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Figure 1. Source: <https://londonist.com/2016/02/meet-mr-wetherspoon-the-man-who-made-150-london-pubs>

❖ Introduction

This report it's about a successful business that understands its market in these days and how it's the best way to differentiate its product so as to appeal to its target audience and to recruit, train, develop, retain and motivate its employees.

This case study looks at a J D Wetherspoon company that is achieving all these goals. J D Wetherspoon plc (branded as **Wetherspoon**, commonly known as **spoons**) began trading in 1979, starting with a former bookies', opens in Colney Hatch Lane, Muswell Hill, north London, on 9 December, a successful business that understands also how best to differentiate its product so actually owns and operates 900 pubs across the UK with a growing number of Wetherspoon hotels and is the UK's fastest-growing company. (Source: www.theimportanceofbeingtrivial.com/who-was-j.d.-wetherspoon.html)

The good-quality food and drink at reasonable prices, served by well-trained and friendly staff. Each pub has its own individual character but has the same high standards to meet.

A distinguishing feature of the company from the other pubs is that they are music-free so as to encourage conversation and it's specializing in the sale of cask-conditioned beers from Britain's regional brewers. All have substantial no-smoking areas. It provides alcoholic and non-alcoholic drinks, breakfast and coffee. The company provides breakfast, beer and burger, deli, coffees, pastas, salads, sides, starters and sharers, potato jacket, meals and grills as part of its food and drinks menu.

❖ Sector, size, structure, and mission of the organization

In modern service industries, friendly and motivated employees who are willing and able to provide the required level of customer service can make all the difference between success and failure.

The company has 11,200 either full or part-time employees and is convinced that the high performance of its staff is a direct result of its approach to staff recruitment, training, development and motivation.

J D Wetherspoon is Britain's biggest supporter of microbreweries and supports the Campaign for Real Ale (CAMRA) by providing its members with discount vouchers worth £20 a year.

❖ Identification of customers and their needs from the firm

The key to great customer service is the welcome topic, EIBIC "Means Every Item Best In Class" The menu has a wide variety of products including breakfast, burgers, hot dogs, main meals, steaks and grills, deli options, kids' meals and desserts.

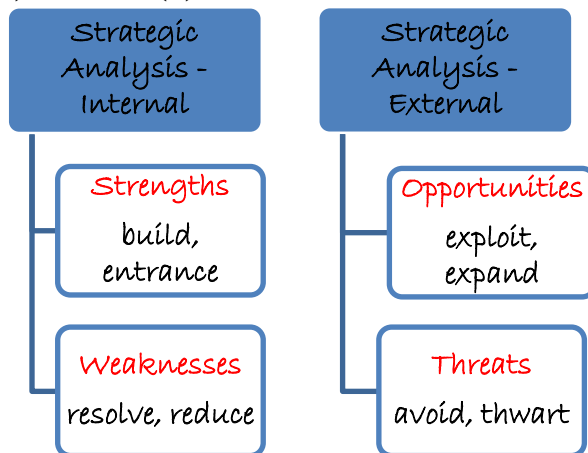
All the pubs have specific menus and a nutritional guide for customers with dietary requirements.

Using sustainable sources of cod, haddock and salmon, dolphin-friendly tuna and 100% British and Irish beef the regular "Club" nights throughout the week, including "Steak Club", "Chicken Club", "Curry Club" and "Fish Friday".

J D Wetherspoon sets very high Standards Monitoring Visits when it opens a new pub and these standards are maintained through constant supervision and monitoring using a system of mystery visits to the premises to assess Cleanliness, Quality, Service, Maintenance and Atmosphere (CQ SMA)

❖ SWOT analysis of JD Wetherspoon

SWOT analysis is a strategic planning tool that can be used by Wetherspoon managers to do a situational analysis of the organization. It is a handy technique to understand the present Strengths (S), Weakness (W), Opportunities (O) & Threats (T) .



Strengths

- Successful track record of developing new products and product innovation.
- Strong Brand Portfolio over the years has invested in building a strong brand portfolio.
- Superb Performance in New Markets has built expertise at entering new markets and making success
- Strong distribution network.
- Good Returns on Capital Expenditure.
- Reliable suppliers.
- Strong Free Cash Flow.
- High level of customer satisfaction.

