



The Junction

Group 5
IST 425

Organizational Assessment & Risk Culture



Industry Overview

The food service industry accounts for the bulk of food-away-from-home. This industry is a large and growing market. In 2014 the foodservice and food retailing industry supplied about 1.46\$ trillion worth of food.


As part of their growth strategy food companies are building more outlets closer to consumers' homes and workplaces.



Company Overview

The Junction is a late night University cafe that resides in the lower level of Graham Dining. This cafe sells a variety of late-night snacks to students that living on the Mount. This gives freshman that live in either Day or Flint hall access to a late-night dining option that is relatively close to them since the dorms are in a more remote location of Syracuse University.

The goal of the Junction “is to assure that students eat well while studying, playing, and living at Syracuse University, so students are able to perform their best in their Academic and Social lives”



Company Culture

As a company, Junction is very laid back and rather slow paced. Orders are completed thoughtfully and swiftly to keep customers happy and full. Music is allowed to be played throughout the food court which creates a fun vibe. All of the workers get along well and casually talk while completing orders as well as in between orders.

Junction prides itself on providing students with quality food by maintaining a clean and cooperative environment among its employees.



Risk Infrastructure



Company Infrastructure

- The Junction does not have a formal Enterprise Risk Management structure
- One manager, Liz Gostev
- Twenty two employees
- In each shift, there is one supervisor overlooking employees to make sure everything is going accordingly
- During high traffic times, the manager or supervisors will help out



Risk Identification



Identification Methods

- Industry Risks
- Interview
- SWOT Analysis



Industry Risks

1. Foodborne illness/Contamination
2. Fire Safety/Suppression systems
3. Employee Injury
4. Natural disasters
5. Damage to food production centers



SWOT Analysis

Strengths:

- Conveniently located between two freshman dorms
- You can use your SU ID there/ Credit Card
- Good hours, (late night food)
- Student employment
- Safety training

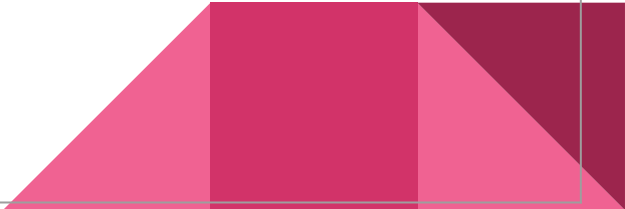
Opportunities:

- Expanding the work hours
- Increased advertising
- Expanding the menu

Weaknesses:

- Frozen food, many times is fried
- Only 22 employees
- Don't accept cash
- No online orders
- Outdated machinery
- Untrained staff

Threats:

- Possibility of undercooked food
 - Possibility of contamination
 - No formal risk management
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Identified Risks

RISKS	ID	SOURCE
Food Contamination	A	Interview
Food Poisoning	B	Interview
Employee Injury	C	Interview
Untrained Staff for food handling and operation	D	SWOT- Weakness
No Formal Risk Management Plan	E	SWOT- Threat
Outdated equipment and preparation areas	F	SWOT- Weakness
No fresh food (all frozen)	G	SWOT- Weakness
No handicap access	H	Interview
Rely on Syracuse University for Financial Operation	I	Interview
No Online Orders Option	J	SWOT- Weakness
Pest and Rodent Infestation	K	Interview
Other payment forms unaccepted	L	SWOT- Weakness
Basement flooding that could cause infrastructure problems	M	Interview
Untrained staff in case of medical situations	N	SWOT- Weakness
Lack of physical security	O	Interview
Fire Safety/ Supression systems	P	SWOT- Weakness
Damage to food production centers	Q	SWOT- Weakness

Risk Measurement & Indicators



Risk Ranking

SEVERITY	
HIGH	
MEDIUM	
LOW	

RISKS	ID	LIKELIHOOD	IMPACT	SEVERITY TOTAL	SEVERITY
No Formal Risk Management Plan	E	5	5	10	1 - HIGH
Food Poisoning	B	4	5	9	1 - HIGH
Food Contamination	A	2.5	4.8	7.8	1 - HIGH
Pest and Rodent Infestation	K	2.5	4.8	7.8	1 - HIGH
Untrained Staff for food handling and operation	D	4	3.75	7.75	1 - HIGH
Basement flooding that could cause infrastructure problems	M	1.7	4.2	5.9	2 - MEDIUM
Employee Injury	C	3	2.5	5.5	2 - MEDIUM
Untrained staff in case of medical situations	N	1.15	4.2	5.35	2 - MEDIUM
Rely on Syracuse University for Financial Operation	I	5	0.2	5.2	2 - MEDIUM
Outdated equipment and preparation areas	F	2.15	3	5.15	2 - MEDIUM
Fire Safety/ Supression systems	P	1.5	3.5	5	2 - MEDIUM
System down; other payment forms unaccepted	L	1.9	3	4.9	2 - MEDIUM
No fresh food (all frozen)	G	4	0.5	4.5	2 - MEDIUM
Lack of physical security; thieves, disorderly conduct	O	1	2	3	3 - LOW
Damage to food production centers	Q	1	1.9	2.9	3 - LOW
No handicap access	H	2	0.5	2.5	3 - LOW
No Online Orders Option	J	0.5	1	1.5	3 - LOW

Risk Cube

<u>Likelihood</u>	<i>Certain</i>	I	~	~	E
		~	C	D	B
		~	F	L	K,A
		H	O	P, M	N
	<i>Remote</i>	J	Q	~	G
		<i>No impact</i>	<u>Impact</u>		<i>Critical</i>

Risk Management



Top 5 Risks

1. **No Formal Risk Management Plan** - this is the initial starting point of any company. If there is no formal risk management plan then if a risk occurs there won't be any documentation on how to handle the issue
2. **Food Poisoning** - Any customer that gets an illness based on the food served is less likely to come back and is less likely to drive other possible customers to order food.
3. **Food Contamination** - Any food that has been cross-contaminated and has shown to have a lack of attentive care will create the spread of more harmful bacteria, becoming unsafe for customers.
4. **Pest/ Rodent control** - If food stores are shown to have been damaged by pests, this could spread disease and impact any food that the Junction would be able to serve..
5. **Untrained Staff for handling and operation** -Staff that is untrained on how to handle injuries or allergies can create an unsafe environment for both employees and customers.



Contingency Planning & Disaster Recovery Planning



No Risk Management Plan

Risk Management:

- As risks are identified more employees will be educated on what needs to be done to prevent this risk from happening.

Contingency Planning and Disaster Recovery Planning:

- The best way to ensure contingency and a speedy recovery from any risks that may occur would be to create some sort of risk identification plan and decide the best way to deal with the risk in the future



Food Poisoning

Risk Management:

- Make certain all of the food is fully cooked before serving it
- Take extra precautions to ensure the Junction is not serving expired food/products to customers

Contingency Planning and Disaster Recovery Planning:

- Learn common signs of food poisoning incase in position to help customer



Food Contamination

Risk Management:

- Cooked food and raw food should never be stored in close proximity, including in the walk-in refrigerator
- Bacteria from raw foods can easily contaminate cooked food, without proper procedures, bacteria can spread extremely quickly
- Another way to ensure you don't cross contaminate raw meat with ready-to-eat cold foods and hot foods is to make sure you have different cutting boards

Contingency Planning and Disaster Recovery Planning:

- Know that in the future, you will have to take extra precautions if this occurs



Pest/Rodent Control

Risk Management:

1. Take care of all trash and garbage daily or as needed
2. Secure sources of food and water
3. Declutter
4. Stay on top of repairs, make sure there are not any cracks in the walls where the rodents/pests can enter

Contingency Planning and Disaster Recovery Planning

- Eliminate entry points, put mouse traps, get an exterminator



Untrained Staff for handling and operation

Risk Management:

- Ensure that there is trained higher up staff that can oversee the process of making the food to ensure quality and prevent risks from occurring.

Contingency and Disaster Recovery Plan:

- In the future it would be helpful to take more time to train staff better in an effort to increase quality and decrease risk



Conclusion

Points of Interests

- Junction does not rely on a traditional business model of profits
 - This results in a lack of use of an ERM
- No contingency planning or recovery plan to address concerns
 - When asked about contingency plan for any catastrophe, Junction supervisor replied, “What catastrophe?”

Observation:

- If Syracuse University provides funding to the Junction to maintain operation; where does the money go that students pay out of pocket since it is not a traditional business?



Questions

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References

Liz Gostev - Manager of the Junction

Syracuse University Food Commissary

Andrew Mauch - Junction Employee

<http://foodservices.syr.edu/aboutus/commissary/>

<https://www.foodprocessing.com/articles/2014/5-risk-management-tips-for-the-food-industry/>

<https://sealedair.com/blog/3-ways-science-can-help-mitigate-food-safety-risks-global-food-supply-chain>



Appendix A- Research Methods

- Researched food production and industry risk online and Identified all possible industry risks face by University Cafe's.
- Researched possible external influencers based on the University and Diverse customers base.
- Conducted Interview and Site visit
- SWOT Analysis to identify additional risks
- Researched Quick Serve Food & Safety Policies for Top 5 industry Risks relevant to Syracuse Universities Food Health Policies.



Appendix B- Interview, Site Visits, & Key Dates

- 30JAN19 - Project Team established
 - 30JAN19 - Communication method established and tentative milestones
 - 04FEB19 - Narrowed choices to top 5 for project proposal
 - 17FEB19 - Group decided The Junction for final approval
 - 07MAR19 - Submitted Final project form for approval
 - 03APR19 - Andrew conducted interview with Liz Gostev
 - 09APR19 - Team meeting and work designation for project research
 - 21APR19 - Review of rough draft of project presentation
 - 23APR19 - Final review of presentation. Last minute edits
 - 24APR19 - Presentation
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