Project Identification Exercise

In this scenario, you are tasked as the CEO of DeliveryCorps to determine which project(s) to fund in the upcoming fiscal year and beyond.

The following information about the company is provided for your reference:

- DeliveryCorps is a mid-sized distribution company founded in Washington DC in 1987. Started with just one employee, a single truck, and one large institutional customer, DeliveryCorps has grown to a fleet of 20 trucks, 20 full-time drivers, in support of over 100 institutional customers.
- Typical customers include hospitals, schools/universities, and government agencies. Deliveries predominantly fall into two categories; food service and office supplies.
- DeliveryCorps relies on just-in-time practices to directly deliver products directly from wholesalers to customer sites. The company has one single, centrally located, distribution center to coordinate shipments, sort goods for delivery, and store delivery trucks.
- The company has an annual gross income of $5.5M, and an annual operating budget of $5M.
- The company is organized into three divisions; Operations, Sales, and Operations Support. Operations is responsible for Planning, Controls, and Delivery. Sales is responsible for Business Development/Customer Management, and Marketing. Lastly, Operations Support consists of accounting and Information Technology (IT) support.

Issues:

- An increase of traffic in DC has led to longer delivery times, increased fuel costs, and long driver working hours.
- The truck fleet is aging and repairs are becoming increasingly costly.
- The limited opportunities for new institutional customers is restricting growth.
- Information systems for Operations, Sales, Operations Support are not well integrated leading to a lot of manual data entry and reconciliation of data.

Challenge

- Based on the information provided (company background and issues), identify 4-5 projects (one per team member) that could be initiated to address the issues.
- Prioritize the projects in terms of importance or sequence

Project 1 for the issue: Information systems for Operations, Sales, Operations Support are not well integrated leading to a lot of manual data entry and reconciliation of data.

How do we plan to address this issue?
(a) Buy subscription for a vender application which would help in integration of operations, sales and delivery and automate the process of data reconciliation

Project 2 for the issue: The truck fleet is aging, and repairs are becoming increasingly costly.

How do we plan to address this issue?
(a) Leasing trucks based on the requirements of new trucks to avoid maintenance cost
(b) Sell out the old trucks

Project 3 for the issue: The limited opportunities for new institutional customers is restricting growth.

How do we plan to address this issue?
(a) Expand business to hotel chains

Project 4 for the issue: An increase of traffic in DC has led to longer delivery times, increased fuel costs, and long driver working hours.

How do we plan to address this issue?
(a) Establishing new distribution centres at strategic locations
(b) Optimizing delivery routes