

ADVANCED GCE UNIT

UNIT 5: Human Resources in the Leisure Industry

CASE STUDY

Pre-release case studies for examination January 2007

To be opened on receipt



G184/CS

INSTRUCTIONS TO TEACHERS

• This case study **must** be opened and given to candidates on receipt.

INFORMATION FOR CANDIDATES

- You must make yourself familiar with the case study before you take the question paper.
- You **must not** take notes into the examination.
- A clean copy of the case study will be issued with the question paper.

This document consists of **4** printed pages.

Fit4Life The Early Days

Fit4Life was founded in the late 1990s by Grace Sweeney, a former professional dancer. In the beginning *Fit4Life* consisted of a small dance studio. Grace offered a wide range of exercise and dance classes to suit all fitness levels and ages, including aerobics and step classes.

The dance studio was very popular with the people of Market Coomb, a large market town in the East Midlands, and was operating at almost full capacity. Despite this popularity, Grace realised 5 that she was catering for a small market segment within her locality, so, in late 2004, she rented a former used car salesroom on the edge of town and converted it into a fitness gymnasium. Despite operating from two sites, both facilities attracted new members, many of whom used both the studio and the gym.

Since opening the gym, Grace has overseen an increase in the number of employees at *Fit4Life*. 10 Grace retained a small core of full-time staff and employed a significant number of part-time and self-employed staff to cover the wide range of activities on offer and the long opening hours. However, running both facilities put a heavy strain on both Grace and the staff, who frequently had to travel between the two facilities during the course of a working day.

Due to the success of *Fit4Life*, Grace decided to take a "hands-off" approach to managing the *15* business and as a result, in early 2005, she created the following two full-time managerial posts (both of equal status):

- Dance Studio Manager
- Fitness Manager

Grace made the appointments without advertising the positions either internally or externally and 20 did not hold interviews.

Grace appointed Debbie Clark to the post of Dance Studio Manager. Debbie, who like Grace, was a former professional dancer, had worked full-time at *Fit4Life* since the beginning. The position of Fitness Manager was given to Gareth Jones, a sports studies graduate, who for the six months after completing his degree had been working part-time at the gym. Both Debbie and Gareth *25* reported directly to Grace, but were encouraged to take full responsibility for the day-to-day running of each facility.

In addition, the other employees of *Fit4Life* include:

- 1 full-time junior studio/gym manager
- 2 part-time dance studio supervisors
- 2 part-time fitness suite managers
- 2 full-time and 4 part-time receptionists
- 3 full-time and 6 part-time leisure assistants
- 1 full-time maintenance engineer

There are also a number of self-employed fitness instructors and personal trainers. 35

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Despite offering competitive rates of pay, staff turnover and absenteeism at both the dance studio and the gym had been an ongoing matter and Grace is keen that Debbie and Gareth address this issue, as there had been a number of complaints from members about cancelled classes. The situation worsened so much that a number of members left to join a nearby health and fitness club, situated in the centre of town and occupying purpose-built facilities. Despite the competition 40 for job seekers, recruiting staff had never been an issue until recently, when it had become more of a problem to recruit staff with appropriate qualifications and experience.

The Move

Although the on-going human relations problems at *Fit4Life* remained, Grace was determined to expand the business and unexpectedly an opportunity arose with the development of the 45 Bishops Park leisure complex in the middle of the commercial centre of Market Coomb. This is to comprise:

- a multi-screen cinema
- a bowling alley •
- music venue
- a hotel
- restaurants and fast food outlets
- a health and fitness club.

Early in 2006 Grace was approached by the developers about transferring her business from the two separate sites to the new facilities at Bishops Park. With the backing of her existing staff, 55 Grace agreed to this fresh challenge. After six months of planning and preparation, Grace was ready to transfer to the new health and fitness club, with its purpose-built facilities, comprising:

- the Gym a state of the art fitness suite including cardiovascular equipment in a fully air conditioned environment
- the Studio a spacious well lit aerobic/dance studio with fully sprung floor and large 60 mirrored front wall
- the Spa with a steam room, sauna, jacuzzi and relaxation area
- ancillary facilities including a crèche, small bar and café.

The new health and fitness club will be open 7 days a week, for over 12 hours per day.

Grace is keen to ensure that the human resource issues be a priority in the new *Fit4Life* in order 65 that the highest levels of customer service be provided to the members. To this end, Grace intended to create a new position of General Manager, who would not only oversee the day-to-day running of the club, but would have special responsibility for human resource management. This new member of staff would be responsible for the recruitment, selection, training and development of any new staff. 70

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With time running out before the opening of the new club, Grace produced the following recruitment advertisement for the position of General Manager (Fig. 1).



Fig. 1

Although Grace has the support of her existing staff for the proposed move to Bishops Park, she is aware that it will cause some anxiety amongst the staff and she is, therefore, keen to introduce motivational methods and appraisal techniques that will ensure that both new and existing staff *75* work efficiently and effectively. This will be one of the main priorities of the new General Manager.

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