

Bluesky shopping mall



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Analytical Report on Blue Sky Shopping Mall Executive Summary Blue Sky Shopping Mall is a large shopping mall in a thriving business center in Myaynigone. However, it is in a bad shape and its growth is declining. Several factors, such as the lack of vision and mission and long-term plan, unsuitable organizational structure, lack of target market and market strategies and the high turnover rate affect the growth of the Shopping Mall. This report sets out a plan and recommendations to reinvent a new invigorating image of the Shopping Mall. Based on a situational analysis, it draws up an organizational structure best suited for the Mall.

The organization structure explains the type of management needed, the importance of strong and visionary leadership, some marketing strategies and marketing mixes. Moreover, this report gives recommendation for some aspects of human resource management. It seeks to revitalize the Shopping Mall and make it a profitable business, serving the needs of the customers best. Introduction In the beginning of the year 2013, our Chairman Dr. Patrick Hong made an acquisition of Blue Sky Shopping Mall. The Shopping mall is located in No. 7, Bargaya Road, Myaynigone, Sanchaung, Yangon.

The location of the Shopping Mall is very strategic in many aspects. The area has a thriving business environment with Dagon Center I and II, Gamonepwint, City Mart, and some other fashion shops, restaurants, Car Accessories Shop and Car Show Room. The Shopping Mall is a nine-storey building with a car park next to it. The Shopping Mall has eight sectors, starting with store-room at the basement, Food Court, Department Store, Clothing, Sports, Cosmetics, Appliances, Housing Accessories, and

Recreation (play stations, playground for children and cinemas) on the ninth floor. I. Business Administration 1. 1.

Long-term Business Plan Situational Analysis Blue Sky Shopping Mall was established in January 2010. The newly founded Shopping Mall initially enjoyed considerable reputation and generated much profit. However, now it is not doing very well. The situational analysis below looks into some positive facts as well as some of the main causes of decline. A. Internal Factors: Strength and Weakness a. Strengths i. There are some experienced and skilled employees with potentials for becoming leaders. ii. The majorities of employees are young, hardworking and eager to learn to become more competent in their jobs. iii. As each sector (e. g food/clothing) occupies a floor, the interior organization of the Shopping Mall is simple and easy for shoppers to search for items they need and easy to manage. iv. The quality of the retailed products is as good as those from Dagon Center I and II and Gamonepwint. b. Weakness Organizational structure i. The organizational structure takes a centralization approach with all the decisions made by CEO. This has a heavy negative impact on the whole operation of the Mall. With too many matters at the hand of the CEO alone and decisions could not be made in time and problems pile up. ii. There is no delegation of power given to supervisors of each sector. They have to wait for the decisions of CEO. The problems in each department became graver and solutions and directions became long overdue. This greatly hampers the efficient running of the Shopping Mall. iii. Having too many matters in hand, the CEO could not establish good relationship with the staff. He could only inspect each sector

in rare occasions. Some employees take advantage of his absence and shun their responsibilities. This causes much quarrelling among staff.

And as the number of problems increase the CEO becomes stressful and authoritative and could not trust his subordinates. iv. The few numbers of security personnel at the entrance of the Mall cannot cope with the long line of people pouring into the Mall. As a result, people become frustrated with queuing up and gradually turn away from the Mall. v. There is no clear job description given to supervisors, the staff in each department become confused. The direct effect of this disorientation is apparent in maintenance such as cleaning, replacing expired products, mistaken price label and shortage of stocks. vi. The cashiers are not well-trained.

They take a long time to serve the customers. This causes unnecessary long queue at the payment counter making the customers feel stressed and sometimes quarrel among themselves. vii. The lack of clear break time schedule among the cashiers adds another problem to the long queue at the payment counter. viii. The staffs at the customer information are not well trained. The consequence is they cannot give necessary and satisfactory answers or directions effectively to the customers. Their discourteous manner causes great unease and unpleasantness to the customers. ix. The staffing of “ general inspectors” is absent.

