

Proposal Sycamore Street Cafe

FINAL REPORT

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Background/Introduction

Coffee shop business is a multibillion-dollar monopoly. Any coffee shop with a business model that is different from the primary competition and current monopoly, has a huge market potential. Unlike the competition which makes coffee in batches, Sycamore Street Coffee offers craft coffee that is individually made and tailored to individual taste, preference and is self-made. Along with coffee, it also offers desserts and tea and remains open 24 hours a day, thus attracting late night traffic when other stores are closed. The goal is to have similarly priced coffee as the competition but differ in quality and experience. The shop will be styled in a way to attract customers to stay for a longer period of time and for large groups such as work meetings, college groups and friend gathering. In order to meet this goal, the shops will have modern decor with classical music and live fireplace.

The goal is to be the market leader in the Chicago metropolitan area within 3 years of opening. The metropolitan has a diverse and vast population which can be tapped into. Possible roadblocks towards achieving this goal have been identified and contingency plans have been made. Necessary credit to sustain for the first 2 years have been secured via Northern Trust Corporation. A review of the area has shown that there is minimal coverage from other coffee shops and therefore is expected to be a highly profitable location. Documents and plans regarding project charter, scope statement, work breakdown schedule, budget, risk register, and communication plan have been created in order to secure financing and to create a company culture which will help grow the business into the most known self-service coffee company in America.

Project Scope

The goal of this project is to create a plan to establish a self-serve coffee shop that is open 24 hours a day and be the market leader within 3 years with an opening date of January 29, 2021. The initial estimate of the project is \$334,100 with a single location in Chicago downtown and later expand nationally.

The project has several deliverables. The initial deliverable is the project charter which needs to be approved by the project stakeholders. Following that is the project plan and its approval. Once the plan is approved, the required team is assembled, financing is obtained and then the project plan set into action. The project is complete once the customer accepts the enacted plan.

Each of the above deliverables is an important milestone in the project and has fixed dates as highlighted below along with the responsible party.

Project Deliverables	Target Date	Responsibility
Create Corporation	Jan 2020	Project Manager
Financial Planning & Investments	April 2020	Project Manager
Operations	April 2020 - Jan 2021	Project Manager
Human Resources	Sept 2020 - Dec 2020	Project Manager
Technology	August 2020 - Jan 2021	Project Manager
Marketing	April 2020 - Dec 2020	Project Manager
Trial Run of Store Operations	Jan 2021	Project Manager
Store Opening	Jan 2021	Project Manager

The main requirement of the project is to create a self-serve coffee shop with a 24-hour business model that serves coffee, tea and other deserts with a modern look and feel where large parties can spend extended periods of time. The pricing should be like competitors but provide a unique and

original one in a kind experience. The above requirement should be met while maintaining a 65% gross margin and an excellent customer service.

The project may be limited by various exclusions such as sanitization regulations regarding customers touching coffee machines, restriction on in-house food preparation, and feasibility of 24-hour operation. Also, the expansion plans may be scrapped if initial shops are not successful. Other minor exclusions are maximum number of coffee machines that may be placed, size of bathroom, size and type of signage may not meet regulations and distance of parking from the coffee shop may hinder business.

Project Planning

Project organization and resource

The project organization is the structure of the project. The organization of the project includes multiple steps. First, we may need to create a corporation. Afterward, we need to work on financial planning and investment. Before store opening, we may need to handle different aspects including inventories, human resources, technology, and marketing.

Stakeholders

The stakeholders in this project include our project manager, Mounika Thorupunuri. Our team members are in the project core team. As for consulting and accounting auditing, We prefer outsourcing, therefore our team decides to hire Ernst & Young to help with this. As for Financial risk management and banking management, Northern Trust Corporation will help this.

Project Stakeholder and Current Roles

Stakeholder	Current Role(s)
Mounika Thorupunuri	Project Manager
Nikki Shiwakoti	Financial Planning and Management
Alex Lai	Operational Manager
Neha Dilipkumar Mehta	Human Resource Manager
Jose Ortiz	Technology Manager
Jiaying He	Marketing Manager
Edward Lui	Marketing Associate
Ernst & Young	Consulting and accounting auditing
Northern Trust Corporation	Financial risk management and banking services

Potential Difficulties

However, it is expected that the project may encounter different difficulties especially during pandemic. During pandemic, numerous departments are expected to run slow. The potential difficulties are as follow:

- Application of business registration certificate

- Application of retail food establishment (RFE)
- Contact department of building to ask for permission of renovation
- Passing public health inspections
- Request a new connection to the water distribution system, or require additional capacity as a result of any addition, improvement, modification or change in use of an existing connection.
- Application of Employer Identification Number(EIN) from IRS for the business to pay employee and file business tax
- Application of Cafe Table/Chair permit to allow our business to place chair/tables on the sidewalks in front of our business during business hour
- Application of Food Handler's Card

