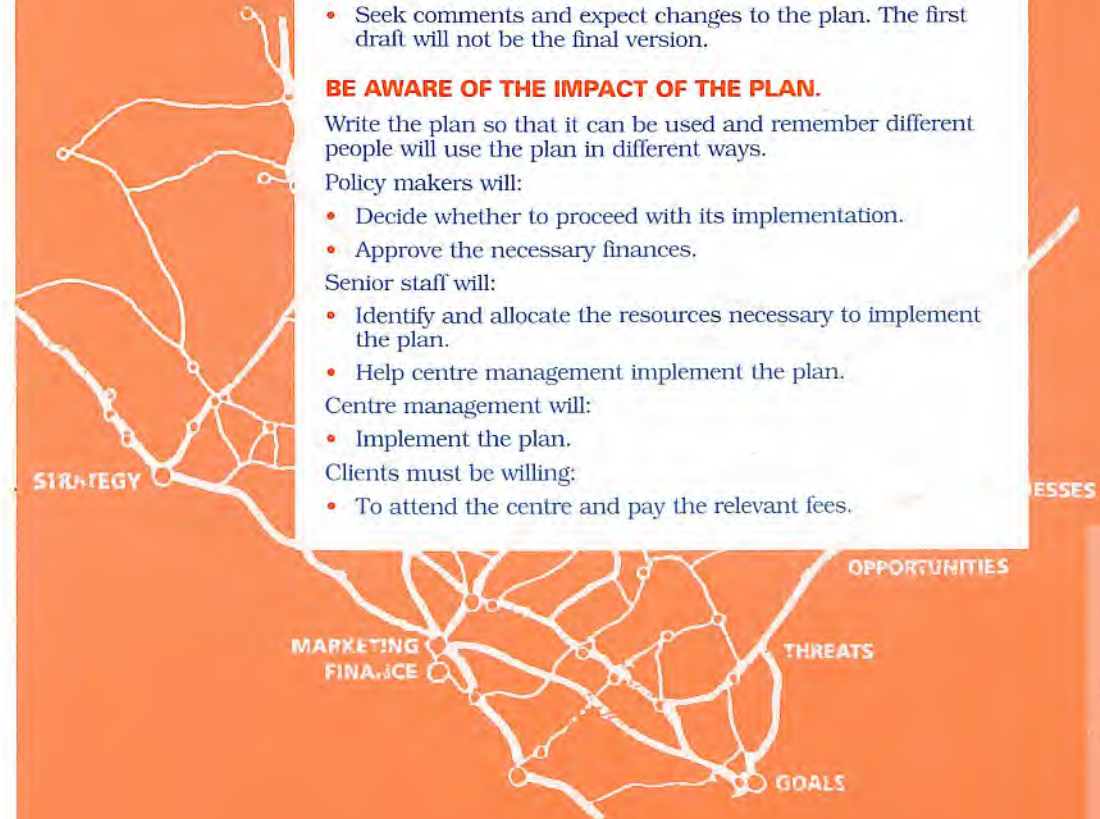
- Identify and allocate the resources necessary to implement the plan.
- Help centre management implement the plan.

Centre management will:

- Implement the plan.

Clients must be willing:

- To attend the centre and pay the relevant fees.



PRACTICAL HINTS ON PREPARING A BUSINESS PLAN

WRITING THE PLAN.

The Business Plan is a reflection of the vision and determination of the management team to develop a sport and recreation centre.

The plan should be written by the management team. Expert advice may be needed in some areas such as:

- Finance
- Legal
- Design
- Market Research
- Marketing
- Operations

This advice can be obtained from personnel within the organisation or from specifically commissioned consultants' reports.

GENERAL HINTS

Do Not Use Jargon

- Remember that not everybody understands professional jargon. If such terms are necessary, make sure that a glossary of terms used is included.

Do Not Repeat Information

- Keep the business plan short by not repeating information.

Support Your Claims

- Where any claims or assumptions are made, make sure they are backed up.

Do Not Be Selective

- Make sure that all risks have been outlined.
- It will seriously affect the credibility of the plan if other risks are identified by the reader.

Seek A Second Opinion

- After you have prepared the plan, have an independent but knowledgeable person read it to check for inconsistencies or flaws.

Keep It Short

- Include only important information in the main body of the plan and include other information in the Appendices.
- The style of writing should be short point-form summaries.
- As a guide, a business plan for a new centre may be up to 40 pages long and for an existing facility it may be 10 to 15 pages.

Good Quality Report

- The final business plan should be well presented and easy to read.

