

## **ASHESI UNIVERSITY**

## OPERATIONS PLAN FOR GYM IKE FITNESS CENTRE

Undergraduate Applied Project Submitted to the Department of Business Administration,
Ashesi University in Partial Fulfilment of the Requirement for the Award of Bachelor of
Science Degree in Management Information Systems

B.Sc. Management Information Systems

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**APRIL 2018** 

OPERATIONS PLAN FOR GYM IKE FITNESS CENTER

ii

**DECLARATION** 

I hereby declare that this Applied Project report is the result of my original work and that

no part of it has been presented for another degree in this university or elsewhere.

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I hereby declare that the preparation and presentation of the Applied Project Report were

supervised in accordance with the guidelines on supervision of applied projects laid down

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## ACKNOWLEDGEMENTS

I would like to express my sincere gratitude firstly to God for giving me the strength to see my project through to the end. To the owner and manager of Gym Ike Fitness Centre, for allowing me to help his organization I would like to say thank you for your time.

To my supervisor, Ms Rose Dodd who guided me through every stage of this project, I want to express my profound gratitude

Lastly, to my friends and classmates, who encouraged me and ensured that I gave this project my fullest potential, thank you for the encouragement.

### **EXECUTIVE SUMMARY**

With the world moving towards a more health conscious lifestyle, people have become increasingly aware of the health implications of eating the right food as well as exercising. This has provided numerous opportunities for fitness gurus to establish fitness centres and offer their services as well as their guidance and expertise.

Gym Ike Fitness Centre is located at Adenta Frafraha in the Greater Accra Region and has been operating for the last ten years. During the needs assessment it was discovered that despite its many efforts, the fitness centre has continued to have problems with its operations structure. Related literature revealed that the application of operation management strategies have been ignored when the fitness industry is involved. However, there is a strong need for operations because of its relationship with the customer experience.

The proposed solution for this project is an automation of the gym's processes using the process chart – a process and capacity design model to increase its efficiency, reduce time and resources spent undertaking these processes, saving funds and keeping processes simple and scalable.

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## **CHAPTER 1: INTRODUCTION**

### 1.1 Chapter Overview

The fitness industry is increasingly becoming a major source of revenue around the world due to the growing awareness of benefits of a healthy lifestyle. Gym Ike Fitness Center is one of the few gyms in the Adenta-Frafraha society that is meeting the health needs of its locality. The gym seeks to create an environment that encourages and promotes a healthy lifestyle. Unfortunately, the gym is currently struggling with its operational structure which is affecting its ability to provide its customers with quality service.

In this chapter, the industry under study is introduced with an in-depth review of the external and internal factors that affect it. This chapter also gives a brief profile of the company, its mission and vision as well as a SWOT analysis that studies the company's current situation. Lastly, this chapter also contains the rationale for selection.

### 1.2 External Context: Pestle Analysis

To understand how the external environment and how it directly and indirectly affects fitness centres and gyms in the fitness and wellness industry the PESTLE (Political, Economic, Social, Technological, Legal, Environmental) analysis tool, which was created by Francis Aguilar, a Harvard professor will be used (Frue, 2017). The primary purpose of the PESTLE framework is the analysis of the external factors that affect a particular industry.

The PESTLE framework is an important tool in analyzing the macro environment of an organization in that it helps identify threats and weaknesses when drawing up the SWOT analysis. The PESTLE framework was selected for

the macro-environment analysis because of its familiarity, its ability to expose significant threats that affect a particular industry and explore opportunities (Frue, 2016).

### 1.21 Political Factors

Ghana was the first Sub-Saharan Africa country to gain political independence from the Europeans and has been noted to a politically stable country since its transition to multiparty democracy (BBC, 2018). The stable political environment and good government policies in Ghana like the National Entrepreneurship and Innovation Plan (NEIP). This policy is aimed at providing integrated national support for start-ups and small businesses through business development services. These factors provide Gym Ike Fitness center with an advantage because not only does the politically stable nature attract foreign investors and thus investment funding opportunities for the gym, it also provides avenues for growth. The current policies implemented by the government provide businesses like Gym Ike with the funding and expertise needed to grow the business.

## 1.2.2 Economic Factors

In the last five years Ghana's economy has expanded at its fastest rate due to oil and gas production surges (Dontoh & Van Vuuren, 2018). In the year 2016, Ghana had one of its most difficult economic years characterized by a fiscal deficit of 9.3% in GDP with a GDP of USD 42.8 billion. In 2017 GDP expanded by 8.5% indicating a doubled growth rate ("Joy Business", 2018). Inflation rate has also increased to 9.90% from a previous rate of 9.60% reducing the disposable income of Ghanaians and thus, making gym patronage a luxury most Ghanaians cannot afford (Stanapedis, 2018).

### 1.2.3 Social Factors

The social factors refers to how the culture of a region affects the market for the industry. Some of these factors are the demographics, population and culture. The current population of Ghana is 29,636,486 as at 7th October 2018 with a yearly growth rate of 2.18%. Fifty-four percent of the population is urban i.e. 16,018,511 people as at 2018 with the median age being 20.5 ("Worldometers", 2018). In past Ghanaian culture, weight gain was associated with good living which was primarily caused by the sedentary lifestyle of most Ghanaians giving them little time for exercise. However, the current shift towards healthy lifestyles has peaked interest and patronage of fitness services. However, the reduction in disposable income due to inflation continues to make gyms a luxury for most Ghanaians. This places Gym Ike Fitness centre at a disadvantage because Ghanaians are choosing more alternatives like keep fit clubs, fitness apps which are more affordable.

## 1.2.4 Technological Factors

In the fitness industry, technology is just as important to carry out efficient operations. Equipment used are also considered as technological innovations used in gym to enhance activity (Eugenio, 2017). Automated systems incorporated in gyms also increases operational effectiveness in the administration. Ghana's slow technological development has caused fitness centres to rely heavily on international manufacturers and local distribution intermediaries for fitness equipment supply. Ghana has been noted to have the highest import levy in Sub Saharan West Africa (Yusif, 2019). The relatively high importation duties in Ghana influences the prices that distributors sell fitness equipment. This has

influenced the positioning of Gym Ike Fitness Center who provides a few equipment tailored for body-building and substituting weight loss equipment with an aerobics class.

## 1.2.5 Legal Factors

The legal system of Ghana is pluralistic i.e. Ghana has multiple legal systems (Dickson, 2018). Businesses are governed by laws which adapt to international standards and best practices. The applicable laws to business operations include

- Companies Act 1963, (Act179)
- The Labor Act 2003, (Act 651),
- Chapter 5 of the Constitution which focuses on respecting human rights
- Income Tax Act, 2015(Act 896)
- Foreign Exchange Act, 2006 (Act 723)
- Environmental Protection Agency Act, 1994 (Act 490)
- Ghana Revenue Authority Act 2009, (Act 791)

Gyms and fitness centers being registered as businesses are expected to adhere to all of these laws by having the right documents necessary to operate, provide safe environments for their employees and customers and pay the right wages. The law (Export and Import Act-1995 (ACT 503) guarding the import process in Ghana provides many requirements which contributes to the relatively high charges of equipment.

### 1.2.6 Environmental Factors

Businesses cannot live in isolation to their environment thus necessitating sustainable practices to protect the environment. In Ghana, the institution

responsible for ensuring the sustainability of the environment is the Environmental Protection Agency (EPA). Fitness centres can also contribute their quota to this movement by using energy-efficient lighting systems, prohibiting plastics, using eco-friendly equipment that rely on human power to operate and going paperless. These decisions will attract prospective customers who support environment sustainability.