Work Breakdown Structure and OBS design

Task Name	Duration	Start	Finish	Predecessors	Resource Names	Work	Cost
Sycamore Street Coffee Corporation	281 days	Thu 1/2/20	Thu 1/28/21		Mounika Thorupunuri	3,168 hrs	\$334,099.96
Create Corporation	17 days	Thu 1/2/20	Fri 1/24/20		Mounika Thorupunuri	40 hrs	\$1,600.00
Assign team members to correct	3 days	Thu 1/2/20	Mon 1/6/20		Sycamore Street Coffee	20 hrs	\$800.00
Create Articles of Incorporation	14 days	Tue 1/7/20	Fri 1/24/20	3	Sycamore Street Coffee	20 hrs	\$800.00
Financial Planning and Investment	78 days	Tue 1/7/20	Thu 4/23/20	3	Nikki Shiwakoti	420 hrs	\$16,200.00
* Budget Analysis	45 days	Tue 1/7/20	Mon 3/9/20	3	Finance Department[0%]	200 hrs	\$8,400.00
* Acquire Financing	31 days	Tue 3/10/20	Tue 4/21/20	7	Finance Department	160 hrs	\$6,900.00
* Banking	2 days	Wed 4/22/20	Thu 4/23/20	6,12	Northern Trust Corp.	60 hrs	\$900.00
Operations	191 days	Fri 4/24/20	Fri 1/15/21	5	Alex Lei	750 hrs	\$252,139.96
* Acquire Facility	91 days	Fri 4/24/20	Fri 8/28/20	5	CBRE Realty	130 hrs	\$15,200.00
* Engineering	95 days	Fri 4/24/20	Thu 9/3/20	5	Jacobs Engineering	120 hrs	\$27,000.00
Inventory	100 days	Mon 8/31/20	Fri 1/15/21	5,22	Alex Lei	500 hrs	\$209,939.96
office Supplies	20 days	Mon 8/31/20	Fri 9/25/20		Office max[\$2,400.00]	0 hrs	\$2,400.00
* Furniture	40 days	Mon 8/31/20	Fri 10/23/20	22	Ethan Allen[\$27,000.00]	0 hrs	\$27,000.00
* Hardware	31 days	Mon 9/14/20	Mon 10/26/20	5,36	Lux Coffee LTD.	480 hrs	\$33,039.96
* Software	2 days	Mon 9/14/20	Tue 9/15/20	5,36	IBM	10 hrs	\$4,500.00
* Inspections	9 days	Tue 10/27/20	Fri 11/6/20	22,33,39,45	City of Chicago[\$700.00]	0 hrs	\$700.00
* Food	30 days	Mon 12/7/20	Fri 1/15/21	22,64	Sysco Food Inc.[\$12,000.00]	0 hrs	\$12,000.00
* Equipment	30 days	Mon 10/26/20	Fri 12/4/20	22,12	Operations Department	10 hrs	\$130,300.00
Human Resources	76 days	Fri 9/4/20	Fri 12/18/20	26,30	Neha Dilipkumar Mehta	1,358 hrs	\$16,000.00
* HR Paperwork	30 days	Fri 9/4/20	Thu 10/15/20	30	HR Department	40 hrs	\$1,100.00
* Employee Benefits	7 days	Fri 10/16/20	Mon 10/26/20	73	HR Department	30 hrs	\$900.00
* Training	10 days	Mon 12/7/20	Fri 12/18/20	62	HR Department	200 hrs	\$4,200.00
* Management	35 days	Fri 10/16/20	Thu 12/3/20	73	HR Department	480 hrs	\$9,800.00
Technology	107 days	Mon 8/31/20	Tue 1/26/21	12,22	Jose Ortiz	60 hrs	\$20,000.00
* Establish Bids for IT Work	30 days	Mon 8/31/20	Fri 10/9/20	22	IT Department[\$300.00]	0 hrs	\$300.00
* Purchase Equipment	20 days	Mon 10/12/20	Fri 11/6/20	108	IT Department[\$12,000.00]	0 hrs	\$12,000.00
* Install IT Equipment	7 days	Mon 1/18/21	Tue 1/26/21	21	Lenovo Business Solution	60 hrs	\$7,700.00
Lenovo Business solutions	7 days	Mon 1/18/21	Tue 1/26/21	21	Lenovo Business Solution	56 hrs	\$6,970.00
Marketing	180 days	Fri 4/24/20	Thu 12/31/20	5	Jiaying He	410 hrs	\$26,200.00
* Market Research	60 days	Fri 4/24/20	Thu 7/16/20	5	Marketing Department	120 hrs	\$3,800.00
* Advertising Cost	30 days	Fri 4/24/20	Thu 6/4/20	5	Marketing Department	10 hrs	\$400.00
* Test Markets	60 days	Fri 4/24/20	Thu 7/16/20	5	Marketing Department	80 hrs	\$2,800.00
* Establish Social Media	14 days	Fri 7/17/20	Wed 8/5/20	135	Marketing Department	40 hrs	\$1,400.00
* Establish Print Media	180 days	Fri 4/24/20	Thu 12/31/20	5	Marketing Department	80 hrs	\$2,600.00
* Design Logo	45 days	Fri 7/17/20	Thu 9/17/20	124	Chicago Sign inc.	40 hrs	\$5,000.00
* Design Signage	16 days	Fri 9/18/20	Fri 10/9/20	149,124	Chicago Sign inc.	40 hrs	\$10,200.00
Trial Run of Store Operations	1 day	Wed 1/27/21	Wed 1/27/21	113,121,51	Sycamore Street Coffee2	50 hrs	\$800.00
Store Opening	1 day	Thu 1/28/21	Thu 1/28/21	159,21,72,51	Sycamore Street Coffee2	80 hrs	\$1,160.00

The work breakdown structure is an example of the project in its entirety. This technical aspect of project management gave our team the ability to organize and track the project from the start of 1/2/2020 through completion 1/28/2021. Moreover, the team planning and structuring tasks from finish to start according to the functional needs of the organization gave us the ability to better estimate and determine the predecessors, working hours, as well as total cost. Thus, the WBS served the purpose of laying the foundation for our team to ultimately focus on project deliverables. While maintaining budgeted cost, resources, and project duration. Further giving the team the opportunity to better observe impacts to the project schedule and clarity to the project's critical

path. As a result, we found that the WBS gave the team confidence in completing the project on time and on budget. All in accordance to the plan laid out within the project scope.

