

**BMSK4006**  
**Managing Enterprise in the 21<sup>st</sup> Century**  
Assignment Report

Submitted to

*Molly Jack*  
**University of Wales Trinity Saint David**

Md Forhad Hossain  
Student ID: 1706033  
**BMSK4006 Managing Enterprise in the 21st Century**  
**University of Wales Trinity Saint David**

4<sup>TH</sup> May 2018

|   |             |   |
|---|-------------|---|
| 1 | Abstract    | 3 |
| 2 | Description | 4 |
| 4 | Feelings    | 4 |
| 5 | Evaluation  | 5 |
| 6 | Analysis    | 5 |
| 7 | Conclusion  | 6 |
| 8 | Action Plan | 6 |
| 9 | References  | 8 |

## **1. Objective**

*During the first year of our business 'Angle's Kitchen' we have gone through many ups and downs and various types of unforeseen events. It is a way of natural progression through which people learn and gain experience that helps making right decisions in the future. We have learnt many lessons during the last year, from knowing customers, their behaviour, traits. We have come to know many aspects of the products we sell to the customers and the services we provide to our loyal customers and this learning is, at the moment and will remain forever, the greatest wealth in our business.*

*During the analysis and evaluation of the business performance during the last year, I have implemented my knowledge that I have gained from this (BMSK4006 Managing Enterprise in the 21st Century) course where I learned how to manage various issues in business, such as Professors **Bruce Tuckman**'s theory of '**Stages of Group Development**' which was the most important learning helped me through the entire process. It helped me identifying various key issues with the business which were struggling with and affecting our business. The other very important factor helped me finding solutions to the issues with our business was **Gibbs**' '**Reflective Model**'. Learning from these two theories was key point in analysing the performance for issues our business was underperforming throughout the previous year and finding the right path to achieve our business goal.*

*The knowledge we have gained will reflects in our future decision making.*

## **2. Description**

In the formation of the business Angel's Kitchen, a local corner coffee shop, my role was analysing various factors of the business and I used **PASTLE** in conjunction **SWOT** analysis to identify the concerned possible issues with the business. I, in the day to business operation, oversee Payroll, Shift Management and Suppliers.

being actively part of the day to day business, managing the above-mentioned areas of the business and observing the overall performance of the business I had chance to evaluate my initial analysis (**PASTLE**, **SWOT**) and decisions making in various areas of the business which affected the entire business performance.

Base on various practical reasons and also on some assumed factors, such as local market analysis, marketing strategies, sales target, etc., we decided to form the business and open the shop to meet certain goals, which I found somehow partly achievable at the of the first fiscal year.

Later on, after having scrutinised every aspect of the entire business process, I have identified our disadvantages and shortfalls that lead to failure in some areas of the business. We all have learnt from our mistakes and missteps and have collectively decided to fix those issues and move forward to achieve the goal we initially set.

Followings are the issues I have identified lead to the underperformance of the business.

## **3. Feelings**

As the GIB's methodology describes, in every characteristic of the daily business I tried to feel the insight of it. While I was running my shift (also when scheduling, placing orders with suppliers), after every shift I looked into every transaction for any anomalies, glitches and how I could avoid those mistakes. I also evaluated the performance of each member of the business from a Gold standard stand point and identified few issues with while interacting with customers in-general.

In every shift I managed and every customer I served I personally and individually asked for opinion of every customer about the quality of service and food we serve. I maintained a review book and logged every minor incident and opinion that our customers left and at the end of each month we all discussed those issues through and tried to find solutions in avoiding those and I have witnessed after each month we improved and performed better than the previous month.

## **4. Evaluation**

After going through various factors of the business I have identified the following key factors that affected our business performance so drastically. It was not so evident that we could detect those at the very beginning of our business operation but gradually exploring each and every transaction we come to conclusion about these.

- Customer retention rate
- Quality of raw materials
- Packaging
- Quality customer service
- Reaching out to people(Marketing)

### 5. *Analysis*

I found out that our customer retention rate is very poor comparing to local business and customer base analysis. It is evident that we don't see some customers after their first visit to our shop. And, having asked some of them, I have learnt that in some products, such as cold drinks, they (customers) believe that we are price, overcharging our customers.

Having identified the issue with the following areas I have analysed it from a customer choice, taste and affordability standpoint and have found that even though our quality is at the top of the market price for the cold drinks, such as juice, is slightly higher. I have figured out that the price is almost 20% higher than other shops in the local area. Investigating the reasons behind this shortfall, I have come to a conclusion that buying fruits and vegetables from local market is one of the reasons for this high price which have a knock-on effect on the overall customer retention rate as well.