1.3 Competitive Position Analysis of the Fitness Industry. The fitness industry is multifaceted and is made up of the following programs - gyms/health clubs, spas, nutrition counselling, aerobics classes, physical therapy, fitness apps, and yoga ("The Gym," 2013). For a company to establish its competitive advantage it first has to understand the industry structure it operates in. An industry structure is formed by a balance between five basic competitive forces which are potential threats, buyers, suppliers, competitors and substitutes ("CGMA", 2013).. The Porter's five forces model (Fig.1) which was established by Michael Porter, an economics and business strategy academic is a structural framework for understanding the industry ("CGMA", 2013). This framework has been identified as the best known and widely used industry analysis framework in attaining competitive advantage (Narayanan & Fahey, 2015). Porter's five forces of Competitive Position Analysis will be used to assess the strength and position of the company relative to other players in the industry. Using this model, the profitability of this industry will be evaluated as well the existing players.

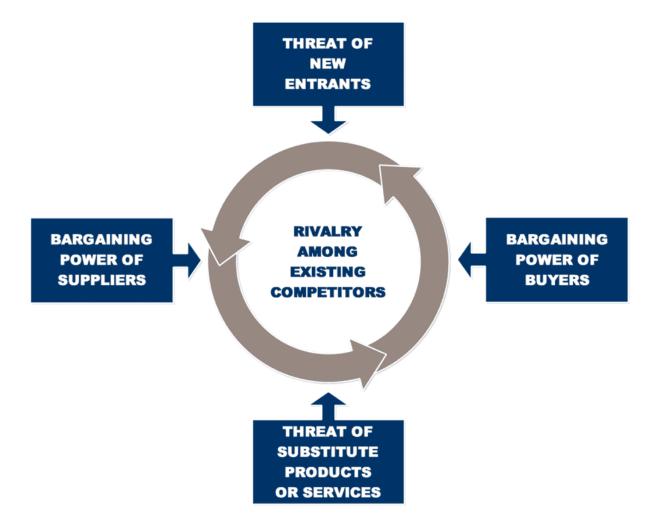


Figure 1 Porter's Five Forces Model

# 1.3.1 Threat of new entrants

General attitude towards fitness and good nutrition over the years has changed ("Fitness in Africa", 2018). People are more conscious of their weight and lifestyle now, making the fitness industry very attractive to people who want to start businesses. Rapid urbanization and changing lifestyles due to growing influences of western cultures are just a few of the causes responsible for the growing demand for fitness services (Iwuoha, 2015). Threat of new entrants in the

fitness industry is low because of the high entry barriers that exist causing profitability in this industry to be moderated. Capital requirements for setting up a gym are high. The high cost incurred on equipment purchasing, human resource (professional trainers, administrators, cleaners) and maintenance will deter entrants. Existing players also enjoy demand-side benefits of scale. People who are looking for fitness centres will prefer to patronize existing and comprehensive gym facilities. Gym Ike has the opportunity to leverage on it being an existing player to not only attract more customers but enjoy credit benefits from its suppliers. Being one of two gyms in Adenta-Frafraha, Gym Ike has become a household name for fitness services. Prospective customers are more likely to choose Gym Ike over a new gym that is established.

## 1.3.2 Threat of Substitute Services

In the fitness industry, the threat of substitutes is high because there are various alternatives to patronizing a gym that also provide health benefits like weight loss and general fitness. Compared to local keep fit clubs that are either cheaper or free, yoga, workout apps that are fast growing alternatives, gym memberships cost its consumers more than the value offered. Ghana's economic nature leaves a small percentage of people with disposable income to spend on gym memberships. With this economic nature health conscious people will find that selecting these alternatives will cost them close to nothing or nothing at all. Also, increasing access to internet in Ghanaian home creates avenues for people to participate in online fitness classes indoors. The high threat of substitutes in this industry limits the profit capacity by placing a ceiling on prices. Because of this

threat, Gym Ike will not be able to make as much profit as desired because high prices will only drive customers to cheaper alternatives.

## 1.3.3 Bargaining Power of Suppliers

The fitness industry is more capital intensive. The main suppliers of this industry are the manufacturers of the equipment. The bargaining power of suppliers in this industry is somewhat low. Suppliers can decide to forward integrate and also establish fitness centres alongside manufacturing. This poses a threat to the profitability of the fitness industry. However, the concentration of the manufacturers to the fitness centres and the low switching cost between suppliers gives the fitness centres the advantage. The manufacturers are also heavily dependent on the fitness industry for their revenue because fitness centres purchase more equipment compared to individual consumers. Gym Ike can capitalize on the dependence of manufacturers on the fitness industry to make purchase deals on equipment that do not increase his operation cost.

## 1.3.4 Bargaining Power of Buyers

Due to the economic state of the country and the flexibility of having substitutes to the gym, the price sensitivity and flexibility of switching between alternative will move customers towards equally effective alternatives of the gym and reduce profitability in the industry. Cost of switching between gym centres is also low because of increased alternatives. Buyers in this industry have a higher bargaining power because they are able to drive down prices and seek discounts on subscription packages. Low disposable income coupled with the bargaining power of buyers places Gym Ike at a disadvantage because he has to provide prices that his customers agree with.

### *1.3.5 Rivalry*

With the presence of many fitness centres and the rapid rate of growth of the industry, there is intense rivalry in the fitness industry. This intensity causes the fitness centres to compete on the basis of price. To cover operational costs and maintenance costs, fitness centres thrive on large membership charges. To gain and maintain membership, most fitness centres offer low rates for registration and subscription packages. Also, the low exit barriers in the fitness industry fuels the rivalry. Fortunately for the center, there is little competition in the locality which provides opportunities to maintain or increase profit.

## 1.4 Company Profile

Gym Ike Fitness Centre is a fitness centre located at Adenta Frafraha in Greater Accra and is a sole proprietorship business that is micro managed by the owner. The gym can be described as a small business entrepreneurship i.e. a business that is mostly barely profitable, but makes profits to make a living and support owners (Faizal, 2019). These businesses usually hire local employees or family and are funded by their friends or family (Casnocha, 2011). Currently the business employs just one additional local hire to manage the front desk. Also, the manager has tried to employ a lean operations structure i.e. operations that focuses on optimizing its operations, providing higher value to customers and eliminating waste. However, the absence of a clear operational strategy has resulted in many efficiencies in its current operations.

Before the fitness center came to being, the owner organized personal training sessions for his clients in Adenta as well as aerobics sessions with his partner. In 2008, Gym Ike Fitness Center was established as a business to meet

the health needs of the locality. Fueled by a passion for fitness, the center has moved past just organizing aerobics sessions and provided equipment for customers who have different fitness needs. Eg bodybuilding. The gym's mission is to create an environment that promotes and encourages good health and fitness amongst people.

The multifacetedness of the fitness industry provides various programs people can venture into. Due to prevalent social factors – population, culture, current trends and economic factors – disposable income of consumers, Gym Ike focuses on providing cost effective and the most sought after fitness programs to the community which are gym services i.e. gym equipment, aerobics classes and nutritional counselling.

The gym has grown considerably since its inception in terms of clientel and services provided. However, the gym faces some inadequacies with infrastructure and equipment, human resource, operations and general management of the center. Currently, equipment provided are tailored towards weightlifting and body building and aerobics sessions for people looking to lose weight and keep fit. During the week, aerobics sessions are organized two times a day, four times a week (Monday to Thursday). On weekends the gym either organizes aerobic sessions out of the gym or boot camps.

## 1.5 Rationale for Selection

Gym Ike Fitness Center's vision is to be a world class gymnastic and fitness centre. From organizing aerobics classes in open parks, the center has grown considerably by constructing a permanent structure for these classes as well as

providing equipment for its customers. Despite the improvements made since its inception the center has struggled with basic operations and efficient administration to handle its growing clientel. Various studies have shown that the sports industry has ignored the importance of operations management. More often than not the medical facilities have implemented operations management techniques and overlooked the need for these techniques in the fitness industry leading to the inefficient service delivery by most fitness centers in the industry (Lagrosen, 2007).