Critical Path



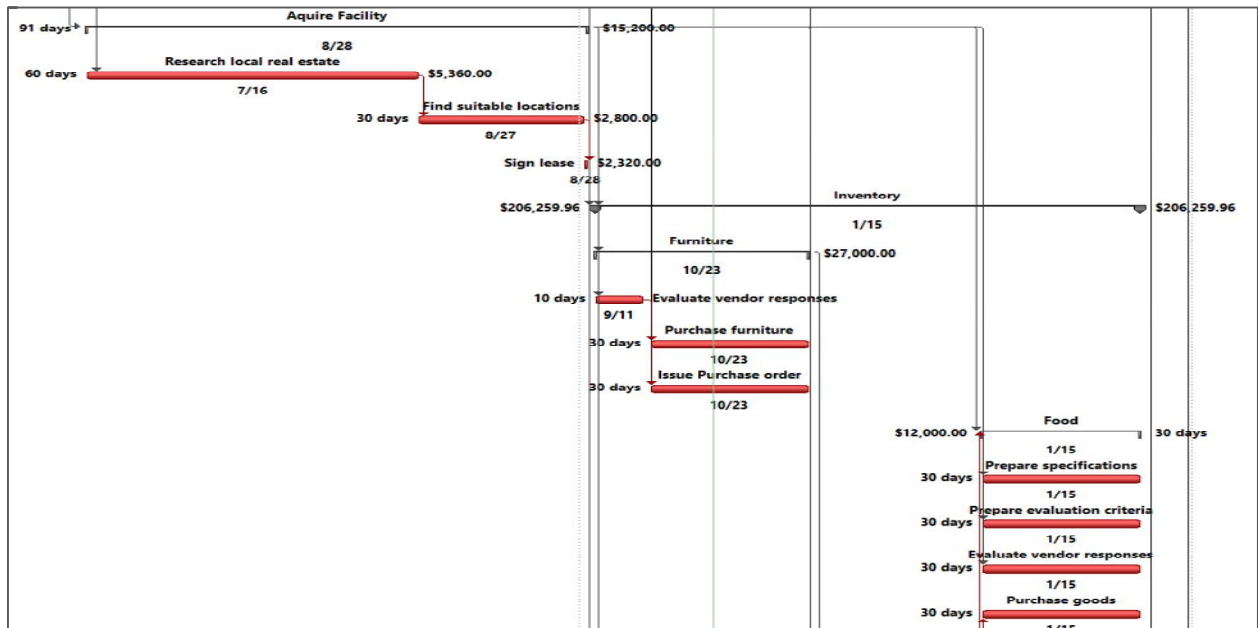
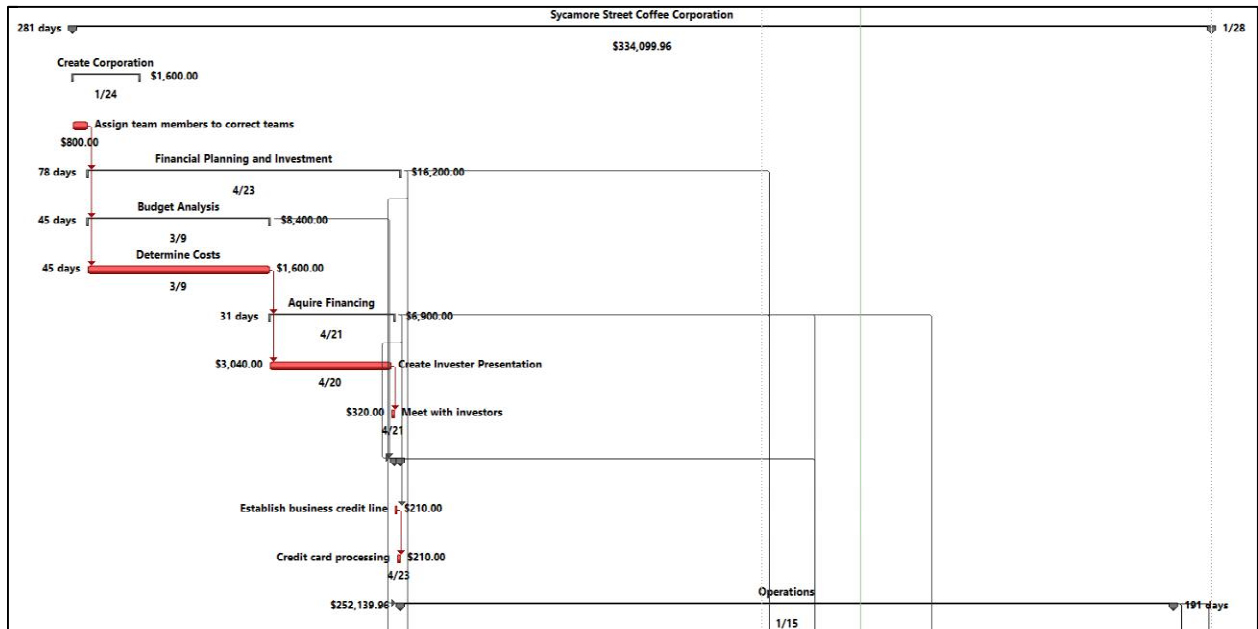
Task Name	Duration	Start	Finish	Predecessors
Sycamore Street Coffee Corporation	281 days	Thu 1/2/20	Thu 1/28/21	
Create Corporation	17 days	Thu 1/2/20	Fri 1/24/20	
Assign team members to correct teams	3 days	Thu 1/2/20	Mon 1/6/20	
Financial Planning and Investment	78 days	Tue 1/7/20	Thu 4/23/20	3
Budget Analysis	45 days	Tue 1/7/20	Mon 3/9/20	3
Determine Costs	45 days	Tue 1/7/20	Mon 3/9/20	3
Acquire Financing	31 days	Tue 3/10/20	Tue 4/21/20	7
Create Investor Presentation	30 days	Tue 3/10/20	Mon 4/20/20	7
Meet with investors	1 day	Tue 4/21/20	Tue 4/21/20	14
Banking	2 days	Wed 4/22/20	Thu 4/23/20	6,12
Establish business credit line	1 day	Wed 4/22/20	Wed 4/22/20	12
Credit card processing	1 day	Thu 4/23/20	Thu 4/23/20	19
Operations	191 days	Fri 4/24/20	Fri 1/15/21	5
Acquire Facility	91 days	Fri 4/24/20	Fri 8/28/20	5
Research local real estate	60 days	Fri 4/24/20	Thu 7/16/20	5
Find suitable locations	30 days	Fri 7/17/20	Thu 8/27/20	23
Sign lease	1 day	Fri 8/28/20	Fri 8/28/20	25
Inventory	100 days	Mon 8/31/20	Fri 1/15/21	5,22
Furniture	40 days	Mon 8/31/20	Fri 10/23/20	22
Evaluate vendor responses	10 days	Mon 8/31/20	Fri 9/11/20	22
Purchase furniture	30 days	Mon 9/14/20	Fri 10/23/20	36,12,16
Issue Purchase order	30 days	Mon 9/14/20	Fri 10/23/20	36
Food	30 days	Mon 12/7/20	Fri 1/15/21	22,64
Prepare specifications	30 days	Mon 12/7/20	Fri 1/15/21	22
Prepare evaluation criteria	30 days	Mon 12/7/20	Fri 1/15/21	22
Evaluate vendor responses	30 days	Mon 12/7/20	Fri 1/15/21	22
Purchase goods	30 days	Mon 12/7/20	Fri 1/15/21	64
Equipment	30 days	Mon 10/26/20	Fri 12/4/20	22,12
Purchase kitchen appliances	30 days	Mon 10/26/20	Fri 12/4/20	33
Technology	107 days	Mon 8/31/20	Tue 1/26/21	12,22
Install IT Equipment	7 days	Mon 1/18/21	Tue 1/26/21	21
Lenovo Business solutions	7 days	Mon 1/18/21	Tue 1/26/21	21
Trial Run of Store Operations	1 day	Wed 1/27/21	Wed 1/27/21	113,121,51
Store Opening	1 day	Thu 1/28/21	Thu 1/28/21	159,21,72,51

