

## Group Project 1: "Business profile and SWOT analysis"

### Part 1 Chapter 1 Personal Trainer, Inc.

Personal Trainer, Inc. owns and operates fitness centers in a dozen Midwestern cities. The centers have done well, and the company is planning an international expansion by opening a new “supercenter” in the Toronto area.

#### Background

Cassia Umi, president, heads Personal Trainer’s management team. Three managers report to her at the firm’s Chicago headquarters: Janet McDonald, manager, finance; Tai Trinh, manager, sales and marketing; and Reed Curry, manager, operations. The managers who run the 12 existing centers all report to Reed. Cassia wants the new supercenter to emphasize a wide variety of personal services and special programs for members. If the supercenter approach is successful, it will become the model for Personal Trainer’s future growth. Cassia personally selected Gray Lewis, a manager with three years of fitness center experience, to run the new facility.

The new supercenter will feature a large exercise area with state-of-the-art equipment, a swimming pool, a sporting goods shop, a health food store, and a snack bar. In addition, the center will offer child care with special programs for various ages, a teen center, and a computer café. Cassia also wants members to have online access to customized training programs and progress reports.

Personal Trainer currently uses BumbleBee, a popular accounting package, to manage its receivables, payables, and general ledger. Membership lists and word processing are handled with Microsoft Office products.

Cassia believes the new supercenter will require additional data management capability, and she decided to hire Patterson and Wilder, an IT consulting firm, to help Personal Trainer develop an information system for the new operation. The firm assigned Susan Park, an experienced consultant, to work with the Personal Trainer team. Susan’s first task was to learn more about business operations at the new center, so she requested a meeting with Gray. After some small talk, the discussion went like this:

**Susan:** Tell me about your plans for the new operation. I’m especially interested in what kind of information management you’ll need.

**Gray:** Cassia thinks that we’ll need more information support because of the size and complexity of the new operation. To tell the truth, I’m not so sure. We’ve had no problem with BumbleBee at the other centers, and I don’t really want to reinvent the wheel.

**Susan:** Maybe we should start by looking at the similarities — and the differences — between the new center and the existing ones.

**Gray:** Okay, let’s do that. First of all, we offer the same basic services everywhere. That includes the exercise equipment, a pool, and, in most centers, a snack bar. Some centers also sell sporting goods, and one offers child care but not child-fitness programs. It is true that we’ve never put all this together under one roof. And, I admit, we’ve never offered online access. To be honest, I’m not absolutely sure what Cassia has in mind when she talks about 24/7 Web-based access. One more feature — we plan to set up two levels of membership — let’s call them silver and gold for now. Silver members can use all the basic services, but will pay additional fees for some special programs, such as child fitness. Gold members will have unlimited use of all services.

**Susan:** So, with all this going on, wouldn’t an overall system make your job easier?

**Gray:** Yes, but I don’t know where to start.

**Susan:** Gray, that’s why I’m here. I’ll work with you and the rest of the team to come up with a solution that supports your business.

**Gray:** Sounds good to me. When can we start?

**Susan:** Let’s get together first thing tomorrow. Bring along an organization chart and think about how you plan to run the new facility. We’ll try to build a model of the new operation so we can identify the business functions. When we know what the functions are, we’ll know what kind of information is needed or generated by each function. That will be our starting point.

**Tasks**

1. Use the background information to create a business profile for Personal Trainer. Be sure to indicate areas where more information will be needed.
2. Each new supercenter service represents a business function, which is composed of one or more business processes. Using the background information and the conversation between Susan and Gray, list the business functions and the processes with each function.
3. Based on what you know, should Personal Trainer consider any of the following systems: ERP, transaction processing, business support, knowledge management, or user productivity? Why or why not?

**Part 2 Chapter 2 Personal Trainer, Inc.**

Personal Trainer, Inc. owns and operates fitness centers in a dozen Midwestern cities. The centers have done well, and the company is planning an international expansion by opening a new “supercenter” in the Toronto area. Personal Trainer’s president, Cassia Umi, hired an IT consultant, Susan Park, to help develop an information system for the new facility. During the project, Susan will work closely with Gray Lewis, who will manage the new operation.

**Background**

At their initial meeting, Susan and Gray discussed some initial steps in planning an information system for the new facility. The next morning, they worked together on a business profile, drew an organization chart, discussed feasibility issues, and talked about various types of information systems that would provide the best support for the supercenter’s operations. Their main objective was to carry out a preliminary investigation of the new system and report their recommendations to Personal Trainer’s top managers.

After the working session with Gray, Susan returned to her office and reviewed her notes. She knew that Personal Trainer’s president, Cassia Umi, wanted the supercenter to become a model for the company’s future growth, but she did not remember any mention of an overall strategic plan for the company. Susan also wondered whether the firm had done a SWOT analysis or analyzed the internal and external factors that might affect an information system for the supercenter. Because the new operation would be so important to the company, Susan believed that Personal Trainer should consider an enterprise resource planning strategy that could provide a company-wide framework for information management. After she finished compiling her notes, Susan listed several topics that might need more study and called Gray to arrange another meeting the following day.

**Tasks**

4. Review the fact statements in Chapter 1, and perform Internet research to find out as much as you can about fitness center operations. Using this background, conduct a SWOT analysis with at least three entries in each area.
5. What fact-finding techniques should Susan and Gray consider during the preliminary investigation? Also develop a list of questions they should include in an employee survey.