



EUROPEAN
INTERNATIONAL
UNIVERSITY



COVER PAGE AND DECLARATION

	Master of Business Administration (M.B.A.)
Specialisation:	MPA-Strategy
Affiliated Center:	CEO Business school
Module Code & Module Title:	MGT580-Project Management
Student's Full Name:	Mohammad Faisal Afandi
Student ID:	EIU2021541
Word Count:	4000
Date of Submission:	18-10-2023

I confirm that this assignment is my own work, is not copied from any other person's work (published/unpublished), and has not been previously submitted for assessment elsewhere.

E-SIGNATURE: Mohammad Afandi

DATE: 18-10-2023

EIU Paris City Campus

Address: 59 Rue Lamarek, 75018 Paris, France | **Tel:** +33 144 857 317 |

Mobile/WhatsApp: +33607591197 | **Email:** paris@eiu.ac

EIU Corporate Strategy & Operations Headquarter

Address: 12th Fl. Amarin Tower, 496-502 Ploenchit Rd., Bangkok 10330, Thailand | **Tel:**

+66(2)256923 & +66(2)2569908 |

Mobile/WhatsApp: +33607591197 | **Email:** info@eiu.ac

CONTENTS

INTRODUCTION	3
PROJECT BUDGET	3
RISK ANALYSIS	6
PROJECTED COMPETITION TIMES	7
QUALITY CONTROL MEASURES.....	9
TEAM MEMBER BREAKDOWN.....	10
ADDITIONAL FUNDS REQUEST.....	11
REFERENCES	16
THHAILAND RAILWAY PROJECT	12
PROJECT VIABILITY ANALYSIS.....	12
POSITIVE ASPECTS OF THE PROJECT	13
ADDITIONAL SOURCES OF REVENUE.....	15
REFERENCES	Error! Bookmark not defined.

INTRODUCTION

The focus of this project proposal will revolve on the establishment of the Aspire Fitness club and Spa, a fitness and wellness facility that operates on a membership-based model. The demand for fitness and health services has seen consistent growth throughout the years. There is a growing trend among individuals to prioritize their health and actively pursue a lifestyle that promotes overall well-being. It is projected that the health sector in the Nordic region will attain a total value of US\$3.13 billion by the year 2024, exhibiting a compound annual growth rate (CAGR) of 3.86% over the period from 2020 to 2024. The rise of the sector has been driven by many factors, including a growing population, increased penetration of conditioning technology, the emergence of lifestyle-related issues, and accelerated economic development. Several prominent trends in the business include the advancement of digitization, the increasing propensity of millennials to spend, and the rise in government efforts aimed at fostering growth and promoting physical activity. However, the progress of the marketplace is going to be hindered by the presence of inaccurate information and the influence of seasonal fluctuations in the demand for exercise and diet guidance.

PROJECT BUDGET

The Project Budget is a methodology used by project managers to assess the anticipated ultimate expenditure of a project. A project budget template encompasses a comprehensive assessment of all projected expenses that are expected to be incurred prior to the completion of the project. The estimated cost for this project is roughly 0.8 million Euros. This would include various one-time expenses such as the acquisition of a physical location, procurement of gym equipment, licenses and permits, obtaining certifications, payment of legal and processing fees,

securing insurance coverage, making building upgrades, establishing a computer network, and investing in advertising efforts. The cost of acquiring a physical site for a fitness center may vary greatly depending on factors such as the desired location and size of the facility, as well as the option to either lease or purchase the building. In addition to accommodating equipment and weights, it may be desirable to provide space for cardiovascular training, spin classes, and yoga sessions. Additionally, we may provide locker facilities, spacious shower facilities, and perhaps a sauna. It is often advisable to consistently engage in thorough comparative research on business sectors within the desired location.

The fitness facility offers a wide range of tools at varying prices, depending on the quantity and kind of equipment desired. It is advisable to do a thorough examination of the available options, while also bearing in mind the potential for obtaining a discounted price when purchasing equipment as a whole package.