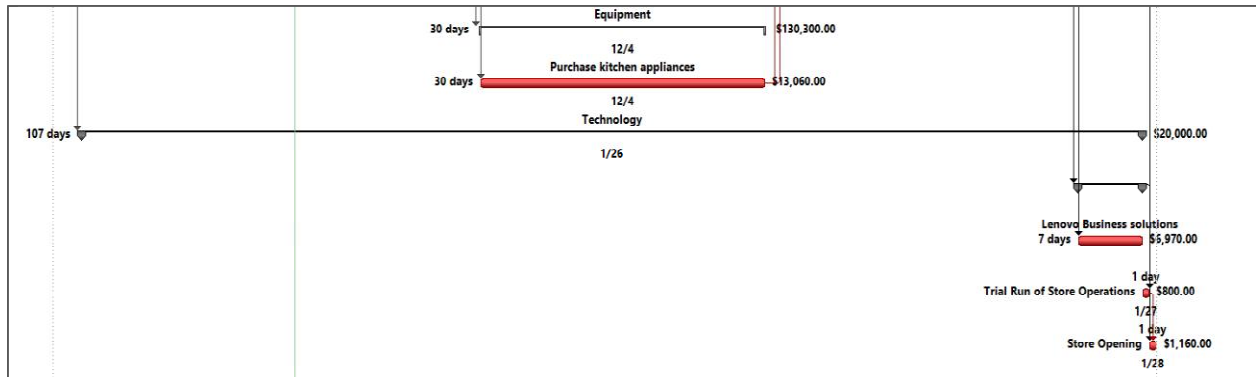
The critical path for the project or the longest path through the network is illustrated above. This illustration depicts the interdependencies of the project activities based on a finish to start basis. The critical path starts at **Create Corporation** and **Assign project team**. It is then followed by **Financial planning and Investments** consisting of sub task **Budgeting Analysis**: determine costs; **Acquire Financing**: create investor presentation, meet investors; **Banking**: establish business credit line, followed by credit card processing.

