

Learning Outcomes

Anglia Ruskin modules are taught on the basis of intended learning outcomes and, on successful completion of this module, you will be expected to be able to demonstrate you have met these outcomes.

1. **Knowledge and Understanding:** Demonstrate an understanding and evidence an ability to critically reflect on advanced key concepts, issues, tools and techniques involved in operations and productions management;
2. **Knowledge and Understanding:** Critically evaluate the nature of operations processes and the inter-relationship between time, cost and quality;
3. **Intellectual, practical, affective and transferable skills:** Critically apply operations management techniques to the resolution of real-world problems in both manufacturing and service sectors, balancing qualitative and quantitative approaches;
4. **Intellectual, practical, affective and transferable skills:** Operate leading computer software tools to support operations management activities including such techniques as production optimisation, control and trouble-shooting.

Assessment Case Study: Oasis Garden Centre¹

John Wise spread his arms widely as he surveyed his garden centre.

'Of course the whole market for leisure products and services, especially garden-related products, has been expanding over the last few years. Even so, we have been particularly successful. Partly this is because we are conveniently located, but it is also because we have developed a reputation for excellent service. Customers like coming to us for advice. We have also been successful in attracting some of the 'personality gardeners' from television and social media to make special appearances. My main ambition now is to fully develop all of our twelve hectares to make the centre a place people will want to visit in its own right. I envisage the centre developing into almost a mini gardening theme park with special gardens, beautiful grounds and special events.'

Oasis is a large village situated in the Cotswolds, a popular tourist area of the UK. It has an interesting range of shops and restaurants, mainly catering for the tourist trade. About half a mile outside the village is the Oasis Garden Centre. The garden centre is served by a good network of main roads but is inaccessible by public transport.

Growth over the last five years has been dramatic and the garden centre now sells many other goods as well as gardening requisites. It also has a restaurant. It is open seven days a week, only closing on Christmas Day. Its opening hours are Monday–Saturday 9 a.m. to 6 p.m. and Sunday 10 a.m. to 5 p.m. all year round.

Outside the centre

The centre has a large car park which can accommodate about 350 cars. Outside the entrance a map indicates the various areas in the garden centre. Most customers walk round the grounds before making their purchases. The length of time people spend in the centre varies but, according to a recent study, averages 53 minutes during the week and 73 minutes at weekends.

¹ This case is adapted from Alan Betts, the case and data have been modified for reasons of commercial confidentiality.

The same study shows the extent to which the number of customers arriving at the garden centre varies depending on the time of year, day of the week, and time of day. There are two peaks in customer numbers, one during the late spring/early summer period and another in the build up to Christmas, as Oasis puts on particularly good Christmas displays.

Indoor sales area

The range of goods has increased dramatically over the past few years and now includes items such as:

- pets and aquatics
- seeds
- fertilisers
- indoor pots and plants
- gardening equipment
- garden lighting
- conservatory-style furniture
- outdoor clothing
- picture gallery
- books and toys
- delicatessen
- wine
- kitchen equipment
- soft furnishing
- outdoor eating equipment
- gifts, stationery, cards, aromatherapy products
- freshly cut flowers
- dried flowers.

Outside sales area

In the open air and in large glasshouses there is a complete range of plants, shrubs and trees. Oasis quality is high, with plants looking well tended if a little more expensive than other smaller garden centres. Half a dozen bedding plants cost in the region of £8.99 compared to similar plants which could be obtained for around £6 from market stalls or other garden centres. Professionally qualified staff both tend the plants and staff the information centres located around the grounds.

In addition to plants, there is also a comprehensive array of outdoor stone ornaments. There is stock valued in excess of £80 000 on show. Prices range from £25 to £5700. There are also a large number of water features, compost and peat, garden sheds, conservatories, playhouses, decking, wooden furniture, garden machinery, playground equipment, fencing, slabs, rocks and stones.

Inventory control

It has always been difficult for the centre to decide how much of each product to order at the beginning of the season. Some non-perishable products, such as barbecues, sold in quantity at the beginning of the spring season, often have to be discounted very heavily, sometimes at a loss, during the winter. Other items, such as bedding plants, have a limited shelf life as well as being difficult to sell later in the season. The proliferation of lines in recent years has made this problem even more acute. John Wise explains:

'We just never get this right. Every year we agonise over how much to buy – either we run out or we have stock left over. The weather plays such a huge part in determining demand and is impossible to predict so far in advance. In our worst seasons the money

we lose by having to discount stock, or throw away in the case of some plants, can be as high as 20 per cent of our total revenue for the year.'

