
Report for Organisational Consultancy Project Description Document



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1. Project Aim

The author intends to provide organisational consultancy for Liquin Supermarket which is a Chinese supermarket located in Swansea. The author hopes to use the economics knowledge he has learned to help Liquin Supermarket to get rid of the current state of operating losses.

2. Project Objectives

Investigate the current operating conditions of Liquin Supermarket and calculate the daily loss amount: For a general company, if people want to obtain the profit and loss of the enterprise, you need to calculate the profit or loss situation in each billing cycle (daily, weekly or monthly) according to formula (Peter & Charles, 1973)

$$\text{Profit / Loss} = \text{Revenue} - \text{Cost}$$

The revenue part of the formula is the sales revenue of each billing cycle. The cost in the formula is more complicated, including cost of sales, other business expense and tax. Cost of sales includes the cost of goods and providing labor. Other business expense includes the cost of store depreciation and the cost of some other business (Yinfeng, 2007). Only by determining the profit and loss situation of Liquin Supermarket can you provide accurate analysis.

Design a questionnaire to understand consumers' views on Liquin Supermarket:

As a service industry, supermarkets provide consumers with services such as retailing goods. Therefore, consumers' views on supermarkets directly affect the operation of supermarkets (Emmanuel & Barry, 1988). The author intends to understand the consumer's views on Liquin supermarket through the method of issuing questionnaires, to find out the defects of Liquin Supermarket in the process of operation, and then use relevant theories to correct these defects and meet the consumer demand.

Compare the operating strategies of other Chinese supermarkets: There are four other Chinese supermarkets in Swansea. Compared with other supermarkets, Liquin

Supermarkets opened earlier, but the current operating conditions are not as good as other Chinese supermarkets. The author believes that the cause of the status quo is not only the defects of the company itself, but also that other supermarkets use better business strategies, which makes consumers have a more enjoyable consumer experience (Judith, 1995). Therefore, it is necessary to investigate the business strategies of other Chinese supermarkets, and then combine the Liquin Supermarket itself to analyze how to make the operation smoother.

3. Benefits

The author is currently working part-time at Liquin Supermarket. The work is mainly responsible for handling goods, inventing bills of lading and collecting and paying. Therefore, the author is familiar with the operation mode of Liquin Supermarket, and can access the data content such as daily operating income, so that it is easy to obtain relevant data for the project. At the same time, the author and Liquin Supermarket manager are more familiar, and soon obtained the permission of the manager who agree with the data analysis and questionnaire survey of organisational consultancy of Liquin Supermarket.

The author has a certain theoretical basis for economics. In the first semester of Level 6, the author has studied the Strategic Management & Sustainability, which involves multiple classic models of corporate governance, such as PEST analysis, SWOT analysis and Ansoff Matrix. These models can provide a theoretical guarantee for the project (Frank, Tobias & Stefan, 2002). In the second semester, the author is studying the Leadership & Management Theory & Practice, which involves a variety of HR models that can help analyze the problems in the cost of the main business of Liquin.

The author can communicate smoothly with the main consumers of Liquin Supermarket. Liquin Supermarket is a Chinese supermarket. The main consumers are Chinese students studying in Swansea University and University of Wales Trinity Saint David. As a student of UWTSD, the author can better communicate with the

main consumers of Liqun Supermarket and facilitate the distribution of questionnaires. This will help to understand the needs of consumers and help analyze the direction that Liqun Supermarket needs to improve.

4. Project Justification

Link theoretical knowledge to real life. After half a year of level 6 study, the author has studied a number of courses related to organisational consultancy, with relatively sufficient theoretical knowledge, such as SWOT analysis, PEST analysis, etc. However, before the project about Liqun Supermarket, the author did not apply theoretical knowledge to the real organisational consultancy. Providing the project of organisational consultancy for Liqun Supermarket is the first time that the author has linked theoretical knowledge to real life.

This project will train the author's multiple abilities. Although the author has conducted several case studies of organisational consultancy in different courses before this project, these case studies are based on existing data and companies and it will limit the idea about organisational consultancy. However, in this project, the author freely identifies the Liqun Supermarket as the analysis object, and obtains relevant data and information through survey communication, which will exercise the author's independent learning ability, communication ability and so on.

5. Business Case & Approach

Liqun Supermarket is a Chinese supermarket located in Swansea, Wales. The supermarket operates goods imported from Asian countries such as China, Japan and South Korea. Because of the largest variety and number of Chinese goods selling in the supermarket, it is always called Liqun Chinese Supermarket by most consumers.

Compared with other Chinese supermarkets in Swansea, Wales, Liqun Supermarket is an early Chinese supermarket with a relatively broad customer base and excellent brand reputation. These competitive advantages are still bringing the convenience for the operation of Liqun Supermarket (Arthur, Patricia, Judith & Alexander, 2011).

