Assignment - 04

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| Group 10 | |
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Submitted for: Prof. Chantal McQueen

Submitted Date: 11/04/2024

**Task 1: Identify a new location for your business**

**Question 1:**

In reviewing this course, success in the VR entertainment business requires some selection criteria that must be considered as critical factors when planning for a suitable location for the business. These criteria include customer, supplier, labour, and transportation (McQueen, 2024), as discussed below:

### **Customers**

Proximity of the business location to customers is important and should be given high priority. A detailed study of TrickVR clientele's habits, achieved by visiting their homes during the initial operations, is essential to determining the most suitable site. TrickVR’s focus extends beyond residential customers to include corporate entities seeking unique experiences for team-building activities. Therefore, the chosen location must be snuggled within busy business districts to cater to this diverse clientele. The foundation of TrickVR’s success lies in customer satisfaction and respect for its clients is set in its philosophy that recognizes the clients as the lifeblood of the company’s enterprise. It is therefore important to note that a robust customer base not only ensures financial prosperity but also propels the company’s growth trajectory. Hence, TrickVR pledges an unwavering commitment to transparency and integrity in all its customer dealings.

Furthermore, the company’s target market is mainly corporates and businesses that are organizing team-building events. Therefore, it is also important that the choice of location should be more in an area that is close to where businesses are clustered.

Moreover, TrickVR recognizes the significance of accessible transportation options in enhancing customer convenience. Therefore, the business strives to establish its Viewing Centre within proximity to public transit points, thereby ensuring ease of access for customers from all corners. It also aims to streamline customer experience and foster sustained patronage by strategically situating the business facility near bus stops. In essence, TrickVR’s quest for the perfect location is guided by a reflective understanding of customer needs and a staunch dedication to delivering unequaled service.

### **Suppliers**

Suppliers play a central role in sustaining business operations and situating the business close to suppliers would most likely help to ensure the seamless replacement and maintenance of equipment. Therefore, selecting a site that is near a reliable VR equipment supplier is imperative. The importance of supplier accessibility becomes even more evident in a VR business setting. The chosen location must provide appropriate access for suppliers, enabling smooth supply operations through amenities such as a long ramp and a service elevator. In addition, ensuring the availability of sufficient parking space is equally important for accommodating supply trucks. Therefore, careful consideration of logistical support as well as supplier proximity cannot be over-emphasized in site selection.

Again, it is important to have a structured arrangement with industry-recognized household bakeries and affordable suppliers for snacks and other items of refreshment from the neighborhood where the business is to be situated. This would help keep TrickVR at a competitive edge over other businesses offering the same service because customers are rest assured of getting their choice snacks with a variety of options at very affordable prices. This idea is to provide snacks and drinks to enhance user comfort and engagement during virtual reality experiences and would help foster social interaction and energy replenishment.

Furthermore, beyond the VR experiences that the company offers, customers may seek nearby amenities such as restaurants, convenience stores, and pharmacies while waiting for services. By strategically positioning TrickVR around such conveniences, the business not only enhances customer experience but also fosters positive referrals from existing customers.

### **Labour**

In setting up TrickVR, the composition of the company’s workforce is inclined towards youths with acceptable skill levels. There is therefore the need to consider that some of them might not have access to personal vehicles and therefore rely on public transportation, especially buses, in the choice of location. It is imperative to prioritize areas near bus routes (for the convenience of the labor force) and to also select an active urban area that has many young talents.

Again, labour helps to shape the pace of growth for the VR business venture. In other words, the competence of TrickVR’s team significantly impacts customer satisfaction, forming a mutual relationship where trust is built through exceptional service. The expertise of TrickVR’s team - including VR experience coordinators, technicians, and customer support staff - is vital in delivering efficient and high-quality services. Thus, prioritizing recruiting skilled individuals locally is key to ensuring smooth operations and increasing the company’s clientele and overall productivity.

### **Transportation**

Transportation is an important factor that is equally considered critical for TrickVR’s valued customers as directly influences their future choices. When selecting a location, we must anticipate the diverse needs of the company’s clientele. Situating the company’s business along a bus route not only expands its customer base but also ensures convenience for those who rely on public transit.

