

The Computerisation of the Leisure Industry

Rob Greenaway considers the risks and romance of the computer world

I am frequently gobsmacked by the cost of computerising government services. Whenever I hear the price of a computer system I do a sum to see how many scribes could have been employed for the same price. Take the failed Police INCIS programme (please, someone). The total package cost \$107 million. Using a simplistic analysis and assuming that INCIS would last for 10 years, and there were no additional servicing and staff costs (and they'd be huge), the same amount of money could have employed 300 people for 10 years on the average wage.

What could be achieved with an additional 300 staff and the existing computing package? More than nothing, which is all you can do with INCIS.

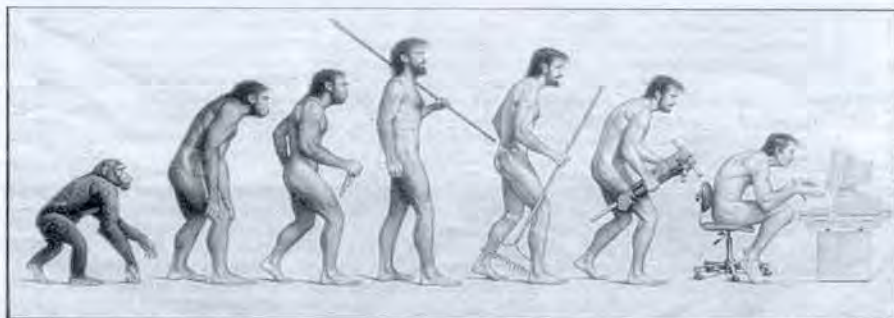
When local government was reorganised in 1989, many leisure managers faced large, coalesced portfolios and the loss of much local knowledge. Small and intimate fiefdoms became complicated and diverse federations. Facility users evolved into customers with expectations. Benchmarking became trendy and useful. To keep track of all the people and asset components the manager needed a brain the size of a swimming pool, or they needed a Better Way. Along came, amongst other things, Asset Management. All you needed to do was locate, describe and assess every asset you manage. Simple - but jolly tricky without a computer.

But soft! (as Shakespeare or Gates might say). Would you be better off with a room-full of scribes or a sexy computer package? Or a computer package you (or at least your child) could design yourself? Say, a spreadsheet-based application? When does the 80/20 rule apply and you get 80 percent of your functionality for 20 percent of the cost?

And if you read the word 'functionality' without rolling your eyes, I'm sorry. It's probably too late. Kiwis love technology and you're neck deep in it.

Toy love

When Michael Stevens arrived in New Zealand from the UK he recognised our love affair with new toys. He is currently Business Development Manager for the software company CPS Systems NZ Ltd, based in Wellington. In 1989 he worked



Somewhere, something went terribly wrong



Rob Greenaway

for Aramis Computing, purveyors of Micro-RATE Groundsman. In the heady days of the 1980s Stevens recalls that Information Technology was given a lot more credibility than it deserved. Considering how small the country was (the size of one medium-sized local authority in the UK) its uptake of computing systems was surprising.

"There appeared to be a lack of understanding of the need to carry out a cost-benefit analysis (CBA) of the systems on offer, and there was a general acceptance of high-priced systems." Stevens was accustomed to the CBA approach of the UK, rather than the 'colour of the box' attitude he frequently saw here. "A computer system is only feasible if it saves you more than it costs, or if it makes you money," he reminds us.

Stevens recognised that New Zealand local authority managers were also very keen on leading-edge technology. "I spotted the lead we were taking here and applied to Aramis' UK Board to support further development. They considered that this country was so far ahead that the gains wouldn't be

relevant to the UK market for too long a period, and that meant it was a poor investment."

Aramis eventually pulled out of the New Zealand market and a little later Stevens joined CPS. CPS is now involved in the locally developed ConTRAX Contract Management product and the SiTRAX hand-held on-site asset and contract management system, both recently implemented in Dunedin City Council.

What were we doing before desktop computers came along? By my reckoning computers have been mainstream tools for only about 10 years. In 1990 a graduate would probably have got by with a pen. Now they require a Pentium. New Zealand's population was 3.4 million. It has now increased by about 400,000 people. The country is physically no bigger. Considering that massive additional pressure - oh, what a mess leisure managers would be in if it were not for computers!

Fighting fires

Brent Smith of the Rotorua District Council and National Chair of the Confirm User Group knows full-well what he'd be doing without a computerised approach. "We would still be fighting fires," he reckons.