The next part of the critical path is **Operations** which consist of **Acquire Facility**: research local real estate, find suitable location, sign lease; **Inventory**: evaluate vendor responses, purchase furniture, issue purchase order; **Food**: prepare specifications, evaluation criteria, purchase food, which can not be completed until all needed kitchen equipment is on hand. Thus, the next portion of the critical path is **Equipment**: purchase kitchen appliances.

Another portion of the project's critical path is **Technology** consisting of **Install IT equipment**: Lenovo Business solutions. The final elements of the project's critical path are **Trial run of store operations** to project completion **Store opening day**. It is important that the critical path is clearly defined. As any deviations to the critical path will have significant implications of delaying the overall project objective. Thus, impacting the opening day of the first Sycamore Street Coffee Location in Chicago on time.

Gantt: Project Duration and Critical Path





Costs/Budget

The project is estimated to cost approximately \$334,100.00 with the majority of budget allocated to materials cost. The direct cost, including inventory and operation, is \$300,300.00 and the total indirect cost is \$33,800.00. Below is a breakdown of the direct costs and indirect costs:

Direct Cost:	Funds
Engineering	\$27,000.00
Inventory/Operation	\$209,939.96
Technology	\$20,000.00
Marketing	\$26,200.00
Trail Run of Store Operations	\$800
Store Opening	\$1,160.00
Acquire Facility	\$15,200.00

<i>SUBTOTAL</i>	<i>\$300,299.96</i>
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Indirect Cost:	Funds (In Thousands)
Create Corporation	\$1,600.00
Budget Analysis	\$8,400.00
Acquire Financing	\$6,900.00
Banking	\$900.00
Human Resource	\$16,000.00
<i>SUBTOTAL</i>	<i>\$33,800.00</i>
TOTAL COST	\$334,099.96

Our main goal is to turn in profits from the business operations and maintain a 65% gross margin. Obtaining the objective of high gross margins will be achieved by good pricing, cost savings, and extensive financial budgeting. Below is the breakdown of the sub task under the critical path. Before the impact we were able to complete the project at \$334,100.00 but due to the impact of COVID-19 our cost increased by \$5,945.00. The increase is spread among all critical paths.

Pro Forma Business Budget			
Expense Category	Planned Expense	Actual Expense	Variance
Expense Allocation	\$5,000.00	\$10,000.00	\$(5,000.00)
Financing/Banking	\$14,0000.00	\$16,200.00 \$	\$(2,200.00)
Inventory			
Furniture/Supplies	\$63,000.00	\$63,140.00 \$	\$(140.00)
Food/Beverages	\$13,000.00	\$12,000.00	\$1,000.00
Marketing Expenses			
Research	\$3,000.00	\$4,200.00	\$(1,200.00)
Print Media	\$3,000.00	\$2,600.00	\$400.00
Signage	\$17,000.00	\$15,200.00	\$1,800.00
Social media	\$2,000.00	\$1,400.00	\$600.00
Other	\$2,400.00	\$2,800.00	\$(400.00)
Technology/IT			
Equipment	\$10,000.00	\$12,000.00	\$(2,000.00)
Software	\$4,000.00	\$4,500.00	\$(500.00)

Installation	\$6,000.00	\$7,700.00	\$(1,700.00)
Other	\$200.00	\$300.00	\$(100.00)
Operations			
Facilities	\$13,000.00	\$15,200.00	\$(2,200.00)
Engineering	\$25,000.00	\$27,000.00	\$(2,000.00)
Equipment Rent/Lease	\$142,000.00	\$130,000.00	\$12,000.00
Human Resources			
Paperwork	\$800.00 \$	\$1,100.00	\$(300.00)
Training	\$4,000.00	\$4,200.00	\$(200.00)
Benefits	\$500.00	\$900.00	\$(400.00)
Management	\$8,500.00	\$9,800.00	\$(1,300.00)
Misc.	\$1,200.00	\$1,600.00	\$(400.00)
Total Expenses	\$334,099.96	\$340,044.96	\$(5,945.00)

Resource Management

Our resource assignment has made sure that each department has all the necessary resources to ensure that all tasks will be completed before the opening of Sycamore Street Coffee Corp.

All the team members mentioned in the organization chart form the core team. Using these internal resources helps reduce the cost to a great extent. This saved cost can be used to carry out some marketing activities which will help bring in more business. The team has decided to outsource some tasks like consulting and accounting auditing. Outsourcing will help in fast completion of the project along with a high level of expertise involved. This will also reduce the load of Human resources as they will have to manage less people so that they stay more focused throughout the project. We will hire Ernst & Young to carry out the consulting and accounting auditing. As for Financial risk management and banking management, Northern Trust Corporation will help this. The tasks related to Information Technology are also outsourced to ensure that they are finished on time. By outsourcing, we can ensure that the team can remain focused.

Managing the project team is very important for the project's success. Each team member is the leader of that department and will be responsible for timely completion of the tasks assigned. Daily updates from each department is the key to the success of the project. Any problems that the group members encounter will be updated to the Project Manager for assistance. The respective department head will be responsible for handling any team conflicts which may arise. For this project, as most of the resources are internally managed, we follow a functional organization structure. This structure avoids over allocation of resources as well as makes a person responsible for their respective task. In-depth expertise can be brought to bear on the most crucial aspects of the project. However, as the functional organization structure focuses only on their respective department tasks, to bring about proper coordination between teams, we will have bi-weekly meetings of all the department heads. This will help to keep everyone updated about the status and resolve any issues that arise. Proper coordination, proactive communication and a positively

motivated team will help ensure operational efficiency, cost savings, and guaranteed opening of Sycamore Street Coffee Corporation's first store in January.