Realizing the need of the center and applying the knowledge acquired from competitive advantage, operations management and foundations of design and entrepreneurship, this project will focus on providing solutions to help the center efficiently manage their operations and deliver quality services.

1.6 Swot Analysis of Gym Ike Fitness Center SWOT analysis is a tool that helps identify complex strategic situations in an organization and provides the foundation for the realization of the desired alignment of organizational issues (Helms & Nixon, 2010).

Gym Ike Fitness Centre, being a part of the growing fitness industry in Ghana has developed strengths based on its resources. Although the economic situation in the country has made less funds available for prospective customer and contributed to the lack of equipment and proper infrastructure, its current positioning and market offering i.e. the only gym in its locality and the provision of group workouts, equipment and nutrition advice provides many opportunities for the gym to grow and gain leverage in the industry and its market. The center's

weaknesses include inadequate equipment, an underdeveloped structure and a lack of business plan to guide the running of the gym which is affecting its growth as a business. Also, with the current threat of alternatives such as fitness apps and local keep fit clubs, Gym Ike will have to leverage on its key strengths i.e. having a personal relationship with almost all his clients, his knowledge in fitness and reputation to continuously identify and explore new opportunities. With the range of services offered at the gym, the fitness center has the advantage of capturing the various needs of prospective customers. Lastly, Gym Ike can capitalize on the scarcity of fitness centers in the locality to become a household name.

## **ANALYSIS OBJECTIVES**

- To identify and understand key issues affecting Gym Ike Fitness Centre.
- To address the weaknesses of the business.
- To identify threats and contain them.
- To identify opportunities in the market and take advantage of them.

| INTERNAL FACTORS  |   |  |  |  |  |
|---|---|--|--|--|--|
| STRENGTHS (+)   | WEAKNESSES (-)  |  |  |  |  |
| <ul> <li>Excellent customer relations</li> <li>Highly motivated and passionate owner.</li> <li>Effective group workouts that promote accountability</li> <li>Publicity and advertising</li> </ul> | <ul> <li>Inadequate gym equipment</li> <li>Not enough professional trainers</li> <li>Unstructured administrative and operational activities.</li> <li>Under-developed infrastructure</li> </ul> |  |  |  |  |

| EXTERNAL FACTORS  |  |  |  |  |  |  |
|---|--|--|--|--|--|--|
| OPPORTUNITIES (+)   | THREATS (-)  |  |  |  |  |  |
| <ul> <li>The only gym in the Adenta Frafraha locality.</li> <li>Well established brand amongst the locality</li> <li>Growing fitness needs of the locality</li> </ul> | <ul> <li>Competition from established gyms</li> <li>Influx of fitness apps</li> <li>New entrants into the market.</li> </ul> |  |  |  |  |  |

Table 1 Swot Analysis of Gym Ike Fitness Centre

## **CHAPTER 2: NEEDS ASSESSMENT**

2.1 Chapter Overview

This chapter focuses on the identifying the need of Gym Ike fitness centre. A needs assessment explores and analyses the way things are done in an organization and the way they should be done. Needs assessment is done in

pursuit of improving performance or closing gaps in results (Watkins, 2008). A strategic needs assessment was conducted at Gym Ike Fitness Centre to explore their current situation and establish the performance gaps within the center's environment and operations that needed to be filled to reach its fullest potential. Strategic needs assessments are best used when the current organizational processes that do not add value must be identified (Sleezer & Russ-Eft & Gupta, 2014).

## 2.2 Methodology

Data collection is an essential component to filling the gaps in an institution. To gather information for the needs assessment, semi structured interviews with the owner and his administrator were conducted as well as immersion of the gym's day-to-day operations. To supplement the data collected and obtain an overall measure of the impact of the gym's operations on the customer experience, an online survey was conducted for the clients. Information collected during the needs assessment led to highlighting the need for improved operations and a subsequent development of an operation plan.

### 2.2.1 Semi-structured Interviews

These interviews follow a guide of questions but make space for topical trajectories in the conversation that may stray from the guide (Conradin & Keller, 2018). Semi-structured interviews guide the interview and allow the interviewer to spontaneously ask supplemental questions to explore further areas of interest (Sleezer, Russ-Eft &Gupta, 2014). It also allows customers the freedom to express themselves and provides comparable qualitative data. To get a sense of what gaps the fitness center had, questions about the history, mission and vision,

operations, their financials – costs and revenue, personnel, customers and competition, marketing and competitive strategy as well as challenges being faced were asked.

The second interview with the administrator was a follow up for the first to collect in-depth information about the center's processes and operations. Because of the micro-management of this center, these were the only people available for the interviews.

#### 2.2.2 Immersion

Another method used in data collection was immersion. "Immersion is a research process where researchers immerse themselves in the data they have collected by examining some portion of the data in detail" (Cohen & Crabtree, 2006). This process was undertaken, to understand and observe how the owner and administration handled clients and the running of the gym. The process which lasted for two weeks helped expose the weaknesses and strengths of the gym processes that were not captured during the interview.

#### 2.2.3 Online Survey

To supplement data collected from interviews and immersion, an online survey to members of the gym was sent out. Questions concerning their membership, experience with service from the gym and what they would do differently were asked. From responses given, it was evident that members were either moderately satisfied or dissatisfied with their gym experience. When asked what they would do differently if they run the gym, responses were tailored towards better administration, operation handling and infrastructure. Twenty-one (21) out of forty (40) members responded to the survey i.e. 53% of the center's

clientele. This method was chosen because of the unavailability of the clients for interviews and the convenience it presented to them.

## 2.3 Key Findings

### 2.3.1 Interviews

From the interview with the owner, it was evident that the owner had knowledge about fitness but little knowledge about how to effectively run it as a business. With regards to the administration of the gym he admitted that he needed help with its structuring. The following insights were drawn from the information gathered.

All record keeping was done manually because digital options. He mentioned that funding had also been a problem for development of the gym in terms of infrastructure and equipment. The gym did not have a business plan in place to outline their strategies and objectives. It was also noted that the gym had no outlined operations, marketing and competitive strategy to guide them. In terms of their financial welfare, there was no budget to analyze their expected and actual revenue and cost. There were no performance metrics to measure how well the gym was doing. Customer feedback was occasionally done by word of mouth. It was evident that because of the nature of the business, the manager was doing what he deemed necessary to make enough profit to sustain the business and his livelihood and not necessarily to expand the business.

The follow up interview was done with the administrator to understand the scope of the center's operations. This interview was done with the administrator who handled membership subscription and renewal, attendance keeping and general

upkeep of the gym. Questions about their opening and closing times, organizational hierarchy, flow of information, storage of the information, personnel duties, mode of personnel training, record keeping, targets and performance measurement.

The following insights were drawn from the interview. There was no documented outline of the gym's operations. Tasks were carried out based on the owner's decisions. Because the fitness center was a small business entrepreneurship, there was no organizational hierarchy. Record keeping, that includes membership subscription and renewal, attendance tracking and payments made were all manually done. Information about members were kept in a book. The administrator mentioned the difficulty that came up with getting information about members and monitoring attendance as well subscription renewal. It was also noted that the administrator did not undergo any form of training when he was employed.

## 2.3.2 Immersion

During the immersion process, I was taken through membership subscription and renewal and partook in all activities offered by the gym. Once my details and payment were taken for membership, a card with an identification number was handed to me. To take attendance a book is placed at the entrance for customers to write their names as well as their identification numbers. Customers were also required to always bring their cards although there was no need for it. At the front desk, there was a board which reminded people to renew their subscriptions. People were also alerted by word of mouth.