Additionally, having sufficient parking space is necessary for accommodating both customers and staff who commute by car. Therefore, TrickVR’s success axes on proximity to a robust public transportation network, offering frequent bus services easily accessible to its esteemed clientele (Small, K. and Verhoef, E., 2007).

Based on the foregoing, we shall determine the criteria deemed as high priority or less important, and why.

***Higher Priority Standards***

Customers: What appeals to the target market and how accessible is the location?

Labour: What are the Human Resources Planning strategies to engage highly qualified staff to provide excellent service?

Transportation: How convenient is the location for TrickVR’s customers and employees?

***Less Important Standards***

Suppliers: Availability of reliable suppliers is a problem, but other more critical issues can affect the business.

**Question 2:**

Address: 900 King St, London, ON N5W 5K3

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It is important to state that the selection of the business location was based on the conditions mentioned in the business case development. The chosen location meets the business's requirements with the necessary amenities present in the neighborhood. Additionally, the nearness of TrickVR to the city center ensures easy access for corporate clients seeking event hosting services, aligning completely with the business's target market.

TrickVR is in the same complex as the Gateway Casinos London, which is located at 900 King Street. The intersection is Dundas by King Street, close to the Western Fair District Market. Numerous businesses such as the Nova Era Bakery, Sikorski Sausages Company, Kellog factory, The Aeolian Hall, and Western Fair District Sports Centre are visible.

Gateway Casinos London serves as an entertainment spot for London residents, so the choice of location is ideal as it allows for easy identification given that a lot of people already know where Gateway Casinos London is located. Again, clients who are visiting the Gateway Casino, on realizing that Gateway Casinos has moved are most likely to end up patronizing TrickVR in the quest to satisfy their fun-seeking yearning.

**Question 3**:

### **Customers**

In the business site selection process, many factors must be considered. A key consideration should be simplicity in clients’ ability to locate the business premises. In order words, the business site should be simple to find and use so that customers would not encounter challenges in trying to find the business location. As a result, there is a need to conduct a feasibility survey to determine what the customers must want, the best location, and what is currently in demand when choosing a location for a business. Before TrickVR reached an agreement to situate its business at 900 King Street, it surveyed the customers' preferences and conducted some research before finding a location that was suitable to site the business.

### **Suppliers**

TrickVR leased its business space from the same complex as the Gateway Casinos London, which is located within 8km of major vendors and suppliers. This would help the company to concentrate on the customers' needs as some equipment suppliers are located very close to Kings Street and Dundas Street. The presence of nearby suppliers can simplify the company’s procurement process thereby reducing wait times and improving inventory management. This factor not only benefits the company but also the suppliers. Additionally, the proximity of the business to bakeries and food manufacturing companies helps to ensure that customers visiting TrickVR Centre do not worry about where to buy food because there is a snack store in the arena that is open whenever the clients need it.

### **Labour**

London has a lot of young people who work, especially students. In North London, where our business would be located, there are many students and recent graduates because of the nearby main campus. This mix of students and locals gives us a great group of young workers. Moreover, the availability and accessibility of public transportation make it easy for the company’s staff to get to work seamlessly without a car.

The Gateway Casinos London complex is in a busy area that attracts all kinds of people who might want to work for us. The complex where TrickVR is located has many stores, making it a popular spot for job seekers looking for part-time or full-time work. We hire students, young professionals, and experienced workers with skills like customer service, technical support, and marketing. Being in the complex which is situated on busy bus routes also helps our staff get to work on time.

### **Transportation**

Due to the City of London’s efficient transport system, the location is perfect for individuals who would like to host VR party events. Furthermore, since this location is in the Centre of London, the company does not need to worry about transportation because buses on Route 16, 2, 20 and 94 Express are always available. Finally, it is also necessary to make sure there are enough parking spaces for all employees' and clients’ vehicles.