A FINAL CHECKLIST

When the business plan is finished check that you can answer **YES** to all of the points below.

- Is it specific and are potential problems thoroughly considered?
- Is it realistic?
- Does it identify customers, competitors, and competitive advantages or opportunities?
- Does it show how actions and resources will be co-ordinated?
- Does it give priorities for action?
- Does it identify risk areas and ways of reducing or eliminating these risks?

FEASIBILITY STUDY

3.1 INTRODUCTION

A well designed centre is the result of a well thought out planning study. This process, although often lengthy and reasonably costly, is necessary and cost efficient.

If the planning or feasibility work is not based on accepted project objectives, the result may be an expensive unsuccessful centre.

It is extremely costly to change the design of the building half way through construction.

To ensure an effective design based around users' requirements, a simple approach is recommended.

FEASIBILITY STUDY

3.2 FORM A PROJECT TEAM

Sport and recreation centres are complex buildings requiring expertise and skills from:

- Leisure planners.
- Centre managers.
- Architects.
- Engineers.
- Project managers.
- Financial Advisers/Quantity Surveyors.
- Community/user groups.

It is essential that a project team with such skills be set up to conduct the planning, feasibility study and design.

FEASIBILITY STUDY

3.3 FEASIBILITY STUDY

A feasibility study is an analysis of:

- The facility.
- Location.
- Management.
- Finance.

Why do a feasibility study?

- To decide whether the project can be developed and operated within the available budget.
- To identify the optimum development concept, including mix of facilities, location, size and market orientation.
- To identify the best management and marketing strategies.
- To assist in raising the necessary funds to develop the centre and provide initial cash flow.

The benefits of completing a feasibility study are:

- To reduce the element of uncertainty and hence risk.
- To provide the opportunity to view the proposed project objectively so that rational decisions can be made rather than emotional decisions.

THE SIX STEP FEASIBILITY STUDY

There are a number of different ways of undertaking a feasibility study.

A simple six step process is recommended.

- 1** Decide on the level of community involvement in the planning.
- 2** Estimate how many people will use the centre.
- 3** Examine the competition.
- 4** Decide on location.
- 5** Compare with other facilities - identify other studies/research which may relate to this work.
- 6** Feed the findings into a financial model.



3.4 FINANCIAL CONSIDERATIONS

The financial aspect of a feasibility study is very important. In many cases the decision to proceed will be based almost entirely on the financial analysis.

- If the financial projections are based on sound information there is little cause for concern.
- If, however, a thorough feasibility study has not been completed, the financial projections could be very misleading.

FINANCIAL PROJECTIONS

Financial projections determine whether the project is economically viable.

The purpose is to identify the capital costs, including the design and development costs, and operating costs. State your assumptions clearly. For example, assumptions about attendance levels, inflation rate and interest rates have to be made.

REVIEW FEASIBILITY

Based on the centre's proposed mission and key objectives and relevant information obtained from:

- Demographic analysis of catchment zone.
- Inventory of existing leisure centres, programs and services.
- Needs assessment (surveys, research forums).
- Review and interpretation of relevant trends.
- Perceived development opportunities.

Decide whether it is feasible to develop a centre, and based on the results of the feasibility review, decide whether the centre's objectives can be met.

SITE SELECTION AND DESIGNING THE FACILITY

4.1 DESIGNING A SPORT AND RECREATION CENTRE

There is no formula for success or the correct mix of facilities in one location that will work in another. Therefore the recommended process for designing sport and recreation centres must be based on:

- What are the key reasons for developing the centre?
- Who is the centre being built for?
- Where should it be located?
- How is it going to be managed?
- Who is going to meet construction and ongoing operational expenditure?

The first step in effective design is to recognise that the centre's prime purpose is to provide activity spaces that:

- Satisfy a clearly identified need.
- Can be operated as cheaply and efficiently as possible.
- Attract a large range and number of users and activities.

4.2 SITE SELECTION

When determining location, consider the following factors:

- Vehicular and pedestrian traffic flows.
- Possible bus turnarounds and parking.
- Accessibility and turn lanes into the site.
- Nearby business compatibility.
- Land use zoning (from town plans).
- Community attractiveness and safety.
- Attractiveness of facility and grounds.
- Availability and cost of utilities, e.g. electricity, drainage etc.
- Cost to purchase or lease the site and Council requirements.
- Topography of site, slope and soil type.
- Visibility of the site.
- Community attractions in the vicinity.
- Car parking facilities.
- Space for future expansion.
- Zoning regulations.
- Delivery access.