Permits and licenses - The requirements for permits and licenses are determined by various municipalities, which dictate the necessary licenses and authorizations that we will need. It is important to thoroughly investigate the licensing requirements of a corporation, including the acquisition of necessary security and safety compliance permits. The expenses may vary, but it is important to keep in mind the need of obtaining relevant permissions and licenses.

Authorized as well as processing costs - In order to effectively manage authorized and processing costs, it may be necessary to seek professional assistance in negotiating the lease agreement, facilitating the house sale, or navigating the complex process of obtaining the necessary permissions and licenses for the fitness center. The charges vary depending on the required legal documents, such as the Certificate of Incorporation, Business Plan, Business

License, Non-disclosure Agreement, Operating Agreement, Memorandum of Understanding, Employment Agreement, and others.

Insurance - Insurance is a legally mandated need, especially crucial for the operation of a fitness facility. In order to ensure compliance with standard requirements, it will be necessary to possess the customary responsibility, workers' compensation, and a minimum surety bond. The fees associated with a certain service or product might exhibit variability due to a multitude of factors, including but not limited to franchise conditions.

Construction upgrades as well as renovating - The cost of construction improvements and renovations may or may not be necessary and might vary on an individual basis. We will prioritize the necessary steps to ensure that the structure is brought up to code, if it has not already been done. It is important to acknowledge that costs associated with remodeling may accumulate rapidly, hence it is advisable to exercise caution and not be too impulsive.

Personal computer networking as well as POS - In order to facilitate modern forms of payment and ensure smooth operations, it is necessary to establish an online computer network and implement a point-of-sale telephone system, with an appropriate gym management software. The extent of our investment will be contingent upon the chosen level and supplier of hardware.

Signage - Signage is an opportunity for creative expression. Typically, fitness center signage is available at a cost of around twenty Euros, however it is possible to allocate a higher budget for this purpose. The provision of worker uniforms incurs an extra cost that is often borne by the employer. In most cases, it is desirable to maintain a certain level of consistency in the attire of staff. However, in the context of a fitness facility, the predominant clothing choices often consist of comfortable workout attire and branded shirts.

Miscellaneous fitness center provides - The provision of essential amenities is an anticipated need for customers at Miscellaneous Fitness Center, necessitating the availability of bath towels, seating arrangements, and other necessary supplies. 3. It is essential to consider the opportunity to provide customers both items and services. Please take into account various consumer products such as t-shirts, nutritional supplements, protein shakes and powders, as well as clean water, among others. It is important to ensure that we allocate funds within the financial constraints of the first inventory.

Advertising and marketing - We want to formally proclaim our presence in order to attract potential clients. One possible approach to consider is making a substantial investment in order to implement a robust advertising strategy, which might include either following the conventional methods or adopting a guerilla marketing approach by strategically placing signs in heavily frequented areas to attract prospective recruits.

In today's modern industries, it is essential for businesses to have a strong online presence via the development of responsive websites.

Capital Allocation - It is important to secure a modest amount of working capital with financial reserves to support ongoing operational operations of the business (Barker,2013).

RISK ANALYSIS

Sweden is experiencing rapid growth in its local market for health clubs and gym memberships. This can be attributed to several factors, including the high demand for health club services among the general population, a growing interest in fitness and wellness, an increasing number of health clubs and wellness facilities, rapid urbanization, and a rising number of

millennials and baby boomers joining gyms. Denmark and Norway have made significant contributions to the growth of the deep promote in the Nordic fitness and health industry. This can be attributed to various factors, such as the rise in single person households, the increasing number of health clubs and fitness centers offering personalized training with state-of-the-art equipment, the growing awareness of fitness and health among millennials, the higher expenditure on a healthy lifestyle, and the increasing occurrence of lifestyle-related issues, particularly obesity. These factors have substantially impacted the development of the Nordic health and fitness industry. The risk associated with establishing a fitness chain and implementing a membership-based service in Sweden is quite low due to the increasing demand for fitness centers and recognized fitness chains. This trend may be attributed to the rising health consciousness among individuals.