You'll recall that Local Government New Zealand and the NZRA established the PRAMS (Parks and Reserves Asset Management System) Working Party in 1996 to identify the preferred asset management system for the nation's open space managers. Fifty-two local authorities contributed \$2000 each to the exercise and received preferential

purchase opportunities. Confirm, offered by Fujitsu NZ Ltd, was the winning contender. Fujitsu was able to bulk-buy the software from the UK suppliers and offer local authorities a more reasonable price. Fujitsu estimates that 26 local authorities have bought - or are thinking of buying - the Confirm package. Smith's Confirm User Group now leads national co-ordination of the system's implementation.

Smith estimates that 50% of Confirm purchasers have the software still in its box, or are just starting to set it up.

GIS integration

The Rotorua District Council's package cost around \$30,000 to purchase and they operate a six-user licence. The annual

maintenance contract costs \$7000, and additional modules around the same. For example, the team is looking at spending \$7000 cost to integrate Confirm with their GIS system. None of the costs has been a 'surprise'.

The Council did not complete a CBA for the product but relied on the PRAMS Working Party recommendation. For those still looking for asset management systems, Smith advises to make sure you know what outputs you want from the word go, although that is very difficult when taking those first steps on the asset management path. He also recommends keeping the decision-making process at 'ground level' - being driven by the users of the proposed system rather than by accountants.

Interestingly, Smith wonders why kiwi software designers are not developing asset management packages. "If we're that far ahead in asset management as a discipline, we should be leading in the software field."

But in other leisure management areas, kiwis are doing a lot.

Chasing fees

Ewan Greig, a founding director of Adfit, based in Auckland, is on the computerisation path. Adfit's original focus was on removing membership hassles from fitness and leisure centre managers. You provide them with your membership list and they collect and chase membership fees on your behalf. They also operate a Fitpass programme allowing travelling members of client clubs to reciprocal rights at other client clubs. By Greig's reckoning, about 45% of national fitness and leisure clubs use Adfit's services, covering more than 30,000 active club members.

Adfit experienced some difficulties interfacing their membership lists with those of their clients. Clients were using a variety of software packages, and while transferring data was possible, it was a time-waster. Client pressure led them to the software development table.

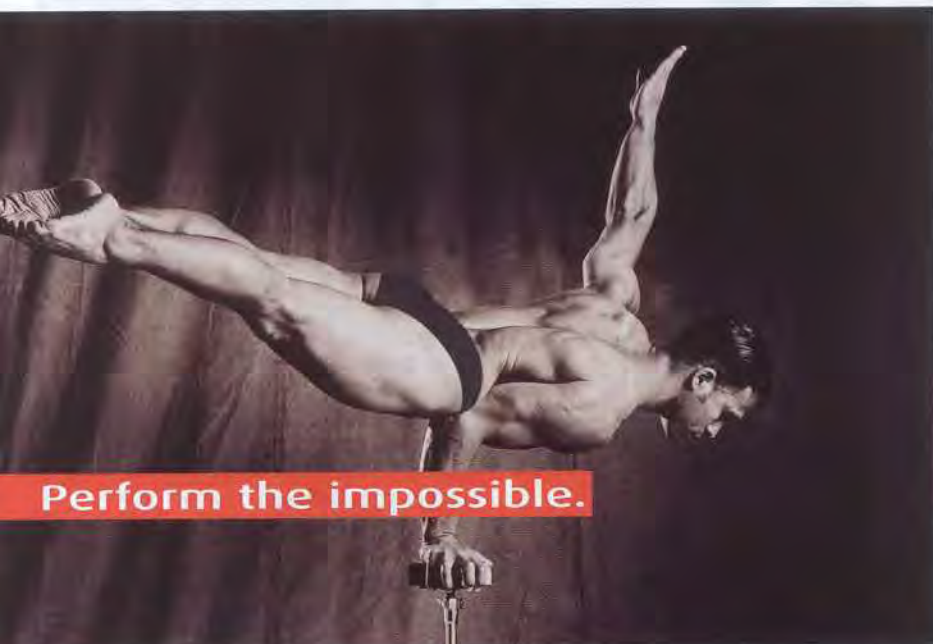
"We had seen a gap in the market for club management software, but had originally decided that software development was not our core business," says Greig. "However, we could see the need for some consistency between the systems used by clients and were aware that many clubs were having difficulty finding an appropriate package."

Adfit employed two software developers and recently showed off an early version of Clubware, a 'total package' for club management - everything from stock control to printing membership cards, and seamless interface with Adfit's remote membership management services. Greig reports that 30 units have already been pre-sold with delivery in the near future.

And the price? That's the interesting thing. It's a lease. Two hundred dollars a month gets you the package, all upgrades, and full help-desk assistance. You can dump the package whenever you like, and you don't have to use Adfit's other services.

