

BUSINESS CASE

ONLINE (LUNCH) ORDERING SYSTEM

**UNILEVER
UNITED KINGDOM**

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BY TEAM 1 COHORT 7, 10ALYTICS.

1.EXECUTIVE SUMMARY

This business case outlines how the New Canteen System project will address the business concerns and issues presented by the management and employees, the benefits of the project, recommendations, as well as justifications. This business case outlines detailed project goals and phases, performance measures, assumptions, constraints and cost-benefits analysis.

1.2. Problem/ Issue:

Unilever has until now fended for its vast employees' catering needs through its in-house canteens located on the ground floor of its 12floor building. However, as the company grows along with its employee base, this system has become rather inefficient and ineffective in serving its purpose. This ineffectiveness has led to employee dissatisfaction, time wastage and high cost of running and to a certain extent low reviews on labor websites with an average of 4.5 out of 10. In order to reduce wastage, improve employee satisfaction and reduce costs, Unilever must transition to a web-based ordering system outlined in this business case. By doing so employees will have better control of their time and the canteen management will also inculcate more budget friendly practices in their day-to-day operations.

1.3. Anticipated Outcomes

The migration to this system will improve efficiency as it'll reduce and -as more employees adopt the system - ultimately eliminate the time spent waiting in queues for food. Reduce and eliminate wastes that occurs as a result of unsold food in the canteen as only requested food items on the sent-out menus will be prepared for employees. The company will also benefit from an improved employee morale and satisfaction as this will directly impact the quality of work employees put in.

1.4. Recommendation

While a few options were weighed, this option presents a more encompassing solution to improve the process and save costs which align with the company's objectives. The recommended project will systematically migrate employee data to a user-friendly web-based system from where they can access various canteen-based functionalities. The new system will achieve the desired results by the following ways:

- Allow employees to order their meals and receive them at their desk instead of transiting to the canteen and back.
- Canteen employees (menu managers) will upload weekly/ daily menus in advance enabling employees to make orders from and this will prevent wastage that comes from cooking food nobody will buy.
- Menu items will be accessible to employees directly from their devices thereby eliminating the disappointment that comes from waiting in line and discovering their food preferences have finished.

1.5. Justification: The migration of ordering and payment for food purchases to the web-based platform will result in greater efficiency with regards to company resources and business processes. The online ordering system is also aligned with corporate strategy and objectives since it uses technology to improve the way we do business. While other alternatives and the status quo were analyzed, the online ordering system was selected for proposal in this business case because it provides the best opportunity to realize benefits in an expedited manner while also allowing for the greatest improvement in efficiency and cost reduction. Other alternatives assumed greater risk, provided less benefits, were too difficult to define, or were not suitably aligned with current corporate strategy and/or objectives.

Initial estimates for the online ordering system are:

- 25% reduction in overhead costs in the first 12months of implementation
- 20% immediate decrease in staff related costs
- 25% increase in revenue generated from canteen
- 20-30% increase in employee satisfaction using information obtained from employee surveys.

BUSINESS CASE ANALYSIS TEAM:

Role	Description	Name/Title
Executive Sponsor	Provide executive support for the project	Omale Kumchacha, VP Operations
Technology Support	Provides all technology support for the project	Samwan Toofaq, VP Information Technology
Business Analyst	Advises and supervises team on process improvement	Lukein Fo-maani, Lead Business Analyst
Project Manager	Manages the business case and project team	Nidguds Eks, Project Manager
Canteen Management Representative	Provides information and advises on canteen operations	Al'wayeez Hongray, Canteen Manager.

3. PROBLEM DEFINITION

Unilever, headquartered in London, England is one of the oldest FMCG companies in the world, with its products available in about 190 countries. For a long time, Unilever in her UK offices, made use of two (2) canteens to cater for the lunch needs of her 1500 employees spread across twelve (12) floors. Each canteen can seat around one hundred and fifty (150) employees at a time.