PROJECTED COMPETITION TIMES

From 2018 to 2023, the forecasted growth rate for the global health and fitness club market is 10.6 percent. The sports industry's health and fitness club markets have been significantly impacted by recent rapid expansion. It also inspires people in untapped areas to make physical activity a priority. As competition in the market heats up, the most formidable rivals separate themselves from one another by offering distinctive features and advantages. Lincoln Financial provides life insurance to Gold's Gym members beginning at \$10,000 USD. More attention is anticipated to be paid to improving health and fitness club marketplaces' efficiency of customer service, quality of products, technology advancements, and allure of membership advantages (Chekhovska, L., 2017).

Hot yoga studios, metabolic test equipment, high-altitude training rooms, medical centers, and spas are all examples of the expanding amenities available at fitness clubs, which are likely to contribute to the industry's expansion. Revenues for fitness and health clubs are expected to rise in the coming years as more and more people take advantage of their affordable, easily accessible, and always open gym options. Cooperation among fitness training centers and businesses is expected to grow, which is good news for the health and fitness club sector. Large fitness centers may keep in regular contact with their clientele using the traditional tools of different social media platforms, informing them about service enhancements and new offerings. This will play a crucial part in the growth of the market over the forecast horizon. Numerous large companies vie for customers by providing superior products and services at competitive prices. Over the forecast period, the health and fitness sector is expected to rise significantly due to factors such as improved service offerings, workout equipment development, and collaboration between local and foreign health clubs (Larsen., 2007).

The demand from consumers, who are ready to spend more on preventative health care and fitness centers, is a key factor in the global market's continued growth. The rising availability of healthcare facilities and fitness centers, many of which provide personal instruction and cutting-edge exercise equipment, encourages individuals to sign up as members. Cardiovascular exercises like aerobic dance and swimming are growing in popularity, which is expected to boost the health and fitness club business throughout the globe. Customers' continued adoption of a healthy lifestyle, in which regular exercise plays a central role, is a key factor in the expansion of the market. In addition, growing rates of obesity are a major problem, especially in industrialized nations, since they put people at risk for a wide range of health problems. For these reasons, wealthy nations like the Japan, United States, and Italy have a thriving health and fitness club

industry. Market growth is mostly driven by the increased membership of fitness clubs among baby boomers and millennials.

QUALITY CONTROL MEASURES

Keeping up with the gym's clients, employees, and infrastructure is essential for Aspire international's success as a gym manager. Each day brings with it a new set of potential issues, but with a solid quality control plan in place, Aspire International can head them off at the pass while still providing its customers with the best service possible. In order to maintain your company's profitability, Aspire International may create a checklist based on your standard corporate quality control methods and standards from health organisations like NSF International.

All Aspire overseas equipment must be spotless, risk-free, and properly operational. Distribute wipes and hand sanitizer so that the handles of the machines may be cleaned before and after each use. If Aspire International doesn't have a manual for your machine, you may often get one online or by contacting the manufacturer directly. Make a service schedule to keep you apprised of the upcoming service dates for all of your equipment. Every day should end with a walkaround to check for any damage to equipment and make sure everything is in working order. Although Aspire International may have to pay for an extra 30 minutes of inspection time, doing so may avoid injuries and legal fees (Cinaroglu., 2018).

Make a good first and final impression on Aspire overseas clients by maintaining a spotless waiting area and secure locker rooms. Hiring a professional cleaning service is a wise investment for the upkeep of your whole building. If employees take turns shutting and cleaning each night, have them each complete a cleaning checklist that is then signed and dated. Every

night, when staff is cleaning up, they should keep an eye out for signs of new repairs to the building or its contents. To maintain the high quality of air in your facility, try switching to all-natural cleaning supplies.

Maintain the professional credentials of Aspire's foreign workforce by covering the costs of continuing education or obtaining new certifications. In order to build a fantastic sales force and knowledgeable staff, you should brief them on all memberships, courses, goods, and services you provide. Care criteria should be established, such as a list of items staff may and may not wear while on the clock. Educate your staff as a whole so that they are all on the same page with regards to health, exercise, and nutrition. The personnel at Aspire International would prefer that no one recommend a workout or diet to a client while another is raving about them.

