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ENTREPRENEURSHIP ASSESSMENT 2

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**A CASE STUDY OF FARMDROP A FAILED SME WITH
CRITICAL ANALYSIS IN DETAIL OF ITS FAILURE**

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Explanation

Impact of COVID-19 on Farmdrop and its Activities

The COVID-19 epidemic brought in an era of unparalleled problems and opportunities for businesses of all sizes, including Farmdrop, an online grocery delivery service. Farmdrop's operations were affected in two different ways by the pandemic: it presented the potential for expansion and operational issues. The introduction of limitations and lockdowns led to an increase in demand for online grocery delivery services. There was a noticeable trend towards internet purchasing, particularly for groceries, as many were confined to their homes. This pattern gave Farmdrop a special chance to grow its clientele and boost earnings (Khan, Piprani and Yu, 2023). The business finds itself in a strong position to take advantage of this expanding market and the rising demand for contactless delivery of fresh food and goods.

Although the rise in demand was encouraging, it also brought up operational difficulties for Farmdrop. The unexpected and significant increase in orders put a strain on the business's operational capacity. The unpredictable effects of the pandemic on different facets of the organisation made managing supply chains, assuring punctual delivery and maintaining inventory levels more difficult tasks (Modgil, Singh and Hannibal, 2022). Concerns about the availability of fresh food and other necessities were also raised by the stress on supply chains, which might have an adverse effect on customer service and erode customer confidence. The COVID-19 epidemic highlighted the value of flexibility and adaptation for enterprises. The experience of Farmdrop demonstrated the importance of being able to quickly adapt to unforeseen changes in demand. Companies that were able to quickly pivot and modify their operations and strategy fared better during this turbulent time. The capacity to respond flexibly to changing market dynamics and client preferences became crucial in ensuring business continuity and achieving customer expectations. Farmdrop's overall course during the epidemic and afterwards would be influenced by how it responded to this requirement for adaptation.

Post-Mortem Analysis

Farmdrop eventually failed, which called for a post-mortem analysis—a thorough investigation meant to ascertain the elements that had a role in the company's demise. This study includes a thorough examination of both triumphs and failures with the ultimate objective of deriving

insightful and instructive lessons to direct future endeavours. The post-mortem analysis provides a framework for analysing the crucial tactical oversights, strategic holes and operational weaknesses that contributed to Farmdrop's demise (McCarthy et al. 2021). The business might identify particular areas that need improvement by looking into these elements. This process of reflection promotes a failure-learning culture, fosters innovation and improves decision-making. Farmdrop has the chance to use the post-mortem inquiry to turn its setback into a turning point and reshape its course with increased foresight and resilience.

Unpaid Invoices and Customer Impact

The collapse of Farmdrop had broad repercussions, affecting not just the business but also the ecosystem of parties involved in its business activities. Farmers, small companies and local suppliers who were an essential component of Farmdrop's supply chain were all adversely impacted by the company's failure. These suppliers' financial stability was challenged by unpaid Farmdrop debts, which placed their livelihoods in danger (Forbes.com, 2021). The inability to get paid for their goods might cause a disturbance in their business, which would make it harder for them to serve other clients. The method that stakeholders interact within a company's ecosystem is made clear by how the collapse of Farmdrop reverberated throughout the system.

Farmdrop's clients also felt the effects of its demise. Customers found themselves in a bind because they had relied on the company's services for their shopping needs. This not only resulted in immediate discomfort but also damaged Farmdrop's reputation as a reputable service provider. The company's inability to keep its obligations hurt its brand and decreased client confidence, emphasising the need to regularly keep promises. The consequences of unpaid invoices and unfulfilled orders highlighted the ethical aspect of business conduct (Nayak and Chandiramani, 2022). The failure of Farmdrop highlighted the moral obligation that businesses have to their stakeholders, such as their suppliers, clients and employees. This incident serves as a sobering reminder of the wider effects on an ecosystem that a company's demise might have. It emphasises the importance of moral corporate conduct and open communication to ensure the welfare of everyone involved in the operations of the organisation.

Reflection

The investigation of Farmdrop's experiences during the COVID-19 epidemic and its eventual failure has offered insightful knowledge into the intricate interplay between outside factors, practical difficulties and ethical considerations. A greater knowledge of the complex nature of business dynamics emerges from reflection on these elements, which also provides lessons that can be used in both professional and private settings.

The pandemic's effects on Farmdrop serve as a reminder of the value of grabbing chances when they arise. The spike in demand for groceries online highlighted how important it is to match corporate strategy with changing customer needs. This emphasises the importance of adaptability and flexibility in dealing with unforeseen occurrences. As I consider my efforts, I am aware of the necessity to stay alert to changing dynamics and swiftly modify plans to take advantage of new chances. Second, Farmdrop's operational issues serve as a warning that growth requires solid systems and supply chains. Growth is a good consequence, but it needs to be skillfully controlled to prevent overextending (Pedigo *et al.*, 2020). This realisation is applicable in both professional and personal settings—balancing desire with realism ensures long-term success and avoids burnout.

Farmdrop's post-mortem investigation highlights how crucial it is to learn from mistakes. Setbacks don't have to be the end of the world; instead, they can be potent forces for development and change. It promotes a culture of continuous learning and resilience to view failure as a stepping stone to improvement. This realisation inspires me to view failure as an opportunity to learn and seek out the lessons that can help me make better choices and perform better (Buheji and Ahmed, 2020). Furthermore, Farmdrop's failure's ethical ramifications highlight how business actions have an impact on society as a whole. The spillover effects on vendors and clients serve as a reminder of The way intertwined stakeholders are and how accountable organisations are. This emphasises how important ethics and accountability are in all acts, which resonates strongly with my dedication to upholding ethics in all of my relationships, both personal and professional.

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