Weakness

The strategy is about making choices and weaknesses are the areas where an organization can improve using SWOT analysis and build on its competitive advantage and strategic positioning.

- Financial planning is not done properly and efficiently.
- Not highly successful at integrating firms with different work culture. There are gaps in the product range sold by the company.
- Not very good at product demand forecasting leading to higher rate of missed opportunities compare to its competitors.
- The profitability ratio and Net Contribution % of the company are below the industry average.
- Need more investment in new technologies.
- Organization structure is only compatible with the present business model.

Opportunities

- New trends in the consumer behavior can open up new market for the company.
- Organization's core competencies can be a success in similar other products field
- The new technology provides an opportunity to the company for differentiated pricing strategy in the new market.
- Stable free cash flow can provides opportunities to invest in adjacent product segments.
- The new taxation policy can have an important impact to the business and can open new opportunity.
- New customers from online channel.
- Lower inflation rate.
- Economic uptick and increase in customer spending.

Threats

- The highly profitable products may impact the profitability of the company in short to medium term.
- Increasing trend toward isolationism in the American economy can have the same reaction from other government.
- As the company is operating in numerous countries it is exposed to currency fluctuations especially given the volatile political climate in number of markets across the world.
- Shortage of skilled workforce in certain global market represents a threat to steady growth of profits for the company in those markets.
- Liability laws in different countries are different and the company may be exposed to various liability claims given change in policies in those markets.
- The company can face lawsuits in various markets given - different laws and continuous fluctuations regarding product standards in those markets.
- New environment regulations under Paris agreement (2016) could be a threat to certain existing product categories.
- SWOT is a static assessment - analysis of status quo.

Weighted SWOT Analysis

The corporate managers can decide to provide weightage to each internal strength and weakness of the firm. The organizations also assess the likelihood of events taking place in the coming future and how strong their impact could be on company's performance.

❖ Training and development in the firm

Creating a highly committed and motivated workforce made up of people who achieve personal fulfilment through the freedom to act given to them in their daily work. The company sees its workforce as a prime organizational asset that is motivated through a positive organizational culture, pay and benefits, as well as training and development.

The company recognizes that many of its employees will not stay with it for all their working lives, but it wants its employees to develop a sense of loyalty. It pays a rate above that of its competitors, in the belief that employees are more likely to be motivated when they know they are being paid more than the minimum required. The company also bases its pay on reviews of performance, so that the higher pay reflects its positive view of the worth of its employees.

The company does well at keeping its employees. It feels that its good rates of pay and proper treatment of its workforce are major contributors to this success, which reduces ongoing training costs and also creates a body of committed people. The company has a bonus scheme. All staff receives a bonus, dependant on the performance of the pub where they work. The company also runs a number of incentive schemes e a monthly draw for examples of excellent customer care, with a paid holiday for two in New York for the winner.

Weekly food promotions include the Steak Club on Tuesday, the Chicken Club on Wednesday, the Curry Club on Thursday, Fish and Chips on Friday and Brunch on Sundays. Wetherspoon claims to be "the only large pub firm which opens all its pubs early in the morning", serving breakfast and coffee.

Wetherspoon hosts two Ale Festivals in March-April and October each year.

❖ Training and development requirements

The company also operates a share option scheme enabling employees to buy shares at a guaranteed price. By holding shares in the company, employees are likely to feel a greater sense of belonging and will want to see the company does well. Wetherspoon's training and development programme is a combination of 'on the job' and 'off the job' training courses. Wetherspoon's training focuses on career progression and links training to national qualifications. The company is justifiably proud of its record, in that:

- 54% of pub management began as hourly paid Associates
- 40% of area managers were once pub managers
- 50% of Wetherspoon's boards were area managers.

In a highly competitive business environment, the company knows that its ability to recruit, train, retain, develop and motivate its employees will remain a key factor in its success.