Familiarize yourself with Aspire worldwide state and local fitness business regulations. Consult a legal advisor for advice on matters of liability insurance, exemptions, employment law, workplace safety, and security. If you want to ensure the safety of your business's customers and staff, you should consult with Aspire International Insurance or a security expert. Invest in first aid and CPR training for your staff. Develop an induction plan to educate new employees on the health and safety standards followed by Aspire worldwide.

TEAM MEMBER BREAKDOWN

In order to effectively manage the fitness facility, it is necessary to have a dedicated marketing staff as well as a proficient financial and accounting team. The primary focus of the marketing team will be on the marketing, sales, promotion, and branding strategies of the fitness club. A marketing team including around three individuals would be sufficient. The accounting of the facility will need the presence of a Finance and Accounting staff. A pair of individuals will

enough for that task. The management of legal and compliance matters will need the involvement of an individual. It is important to get the services of a vendor capable of supplying the necessary equipment and provide ongoing assistance for its maintenance. In addition, the provision of two trainers will be necessary to provide guidance and support to the consumers. An additional trainer will be retained on a contractual basis to cater to those seeking the services of a personal trainer for consistent advice and individualized attention.

ADDITIONAL FUNDS REQUEST

INSURANCE: The insurance is a mandatory need that has significant importance, especially within the context of a gym facility. As a minimum requirement, Aspire International necessitates the provision of general liability insurance, workers' compensation coverage, and a security bond. It is anticipated that the costs will begin at around \$12,000, with charges subject to variation based on several factors, including franchise conditions.

CERTIFICATION: The presence of a certified professional personnel is a significant advantage. The cost of personal trainer accreditation varies between \$500 and \$800 each certification. Several certifications available for anyone interested in pursuing a career in exploration includes "the American Council on Exercise (ACE)", "the National Academy of Sports Medicine (NASM)", and "the International Sports Science Association (ISSA)".

POS SYSTEM: The establishment of a network, a "point-of-sale system" capable of accepting current payment methods, and suitable gym administration software is vital for Aspire International to ensure efficient operations. Aspire International is required to allocate an annual expenditure ranging from \$550 to \$2,300, with an initial investment often amounting to double

the aforementioned sum. The specific costs incurred are contingent upon the chosen supplier and hardware level.

THAILAND RAILWAY PROJECT

PROJECT VIABILITY ANALYSIS

Project viability assessment refers to a collection of strategies that empower a project manager or decision-maker to assess the worthiness of continuing project execution in the face of unfavorable circumstances that may hinder success.

Payback is a quantitative approach used to ascertain the time required for an investment to recoup its initial cost. The reimbursement period refers to the duration required to repay the initial investment using the cash flow generated by the asset or project. The calculation of the 'breakeven point' is often expressed in colloquial language. Typically, the payback time is quantified in fractional units of years. The payback period must be determined in order to ascertain the duration of time necessary for a project to recoup the original investment made by investors and afterwards create profits for those investors. Let us consider a hypothetical scenario where the annual sales of tickets amount to around 130 million. The cost of each ticket is 1200 baht, while the original investment amounts to 100 billion baht. The repayment period will be determined:

years	cash flows (millions)	Column 1
0	1000	1000
1	130	870
2	130	740
3	130	610
4	130	480
5	130	350
6	130	220
7	130	90
8	130	-40
	payback period (years)	7.7

Based on the aforementioned study, it can be concluded that the project has financial viability, as it exhibits a payback period of around 7.7 years for the original expenditure.

Railways have the potential to be constructed.

POSITIVE ASPECTS OF THE PROJECT

Thailand is working on plans to build a bullet train from the capital of Bangkok to the northern city of Chiang Mai. They are in talks with a Japanese firm to construct this railway, but Prime Minister Prayut is concerned about keeping costs down by keeping train tickets under 1,200 baht. This endeavor is expected to cost about 100 billion baht. This is a crucial undertaking. Many individuals take flights from Bangkok to the city in the north because of the frequent business travel between the two locations. Many more people will choose to use the train if high-speed rail connections are established. The railroad needs to be constructed. Bringing in Japanese high-speed rail technology is also a major factor in deciding to undertake this project. Other high-speed rail projects in other regions of the nation might make use of this technology. Tickets will only cost 1200 baht, which is much less than the cost of flying, perhaps

