

Case Study Report

The Edge Café

Best friends Karen Jones and Simon Phillips came up with the idea of opening a coffee shop when they went on holiday to New York to celebrate their graduation (they both gained second class honours in Drama). They had been impressed by the trendy, intimate and quirky coffee shops they had visited on their trip and felt that with nothing like that in Cardiff, a University city, they were guaranteed to be successful.

They found it easy to access enterprise grants and loans to add to the capital they had already saved and with the help of various enterprise agencies received considerable ongoing advice and support in finding suitable premises, buying equipment and stock, complying with various legislative requirements (hygiene, health & safety, etc) and managing their cash flow. It had not all been easy. They had encountered a range of problems such as the contractors failing to meet the deadline promised for erecting the shop signs, and an expensive coffee-making machine imported from Italy being held up in customs. However, the management of their staff was proving to be the most difficult aspect of the whole enterprise.

Karen and Simon had invested a lot of time interviewing and training applicants for the various jobs in the café to ensure that their staff will be sympathetic with the type of coffee drinking experience they wanted to create.

The following staff had been appointed:

Penny Phillips: Penny is Simon's younger sister and has worked as senior waitress full time at The Edge for the last six months. Before that Penny worked occasionally in the café for extra spending money whilst at

University. Penny studied for a degree in French and had planned to have a gap year travelling before finding a job as a translator. Her time at The Edge has passed quickly but she feels increasingly frustrated that her travel plans are being jeopardized by Simon's inability to find a new senior waitress.

Sharon Freeman: Sharon is also a senior waitress having been appointed when the café first opened. Sharon is 23 and lives at home with her parents. Although Sharon did well in her GCSE's she decided not to go back to school. Sharon wanted to become cabin crew with an airline and while looking for a job she took a part-time job in The Edge as it was near to home. After several rejections from airlines, Sharon became permanent at the cafe, although she still has dreams of becoming an airhostess one-day. Occasionally, Sharon can be openly hostile towards Penny because, despite them both being senior waitresses and Sharon having worked longer in the café, she feels Penny is always deferred to over Sharon simply because she is related to one of the bosses.

Jayne Pitman: Jayne is an undergraduate studying at the local University. As a part-time member of staff Jayne used to work mainly weekends, but increasingly she finds herself being called in with little notice, during the week, when the café becomes busy or is under staffed. Jayne is bubbly and is always eager to help, but sometimes this leads to her being taken advantage of. She is often asked to do the jobs that other people don't like doing and is often put in a position when she has to prioritise the café over going to her lectures.

Sangita Patel: Sangita, 28 also lives in the surrounding area and is a casual member of staff. Sangita did have a full time job as a front of house manager in a local up-market restaurant but had to give it up after the birth of her first child Arun. Although Sangita is grateful for the work she sometimes feels resentful that she had to give up her previous job. At times feels frustrated; she thinks that she could do a much better job than any of the other staff, including Karen and Simon.

Wolfram Kline: Wolfram is the cook who prepares the light organic 'Mediterranean' meals on the small menu at The Edge. Wolfram is 30 and has worked in the café since it opened. Although Wolfram doesn't have any qualifications he has considerable experience and was full of exciting ideas when he was recruited. One year on Wolfram feels slightly unappreciated and is unsure of his future at The Edge. He has not been consulted on the menus for the two new café's and he is beginning to think that he should begin looking for a new job. He has recently taken a lot of sick leave.

Margaret Atkinson and Joan Right: Margaret and Joan have both worked for The Edge as cleaners since it opened. They work each morning from 7am to 9am but usually leave at about 9.15 after having a cup of coffee and breakfast, which Karen and Simon treat them to daily. They have been cleaners for most of their long working lives and spend a lot of time recounting funny stories of their experiences to the young staff.

Following the appointment of the staff, Karen and Simon spent a lot of time training their team in the skills of coffee making as well as developing extensive background knowledge about the different types of coffee and its production. They were also concerned to develop a high level of customer care and ecologically friendly working practices amongst the staff. Staff benefits included rates of pay and holiday entitlement that were average for the area and industry. A uniform and laundry service are provided free of charge by the company.

Things appeared to be going well in the early days, with extensive coverage in the local media, full tables throughout the day and early evening and a highly energized and positive team of staff. The café was regarded as an exciting place in which to meet and work. However, after twelve months of operation, there were signs that all is not well. Customer numbers have dropped off and the café recently received a bad review in a local magazine for what was described as 'rude staff, indifferent coffee and an uncared for environment'. The following issues are evident:

- Karen and Simon were now rarely in the shop, being busy with plans for further outlets in Swansea and Aberystwyth. Karen had been nominated for Welsh Woman of the Year award in the Small Business category and both she and Simon were frequently showcased in the media as young Welsh entrepreneurs. They are both enjoying the variety and high profile aspects of their work and enjoy the way that being entrepreneurs is stretching their abilities and outlook.
- They have had several irate phone calls recently from Simon's younger sister who is the senior waitress. Penny is annoyed that Karen and Simon now spend so little time at 'The Edge' and feels that the responsibility of running the cafe has been left to her when that wasn't her role. Penny hadn't envisaged that after completing her French degree she would become a waitress working for her brother.
- Whenever Karen and Simon visit the café, they are confronted by a mountain of mail. Neither of them liked working through it, conscientiously sorting out the circulars from the business letters, invoices and customers letters on which they need to take action. There is also invariably a backlog of routine but important issues that need decisions, such as payment of bills, coordinating visits by the health inspectors, approving routine orders, etc. This means that they have little time to spend in the café or with their staff.
- While Karen and Simon have ordered new brands of coffee to be added to the menu, as well as a machine for making special iced coffee, none of these new lines have been implemented. The unopened stocks are all piled in the staff rest room. Indeed, this room is hardly used for its intended purpose because it has to act as an overflow storeroom while the main storeroom houses materials for delivery to the new cafes in Swansea and Aberystwyth.