National Vocational Qualifications also feature heavily in training. Employees are encouraged to identify their own development needs and the company seeks to provide appropriate development opportunities. In particular, training is closely linked to qualifications offered by the British Institute of Innkeeping, including areas such as licensing law, food hygiene and health and safety.

❖ " [Conclusion](#)

Wetherspoon's enlightened approach towards its workforce is soundly based and demonstrably successful. The company has recently won a range of awards that reflect its commitment to customers and employees. These include:

- Pub Company of the Year 2000
- Retailer of the Year 2000
- Retailers' Retailer Award for Best Company 2000

National Innkeeping Training Award: supreme award for overall training programme 2000

National Innkeeping Training Award: the best course designed to develop food and catering skills 2000.

In 2018, Wetherspoon announced the City of Wolverhampton had been chosen for the location of the National JD Wetherspoon Museum. The existing pub would be expanded to take in the whole former Co-Op Department Store, to include a hotel and gift shop. In July 2019 it was announced that Wetherspoon's had bought the former carbon nightclub in Galway city with the plan of opening a bar and restaurant.

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❖ [Appendices](#)

Appendix nr.1: Training and development plan:

Type of training	Activities	Time required
Safety training	Practical evidence, Workshop and campaign	1 to 9 months
Practical training	Practical in hand training in the lab and research	1 to 6 months
Refreshers training (field research)	Orientation, information about the organizational activities and serving information for core production technique	1 to 12 months
Job training (advanced sales training)	Field experience and attending the field and campaign	6 to 12 months

(Source: Developed by author)

Appendix nr.2: Consensus Estimates Trend

Sales and Profit Figures in British Pound (GBP) and Earnings and Dividend Figures in British Pound (GBP)

	Current	1 Week Ago	1 Month Ago	2 Month Ago	1 Year Ago
SALES (in millions)					
Year Ending Jul-19	1,808.39	1,808.39	1,799.36	1,799.36	1,756.76
Year Ending Jul-20	1,878.04	1,878.04	1,869.76	1,869.76	1,816.47
Earnings (per share)					
Year Ending Jul-19	75.93	75.93	75.85	75.85	75.44
Year Ending Jul-20	78.15	78.15	78.08	78.08	83.98

(Source: Developed by author)

Appendix nr.3: Summary accounts for the years ended July 1989 to 2018

Financial year £000	Total sales £000	Profit/(loss) before tax and exceptional items	Earnings per share before exceptional items pence	Free cash flow £000	Free cash flow per share pence
1989	5,584	789	0.6	915	0.4
1990	7,047	603	0.4	732	0.4
1991	13,192	1,098	0.8	1,236	0.6
1992	21,380	2,020	1.9	3,563	2.1
1993	30,800	4,171	3.3	5,079	3.9
1994	46,600	6,477	3.6	5,837	3.6
1995	68,536	9,713	4.9	13,495	7.4
1996	100,480	15,200	7.8	20,968	11.2
1997	139,444	17,566	8.7	28,027	14.4
1998	188,515	20,165	9.9	28,448	14.5
1999	269,699	26,214	12.9	40,088	20.3
2000	369,628	36,052	11.8	49,296	24.2
2001	483,968	44,317	14.2	61,197	29.1
2002	601,295	53,568	16.6	71,370	33.5
2003	730,913	56,139	17.0	83,097	38.8
2004	787,126	54,074	17.7	73,477	36.7
2005	809,861	47,177	16.9	68,774	37.1
2006	847,516	58,388	24.1	69,712	42.1
2007	888,473	62,024	28.1	52,379	35.6
2008	907,500	58,228	27.6	71,411	50.6
2009	955,119	66,155	32.6	99,494	71.7
2010	996,327	71,015	36.0	71,344	52.9
2011	1,072,014	66,781	34.1	78,818	57.7
2012	1,197,129	72,363	39.8	91,542	70.4
2013	1,280,929	76,943	44.8	65,349	51.8
2014	1,409,333	79,362	47.0	92,850	74.1
2015	1,513,923	77,798	47.0	109,778	89.8
2016	1,595,197	80,610	48.3	90,485	76.7
2017	1,660,750	102,830	69.2	107,936	97.0
2018	1,693,818	107,249	79.2	93,357	88.4