encouraging more people to use the service. The returns on this investment are substantial and the effects positive. Benefits include a reduction in travel time and an increase in comfort, the creation of a regional hub, the creation of a new Skill Road connecting Japan and the ASEAN countries, the creation and maintenance of jobs, greater accessibility to outlying areas of the city and countryside, higher property values, and more extensive commercial endeavors. As the Bangkok Post (2014) notes, this helps establish Thailand as a globally competitive country. While the potential benefits of tackling the rail development problem are undeniable, so too are the inevitable costs and drawbacks. Thailand needs to pay some infrastructure costs to upgrade its aging trains to modern ones.

The costs associated with infrastructure include things like power for and series locomotive controlling signaling methods, and targeted traffic control methods and tools, and general upkeep and construction of the path, including things like sidings along the line and facilities at both ends of the line. Unless an existing network is being expanded or improved, construction costs are spent before any manufacturing can commence. Thai rail development has ecologically positive effects, despite the negative effects that you may expect. They will add to the environmental damage already being done and the strain on natural online resources. The third negative factor is the crisis affecting train expansion plans. This means that certain landowners with connections in the federal government have bought up the land through which the railway lines would-be built-in order to maximize their own gain at the expense of the tax payers. These are some of the positives and negatives of the plans for rail development in Thailand. Valuable time Practical and cozy Even while colleagues may vary in duration, scope, extent, aim, and so on among sectors and businesses, face-to-face interactions are still necessary (Meng., 2015). Face-to-face interactions with customers and suppliers are essential for every

business, whether it's engaged in service provision, commerce, or manufacturing, in order to make purchases, promote sales, negotiate terms, and sign contracts.

The educational sector, including the broad scope of research and development, continues to exhibit a growing reliance on in-person interactions and thus, necessitates frequent business travel. According to Tauch (2013), When observing the increasing proportion of workers engaged in software development, technology production, and knowledge management roles, as well as their extensive education, often at the college level, it becomes evident that there are significant factors at play that contribute to the growing demand for in-person interactions. According to Manakorn (2013), It is important to acknowledge the significant advancements in telecommunications and the widespread adoption of computers, as well as other information technology-based devices such as cellular phones. These developments have greatly facilitated the organization of business meetings and the process of making reservations for tickets, rental cars, and conference venues. Therefore, it can be anticipated that favorable conditions for business trips and in-person meetings will play a significant role in facilitating economic integration in the modern economy. The degree of development in transport infrastructure serves as a limiting factor for the integration of program production in geographically feasible places from a temporal perspective (Blum,1997).

ADDITIONAL SOURCES OF REVENUE

One potential avenue for generating more revenue for the planned railway project is the provision of supplementary services, such as catering services. The implementation of a paid system for food and drinks on railroads has the potential to generate supplementary money for the industry. In addition to other railway assets, opportunities exist for advertising provision.

Advertisements play a significant role in generating cash. Various business strategic and partnerships alliances may be established as a means to increase income. Considering all of the aforementioned factors, it is advisable to do this job (Ma., 2011).

CONCLUSION

In this report, I evaluate the proposal Aspie international submitted for a global business initiative. Out of the three options provided, I've decided to sign up for the fitness and spa center. I have developed a project budget and examined the various threats facing Aspire International in regards to the fitness facility as part of the proposal study. Estimated timelines to completion prove the project's feasibility. If you want to keep your customers happy, you need to keep up on things like staff training and gym equipment upkeep. I have compiled a list of all the essential personnel for running the gym. The second section presents a possible future for a railway construction project in Thailand. Analysis of the project's payback time frame confirmed its economic viability. I have presented an alternative revenue stream that might be used by train stations to supplement their current revenues.