However, with the author's investigation and analysis, the operation status of Liquin Supermarket is not ideal. Especially since November 2018, Liquin Supermarket's turnover is often at a loss after converting the purchase cost, store rent and distribution costs. The status is shown as follows

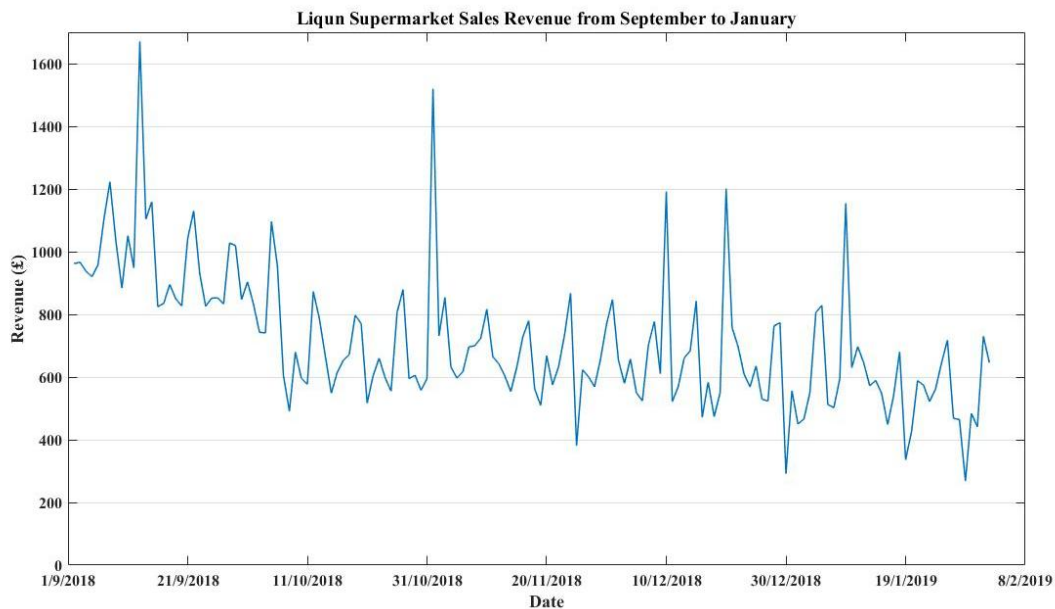


Fig. 5-1 Liquin Supermarket Sales Revenue from September to January

The sales revenue from Oct. 2018 to Jan. 2019 shown in the figure is quite different from the earliest operating conditions of Liquin Supermarket, because it has been greatly reduced compared with the sales revenue in September. Therefore, it can be concluded that there are certain loopholes in the operation mode or market strategy of Liquin Supermarket, which needs to be discovered and corrected in time.

Based on these current conditions, the author intends to use SWOT analysis and PEST analysis to analyze the internal and external factors of Liquin Supermarket and find out the reasons for Liquin supermarket operating losses. After that, the author intends to use the Ansoff Matrix to provide opinions and suggestions for the operation of Liquin Supermarket based on internal and external analysis results (Mwangi, 2017).

6. Project Plan, Project Control and Time Management

- 28/1/2019 - 10/2/2019: The author identifies the research object, which is the

company that needs to provide advice, and contacts the manager in charge of the company to obtain permission to study. In addition, the author also needs to consult the relevant literature, consult the course teacher, and determine the feasibility of studying the company.

- 11/2/2019 - 24/2/2019: In this period, the author should write a project opening description report and create a PowerPoint for presentation. In addition, the author should identify the data that needs statistics and surveys, design a questionnaire, and prepare for the post work.
- 25/2/2019 - 10/3/2019: Submit the project opening description report and make a presentation.
- 11/3/2019 - 24/3/2019: The author needs to perform data statistics, questionnaires, and then summary of results. Based on the aggregated results, a viable economic model will be determined to use in the project. Finally, combined with the company's operations, analyze the company's existing problems and propose solutions.
- 25/3/2019 - 21/4/2019: Write a draft of the project report and modify the draft under the guidance of the instructor.
- 22/4/2019 - 9/5/2019: Complete the final report of the project report and submit the project report.

7. Research Methodology

Primary research is defined as factual, firsthand accounts of the study written by a person who was part of the study. The methods vary on how researchers run an experiment or study but it typically follows the scientific method. In this project, the author will conduct a questionnaire survey and collect the data from Liquan supermarket as the primary research (Yinfeng, 2007).

Secondary research is defined as an analysis and interpretation of primary research. The method of writing secondary research is to collect primary research that is relevant

to a writing topic and interpret what the primary research found. In this project, based on the collected data, the author will judge the profit and loss situation of Liquin Supermarket and analyze the types of merchandise of Liquin supermarket customers (Yinfeng, 2007).

The **PEST analysis** method is an external environment-based analysis method, which is a method of conducting strategic analysis on a company from the macro external environment. Specifically, the four external environments, including political factors, economic factors, social environment, and technological environment, help companies analyze and understand the industry environment. The PEST analysis considers that the identification of external environmental characteristics is a crucial step for enterprises, because the external environment will have different degrees of impact on different enterprises, and changes in the external environment will lead to changes in the competitiveness of various enterprises in the industry. Therefore, enterprises need to understand the industry environment in which they are located through the analysis of the external industry environment, find a suitable development mode for the enterprise, and enhance the ability to adjust according to the external environment (Abhishek, 2013).

The **SWOT analysis** is to enumerate the main internal advantages, disadvantages and external opportunities and threats closely related to the research object, and arrange them according to the matrix form. Then use the system analysis idea to match various factors. Get up and analyze it, and draw a series of corresponding conclusions, and the conclusion is usually with certain decision-making. Using this method, people can conduct a comprehensive, systematic and accurate study of the situation in which the research object is located, so as to formulate corresponding development strategies, plans and countermeasures based on the research results. SWOT analysis is often used to develop a group's development strategy and analyze competitors. It is one of the most commonly used methods in strategic analysis (Bull, 2016).

The **Ansoff Matrix** was an important strategic management tool proposed by Dr. Ansoff, the father of policy management, in 1957. The matrix takes products and

markets as two basic orientations, distinguishing four product/market combinations and corresponding marketing strategies, namely market penetration, market development, diversification and product development.. The Ansoff matrix is one of the most widely used marketing analysis tools in the field of strategic management. The main logic is that companies can choose four different growth strategies to achieve the goal of increasing revenue (Mwangi, 2017).

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