These are people who go around to make sure that everything in a sector is running well. When there is a need in a sector there is no one to remind or report to the supervisors. Consequently, things do not get replaced or repaired soon enough. x. The food court has few drinks and items on the

menu and the waiters and waitresses are not trained. Marketing i. One of the greatest weaknesses of the Shopping Mall is that it has no clearly defined target market. ii. In effect, there is no proper marketing plan. iii. No promotion such as new product launch, seasonal sale events, and special items sales and so on are carried out. v. Due to the centralization approach to management with nearly all the responsibilities resting on CEO, he could not give time to do market Survey. Human resource management i. The recognition and rewarding of certain workers in terms of their achievement is not carried out consistently. It is done casually and arbitrarily and thus leadership failed to encourage hard work and celebrate achievements. ii. The lack of continual capacity building of the staff, as was seen with the cashiers and the staff in customer information sector, has severe negative effects on the growing numbers and demand of customers. ii. The pay and benefits of the workers are not clearly designed, thus lack incentive for workers. iv. The morale of the staff begins to decline. This affects the spirit of service given to customers. All the mentioned weaknesses create a high turnover rate. B.

External Factors: Opportunities and Threats Opportunities v. “ Let’s go shopping. ” is a popular phrase among people these days. When they say that they usually mean going to a shopping mall. Even when not buying, people like to just stroll in the Shopping Mall to get air-condition, or a meet their friends in it.

It is a good rendezvous because it is clean; it is easy to reach by public transport; it offers affordable prices and thus makes it very convenient. In other words, it is a very good place to attract people, especially the young, to spend money. vi. As more and more young people meet their friends or

watch movies at shopping malls, the social attitude is somehow synonymous with having money to spend. The young could be very reliable and profitable target customers. If the Mall is designed to cater to them in terms of ambience, products, prices and services they would flock to the Shopping Mall. ii. Given a good pay and good work environment, many young people can be recruited to contribute to the rapid attainment of the objectives of the Shopping Mall. Young people are energetic and creative. If only their potentials were channeled into the right direction, they could make up a very strong and efficient workforce. viii. The location of the Mall is very strategic. It is located in a thriving business area. The population around the area is quite dense. There are many schools, training and language centers in the areas. Young people make up the bulk of the population.

Many forms of public transportation reach the area. The car park is a major asset to the Mall. All these conditions offer a tremendous opportunity for the Mall to be very successful. Threats i. The main rivals near Blue Sky Shopping, Dagon Center and Gamonepwint and City Mart are doing very well. They could take all customers and gain their loyalty. ii. Recently there has been heavy traffic congestion near Myaynigone area. This could turn away potential customers to other less congested shopping malls. Long-term Business Plan Vision To be a leading Shopping Mall creating space and value for the young.

Mission Through young, energetic, and creative workforce, we know the needs of customers and fulfill them with delivering the latest quality products at workable price, at convenient location and provide a perfect rendezvous and best customer services. Objectives 1. Strategic objectives i.

To reinvent a new image of the Shopping Mall with a new name and a new organizational structure in 6 months

ii. To attain 10% market share within a year and increase it yearly

2. Tactical objectives

i. To put in place the new management system

ii. To build workers capacity for skills and services

ii. To give space for young leaders with their creative ideas and promotion to win loyalty of young people

3. Operational objectives

i. Run the new management system effectively in three month.

ii. Conduct human capacity building for supervisors, managers in 3 months.

iii. Expend capacity building to the rest of the staff in a year.

iv. Elect at least 30 new potential leaders in a year

1. 2. Organizational Structure

CEO Finance manager | Marketing manager | Human Resource manager | General Manager | Purchase manager | Security manager | | | | | | | | |

Senior accountants| | Sale promotion manager| | HR executives| | Engineers|
| Supervisors| | Supervisors| | | | | | | | Junior accounts| | event manager|
| supervisors| | Supervisors| | Sector heads| | Staff| | | | | | | Auditors| |
Advertisement team| | Trainers| | sector heads| | staff| | | | | | | | | |
Cashiers| | Public relation team| | staff| | staff| | | | | | | | | | Sector
head| | sector head| | | | | | | | | | | | | | staff| | staff| | | | | | Since all
the sectors operate almost daily routine retailing, the organization is re-
structured as seen in the chart above.

Clear job description and special authority are given to sector heads to make key decision as they are more familiar with every day market and situation. They will work closely with the CEO in attaining the Shopping Mall goals and sales targets. In this sense, decentralization is more conducive to the Mall success and fit more into the management system. The chain of command,

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which means, “ an unbroken line of authority that links all individuals in the organization and specifies who reports to whom”, can be seen from the organizational structure.