By my estimation, that will not make Adfit's Directors overnight millionaires. Software development is high risk, high cost and an unbound lease means they have to perform on a consistent basis. But Greig's team recognises that New Zealand leads the way and there is world-wide potential.

Do purchasers of Clubware carry out CBAs before signing up? Not according to Greig. "Our largest client undertook an international comparison and although our product wasn't complete, the



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Sports debut for small screen technology

A handful of lucky fans at the All Black-Scotland test had the best seats in the house, thanks to new technology that combines the attributes of live TV coverage with the atmosphere of Eden Park.

With the game marking the first installation in New Zealand, Panasonic piloted 12 colour LCD monitors in its corporate seats, giving its guests the opportunity to watch the game, check out the big screen and watch live TV coverage at the same time.

"The big bonus," says Frazer Kerr, Panasonic's consumer products manager, "is that you're right there with the live game atmosphere, but you get the replays and close-ups that no one else at the stadium can get."

For those who fly business class the personal TV screens are already a familiar sight. Kerr says they are lightweight and compact, with a 7 inch active LCD panel delivering a high clarity, high definition picture.

He predicts the monitors will have a big future in NZ's sports-mad market where corporate box holders seek to provide the ultimate sporting immersion for their guests.

As well as bringing sports action up close, several LCD monitors have been sold to film production companies for directors to use when viewing filming, piratically from difficult filming locations such as helicopters.

The technology will also see installation of screens in the back of car seats, according to Kerr.



framework was the best they'd seen. We have simply designed the system with the industry's assistance. It's out there to simplify club management."

Other computer systems are finding their niches.

Soft sports

John Parker, former professional cricketer and founder of Sport Waikato, for example, has developed a package of applications - PlanTrac and SportWare - directed at sports clubs, and especially regional sports trusts. The package includes planning and reporting tools (PlanTrac) and the more obvious components like membership and sports draw management. Templates for sponsorship proposals, newsletters and constitutions, and event and committee management packages add up to 14 components in all. Prices are yet to be confirmed but there will be a 'lite' version of PlanTrac for smaller clubs.

The list goes on. How do you choose? Where do you go for advice? Other users perhaps?

Michael Stevens of CPS reports on a phenomenon you need to be aware of when asking other users about the package they have chosen. He calls it the, 'It wasn't invented here' syndrome, reflecting the defensive nature of many software purchasers.

"There is a reluctance to accept that an expensive software purchase was a bad idea," Stevens reports. "This is most apparent when inquiring about alternative packages."

This syndrome makes it especially difficult to get unbiased advice, even from supposedly independent sources. They will have made software recommendations in the past, and perhaps be defensive about those - particularly when considerable additional expense and time have been invested in populating a database, and in system-specific training.

This means you have to get it right early - before subsequent investments make back-tracking an embarrassing and expensive option. Do you just go with

the crowd, get independent advice, buy the cheapest or carry out your own cost-benefit analysis?

My bet is that very few CBAs will be completed when a software purchase is made. Instead we are subject to two push factors.

One is called the Red Queen Hypothesis, named after that character in Lewis Carroll's *Through the Looking Glass*. In a nutshell, this means you have to keep running to stand still. None of us wants to be left behind in the rush at improved efficiency and effectiveness, and computerisation appears to be what is required to keep up with the Jones - against whom we benchmark. Otherwise why on earth would we upgrade our word processors so frequently? What was wrong with Microsoft Word 97? It'll take you a month to discover the improvements in the more recent version. My

recommendation when looking at buying an upgrade is to, first, close your eyes and think of the improvements you want. If the upgrade doesn't have them, you probably don't need it.

The other is that computerisation generally makes management more simple. Heaven forbid that I'd have had to write this by hand. Heaven forbid anyone would have to read the result. Client billing is easier via a centralised computer system like Adfit's since the Kiwi banking system is so well designed for remote access. Your 200,000 assets are easier to track on an electronic database than a dog-eared ledger. The Internet is - in the right hands - a wondrous thing. Email! - could we live without it? There is no argument that a computer can make life easier in many circumstances. Your challenge is to know the answer to the question: Easier than what, and by how much?

If you can, then the future awaits. What will it hold? Computers, certainly. Virtually all those interviewed for this article (space doesn't allow them all to be quoted) believe hand-held, remote computing power is in the offing. Most data entry will be completed in the field or on the gym floor. Internet access to club and membership information by your clients will be expected - and most likely via their mobile phone.

And for asset managers, will the local public toilet give you a call in the evening to say it has run out of loo paper? No - it will phone your fridge, and that will pass on the message. ★

Rob Greenaway and Associates is a member of the Global Leisure Group.

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