ACCESS

The most suitable location must be accessible, that is, available without restrictions that may reduce the operation of the centre.

Access requirements should be based on:

- Zoning/town planning requirements.
- Suitability to neighbourhood amenity.
- Conditions or usage agreement constraints.
- Community perceptions/image of site (are they welcome).
- Proximity to public transport - walking distance to other services.

SITE SELECTION AND DESIGNING THE FACILITY

4.3 DESIGN

The design of the centre will have a direct effect on:

- Users' choice to attend this or another centre.
- Management costs - design can minimise staffing numbers.
- Management control - safety and supervision aspects.
- Cost effectiveness of usable and unusable spaces.
- Ability to expand the centre or link new activity areas.
- Final finishes/fittings.
- Cost factors such as energy efficiency, maintenance, etc.

CONFIGURATION OF ACTIVITY SPACES

Many sport and recreation centres are developed in response to requests from individual groups. The results can end up as single-purpose facilities. Facilities need to be flexible and have a range of users.

Provision of multi-functional spaces allows greater programming and service opportunity and can reduce the net cost of management by generating greater income.



DESIGN FEATURES

The following design features are highlighted to outline some of the major principles of design as they relate to leisure facilities:

Access for People with Disabilities

- All sport and recreation centres must be designed to allow access by people with disabilities. Think about: vehicular access and parking, gradient of ramps and footpaths, door and corridor width and suitably sized changing rooms, showers and toilets. Refer to Australian Standard 1428.1 - 1988 Design for Access and Mobility.

Energy Efficiency

- A big cost in a sport and recreation centre is energy. A well designed centre will minimise these costs. This can be done simply by providing, for example, solar water heating, heat exchangers, insulation and skylights.

Management Control

- The biggest cost in a sport and recreation centre is staffing. To keep staffing costs to a minimum, centralise as many management functions into one location as possible.
- Have only one entrance and combine the role of receptionist, booking officer and kiosk attendant at off peak times.
- Use simple and cheap methods of controlling the movement of clients within a sport and recreation centre without constructing walls or barriers.
- Have areas that can be locked off at low peak times or hired separately and strategies for off-peak use/off season usage.

Aesthetics and Quality

- People want leisure centres which are pleasant, warm and inviting places.
- Use good quality fittings.
- Have an interior designer plan the foyer and social area.
- Use comfortable furniture.

Maintenance

- Give adequate thought to maintenance, cleaning and vandalism during the design stage.
- Provide good access to equipment and plant which has to be regularly serviced; it will reduce your costs.

Storage

- Frequently there is insufficient storage space for equipment and stock.
- Provide easy access to storage space, particularly where equipment is to be used for programs.

DP FALLS BEHIND SCREEN
4.0

DOWNPIPS

RL 14 570

RAMP

D16

Delivery of Stock

- Provide good access for delivery trucks. With the increasing importance of social facilities the demand for a greater range of food and drink services will grow.

Signs

- Although a seemingly minor point, a good leisure centre will have a clear signposting system. If clients are able to find their own way around, staff time will not be spent on providing assistance.

PLANS FOR FURTHER EXTENSIONS

Always consider how the centre can be expanded in the future. This does not increase the initial cost of the centre but can substantially reduce the operating and development cost of a major extension.

CAR PARKING

In many cases the provision of car parking is only given minor consideration. This can have a big impact on the viability of the centre. Make sure it is:

- Large enough.
- Close to the entrance.
- Easy to get into.
- On the same level as the centre (where possible).
- Able to accommodate buses.

If people have trouble parking, they may stop using the centre.



CONSTRUCTION OF YOUR FACILITY

5.1 INTRODUCTION

This phase of the sport and recreation facility development process commences once you have approved the documents and/or plans prepared in the design phase. Determining the contractual arrangements for constructing the facility is a critical element of this phase.

The best construction methods and contractual systems for a specific project will depend on several factors such as the size of the project, availability of local voluntary labour, the need to achieve specific deadlines and so on. The different contractual options should be considered in the early stages of the design brief because they have differing implications on the design and documentation process.

For example, a simple changeroom/pavilion building, or an oval, may be developed using a design and construction "package" because of the simple nature of the project. An indoor aquatic centre, on the other hand, has a greater range of variables and requires more detailed documentation throughout the design process.

Continuous monitoring during the construction is necessary in order to ensure that the project is completed on time and within the budget.

Cash flow is an important consideration particularly for major projects which may run over several years.

Different funding agencies may have differing policies on releasing funds and so cash flow projections may be required.

There are many factors which can influence cash flow calculations and these are best carried out by competent cost planners.

CONSTRUCTION OF YOUR FACILITY

5.2 CONTRACTUAL SYSTEMS

There are various possible adaptations of the following basic forms of contractual systems for constructing facilities:

- Traditional tender.
- Competitive negotiation.
- Cost plus.
- Design and Construction.
- Construction Management.

For further information on the various contractual systems, you should refer to "**Getting it Right**" - A Guide to Planning and Developing Sport and Recreational Facilities, available from the Department of Tourism, Sport and Racing's Recreation and Facilities Development Unit, telephone (07) 237 9968, or consult your architect.

5.3 MAINTAINING YOUR CENTRE

To protect high capital investment and ensure the reliable operation of your sport and recreation centre, a preventative maintenance program must be established.

Each sport and recreation centre will have its own unique maintenance requirements. For instance, centres located near the coast might have to counteract the effects of corrosive salt spray. This could mean regularly washing aluminium doors and windows or treating the building's exterior with special corrosive resistant coatings. Other centres located in regions with extreme temperature changes may need to apply maintenance for condensation-related problems.

Maintenance programs should be developed for each leisure centre covering:

- Ongoing major maintenance.
- Weekly maintenance program.
- Day to day maintenance including vandalism strategy.
- Budget for maintenance.

AS BUILT DRAWINGS AND OPERATING MANUALS

Before commencing any facility maintenance program, it is essential to know what you are maintaining. All new facilities should ask designers and contractors to provide "As Built" drawings of the centre and operating manuals for all mechanical and electrical plant equipment.

Centre managers of existing facilities should acquire drawings and operating manuals from the records (if they exist) and assemble these as a nondestructable set. If this information does not exist, it should be prepared by appropriate staff or consultants.

BUILDING MAINTENANCE

Programs for routine maintenance, preventative maintenance, condition monitoring and inspection, should be prepared for all plant and equipment.

The routine maintenance and monitoring activities will overlap with the day-to-day operation of the centre and should, where possible, be carried out by centre staff.

However, condition monitoring and preventative maintenance may require the specialist skills of external contractors.

6.1 INTRODUCTION

Management is:

- The art of getting things done.
- The task of implementing the Business Plan.
- The actioning of strategies.
- The effective and efficient use of available resources.

Management's role is to ensure the organisation:

- Survives.
- Is structurally sound and strong.
- Endures strong adverse events.
- Adapts to sudden change.
- Takes advantage of new opportunities.

6.2 WAYS OF MANAGING RECREATION CENTRES

One of the most difficult but fundamental decisions facing the Board of an organisation is to choose a system for managing the centre.

The principle management arrangements are:

- Owner-Operator
- Committee of Management
- Contract Manager
- Community Recreation Associations
- Contract Management
- Lease Arrangements

OWNER-OPERATOR

The owner takes full responsibility for all aspects of management of the centre.

COMMITTEE OF MANAGEMENT

A committee is formed to oversee the management of the facility.

CONTRACT MANAGER

An individual is contracted to manage the recreation centre for a fixed period.

COMMUNITY RECREATION ASSOCIATIONS

A Community Recreation Association is an independent, legally incorporated, non-profit body which manages a recreation centre on behalf of the owner for the community.

CONTRACT MANAGEMENT

A management body is contracted to undertake some functions for the owner for a set period and for an agreed amount of money.

LEASE ARRANGEMENTS

The basic element in a lease arrangement is that a legally binding document is prepared between the owner of the building (the lessor) and the manager of the building (the lessee).

6.3 WHAT DOES A MANAGER DO?

In order to make things happen, a manager is involved in five major tasks:

Planning

- Prepare for the future by ensuring there are plans to take advantage of changing conditions.
- Planning is the basic task which links all other managerial tasks.
- Planning involves the use of judgement and discretion in deciding what is to be accomplished.

Organising

- Organising means deciding what has to be done, in what order, and the interrelationship between the tasks.

Directing

- A manager directs staff so that the goals of the organisation are met.

Motivating

- A manager is a motivator.
- You must understand the factors which affect moral, employee satisfaction, productivity and communication.

Evaluating

- Routine evaluation and monitoring of a recreation centre results in corrective action being taken before a catastrophe.

6.4 FINANCIAL MANAGEMENT

Financial management is critical to successful management.

- Without finance a recreation centre cannot operate.
- Many recreation centres experience difficulties due to a lack of adequate finance.
- All available financial resources have to be used to the maximum advantage of your recreation centre.

BUDGETING

The major tool in financial planning is the preparation of a budget. The way in which budgets are developed and structured varies considerably.

BASIC FINANCIAL TOOLS

Four basic financial tools are used to measure financial performance:

PROFIT AND LOSS STATEMENT

The profit and loss statement (or income statement) shows a recreation centre's revenues and expenses for a given period, usually monthly, quarterly and annually.

CASH FLOW

The cash flow statement presents the recreation centre's cash position over a particular period.

BALANCE SHEET

The balance sheet shows what is owned and what is owed, usually at the end of the month, quarter or year. It consists of two parts, the assets and liabilities.

BREAK EVEN ANALYSIS

A break even analysis shows the level of income needed to cover all the costs of the centre including:

- Costs that vary with the number and range of programs offered (variable costs).
- Costs that do not change with an increase in programming (fixed costs).

6.5 FUNDING CAPITAL WORKS PROGRAMS

The cost of developing recreation centres has increased dramatically over the last decade. This escalation in cost combined with substantial increases in interest rates has resulted in a range of financing options being pursued.

GOVERNMENT GRANTS AND LOANS

Grants and loans are available from all levels of Government for the development of recreation centres.

- Competition is intense for the available funds.
- Funding guidelines often vary from year to year.

GRANTS FROM TRUSTS AND FOUNDATIONS

A number of trusts and foundations have been established for philanthropic purposes. It is possible to attract funds from these bodies. Usually funding levels are low since they are used to support a wide range of community.

LOANS

This is the most common source of finance for recreation centres. Three common types of loans are: bank loans, co-operative loans and debentures.

SPONSORSHIP

In some instances, sponsorship can be obtained for a recreation centre or parts of the centre usually in return for naming rights.

- N.B. In reality, funds are usually obtained from a number of different sources so that a "financing cocktail" is developed.



6.6 MARKETING

Marketing is a way of managing which aims to satisfy the needs, wants and preferences of a selected group of people, by offering recreation programs which are appropriately priced, scheduled and promoted.

Marketing is not something you do in addition to managing, it is an approach to management which affects all your management decisions. The focus of a marketing-oriented recreation centre are clients. All actions are designed to satisfy their requirements, as long as they also help achieve the goal and aims of the centre.

There are two major reasons why you should use a marketing approach to management:

- First, it is the best way to attract clients and keep them.
- Second, it forces you to focus on what the client wants, not what you think is best for them.

IMPLEMENTING A MARKETING APPROACH

Implementing a marketing approach involves four simple steps:

- 1 Decide who are your clients.
- 2 Find out what they want.
- 3 Give them what they want.
- 4 Check with them to make sure they are getting what they want.



6.7 RECREATION PROGRAMS

When you have chosen your clients, give them what they want by:

- Conducting a recreation program.
- At the right price.
- At the right time and place.
- Telling them about it.

This is called the marketing mix.

The recreation program is obviously a crucial aspect of the mix.

6.8 INFORMATION MANAGEMENT

Information management is about developing effective procedures for making sure all plans are implemented and the goal, aims and objectives are being satisfied.

- Information is possibly the most important asset a manager has to manage.
- Information is crucial in all areas of management.
- Information is the way we receive feedback on our daily activities.
- Good, reliable information from as many different sources as possible and communication strategies is needed to make decisions in the best long-term interests of the recreation centre.

USING INFORMATION TO IMPROVE MANAGEMENT

To fully appreciate how information can be used to improve the performance of a recreation centre, it is necessary to understand the relationship between information, management and controls.

Information provides an aid to accurate predictions and decisions. Raw data is collected, sorted, analysed and summarised.

It must be:

- Accurate.
- Reliable.
- Valid.
- Up-to-date.

The manager uses information in two ways:

- To control and check the current operational status of your centre through:
 - Budget targets.
 - Attendance projections.
 - Maintenance programs.
- To predict and make decisions about future operations of your centre.

MARKETING INFORMATION

Information and controls are necessary to check:

- The correct marketing mix is being used to satisfy the target market segment.
- The target market segment is satisfied with the marketing mix.
- What is happening in the world outside the recreation centre.

It is necessary to collect information on clients' reaction to the four elements of the marketing mix and to research what is happening outside the centre.

FINANCIAL INFORMATION

The accounting system is where data relating to income and expenditure is collated and summarised.

Financial information is ideally suited to being stored and analysed on computer.

Some of the more common uses are:

- Accounting and financial functions.
- Sales and inventory functions.

MISCELLANEOUS INFORMATION

Examples of information that can be stored on computer:

- Maintenance management.
- Environmental management.
- Personnel administration functions.
- Word processing.