During peak hours i.e. 6am-9am and 5pm – 8pm, the administrator had to attend to existing members, sell water provided and attend to people who were interested in joining the gym whiles the owner handled the aerobics class. It was observed that the various tasks assigned to the administrator and the processes at the gym slowed down operations and left some customers dissatisfied.

## 2.3.3 *Survey*

The Survey which was sent out to customers to supplement data collected from interviews and immersion was administered through a WhatsApp group that was formed for the clients. Out of the 40 members, 21 members responded to the survey. Thus the survey covered 53% of the gym's clientele of which 62% of the respondents were female and 38% were male. Figure 2 shows the membership duration of respondents. A larger percentage (38%) were new members, 48% were relatively old while 14% had been members for 2 years and over. Most of the center's members joined to lose weight (52%), followed by bodybuilding (24%) and maintaining physical condition (19%). The remaining 5% joined for medical reasons as seen in Figure 3. This is an indication the gym was providing adequate fitness services that met the need of his customers. The respondents were frequent members – 62% attended the gym more than three times a week as shown in Figure 4.

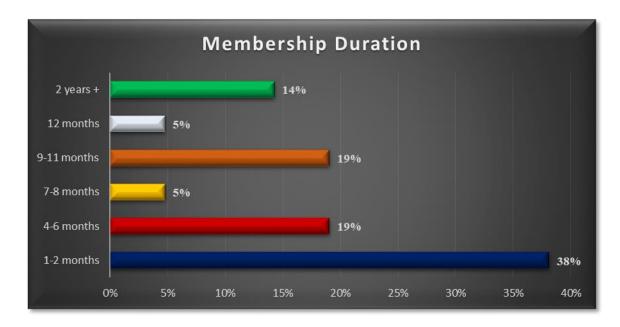


Figure 2 Membership Duration of Respondents

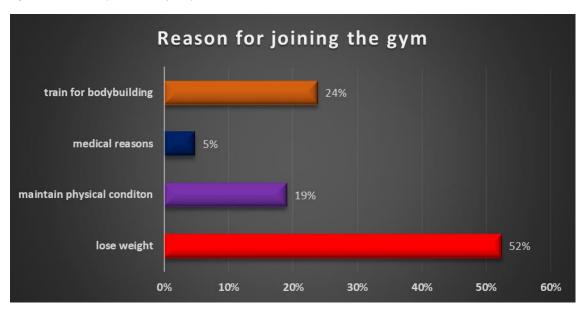


Figure 3 Respondents' reasons for joining the gym

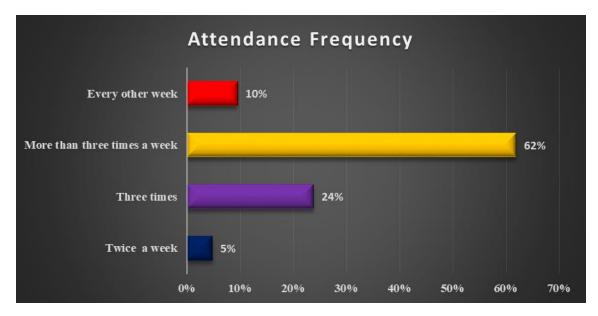


Figure 4 Attendance Frequency of Respondents

Questions about the factors that members looked out for when joining the gym and their current satisfaction with the state of the gym were asked – see Figure 6. Concerning the factors, options ranged from very important, through to neutral and not important. 52% of the respondents thought the quality of the equipment were very important. 33% thought the range of equipment and the presence of amenities (changing room and wash room) were also very important. 48% thought the availability of personal trainers was very important. The highest percentage for all the factors was recorded for the importance of customer service i.e. 57% thought customer service was a very important factor that influenced their membership. Price (52%), Reputation (38%) and Referrals (43%) were equally important factors taken into consideration. These factors were considered to be important.

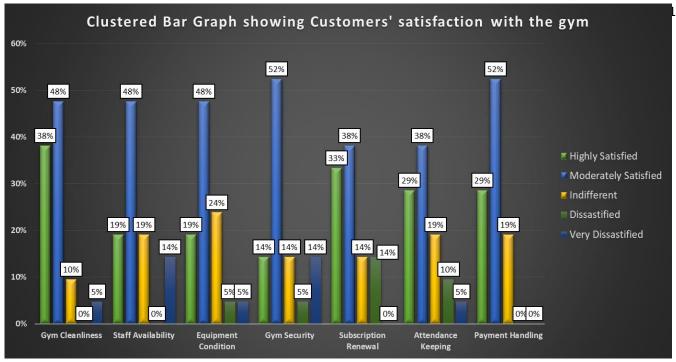


Figure 5 Respondents' Satisfaction Levels with the gym.

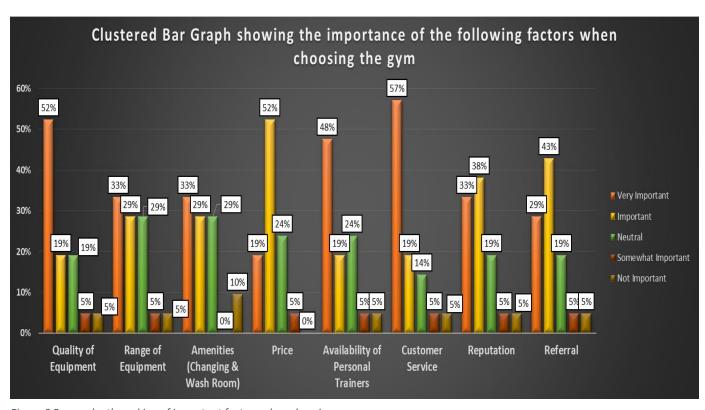


Figure 6 Respondent's ranking of important factors when choosing a gym

In relation to their satisfaction levels (Figure 5) the highest recurring level was moderately satisfied, 48% of the respondents were moderately satisfied with the gym cleanliness and staff availability. 52% were moderately satisfied with the gym security. 48% were moderately satisfied with the equipment condition. 38% were moderately satisfied with subscription renewal and attendance renewal. 52% were moderately satisfied with payment handling. In the previous graph, customer service received the highest vote for being an important factor in joining the gym. The operations of the gym directly affect how customers' perceive the service. The operations of the gym need to be made efficient by removing certain processes that add no value but contribute to increased cost and time spent.

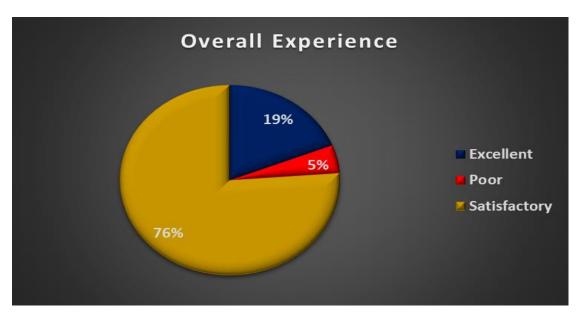


Figure 7 Respondents' Overall Gym Experience

For their overall gym experience, majority of the respondents (76%) thought it was satisfactory as seen in Figure 5. Respondents mentioned that the criteria for

an excellent gym experience would be enough gym equipment, a well-organized aerobics/ weight lifting training area, better customer service and management.

### 2.4 Problem Statement

Gym Ike Fitness Center after running for more than five years has not been able to efficiently manage its operations which is affecting the service delivery. Due to the small and informal nature of the gym, the manager has focused on sustaining its current growth. Therefore, there is a need for a more efficient and cost-saving way of running the basic processes at Gym Ike Fitness Center to improve service delivery and keep processes simple and efficient.

## 2.5 Project Objective

After conducting the needs assessment, the major issue identified was the inefficiency of the current operations of the gym due to the manual nature of their processes. Not only were the processes time wasting, but also presenting unnecessary cost to the business. This project's objective is to develop an operations plan for the gym that involves the automation of its basic processes to improve its efficiency and thus improve its service delivery.