Most of the employees prefer to take their lunch between 12 noon to 1 pm. Thus, leading to a huge rush in the canteen during lunch hours which in turn results in employees wasting a lot of time waiting for tables to be vacant. Additionally, employees don't always get the choice of food they want because the canteen runs out of certain items. The canteen wastes a significant quantity of food by throwing away what is not purchased.

Organizational Impact: The new Canteen Ordering System Project will impact Unilever in several ways. The following provides a high-level explanation of how the organization, tools, processes, and roles and responsibilities will be affected as a result of the Canteen Ordering System Project implementation:

Tools: The existing two canteens will be phased out partially or completely when the Unilever Canteen Ordering System Project becomes operational as there won't be any need for a physical canteen location. The two canteens will be put into more effective use as the company deems fit. There will be a need to train employees on how to use the Canteen Ordering System for maximum results.

Processes: The Canteen Ordering System Project has an efficient food ordering, food delivery and payment deduction processes. This improved efficiency will eliminate rush during lunch hours, reduce/ eliminate time spent in commuting to the canteen, reduce/ eliminate time spent on queues, eliminate food wastage in the canteen thereby saving operation costs. Finally, it will also provide employees with choice meals.

Roles and Responsibilities: The Canteen Ordering System Project allows greater autonomy to employees in meal choices and less management burden on the canteen department. the manpower required to appropriately staff the canteen will be reduced. The new platform will be managed mostly by the menu manager, canteen manager and IT group.

Technological Migration: In order to effectively migrate the physical canteen ordering platform to the new canteen ordering Web-based platform, a phased approach has been developed which will result in minimal/no disruption to day- to-day operations. The following is a high-level overview of the phased approach:

Phase I: The Canteen ordering system will be created and integrated into the company's intranet.

Phase II: Employee data will be integrated into the systems and access will be given to canteen employees to view orders and upload menus.

Phase III: All employees will be registered for the payroll deduction system which enables their food payments to be deducted from their monthly salaries seamlessly.

Phase IV: The new system will be tested on all fronts for compatibility, operability, user-friendliness and functionality.

Phase V: Employees and canteen team will be trained on usage of new ordering system.

Phase VI: The new system will go live.

PROJECT OVERVIEW

4.1. Project Description:

The online ordering system will review and analyze several potential products to replace Unilever's current canteen system with a web-based platform. This will be done by determining and selecting a product which adequately replaces our existing system and still allows for improved efficiency and is sustainable for the next 5 years. Once selected, the project will replace our existing system in a phased implementation approach and be completed once the new system is operational and the legacy system is archived and no longer in use. The project will address the issues of food wastage, employee dissatisfaction and low and will eliminate the rush experienced during lunch hours, provide employees with choice meals, eliminate time spent on queues, eliminate time in commuting to the canteen and also eliminate food wastage thereby saving operational costs.

4.2. Goal

The online ordering system directly supports several of the corporate goals and objectives established by Unilever. The following table lists the business goals and objectives that project supports and how it supports them:

Business Goal/Objective	Description
Improved Time management	Online ordering system will drastically reduce waiting, transit times during lunch hours
Improved processes efficiency	Using the system will make even seemingly insignificant things like having lunch a highly efficient task
Employee engagement and satisfaction	Greater autonomy and flexibility will address employee concerns and improve their overall job satisfaction
Reduce overhead costs	Fewer staff required and cost saved from avoiding wastage will reduce the company's overhead

4.3. Project Performance

The following table lists the key resources, processes, or services and their anticipated business outcomes in measuring the performance of the project. These performance measures will be quantified and further defined in the detailed project plan.

Key Resource/Process/Service	Performance Measure
Purchase Revenue	The total revenue generated monthly by this system will be determined by employee acceptance and usage of the system.
Waste elimination and cost reduction	Decrease in cost and waste due to the preparation of only items published and ordered from the menu

Key Resource/Process/Service	Performance Measure
Staff Resources	Elimination of 6 staff positions in the canteens which are no longer required as several functions will now be automated.