REFERENCES

- Annerstedt, C. (1991). *Idrottslärarna och idrottsämnet* [Physical education teachers and the subject of physical education] (PhD diss). Gothenburg: University of Gothenburg.
- Annerstedt, C. (2008). Physical education in Scandinavia with a focus on Sweden: A comparative perspective. *Physical Education and Sport Pedagogy*, 13, 303–318.
doi:10.1080/1740898080 2353347

- Bailey, R., Armour, K., Kirk, D., Jess, M., Pickup, I., Sandford, R., & BERA Physical Education and Sport Pedagogy Special Interest Group. (2009). The educational benefits claimed for physical education and school sport: An academic review. *Research Papers in Education*, 24 (1), 1–27. doi:10.1080/02671520701809817
- Barker, D., Quennerstedt, M., & Annerstedt, C. (2013). Inter-student interactions and student learning in health and physical education: A post-Vygotskian analysis. *Physical Education and Sport Pedagogy*. Advance online publication. doi:10.1080/17408989.2013.868875
- Barker, D., Quennerstedt, M., & Annerstedt, C. (2015). Learning through group work in physical education: A symbolic interactionst approach. *Sport, Education and Society*, 20, 604–623. doi:10.1080/13573322.2014.962493
- Bourdieu, P. (1990). *The logic of practice*. Palo Alto, CA: Stanford University Press.
- Chekhovska, L. (2017). Fitness industry: state and prospects of development in the world's countries. *Slobozhanskyi herald of science and sport*, (2 (58)), pp.19-24.
- Cinaroglu, S. a. (2018). Understanding the relationship between effectiveness and outcome indicators to improve quality in healthcare. *Total Quality Management & Business Excellence*, 29(11-12), pp.1294-1311.
- Carless, D., & Sparkes, A. C. (2008). The physical activity experiences of men with serious mental illness: Three short stories. *Psychology of Sport and Exercise*, 9, 191– 210. doi:10.1016/j. psychsport.2007.03.008

- Crum, B. J. (1993). Conventional thought and practice in physical education: Problems of teaching and implications for change, *Quest*, 45, 339–356.
doi:10.1080/00336297.1993.10484092
- Dowling, F., Fitzgerald, H., & Flintoff, A. (2012). *Equity and difference in physical education, youth sport and health: A narrative approach*. London: Routledge.
- Engström, L.-M. (2008). Who is physically active? Cultural capital and sports participation from adolescence to middle age – A 38-year follow-up study. *Physical Education and Sport Pedagogy*, 13, 319–343.
- Kirk, D. (2010). *Physical education futures*. London: Routledge.
- Kirk, D., Nauright, J., Hanrahan, D., Macdonald, D., & Jobling, I. (1996). *The sociocultural foundations of human movement*. Melbourne: Macmillan.
- Larsen, S. a. (2007). *Exploring service quality in the health and fitness industry. . Managing service quality: an international journal*.
- Larsson, L. (2009). *Idrott – och helst lite mer idrott [Sport – And preferably more sport] (PhD dissertation)*. Stockholm: Stockholms universitet.
- Liljekvist, Å (2013). *Rum för rörelse [Space for movement] (PhD dissertation)*. Stockholm: Stockholms universitet.
- Londos, M. (2010). *Spelet på fältet [The play on the field] (PhD dissertation)*. Malmö: Malmö högskola.

Bangkok Post. 2014. High-speed train gets go ahead. Retrieved from 27 May 2015,

<http://www.italtrade.com/countries/asia/thailand/news/60931.html>

Blum, Ulrich., Haynes, K.E., and Karlsson, Charlie. 1997. The regional and urban effects of high-speed trains. *The Annals of Regional Science*. 3 (2): 1-20.

Chankosal, Tauch. 2013. The Singapore Kunming Rail Link: PEI Ltd. : 1-11.

Ma, Shuai. 2011. The Impact of the High-Speed Rail Station on the Urban Form of Surrounding Areas, Master Thesis, University of Cincinnati, USA.

Mekprayoonthong, Manakorn. 2013. Thailand's Opportunities and Benefits from Transport and Logistics Infrastructure Developments in the Advent of the ASEAN Economic Community, Independent Study of MA in Diplomacy and International Studies, Rangsit University, Thailand.

Meng, Edward. 2105. High Speed Rail is Popping up all over the world. Retrieved June 12, 2016 from <http://www.citymetric.com/transport/high-speed-rail-poppingall-over-world-heres-why-thatsgood-thing-1282>