Garden Restaurant

Garden Restaurant serves morning coffee, lunches and afternoon tea. It is part self-service and part assisted service. Customers enter, pick up a tray, help themselves to cakes and pastries, and order meals from the counter staff. They then pass down the line and are served drinks, pay, pick up the cutlery and make their way to a table. A metal rail separates the queue from the seating areas.

At lunchtimes queues can reach 10 people during the week and sometimes in excess of 20 people at the weekend. At peak times it can take up to 15 minutes to move from the back of the queue to complete the purchase. Regulars often 'save' tables by putting their coats and bags on them whilst they wait in the queue.

On a normal weekday lunchtime there are 12 staff, seven of whom are in the kitchen preparing food, one is responsible for taking money, one serves drinks, one deals with hot food, one deals with clearing tables and the washing-up. In addition there is a manager, Christine Wilson.

During the week the majority of customers in Garden Restaurant are mothers with small children and older people. At the weekend there is more of a spread of all age ranges; with the exception of teenage children.

Christine Wilson feels that Garden Restaurant has almost become a victim of its own success.

'A lot of the people who visit Garden have toddlers in tow; we've set up a family area with toys for the children to play with. We also recognised that children can be a bit fussy so they can ask for a children's lunch box which we make up for them according to their preference. The children's lunch boxes are very popular but they are time-consuming for the staff to make up and queues do tend to form. I know that at times people turn away when they see the queue which is very frustrating, particularly as often we are only half full. One step we have taken to reduce the queue is to advise customers that at weekend lunchtimes they cannot just have a drink. But that does tend to cause aggravation, particularly if the customer hasn't seen the signs and has had to queue for some time.'

Once seated, customers tend to spend around 20 minutes over morning coffee or afternoon tea and take around 30 minutes for lunch. Older couples and those with small children usually take longer.

Staffing

Excluding Garden Restaurant, which is run separately, there are 50 full-time staff working 40 hours per week, 15 part-time staff working 15 hours a week and 20 weekend staff working eight hours – who tend to be students. The centre also has up to 25 casual staff which it can call upon in busy times such as the run up to Christmas.

The centre is open for 61 hours per week but with setting up and closing down procedures of half an hour at both ends of the day, staff need to be present for 68 hours a week. Staffing numbers vary according to the time of the day, the day of the week and the time of the year. At peak times there could be up to 80 staff present; at the quietest times the centre can function on as few as 20. Excluding the casual staff who tend to do the more menial roles, the staff are broken down into the following categories:

Cashiers	18
Customer service*	6
Gardening information*	4
Shelf stocking	11
Care of plants*	8
Pet care	6
Design studio*	3
Outdoor buildings	6
Receiving deliveries; etc.	6
Making deliveries	3
Sundry duties (carrying customers' goods, retrieving shopping trolleys, etc.)	6
Office staff and management	8
Total	85

*Professionally qualified

John Wise admits that he is more comfortable organising plants than people.

'Trying to get the right numbers of staff with the right mix of skills can be a real nightmare. We have some flexibility in staffing through the use of part-time staff and casual workers but we need to be able to respond better than we can at present to the fluctuations that happen in this business. We are also conscious that the rapid growth of the centre has meant that many of the staff can only do one job and this restricts us even further.'

The future

Although pleased by the growth in customer numbers, John was troubled that sales revenue and profitability had not grown as fast. *'We know that the centre is attractive and we believe that the market for these types of products is likely to continue to grow. But we have to continue to develop new products, and especially services, which will continue to attract customers as competition hots up. More especially, we have to keep them in the centre for longer so that they will spend more money while they are here. In the last three years, the number of customers has grown by in excess of 30 per cent, while sales revenue, in real terms, has grown by a little over 10 per cent. At the same time our costs have escalated by more than 15 per cent. We have a great opportunity here, but to make it really work we need to become more professional in operating the business.'*

Element 010 – ASSIGNMENT: 3000 WORDS (100%)

Develop a 3000-word report (with academic references) in response to the following questions:

		Mark	Learning Outcome
1.	Apply relevant models to analyse the main micro-operations at Oasis Garden Centre. This could include one or more theoretical modules: the input-process-output model; the value chain model or/and business process mapping. (1000 words)	30%	LO1-3
2.	Identify and evaluate the operations problems faced by John Wise in managing Oasis Garden Centre. (1000 words)	30%	LO1-4
3.	Analyse how to improve the operations and business growth at Oasis Garden Centre. What are the main changes you would recommend John to consider making to improve the profitability of his business? (1000 words)	30%	LO1-4
4.	Academic Rigour Your assignment should be written in good business English ((by ensuring clarity of expression) and be well structured and presented. Your assignment should clearly include the academic insight, i.e. the concepts and the supporting references involved, indicated in the assignment (in-text citation) and listed in the references and bibliography.	10%	N/A
	TOTAL MARKS:	100%	