Project Execution

Description of the changes

During the execution of the project, the COVID-19 pandemic outbreak in the United States was officially announced. Restaurant businesses were one of the first economic activities severely impacted by COVID-19. There are four major changes of the project Sycamore Street Cafe due to pandemic outbreak:

- 1) **Project delay.** Based on the schedule, the project Sycamore Street Cafe will be completed and ready to open between December 2020 and January 2021. However, COVID-19 caused a notable pause in many projects of Sycamore Street Cafe, including the construction, employee hiring and training, and acquiring permits and inspections postponed by the city.
- 2) **Restaurant opening restrictions.** In response to the spread of COVID-19, California closed all but essential businesses beginning in mid-March 2020. On June 12, the state announced that restaurants can open for outdoor dining. Although the Sycamore Street Cafe is allowed to expand takeout and delivery offerings, there is no single grand reopening date for restaurant reopening.
- 3) **Supply chain disruptions.** The Coronavirus pandemic is threatening the food supply chain with availability of workers. The government-mandated closures of restaurants cause logistical bottlenecks and storage-space shortages.
- 4) **Economic impacts.** The restaurant industry is sensitive to changes in overall economy,

especially during COVID-19 pandemic. The number of permanent restaurants is increasing. After weeks of quarantine, customer downturn continues to extend.

Risk Management

Risk Identification

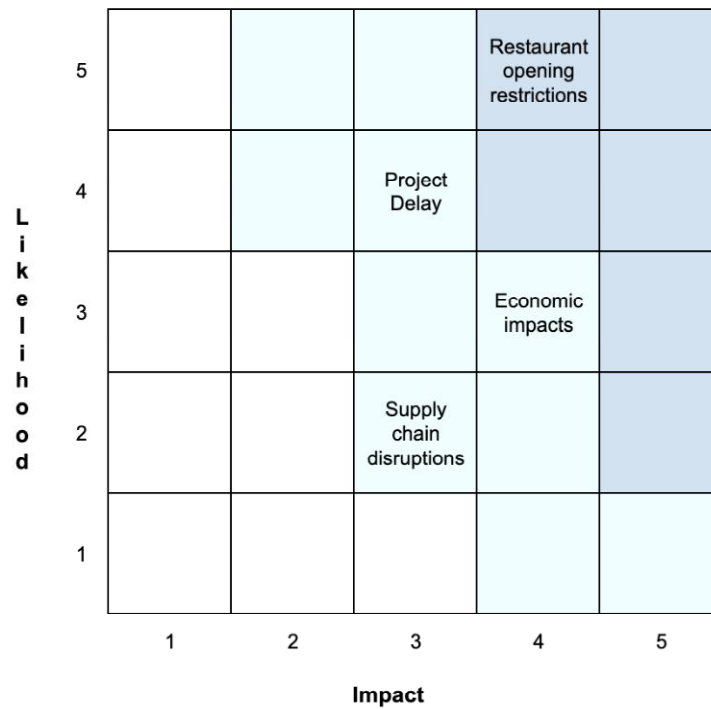
We begin the risk management process by generating a list of all the possible risks that could affect the project due to the Coronavirus Pandemic. The major risks of the project are: 1)project delay 2)restaurant opening restrictions 3)supply chain disruptions 4)economic impacts. To assess the significance of each risk event in terms of the probability and impacts, our team has created a Risk Assessment Form.

Risk Assessment Form

Risk event	Likelihood	Impact	Detection Difficulty	When
Project delay	4	3	5	During project
Restaurant opening restrictions	5	4	5	During operation
Supply chain disruptions	2	3	4	During operation
Economic impacts	3	4	4	During construction and operation

To determine which risks to prioritize, our team also created a **Risk Severity Matrix**.

Risk Severity Matrix



The risk assessment indicates that restaurant opening restrictions will cause the most severe impacts. Project delay, economic impacts, and supply disruptions are the moderate risks of the project.

From our risk response development process, we have created contingency plans for the roadblocks of Sycamore Street Coffee’s construction and our development of operations.

Contingency plans (Approaches for handling the changes)

Risk event	Response	Trigger	Contingency Plan
Store construction delay	Mitigate	The construction will not complete on	Focus work efforts to those activities on the critical path;

		time	Communicate with all project stakeholder
Employee hiring/training delay	Mitigate	The cafe will not open on time	Remote interviews; provide virtual onboarding and virtual training
Permits and inspections postponed by city	Mitigate	The cafe will not open on time	Virtual inspection; Remote procedure for permit
Restaurant opening restrictions	Mitigate	The cafe will continue to lockdown or only allow outdoor dining	Provide outdoor dining, takeout, drive through, and delivery; Workplace Specific Plan; Worker Training; Individual Control Measures and Screening; Cleaning and Disinfecting Protocols; Physical Distancing Guidelines
Supply chain disruptions	Mitigate	Lack of supply or supplier is expensive	Diversify supply base; Develop Backup Suppliers; Build up / control inventory
Economic impacts	Mitigate	Customers do not show up to generate revenues.	Focus on online marketing and ordering (Social media campaigns); Identify new

			opportunities for cost saving; Promotions (work-from-home lunch specials)
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Resources and cost impact due to the changes

With the impact of COVID 19 since March 2020, CDC and other responsible organizations in respective businesses have policies in place so as to control the spread of the virus. These policies in place have impacted all the businesses and individuals leaving none untouched. In this way, it has impacted the Sycamore Street Cafe project planning and execution.