In a Shopping Mall setting, daily retailing of a wide range of products need to have a very strong and clear scalar principle, which clearly defines authority and responsibilities. Span of Management Chief Cashier Staff 1 Staff 2 Staff 3 Staff 4 Chief Standby Staff 1 Staff 2 Staff 3 Staff 4 Replace inspector Staff 1 Staff 2 Staff 3 Staff 4 Customer service Staff 1 Staff 2 Staff 3 Staff 4 Sector Head Since the business is retail and each floor containing one sector, it is easier to organize the span of change.

Each sector has a sector head with standby inspectors, cashiers head, replacing head immediately under him/her who would supervise about ten staff. In diagram one sector would look like this. 1. 3. Leadership 1. 3 The Importance of leadership in a rapidly changing world The importance of a leader in an organization can be compared to the captain of a ship. The captain not only directs the ship where to go, he/she encourages the crew member, supervise the crew to serve the people on board, and look forward to the danger, take the route that would give maximum satisfaction during their ride on the ship.

Without a leader with excellent management and interpersonal skill as well as with a clear vision toward the future, the crew will be disoriented, the ship would not get to its destination, the journey would be unpleasant, and the ship might even sink amidst the prevalent dangers in the sea. Due to the weakness of leadership in many areas as mentioned in situation analysis, the

Blue Sky Shopping Mall got into a bad shape and is not reaping profit. In this age of rapid change in technological advances in telecommunication, social transformation, mass media culture and globalization, leadership must constantly adapt to these changes.

If leadership in an organization could not keep abreast with the paces of these changes, that organization will certainly fall behind. The case of Blue Sky Shopping Mall is an example of the failure of leadership to respond to changes. The number of customers increased in the first years; however few security personnel could not cope with increasing numbers. As the number increased it demanded better and efficient services. In this respect also the CEO failed to respond. Moreover, CEO could not respond rapidly to a number of problems, which were actually, opportunities; especially he failed to look into the market demand of the young.

As more and more people are becoming more aware health and environment issues the retailed products should co-respond to these shifts of expectation. In terms of ethical issues, the low wages of the staff in proportion to the hours of work, the Blue Sky earn a bad image in the public's eye. When the CEO became too distant from the staff, and failed to share the values and views of the customers and the employee, the dynamic of the organization was very much weakened. All these shortcomings pointed out that leaders should constantly cooperate in the organization they lead. In other words, leadership is the lifeblood of an organization. . 4 Organizational Control As seen in the organizational structure chart, individuals at the top management will work closely with all the employees. Since the organization will continue to use existing employees only serving more or less the same

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products, the organization control focus will be on concurrent control and feedback control only. II. Marketing Marketing Strategies A. Segmentation Considering the opportunities in situational analysis, the strategic location of Blue Sky in an area which is populated by young people and people of white color jobs, we segment our market in the following categories. . Location 2. Age group 3. Income B. Targeting Since Shopping Mall gives retailing services, the most profitable portion of customers would be young adult, especially women, given the fact that the working population of young adults in Yangon is female aged between 16-35. Another target is families. Not only newly-wed but also families with children can be assumed to have a certain regular income. They make up a significant portion of population compared to people age-group below 18 and above 60. Still another target within the income group is people with middle income. They have considerable income to spend.

Therefore, the Shopping mall should create value for this class of people. C. Positioning Shopping Mall can meet the needs of the market tremendously since it retails a wide range of products. Therefore, the positioning becomes very important. According to the text book, positioning means a product should have a clear, distinctive, and desirable place in the market (Pre-MBA marketing Principle, p 24). Since Shopping Mall retails many kinds of products to different target of customers, it is very crucial to consider and plan positioning with great care and in great detail.

To have a clear positioning, the Mall should stock all the relevant products to meet, at the maximum satisfaction, the needs of the targeted groups.

Shortage of stocks or lack of varieties of certain products could affect

customers' expectation and could lose their loyalty. Thus, the supervisor of each sector should immerse themselves into the market and constantly try to fulfill the market needs. It could use the slogan " We have what you need". Another element of positioning is the product must be distinctive. In this sense, the Shopping Mall should cater to the targeted customers.