### 2.6 Key Insights

From the data collected, certain insights were drawn that are vital to the solution formulation:

- The current operations were all time wasting due to the manual nature.
- Difficulty in tracking customers' information makes it challenging for the manager to offer quality customer service.
- The absence of a formal structure to the business and its operations is largely due to the absence of a business plan and expertise

## CHAPTER 3: MASTERY OF SUBJECT MATTER

### 3.1 Chapter Overview

This chapter gives a summary of the fitness industry and the implication of the growth on this industry for fitness centers. Related literature on operations management and its relevance in the fitness industry is discussed as well as models used by the various studies.

3.2 Brief Synopsis of the Fitness Industry
The fitness industry which forms a part of the sporting facilities sector is a branch
of the sport industry (Kauppi, Moxham & Bamford, 2013). The fitness industry
as a stand-alone is growing rapidly for these reasons

- The growth of gym culture i.e. people and organizations are becoming more health conscious (Jain, 2017).
- Increase in access to various equipment and health services (Jain, 2017).
- Increase in the disposable income (Jain, 2017)

The service sector contributes greatly to the GDP of Ghana. As at 2017, the services sector contributed 45.6% of the total GDP (Ghana Statistical Services, 2019). The fitness industry which falls under the service industry shares many of the features typical of services such as perishability, intangibility, inseparability, and heterogeneity (Kaupi, 2013). Macintosh & Doherty (2007) in their study mention that popular trade literature argues that the service environment of a fitness organization is a factor that contributes to member satisfaction and retention and also bottom line profitability (Gerson, 1999; McCarthy, 2004).

In the USA, the fitness industry has been valued at \$30billion and been growing at a steady rate of 3%-4% annually for the last 10 years with no signs of slowing down any time soon (Midgley, 2018).

3.3 Role of Operations Management in the Fitness Industry Operations Management is the set of activities that creates value in the form of goods and services by transforming inputs into output (Heizer, Render & Rajashekhar, 2009). It has also been described as the basis on which organizations plan, organize and schedule their processes in the context of production, manufacturing and the provision of services (Dhoul, 2019). Operations Management a major element of an organization's competitive advantage (Walters, 1999).

It is a multidisciplinary field and includes 10 decision disciplines - goods and service design, quality management, process and capacity design, location selection, layout design, human resource and job design, supply chain management, inventory, scheduling and lastly maintenance that help organizations implement strategies. For organizations to run smoothly, it is imperative that they make use of the decision disciplines of operations management. To solve the need of the fitness center, this project focuses on the process and capacity design discipline. This discipline's objective is to provide the best way organizations can deliver a service without wasting resources.

Kaupi, (2013) mentions that when it comes to the sports industry, the study and application of operations management has been limited. He cites the low patronage and overall failure of the 2010 Commonwealth games as an example of

an operational failure that was predictable and preventable. Lagrosen, (2007) also mentioned how in contrast to the fitness industry the health-care sector receives more research attention on the operation management decision discipline; service quality and management. However, Moxham & Wiseman, (2009) believes that the continuing growth and competition in the fitness industry has necessitated a need for the various fitness centers to find ways to differentiate themselves in order to retain existing members and attract new members. Mirroring a need for operations management; that element of differentiation lies greatly with delivering exceptional levels of service quality (Moxham & Wiseman, 2009). Process analysis and design, an operations management decision area is defined as an organization's approach to transforming resources into goods and services (Heizer, Render & Rajashekhar, 2009). The main focus of this decision area is to create a process that produces offerings that meet customer requirements within cost and other managerial constraints (Heizer, Render & Rajashekhar, 2009). The cost and quality of services offered depends largely on the chosen process. To provide an efficient and flexible operations strategy, the current operations must be analyzed. In analyzing, processes that do not add value are identified and eliminated. To analyze Gym Ike's current operations, the various conceptual frameworks used in the process and capacity design discipline will be employed to understand the activities that make up an organization's operations. Namely, flowcharts, time function mapping, process charts, value-streaming mapping and service blueprinting. To understand Gym Ike's operations the following

conceptual frameworks will be used: flowcharts, process charts and service blue printing

## 3.3.1 Flowcharts

Flowcharts are visual representations that outline the movement of material, product or people and are usually used to describe the structure of activities of a process (Jun, Ward, Morris, & Clarkson, 2009). Flowcharts are useful for communicating how processes work, clarifying your understanding of the process and helping with process improvement identification (Verma, 2015). The use of a flowchart to outline the center's operations is based on its familiarity, usability and utility. Below is a flow chart that outlines the activities that take place during registration and attendance keeping.