Given the scenario, what will that new landscape mean for businesses and retailers in America mean? The post-pandemic commerce world would be shaped by three following forces:

- Consumers would have to adopt short-term behaviors during a pandemic that in many cases would become permanent.
- Consumers would emerge from the pandemic in a new economic reality, changing commerce behaviors in profound ways.
- A significant consolidation of retailers would fundamentally alter the competitive and partner landscape.

With the COVID-19 as scenario the change in the project plan, and the approaches to handle the scenario while keeping in view the above three forces, below are the cost and resources that are impacted due to the changes.

- a. To find a suitable location: This was impacted due to travel restrictions and contact policies in person. The impact was that the initial plan changed from 30 days duration of task to 45 days, i.e. delayed by two weeks affecting the number of hours from 20 to 30 and cost from \$ 2,800 to \$ 3,200.
- b. Approval of Designs: Due to the policies in place, all the city and county offices to operate and function remotely, the design approvals were delayed. Along with this, the store had to make changes in design layouts, resulting in delay as well. The impact was that the initial plan changed from 5 days duration of task to 15 days, i.e. delayed by ten days affecting the number of hours from 32 to 42 hrs and cost from \$ 7,150 to \$ 9,150.
- c. To purchase new software: To comply with COVID19 policies, new software is acquired to have an Appointment System in place beginning the store opening. The impact was that the initial plan changed from 2 hrs of task to 3.5 hrs, i.e. delayed by 1.5 hrs affecting cost from \$ 800 to \$ 1,025.
- d. Human Resources: Due to dependencies on other tasks, it was observed that though there was a reduction in the number of total hours for HR, the cost has increased from \$ 16,000 to \$ 17,120 on the whole.
- e. Installation of IT Equipment: In order to install the IT equipment that has been acquired to set up the store in the process of planning and execution, the initial plan of 7 days duration

to install has been changed to 10 days, i.e. delayed by 3 days affecting the number of hours from 56 to 80 hrs and cost from \$ 6,970 to \$ 9,850.

- f. Site Inspections: For acceptance tests preparedness, conducting & revision, and Conduct site visit and reference checks, the impact was no cost changes, but the duration has increased from 9 to 13 days, i.e. delayed by 4 days.
- g. Establishing Print Media: Due to switch to online portal, as it has been the reachable platform in the pandemic scenario, the print advertisement has been called off from the plan since it was considered not relevant in the pandemic times, as a result of which, the duration of Marketing task has been reduced from 180 to 121 days, affecting the number of hours from 410 to 330 hrs and cost from \$ 26,200 to \$ 23,600.

Expected results

As a result of change in plans due to COVID19 scenario, following are the expected results:

Before Impact: Initial plan to complete the project on 28 Jan,21 with \$ 334,099.96.

Project Statistics for 'Group4_WBS_V1 (Master) (1)'			
	Start		Finish
Current	Thu 1/2/20		Thu 1/28/21
Baseline	NA		NA
Actual	NA		NA
Variance	0d		0d
	Duration	Work	Cost
Current	281d	3,168h	\$334,099.96
Baseline	0d	0h	\$0.00
Actual	0d	0h	\$0.00
Remaining	281d	3,168h	\$334,099.96
Percent complete:			
Duration: 0%		Work: 0%	
			Close

After Impact: It is expected that the project would complete by 24 Feb,21 with \$ 340,044.96 which delayed by almost a month and increased the total project cost by \$ 5, 945 i.e. around \$ 6,000.

Project Statistics for 'Group4_WBS_V1 (Impact)'			
	Start		Finish
Current	Fri 1/3/20		Wed 2/24/21
Baseline	NA		NA
Actual	NA		NA
Variance	0d		0d
	Duration	Work	Cost
Current	299d	3,121.5h	\$340,044.96
Baseline	0d	0h	\$0.00
Actual	0d	0h	\$0.00
Remaining	299d	3,121.5h	\$340,044.96
Percent complete:			
Duration: 0% Work: 0%			
			Close



Conclusion

The purpose of this project has not changed, it is to create the first location of Sycamore Street Coffee in the Chicago area. Although, the project has not come to full completion. Our team is confident that even with the impacts of the current pandemic COVID-19, we will complete our goal of opening the first Chicago location by the new opening date 2/24/2021.

The preparation for the development of our business consisted of in-depth planning and organizing. Where we focused on forming a clear project charter, project scope statement, organizational structure, work breakdown structure, budget cost and cost analysis. Moreover, allocating resources to capitalize opportunities of maintaining project scope. Hence, with the Implication of COVID-19 and understanding the impacts of the pandemic on the critical path we were determined to keep the duration of the project as close to the original date 1/28/2020 as possible.

Thus, it was our goal to find opportunity to eliminate unnecessary cost and impact the critical path only where essential.