**Task 2: Human resource management issues**

**Question 1:**

Diverse groups have a lot to teach us, thus it is essential that we give them an equal chance to conduct business. We work hard to welcome everyone in our company, regardless of where they were born or what culture they come from. We don't simply hire people from inside our ethnic community. Every individual in Ontario should have equal rights and opportunities, free from discrimination in contexts including housing, services, and work, by provincial and human rights legislation. The principles and guidelines of the Human Rights Code of the province of Ontario should guide us. Any business that treats its clients unjustly or harasses them due to their age, sex, gender, ability, or ethnicity is not allowed (Ontario Human Rights Commission. (n.d.)).

**Question 2:**

There won't be any problems because the Employment Standard Act specifies that a person who is eligible to start working at the age of 15 is allowed to do so. She likes her job here, even though she works mostly on the weekends to avoid missing class. Regardless of how they are paid—hourly, commission-based, piece-rate, flat-rate, salary-based, casual employee, unskilled, or otherwise—the majority of workers are entitled to minimum wage. According to the Employment Standard Act of the Ontario government, the minimum wage will be 15.50 beginning on October 1, 2022 (ontario.ca. (n.d.)).

**Question 3:**

The Occupational Health and Safety Act gives her the right to refuse to work. Workers may also file a complaint if they witness any health or safety issue at work, such as a risk or violation, or if they believe that an employer is not following the Act. Because of this, we are unable to punish her or apply any sanctions. To address this issue and provide a safe working environment, our management team must relocate the workspace or install air conditioning (Ontario.ca. (n.d.)).

**Question 4:**

The Ontario Labour Relations Act of 1995 states that employers cannot terminate workers for just trying to persuade their peers to organize a union. This law governs the working relationship in unionized employment in Ontario. We don't now have the size and conditions necessary to form a labor union, especially concerning the direction our company is growing. We thus have the right to terminate them immediately if they bring up unionization during work shifts without offering the required explanation.

**Question 5:**

In all, we have five employees: two males and three females. Businesses with 10 or more employees are legally obligated to make sure that men and women are paid equally for labor of comparable value, but as a small firm we are not obligated to provide equal remuneration. This is a result of the 2018 Offer Equity Act being passed. Therefore, pay equality standards do not apply to our little business. Nevertheless, to maintain a positive work atmosphere, it is still important to stick to the equality idea based on effort and talent (Canada, 2022).

**Question 6:**

This regulation applies to all businesses in Ontario that have one or more employees, whether they are nonprofit, government, or private operations. We are required under the Accessibility for Ontarians with Disabilities Act (AODA) to eliminate and prevent barriers for people with disabilities. Therefore, under this specific circumstance, we must grant the request of the injured female worker. We have to take care of her as she is able to work despite having chronic back pain (Kovac, L. (n.d.)).

**Task 3: Financial Statement Analysis**

**Question 1:**

* Return on Sales

Return on Sales (ROS) = (Net income / Sales) \* 100

(ROS) = (20,600/75,000) \* 100 = 27.466 %

* Return on Equity

Return on Equity (ROE) = (Net Income/Owners) \* 100

(ROE) = (20,600/54,615) \* 100 = 37.718 %

* Current Ratio

Current Ratio = Current Assets/ Current Liabilities

Current Ratio = (49,405/26,255) = 1.882

* Debt Ratio

Debt Ratio =(Liabilities/Assets)

Debt Ratio = (28,255/82,840) = 0.341

* Debt to Equity Ratio

Debt to Equity Ratio = (Liability/Owners Equity)

Debt to Equity Ratio = (28,255/ 54,615) = 0.517

**Question 2:**

Calculations show that our Return on Sales, Return on Equity, Current Ratio and Debt Ratio satisfy the requirements set by the bank. However, our Debt-to-Equity of 0.517 slightly does not meet the requirements set by the bank. In order to be eligible for a loan, the Debt-to-Equity ratios must be 0.5 or less. As a result, we are not pre-eligible for a bank loan. But there is a possibility to get the approval by negotiating with bank because the Debt-to-Equity ratio of 0.017 being slightly above the threshold.

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