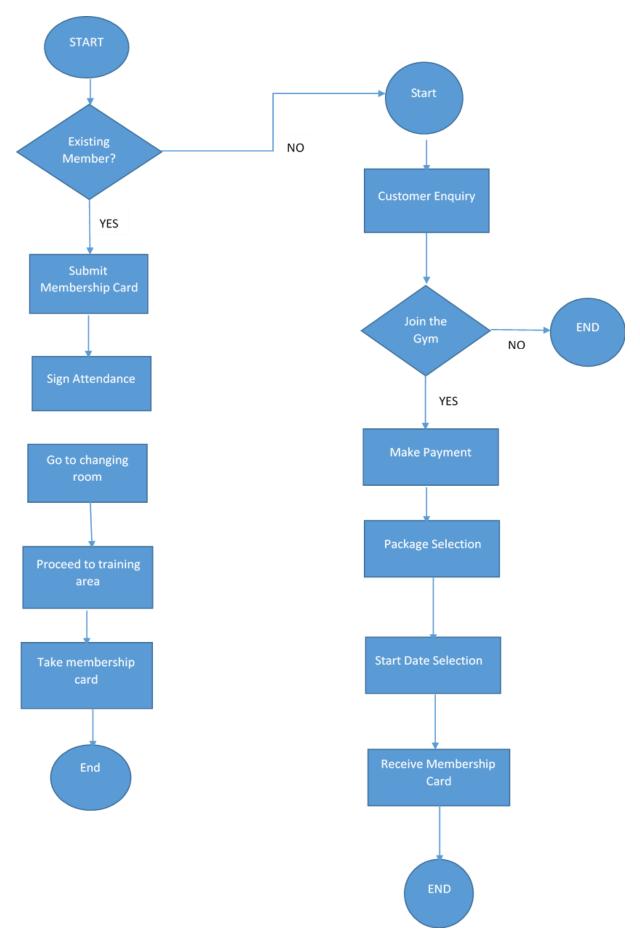


Figure 9 Flow Chart for Gym Ike Fitness Centre

|       | Present Method                    | : x                                       |   |           | Process:   |            |         |             |             |
|-------|-----------------------------------|---|---|-----------|------------|------------|---------|-------------|-------------|
|       |                                   |   |   | Operation | Transport  | Inspection | Delay   | Storage     | VA.ENVA.NV  |
| Step# | Activity description              | Time<br>(minutes)                         |   | 0         | ⇒          |            | D       | $\nabla$    | Value Categ |
| 1     | User enters Gym                   | 0.5                                       |   | х         |            |            |         |             | ENVA        |
| 2     | User makes Enquiry                | 2   |   | x         |            |            |         |             | VA          |
| 3     | Forms are taken from Storage      | 2   |   |           |            |            |         | x           | NVA         |
| 4     | Transfer forms to User            | 0.5                                       |   |           | ×          |            |         |             | NVA         |
| 5     | User fills form                   | 3   |   | x         |            |            |         |             | VA          |
| 6     | User returns form to receptionist | 0.5                                       |   |           | x          |            |         |             | NVA         |
| 7     | Form is put back in storage       | 0.5                                       |   |           |            |            |         | x           | NVA         |
| 8     | Payment is made                   | 1   |   | x         |            |            |         |             | VA          |
| 9     | User selects package              | 1   |   | x         |            |            |         |             | VA          |
| 10    | User selects start date           | 1   |   | x         |            |            |         |             | VA          |
| 11    | Take membership card from storage | 2   |   |           |            |            |         | x           | NVA         |
| 12    | Card is given to user             | 1   |   | x         |            |            |         |             | VA          |
| 13    |                                   |   |   |           |            |            |         |             |             |
| 14    |                                   |   |   |           |            |            |         |             |             |
| 15    |                                   |   |   |           |            |            |         |             |             |
| 16    |                                   |   |   |           |            |            |         |             |             |
| 17    |                                   |   |   |           |            |            |         |             |             |
| 18    |                                   |   |   |           |            |            |         |             |             |
| 19    |                                   |   |   |           |            |            |         |             |             |
| 20    |                                   |   |   |           |            |            |         |             |             |
|       |                                   | Count: Time per process step: Total VAs 6 |   |           | 2          | 0          | 0       | 3           |             |
|       |                                   |   |   | 9.5       | 1          | 0          | 0       | 4.5         |             |
|       |                                   |   |   |           | Total NVAs | 5          |         | Total ENVAs | 1           |
|       |                                   | VAs Time                                  | 9 | Minutes   | NVAs Time  | 5.5        | Minutes | ENVAs Time  | 0.5         |
|       | Distance                          | traveled                                  | 0 | Meters    | Lead Time  | 15         | Minutes | VS Ratio    | 60%         |

Figure 10 Process Chart for Gym Ike Fitness Centre

|       | Gym Ike Fitness Cent                              | er Proces              | ss Chart |                                |              |            |         |                |                |
|-------|---|------------------------|----------|--------------------------------|--------------|------------|---------|----------------|----------------|
|       | Present Method: X                                 |                        |          | Process: Daily Service Process |              |            |         |                |                |
|       |   |                        |          | Operation                      | Transport    | Inspection | Delay   | Storage        | VA.ENVA.NVA    |
| Step# | Activity description                              | Time (minutes)         |          | 0                              | ⇒            |            | D       | $\nabla$       | Value Category |
| 1     | User enters Gym                                   | 0.5                    |          | х                              |              |            |         |                | ENVA           |
| 2     | User submits membership card                      | 1                      |          | х                              |              |            |         |                | VA             |
| 3     | User signs attendance                             | 2                      |          | х                              |              |            |         |                | VA             |
| 4     | User goes to changing room                        | 5                      |          |                                | х            |            |         |                | NVA            |
| 5     | User then proceeds to training area               | 1                      |          |                                | X            |            |         |                | NVA            |
| 6     | Attendant arranges membership card for collection | 5                      |          | х                              |              |            |         |                | NVA            |
| 7     | User comes back to take Membership Card           | 1                      |          | х                              |              |            |         |                | NVA            |
| 8     | User buys water and or takes keys from front desk | 1                      |          |                                |              |            | X       |                | NVA            |
| 9     |   |                        |          |                                |              |            |         |                |                |
| 10    |   |                        |          |                                |              |            |         |                |                |
| 11    |   |                        |          |                                |              |            |         |                |                |
| 12    |   |                        |          |                                |              |            |         |                |                |
| 13    |   |                        |          |                                |              |            |         |                |                |
| 14    |   |                        |          |                                |              |            |         |                |                |
| 15    |   |                        |          |                                |              |            |         |                |                |
| 16    |   |                        |          |                                |              |            |         |                |                |
| 17    |   |                        |          |                                |              |            |         |                |                |
| 18    |   |                        |          |                                |              |            |         |                |                |
| 19    |   |                        |          |                                |              |            |         |                |                |
| 20    |   |                        |          |                                |              |            |         |                |                |
|       |   |                        | Count:   |                                | 2            | 0          | 1       | 0              |                |
|       |   | Time per process step: |          | 9.5                            | 6            | 0          | 1       | 0              |                |
|       |   |                        |          |                                | Total NVAs   | 5          |         | Total ENVA     | 1              |
|       |   | VAs Time 3             |          | Minutes                        | NVAs Time 13 |            | Minutes | ENVAs Time 0.5 |                |
|       |   | Distance traveled      | 0        | Meters                         | Lead Time    | 17         | Minutes | VS Ratio       | 18%            |

Figure 11 Process Chart outlining daily service process for Gym Ike Fitness Centre

# 3.3.2 Process Chart

The earliest description of a process chart was presented by Frank and Lilian

Gilbreth in 1921. They described the process chart as a device for visualizing a

process as a means of improving it. (Heizer, Render & Rajashekhar, 2009) defined process charts as modelling tools that make use of symbols, time and distance to provide an objective and structured way to analyze and record activities that make up a process. Although similar to flow charts, process charts help in identifying value adding activities and waste. Its focus is showing the efficiency of an organization's process. From the process above outlining the registration process of Gym Ike Fitness Center, it is evident that the center has more value adding activities than non-value adding. However, the non-value adding activities are activities that can be eliminated altogether. The efficiency ratio of their registration process is 60%, although relatively good, can be improved by eliminating the waste from non-value adding activities. In its daily process of attending to customers – see Figure 11, the efficiency of the process is 18% which could be improved by removing the non-value adding activities.

## 3.3.3 Service Blueprinting

Service Blueprinting gives service providers a visual way to express their intentions and goals while linking them to customer's perceptions and needs as the service activity progresses (Chan & Spararagen, 2008). Consumers are an integral part of service processes because services cannot take place without them. (Bitner, Ostrom & Morgan, 2008) through case studies and research show how highly effective and adaptable service blueprinting technique is for service innovation, quality improvement, customer experience design and strategic change focused around customers. Service blueprinting is a widely used modelling tool because of its simplicity and usability for all stakeholders involved

i.e. customers, managers, frontline employees can learn, use and modify to meet a particular innovation's requirements (Bitner, Ostrom & Morgan, 2008).

There are five components that make up a service blueprint. These are:

- customer actions
- visible contact employee actions
- invisible contact employee actions
- support processes
- physical evidence

The differentiating factor between service blueprints and flowcharting techniques is that customers are the central focus to its creation (Bitner, Ostrom & Morgan, 2008). To understand the customer experience and identify areas where improvements can be made, a service blueprint was designed to outline the gym's customer-centered activities. In Figure 12, the interactions between customers and Gym Ike are captured. The outline before helps identify potential failure points in customer interaction during the service delivery process.

#### Physical Evidence Parking Space Front Desk Area Changing &Wash Rooms Billboard & Posters Membership Cards Training Area Entrance Attendance Book Equipment Sound Systems Customer (Parks) & Enters Gym Greets Changes into gym attire Takes Membership Card Drops Membership Card Exercises 🚩 Leaves Signs attendance book (Leaves Key) Contact Person Sits at Front desk Greets Checks on Clients Returns Membership Cards (Visible) Deals with Enquiries Sells Water to Clients Collects & Arranges Returns Keys Membership Card (Collects key) Invisible Process Sets Attendance Book Makes record of Attendees Watches over member's items Clears up & Closes At visible Area

SERVICE BLUEPRINT FOR GYM IKE FITNESS CENTER

Figure 12 Service Blueprint for Gym Ike Fitness Centre

### CHAPTER 4: SOLUTION AND IMPLEMENTATION PLAN

## 4.1 Chapter Overview

This chapter focuses on the solution that best solves the identified problem as well as the implementation plan. This chapter first focuses on the selected model that brought about the solution and the reason for settling on this model and solution. The benefits of this solution to the gym are also outlined.