Original WBS

Task Name	Duration	Start	Finish	Predecessors	Resource Names	Work	Cost
Sycamore Street Coffee Corporation	281 days	Thu 1/2/20	Thu 1/28/21		Mounika Thorupunuri	3,168 hrs	\$334,099.96
Create Corporation	17 days	Thu 1/2/20	Fri 1/24/20		Mounika Thorupunuri	40 hrs	\$1,600.00
Assign team members to correct	3 days	Thu 1/2/20	Mon 1/6/20		Sycamore Street Coffee	20 hrs	\$800.00
Create Articles of Incorporation	14 days	Tue 1/7/20	Fri 1/24/20	3	Sycamore Street Coffee	20 hrs	\$800.00
Financial Planning and Investment	78 days	Tue 1/7/20	Thu 4/23/20	3	Nikki Shiwakoti	420 hrs	\$16,200.00
Budget Analysis	45 days	Tue 1/7/20	Mon 3/9/20	3	Finance Department[0%]	200 hrs	\$8,400.00
Acquire Financing	31 days	Tue 3/10/20	Tue 4/21/20	7	Finance Department	160 hrs	\$6,900.00
Banking	2 days	Wed 4/22/20	Thu 4/23/20	6,12	Northern Trust Corp.	60 hrs	\$900.00
Operations	191 days	Fri 4/24/20	Fri 1/15/21	5	Alex Lei	750 hrs	\$252,139.96
Acquire Facility	91 days	Fri 4/24/20	Fri 8/28/20	5	CBRE Realty	130 hrs	\$15,200.00
Engineering	95 days	Fri 4/24/20	Thu 9/3/20	5	Jacobs Engineering	120 hrs	\$27,000.00
Inventory	100 days	Mon 8/31/20	Fri 1/15/21	5,22	Alex Lei	500 hrs	\$209,939.96
Human Resources	76 days	Fri 9/4/20	Fri 12/18/20	26,30	Neha Dilipkumar Mehta	1,358 hrs	\$16,000.00
Technology	107 days	Mon 8/31/20	Tue 1/26/21	12,22	Jose Ortiz	60 hrs	\$20,000.00
Marketing	180 days	Fri 4/24/20	Thu 12/31/20	5	Jiaying He	410 hrs	\$26,200.00
Trial Run of Store Operations	1 day	Wed 1/27/21	Wed 1/27/21	113,121,51	Sycamore Street Coffee2	50 hrs	\$800.00
Store Opening	1 day	Thu 1/28/21	Thu 1/28/21	159,21,72,51	Sycamore Street Coffee2	80 hrs	\$1,160.00

Impacted WBS

Task Name	Duration	Start	Finish	Predecessors	Resource Names	Work	Cost
Sycamore Street Coffee Corporation	299 days	Fri 1/3/20	Wed 2/24/21		Mounika Thorupunuri	3,121.5 hrs	\$340,044.96
- Create Corporation	17 days	Fri 1/3/20	Mon 1/27/20		Mounika Thorupunuri	40 hrs	\$1,600.00
Assign team members to correct teams	3 days	Fri 1/3/20	Tue 1/7/20		Sycamore Street Coffee	20 hrs	\$800.00
Create Articles of Incorporation	14 days	Wed 1/8/20	Mon 1/27/20	3	Sycamore Street Coffee	20 hrs	\$800.00
- Financial Planning and Investment	78 days	Wed 1/8/20	Fri 4/24/20	3	Nikki Shiwakoti	420 hrs	\$16,200.00
* Budget Analysis	45 days	Wed 1/8/20	Tue 3/10/20	3	Finance Department[0%]	200 hrs	\$8,400.00
* Acquire Financing	31 days	Wed 3/11/20	Wed 4/22/20	7	Finance Department	160 hrs	\$6,900.00
* Banking	2 days	Thu 4/23/20	Fri 4/24/20	6,12	Northern Trust Corp.	60 hrs	\$900.00
- Operations	206 days	Mon 4/27/20	Mon 2/8/21	5	Alex Lei	787.5 hrs	\$257,164.96
* Acquire Facility	106 days	Mon 4/27/20	Mon 9/21/20	5	CBRE Realty	140 hrs	\$15,600.00
* Engineering	120 days	Mon 4/27/20	Fri 10/9/20	5	Jacobs Engineering	130 hrs	\$29,000.00
* Inventory	100 days	Tue 9/22/20	Mon 2/8/21	5,22	Alex Lei	517.5 hrs	\$212,564.96
- Human Resources	66 days	Mon 10/12/20	Mon 1/11/21	26,30	Neha Dilipkumar Mehta	1,334 hrs	\$17,120.00
- Technology	110 days	Tue 9/22/20	Mon 2/22/21	12,22	Jose Ortiz	80 hrs	\$22,400.00
- Marketing	121 days	Mon 4/27/20	Mon 10/12/20	5	Jlajing He	330 hrs	\$23,600.00
Trial Run of Store Operations	1 day	Tue 2/23/21	Tue 2/23/21	113,121	Sycamore Street Coffee2	50 hrs	\$800.00
Store Opening	1 day	Wed 2/24/21	Wed 2/24/21	155,21,72	Sycamore Street Coffee2	80 hrs	\$1,160.00

The project based on the impacted WBS is projected to conclude on 2/24/2021 approximately 30 days beyond the original project deadline of 1/28/2021. Another aspect to add is that the total working hours will be reduced in the impacted WBS to 3,121.5 hours, but an increase to the project duration overall. This change is due to necessary adjustments made to the critical path, by adding additional working hours to the Operations: acquiring facility and inventory. Ultimately impacting the duration of the project as well as the cost by \$6,000 as a result.

Bibliography and Appendices

Gray, Clifford F., and Erik W. Larson. Project Management: the Managerial Process. McGraw-Hill Education, 2018.