

Swot analysis – lusts laundromat

[Finance](#), [Financial Analysis](#)



The author will conclude by identifying the circumstances surrounding each issue, classifying the resistances; attributing the importance of each classification; and test the accuracy of the importance for each classification. Strategic Planning is a tool the organizations use to concentrate its energy, to ensure that the workforce and all members of the company are working towards the same goal previously establish. The primary purpose of strategic planning is to assess and adjust the organization's direction in response to a changing environment.

Strategic planning is necessary to allow the firm to keep its competitive advantage, and that is what makes the difference on successful companies. For Lustrs Laundromat, a coin laundry store in South Florida, the administration understand the importance of strategic planning to pursue the goals previously set and to make sure the workforce meets the standards of the organization. Given the success achieved so far Lustrs Laundromat management decided to expand and open more stores throughout South Florida.

The main tool in order to get started with this expansion is a SWOT analysis, which helps give a picture of the internal and external forces and trends. SWOT is a short term for Strengths, Weaknesses, Opportunities, Threats, and Trends that any company faces. Pearce; Robinson (2009) states, "It is based on the assumption that an effective strategy derives from a sound "fit" between a firm's internal resources (strengths and weaknesses) and its external situation (opportunities and threats). Besides the forces and trends already mentioned by the author, the SHOOT analysis will include social, technological, competitive analysis, processes and systems, and innovations

External forces and trends Legal and regulatory- These forces are fundamental for daily operations of Lustr Laundry, due to the fact that the equipment that is used is required to maintain the standards set by the Fire Department, and the Water Management Department. Pearce & Robinson (2009) states, " Political factors define the legal and regulatory parameters within which firms must operate. Acquiring the required licenses is essential because otherwise the business would not be able to operate and could be penalized.

Economic- This is considered a strength trend within this company. Economic trends can be a major concern for businesses in regards to revenue; however, for Lustr Laundry is a positive aspect. Pearce ; Robinson (2009) states, " Economic factors concern the nature and direction of the economy in which a firm operates. " During periods of recession, when home ownership decreases, people who do not have laundry facilities, these people are in need of washers and dryers.

Social - This trend can have a positive impact and an opportunity with the company because families can establish additional incomes. The increase in population means more customers will be in need of the services the laundry offers. Although buying new clothes can be affordable, customers have the necessity of washing. **Technological-** Taking into consideration the demand and competition in the industry, this trend is an opportunity because Lustr will be well operational making it possible to deliver high standards services to customers.

Detergents and cleaning chemicals are key components to laundry services because manufactures use technology to develop advanced and efficient products. The company will be introducing all Energy Star Partner machinery, which will help save water, and protect energy.

Competitive Analysis- This industry has been around for over 60 years, currently there are about 35, 000 coin laundries in the United States, understanding the demand of this growing industry, the company must understand what competitive analysis represents.

Identifying and correcting some key mistakes are fundamental; Lustrs should focus on the market and add new contracts with hospitals, schools, universities, hospitality such as resorts, lodges, guest houses and bed, and breakfast entities. Effectively assessing the strengths and weaknesses of current and future potential competitors is the framework of competitive analysis.

Internal forces and trends Strategy- