Williwonk’s Chocolates of St. Louis pp. 95

Problem Definition

Williwonk’s Chocolates is experiencing problems because of the lack of an in depth refined inventory system. Retailers are only able to order through money order making it difficult to receive their orders in a timely fashion. Increased seasonal orders as well as lost or spoiled merchandise is leading to more and more complaints. Williwonk’s Chocolates has worked very hard to maintain their excellent reputation but if with every complaint Williwonk’s is losing business.

Issues

1. Computerized inventory system isn’t tied directly into any of its retail outlets.
2. Product is being received spoiled, late, or not at all.
3. The wrong product has been shipped to the wrong customer.
4. The complete lack of web ordering limiting the number of customers that can be reached.
5. Minimal product options.
6. International business is being done by email, mail, or phone.

Objectives

1. Implement a computerized inventory system that will inventory from all locations. Including the plants, retail, and mail-orders.

Expect one system to handle all the inventory for all locations in 1st quarter with a goal of three systems, one for each location. (derived from 15% of orders being cancelled due to lack of inventory)

1. Implement another computerized system that handles when orders are placed and then orders need to be shipped in order to reach destination in time.

Reducing the spoiled or late merchandise by 75%. (derived from 100% of all retail orders having to be placed manually through mail-orders)

1. Through each account create a specific identification number that will be assigned to original, custom, and sugar-free candy.

Reducing the number of customers receiving the wrong type of candy by 85%. (35% of our diabetic customers stated that they have received the wrong type of candy and that they had no use for it. Wanting a complete refund)

1. Create a website that will allow for customers to order directly from their website.

Increases transaction speed by 65% while expanding customer database by 200%. (25% of customers said they would order more and recommend to more friends if there was an option to buy products online.)

1. Provide a wider selection of candy such as personalized candy.

Increase inventory by 25% giving customers more variety.(derived from 20% of customer complaints expressing complete lack of variety,)

1. Create an internal website designated for employees only who are able to use it to complete orders directly from partner companies.

Decrease excess inventory by 70% and increase limited inventory by 80% (During holiday season inventory reserves deplete by 95% and during off season inventory increases by 45%).

Requirements

1. All websites must be secure.
2. Feedback must be entered by location managers daily to ensure that all inventory is accounted for
3. Constant maintenance on websites to ensure they are not only user friendly but also effective.
4. Workshops provided for employees in order to qualify them to order from internal website.

Constraints

1. Development costs must not exceed 60,000.
2. Internal website for employees must be ready by November 1st to accommodate for holiday orders.
3. Computerized inventory system should be ready by September 1st to limit customer complaints as well as increase company profit.

Note: Metrics derived from Reading of Williwonk’s Chocolates pp. 95 are made up figures to provide example of how to apply ‘measure’ to the Objective. The goal of measuring the objective is to set clear expectations from both IT and Business Area users