The Shopping Mall should earn a reputation that fulfils the specific needs of the young adults, the middle-incomer, and the families. For instance, for the female young adults, to get the latest fashion and cosmetics, they should associate the Shopping Mall with their needs. Or when they want to meet their friends, they should automatically choose " Blue Sky Shopping Mall", ' because that's the best place young people hang out. ' Excellent service should be another distinctive feature of Blue Sky Shopping Mall. The last element of positioning is desirable. What could be more desirable for customers' value than low price?

Since the target group is the middle income group, the low price positioning would appeal and meet group's need. In summary the marketing strategies can be shown in table as follows.

Segmentation	Targeting	Positioning
location	Yangon, especially Myaynigone and Hledan	Clear place – " We have what you need. "
Age-group	Young adults and adults	Distinctive place – young and lively ambience
Income	Middle income group	Desirable – affordable to low price

Marketing Mix a. Product/customer solution Retailing service is considered as a product. In fact, it creates the best value or solution for customers' needs and problems. b.

Price/customer cost As mentioned in marketing positioning, we consider affordable to low price to be attractive to our targeted customers. c.

Place/convenience Blue Sky Shopping Mall. A convenient place where all the public transport can reach, an ambience especially designed for and cater to the young, a place of great value to customers where their needs are fulfilled with the best service. d. Promotion/two-way communication In line with our objectives and target customer needs, promotions in the form of fashion shows, movies festivals, today special food, and some other creatively appealing to the young populace should be carried out.

Frequent sales could promote the interest of the customers. III. Human Resource Management To respond to the high turnover rate, besides installing a new organizational structure, the following issues should be addressed adequately. The Human Resource Team should tackle the following areas: 1. Job, role, competency and skills analysis The first step in planning a workforce to fit into a new organizational structure, a comprehensive job, role, competency and skills analysis of the existing resources should be carried out in order to allot them in the areas they are best at.

That way the organization will move smoother and faster to achieve its goal. 2. Training and Development After the analysis of job, role, competency and skills, a careful plan should be drawn up to train and develop the employers beginning with the most critical teams such as section heads, security personnel, cashiers and customer information services. 3. Creating a clear work schedule Part of the problem we saw in situation analysis was the lack of clear schedule, which causes much confusion and even quarrels among

the workers. A schedule with reasonable amount of rest and clear timetable for lunch shift should remedy the chaos. . Pay, benefit and reward system As an incentive to promote high performance, reasonable pay according to competency and skill should be clearly made known to employees. Besides, benefits such as holidays, medical insurance, bonuses plan should be put in place and implement them consistently and transparently. Rewards for extraordinary performance as in sales or customer relationship or taking up responsibility with good attitude should be promoted. This will not only encourage them to realize their potentials but also motivate the workforce to strive toward better performance. 5.

Opportunity for personal development Since the majority of the employees are young people, the management could pick from the large pool of talents to drive forward the organization with momentum and efficiency. In this regard, potential workers should be handpicked and trained for specific task, within a framework. This is beneficial not only to the employees but also for the organization. 6. Warm and creative work environment enlivened by shared vision Most importantly, the employees are not just paid workers. They are human beings with feelings and emotions. And work has value for their lives.

Thus work should give them meaning for their lives. To that end, the work environment should be warm and there should be space for their creativity as the worker population is young. If a vision of the Shopping Mall could be shared, it would facilitate the process. One important point is that unlike the top-down management, the people in higher position should show care, concern, and intimacy with all the employers. Only then, work environment

could be warm and creative. Conclusion The business plan for Blue Sky Shopping Mall shows the overall plan of how to revitalize the Shopping Mall.

The report points out areas of weakness where the Shopping Mall needs to tackle to improve its growth. The report believes that the recommendation gives a picture of what the Blue Sky Shopping Mall would look like after restructuring the organization and imputing vision, mission, marketing plans and plans to reshape the workforce. There is a great chance that Blue Sky Shopping Mall can regain its former glory. Reference list: * MBA premaster course of business administration * [http://www. capitaland. com/about-capitaland/our-mission](http://www.capitaland.com/about-capitaland/our-mission) * [http://www. capitamallsasia. com/corporate/our_vision_mission. aspx](http://www.capitamallsasia.com/corporate/our_vision_mission.aspx)