## 4.2 Proposed Solution

Establishing and growing a business, while keeping down costs, is no easy feat for business owners. This has led small business owners like Gym Ike's manager to turn to lean business principles as a strategy to remain self-sustaining (Beesley, 2014). Lean business principles provide small businesses with the perfect springboard to sustainability and growth (Beesley, 2014).

Out of the proposed models that are used to monitor and effect changes in the operations of an organization, the process chart is better suited for this project because of its benefits and its ability to move the center towards lean operations. All three models outline the processes that are engaged in by the customer and organization to provide a service. However, the process charts provide an objective and structured way to analyze tasks that make up a process (Heizer, Render & Rajashekhar, 2009). They focus on value added activities and expose the waste in the processes i.e. activities that waste time and resources, contribute to excess costs and reduce the efficiency of the organization's operations. The vital processes that make up the gym's daily operations and contribute to customer service are the registration process, payment processes and the attendance keeping process which are all manually done. Due to its manual nature, tracking customers' information and response to customers' needs are slow and difficult as the manager has to go through pages of records. Attendance keeping which is a daily task is also done manually. This process helps the manager monitor frequent members and check up on people who miss sessions. To make these activities easier for the manager whiles keeping operations lean, the proposed solution is the automation of these key processes that constitute operations.

Lean operations help businesses especially small business entrepreneurship companies do more with less thus, creating value and increasing profits by

identifying and eliminating waste – an objective of the process chart. Automation is another way to eliminate waste (Levinson, 2018). As many manual processes cause inefficiencies, automation ensures smooth transactions and accounting (Levinson, 2018). Eliminate smaller wastes in the fitness centre, such as paper waste may seem irrelevant, but the costs of paper waste can add up over time Automating these processes will help increase efficiency, cut cost spent on printing registration forms, membership cards while increasing profit for sustenance and livelihood and allow the manager to focus on managing the aerobic sessions.

Using the process chart to analyze operations after the automation is implemented, efficiency of the gym's registration and daily service process increased from 60% to 85% and from 18% to 35% respectively. Automation will ensure easy facilitation of the payment, registration and attendance keeping process. More benefits that the manager will receive from automation are:

- Easy identification of committed members (members who come frequently) and members who need help with consistency.
- Ability to determine the monthly attendance rate and make strategic modifications to the schedule based on which classes and hours have the highest attendance rates.
- Achieving targets with less/no need for many employees and resources like stationery.

In figures 13 and 14 below, the process chart shows the reduction in the non-value adding activities that contribute to waste and inefficiency in the gym's registration and attendance keeping process which contributes to its main operations. This solution is also a best fit for gym culture i.e. the informal setting of the gym. Automation of its processes will still allow the owner to have a personal relationship with his each of his customers whiles keeping operations efficient and customers satisfied.

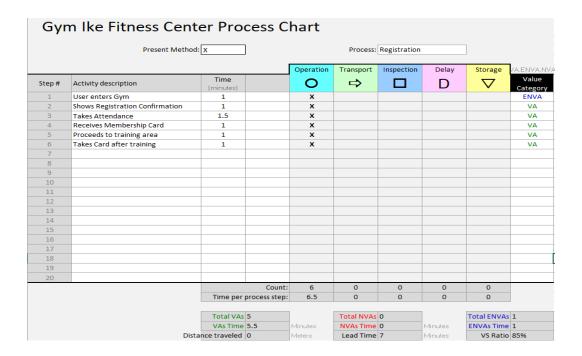


Figure 13 Process Chart after Solution Implementation

|  | Gym Ike Fitness Center                            | Proces            | s Char | rt        |               |               |         |             |                   |
|--|---|-------------------|--------|-----------|---------------|---------------|---------|-------------|-------------------|
|  | Present Method:                                   | х                 |        |           | Process:      | Daily Service | Process | ]           |                   |
|  |   |                   |        | Operation | Transport     | Inspection    | Delay   | Storage     | VA.ENVA.NVA       |
| Step#  | Activity description                              | Time<br>(minutes) |        | 0         | $\Rightarrow$ |               | D       | $\nabla$    | Value<br>Category |
| 1  | User enters Gym                                   | 0.5               |        | х         |               |               |         |             | ENVA              |
| 2  | User takes attendance                             | 3                 |        | Х         |               |               |         |             | VA                |
| 3  | User goes to changing room                        | 4                 |        |           | Х             |               |         |             | NVA               |
| 4  | User then proceeds to training area               | 0.5               |        |           | х             |               |         |             | NVA               |
| 5  | User buys water and or takes keys from front desk | 0.5               |        |           |               |               | Х       |             | NVA               |
| 6  |   |                   |        |           |               |               |         |             |                   |
| 7  |   |                   |        |           |               |               |         |             |                   |
| 8  |   |                   |        |           |               |               |         |             |                   |
| 9  |   |                   |        |           |               |               |         |             |                   |
| 10   |   |                   |        |           |               |               |         |             |                   |
| 11   |   |                   |        |           |               |               |         |             |                   |
| 12   |   |                   |        |           |               |               |         |             |                   |
| 13   |   |                   |        |           |               |               |         |             |                   |
| 14   |   |                   |        |           |               |               |         |             |                   |
| 15   |   |                   |        |           |               |               |         |             |                   |
| 16   |   |                   |        |           |               |               |         |             |                   |
| 17   |   |                   |        |           |               |               |         |             |                   |
| 18<br>19   |   |                   |        |           |               |               |         |             |                   |
|  |   |                   |        |           |               |               |         |             |                   |
| 20   |   |                   | Count: | 2         | 2             | 0             | 1       | 0           |                   |
|  |   | Time ner r        |        | 3.5       | 4.5           | 0             | 0.5     | 0           |                   |
| Time per process step:         3.5         4.5         0         0.5         0 |   |                   |        |           |               |               |         |             |                   |
|  |   | Total VAs         | 1      |           | Total NVAs    | 3             |         | Total ENVAs | 1                 |
|  |   | VAs Time          | 3      | Minutes   | NVAs Time     | 5             | Minutes | ENVAs Time  | 0.5               |
|  | Dista   | nce traveled      | 0      | Meters    | Lead Time     | 9             | Minutes | VS Ratio    | 35%               |

Figure 14 Process Chart of Daily Process after solution implementation

## 4.3 Implementation Plan

The proposed solution is two-fold. It includes an attendance management system that will allow customers to simply search for the names and choose the attendance option of being present. At the end of the day, the names of "present" customers is kept in the database for the manager's perusal. It will make information handling of customers easier and provide projections of the gym's daily churn rate. The second solution is a website that allows prospective customers to find out information about the gym, the services offered and the corresponding prices as well as the option to register if interested. The manager will be able to track new customers as well as payment made and have all their information on record. Customers will have profiles that will allow alert them to

renew their subscription when it ends, change the package they are currently subscribed to, make payments as well as provide links to the WhatsApp groups the manager has for his customers. Below is a table showing an implementation plan of this solution.