I had to look at the packaging also to see if there is any issues and have come up with a sense that the standard of our packaging is not up to the standard. In several cases customer complained that their takeaways got cold and soggy by the time they arrived home. They also complained that because of the flimsy materials used in the container most of the time liquid food leaks through the container.

During the analysis, I observed that some regular customers are not happy with quality of service during the busy period, specially every morning, and lunch time and in some of the regular customers are not visiting our shop for weeks.

I have noticed that during the busy period, because of the shortage of staff, we cannot cope with the rush and most of the time we even forget to make eye contact with our customers, greet our customers let alone providing them Gold standard customer services. In some cases, I have witnessed that we forgot to sprinkle chocolate on drinks, put the lid correctly and hand the to the customer.

Another issue we have is reaching out to local customers. There are some issues I have identified with our leaflets. The design we picked doesn't reflect the image we are trying to convey to our customers. Actually, it was designed by the printer and we just picked it without giving much thought about it, which was wrong. Secondly, our leaflet is just partially reflecting our menu. It doesn't list the all the menu items so customers even don't know what actually we are serving for months. They only come to know about our full services once they in the shop. Thirdly, we have distributed our leaflet locally only on and off, not in a regular basis. I have discussed this

with some other business and realised that we should have distributed our leaflet with a complete list of our served items regularly for an entire season which would definitely make them remember our brand name for long time and they would make regular visit to our shop. I have contacted a design house to send us few design ideas, based on our shop and its goal, and we will pick a design that suites our business objectives.

Providing that we successfully get all these decisions implemented I optimistically can say in a from now we will be considering expanding our business venture to a new level.

## **6. Conclusion**

Following the analysis and discussion among us we all have unanimously decided to redo our entire branding, marketing process. We have gone through every single area of the business, such as our individual attitude to business, our interaction with the customers, our food quality etc. The key decisions we have taken to face-lift our business are as follows.

## **7. Action Plan:**

- **Price** is one of the key challenging issues, I believe we would have to struggle with. Cold drinks is one of the best-selling products in our shop and by hook or by crook I will have to bring the purchase price down so we can sell our drinks at least 5% lower than the other sellers around which means I will have to bring our purchase price down by at least 25% from the suppliers which I know would be very difficult unless I purchase from not a local supplier with a slightly higher volume. Purchasing higher volume will create another issue with the storage facility. So, after having consulted this with my partners, I have decided to increase the quantity with the new supplier and purchase a new fridge for storing this extra supply. Obviously, we would have to rely on other factors, such as marketing and standard of our service to accommodate this new sales target.
- **Packaging**, I have talked with to our packaging supplier and have decided to go with its another high-quality packaging with our name and logo on it and it would cost us a few pennies extra which we all believe would increase our brand value thousand time higher.
- Having discussed the **customer service** issue, we have decided to higher another part-time employee for the busy period, especially in the morning and during the lunch time, but because of the financial strain we cut down some of our hours during the less busy period.

- **Marketing**, we have also decided to sign up with an online marketing company who will manage our social marketing platforms, such as *facebook*, *twitter*, *youtube*, and also design and distribute our menu in the local areas.

We are going to implement these new approaches within a month and will continue over a period of six months and in exactly six months from the start date we will again evaluate our performance and decide on our future actions.

## 8. Reference:

Evergage. 2018. *How to Calculate Customer Retention* | Evergage. [ONLINE] Available at: <http://www.evergage.com/blog/how-calculate-customer-retention/>. [Accessed 03 May 2018].

StartupNation. 2018. *The Effect of Packaging on Product Marketing* - StartupNation. [ONLINE] Available at: <https://startupnation.com/grow-your-business/effect-packaging-product-marketing/>. [Accessed 03 May 2018].

StartupNation. 2018. *The Effect of Packaging on Product Marketing* - StartupNation. [ONLINE] Available at: <https://startupnation.com/grow-your-business/effect-packaging-product-marketing/>. [Accessed 03 May 2018].

Gibbs, Graham, 2016. Using Gibbs' Reflective Cycle. *Gibbs' Reflective Cycle (or Gibbs' Reflective Model)*, [Online]. 1, 1. Available at: <https://www.kcl.ac.uk/campuslife/services/disability/onlineresources/StudyGuides/USING-GIBBS-REFLECTIVE-CYCLE-IN-COURSEWORK-DEC-2016-P-LIA.pdf> [Accessed 3 May 2018].

Entrepreneur. 2018. *business - How to Raise and Lower Your Prices*. [ONLINE] Available at: <https://www.entrepreneur.com/article/66010>. [Accessed 03 May 2018].

How Does Pricing Variables Affect a Business? | Chron.com. 2018. *How Does Pricing Variables Affect a Business?* | Chron.com. [ONLINE] Available at: <http://smallbusiness.chron.com/pricing-variables-affect-business-30856.html>. [Accessed 03 May 2018].