4.4. Project assumptions

- That only Unilever staff has access to the canteen
- That everyone will be willing to eat at their desks
- That every employee will have access to the new canteen ordering system
- Funding will be available to train the employees
- All staff will be trained to use the new system

4.5. Project Risks

- System downtime which could potentially prevent employees from having lunch altogether.
- Payment errors
- Wrong delivery (Items and customer)

4.6. Milestones and date of delivery

The following are the major project milestones identified at this time. As the project planning moves forward and the schedule is developed, the milestones and their target completion dates will be modified, adjusted, and finalized as necessary to establish the baseline schedule.

Milestones/Deliverables	Target Date
Project Charter	01/01/2023
Project Plan Review and Completion	03/01/2023
Project Kickoff	03/10/2023
Phase I Complete	04/15/2023
Phase II Complete	06/15/2023
Phase III Complete	08/15/2023
Phase IV Complete	10/15/2023
Phase V Complete	12/15/2023
Phase VI Complete	12/19/2023
Closeout/Project Completion	12/28/2023

COST BENEFIT ANALYSIS FOR ORDERING SYSTEM

Action	Action Type	Description	Amount Year 1	Amount Year 2
Software installation and training	Cost	Cost for IT group to install new system and for the training group to train all employees	-£50,000.00	
Reduce Canteen staff (Servers, cleaners and cooks)	Savings	An immediate reduction in overhead equal to the annual salary of 6 canteen staff	£216,000.00	-
Revenue generated from increased Employee purchases	Income	Income from increased employee purchases and orders	£20,000.00	£25,000.00
Revenue generated from Special meals and new menu items	Income	Introduction of more specialized meal and new menu items	£7,000.00	£8,000.00
Energy costs saved	Savings	Savings in cost due to reduced usage of lift during lunch hours by employees during transit to canteens	£70,000.00	£90,000.00
Delivery boy salary	Cost	Cost incurred from hiring 2 delivery boys.	-£36,000.00	-£36,000.00
Other canteen costs	Savings	Savings from reduced purchase of cleaning materials and silver ware.	£3,000.00	£5,000.00
Net Investment Returns			£230,000.00	£92,000.00

ALTERNATIVE ANALYSIS

No Project (Status Quo)	Reasons For Not Selecting Alternative
Keep using the current Canteen system for lunch	<ul style="list-style-type: none"> • Unnecessary expenditure of funds for increased staffing levels • Excessive time wastage • Employee dissatisfaction • Non-recoupable money lost due to food wastage
Alternative Options	Reasons For Not Selecting Alternative
Redesign the Current Canteen System, add two more canteens and employ more Canteen staff & Chef	<ul style="list-style-type: none"> • Still no improvement in Employees productivity due to time lost conveying to and from the canteen • Does not guarantee waste will be eliminated • Would cost a lot in purchase of new canteen equipment and in salaries to be paid
Outsourcing the Provision of Food for Employees to a Catering Service	<ul style="list-style-type: none"> • Significantly higher cost • Expertise already exists in house • Vendor's lack of familiarity with our internal requirements • Health and Safety concerns about food supplied from unknown source • The quality of food can only be assessed on face value once supplied.
Purchasing Snack Vending Machine and Smart Fridges	<ul style="list-style-type: none"> • Lack of variety/food options for employees
Employees Calling a Canteen Desk line to Order Food to their desks.	<ul style="list-style-type: none"> • Can't guarantee all employees would be served at lunch time as canteen may not have the facilities to receive all orders via calls • Could overwhelm canteen staff especially in rush hours
Outsourcing the Web Development Project to Canteen Services (E.G R+R HUB) to design and implement a new canteen system for employees	<ul style="list-style-type: none"> • The time and cost implication of bringing in these professionals would not be easy to present to management and maintain once implemented.