| What        | Who        | When     | Where          | Why                | How           |  |
|-------------|------------|----------|----------------|--------------------|---------------|--|
| Step1:      | Project    | 4th week | Gym Ike        | To ensure all      | Insert        |  |
| Move        | Consultant | in May   | Fitness Center | customers          | customers'    |  |
| existing    |            |          |                | information are in | information   |  |
| customer    |            |          |                | the database       | to the        |  |
| information |            |          |                |                    | database.     |  |
| into        |            |          |                |                    |               |  |
| database    |            |          |                |                    |               |  |
| Step 2:     | Project    | 1st week | Gym Ike        | To track customers | Have a        |  |
| Train staff | Consultant | in June  | Fitness Center | information and    | training      |  |
| to run back |            |          |                | make updates to    | session for a |  |
| end of      |            |          |                | the website        | week with     |  |
| website     |            |          |                |                    | staff.        |  |
|             |            |          |                |                    |               |  |

| Step 3:     | Project    | 2nd Week             | Gym Ike        | To facilitate easy | Host website   |
|-------------|------------|----------------------|----------------|--------------------|----------------|
| Host back   | Consultant | in June              | Fitness Center | use of website by  | on the world   |
| end of      |            |                      |                | the administrator. | wide web and   |
| website on  |            |                      |                | i.e. the owner     | giving         |
| local       |            |                      |                |                    | credentials    |
| device      |            |                      |                |                    | for running    |
|             |            |                      |                |                    | the website to |
|             |            |                      |                |                    | owner.         |
| Step 4: Fix | Project    | 3 <sup>rd</sup> -4th | Gym Ike        | To ensure smooth   | Collecting     |
| any issues  | Consultant | Week in              | Fitness Center | running of website | and            |
| concerning  |            | June                 |                |                    | implementing   |
| website     |            |                      |                |                    | feedback       |
|             |            |                      |                |                    | from users     |

Table 2 Implementation Plan for Gym Ike Fitness Cent

## **CHAPTER 5: CONCLUSION AND RECOMMENDATION**

The objective of this project was to identify key issues and weaknesses that were affecting the growth of the gym. After conducting a needs assessment, a number of challenges were identified that contributed to weaknesses of the gym. One of its main issues was its current operations which lacked structure. The manual nature of its basic processes was not only costly to the business, but also time wasting which was affecting the delivery of its customer service. To restructure its operations, a process chart – an operations management model was used to expose the inefficiency of its current operations and non-value adding activities

whiles leaving room for a solution that would increase efficiency and get rid of waste.

The proposed solution which is an automation of its basic services will enable Gym Ike to respond to customers' needs quickly, reduce their current operating cost and simplify processes for when customer numbers increase.

## 5.1 Project Limitations

- Lack of documented business plan made information gathering difficult as the owner was the only source of information for the business.
- The unavailability of clients did not allow the desired amount of information to be collected for analysis.
- The solution might affect the amount of time the owner gets to interacts with his customers.

### 5.2 Recommendations

Below are some recommendations that will contribute to the customer's overall gym experience. For security purpose, the gym can make lockers or fix hangers in the changing room so customers can keep their belongings in, instead of leaving their valuables at the front desk. To keep customer interaction, the manager can organize free monthly aerobics sessions for existing and prospective clients.

Lastly, Monthly feedback collection will help the owner track the gym's progress and implement any changes if need be.

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#### **APPENDIX**

## **CONSENT FORM**

As part of my Final Year Capstone Project, I am required to conduct a needs assessment of the organization I am working with. I would like to ask for your permission to be part of this study as your participation will contribute greatly to it. You are free to participate in this study and equally free to withdraw from the study at any moment during the activity. There are no risks involved in this study, however a major benefit of contributing to this study is an improved operation plan for Gym Ike fitness centre.

The data collected during this study will be treated with the utmost confidentiality and is strictly for academic purposes. Names and identity will not be disclosed at any point of the study as the information will be made anonymous.

Findings from the research will be made available to interested respondents on request.

If you have any questions you can contact me Maame Efua Dadzie, the researcher behind the study. If you agree to be a part of this study, you will be contacted to take part in an interview, or asked to fill an online survey.

For further information, you can contact my supervisor Mrs. Rose Dodd. This study and consent form has been reviewed by Ashesi I Review Board (IRB) for Human Subjects Research. You can also contact the review board through their email <a href="mailto:irb@ashesi.edu.gh">irb@ashesi.edu.gh</a> if you have any further questions

Participant Date

**Contact Information** 

Maame Efua Dadzie Lead Researcher 0577023164

Efua.dadzie@ashesi.edu.gh

Mrs. Rose Dodd Project Supervisor rdodd@ashesi.edu.gh

# Interview Questions for Administrator

- 1. What hours of the day do you operate?
- 2. Who is responsible for operations in the gym
- 3. Daily operations of the gym? From opening to closing what activities are done to keep the gym running?
- 4. Is there a clear outline of operations that take place in the gym
- 5. How is member subscription handled?
- 6. Are receipts given for payments?
- 7. Are the records kept?
- 8. Are the records digitized?
- 9. Use of automated/manual systems? Are they integrated?
- 10. Is there a current database of members?

|   | 11. How is tracking of attendance done?                 |
|---|---|
|   | 12. Monthly/ Annual targets in performance and revenue? |
|   | 13. Are there measurable goals for operations           |
|   | 14. Organizational chart of the business?               |
|   | 15. How is the flow of information and decision making? |
|   | 16. Who handles budget making?                          |
|   | 17. Do staff undergo regular formal training?           |
|   | 18. Are staff paid?                                     |
|   | 19. Is customer satisfaction measured regularly?        |
|   | 20. How is it measured?                                 |
|   | ONLINE SURVEY QUESTIONS                                 |
| 0 | 1. Gender<br>Male                                       |
| O | Female  |
| • | None Specified  |
|   | 2. Age  |
|   | 7 - 20 years old<br>21 - 26 years old                   |
| 0 | •   |
| 0 | 33 - 39 years old                                       |
| 0 | 40 - 50 years old                                       |
| 0 | 51 - 60 years old                                       |
|   |   |
| 0 | 3. How often do you visit The Gym? Less than weekly     |
| O | Once a week   |
| O | Twice a week  |
| O | Three times a week                                      |

More than three times per week

| C           | <ul><li>4. Gym member for?</li><li>1-3 months</li></ul>   |
|-------------|---|
| O           | 4-6 months  |
| O           | 7-12 months   |
| O           | 1 year  |
| O           | 2-4 years   |
| O           | 5-10 years  |
| O           | 10+ years   |
| 0           | <ul><li>5. On WEEKDAYS I typically visit the gym between</li><li>5 - 9AM</li><li>9 - 11AM</li></ul>   |
| _           | 11AM - 2PM  |
| _           | 2PM - 4PM   |
| O           |   |
| Ö           | 6PM - 9PM   |
| O           | 9PM - 12PM  |
| O           | 12AM - 5AM  |
| O           | I typically do not come during the week   |
|             |   |
|             | 6. I visit the gym to Enhance sport performance Train for bodybuilding/power lifting  |
|             | Lose weight   |
|             | Medical reasons   |
|             | Maintain my physical condition  |
|             | Meet people and socialize   |
|             | Other:  |
|             |   |
| [] <b>'</b> | 7. How important were the following when joining or renewing at The Gym Very Important [] Important [] Neutral [] Somewhat Important [] Not Important a. Quality of Equipment b. Range of Equipment c. Condition of the gym d. Availability of Trainers |
|             | e. Amenities (locker rooms, pro shop, etc.)   |

- f. Referral From Friend
- g. Atmosphere
- h. Reputation
- i. Price
- 8. Rank your levels of satisfaction related to The Gym's operations
  [] Highly Satisfied [] Moderately Satisfied [] Indifferent [] Dissatisfied [] Very Dissatisfied
  - a. Condition of sports centre
  - b. Gym Cleanliness
  - c. Changing Room Cleanliness
  - d. Washroom
  - e. Staff Availability
  - f. Equipment Condition
  - g. Gym Security
  - h. Subscription Handling
  - i. Music
  - j. Attendance Keeping
  - k. Opening and Closing times
  - 1. Lighting
  - 9. Rank your level of satisfaction with the various types of equipment The Gym offers

[] Highly Satisfied [] Moderately Satisfied [] Indifferent [] Dissatisfied [] Very Dissatisfied

- a. Free Weights
- b. Weight Machines
- c. Cardiovascular Equipment
- d. Rate your overall experience
- e. How are you reminded of renewal?
- 10. If you ran The Gym, what would you do differently?

### PROBLEM & SOLUTION DASHBOARD

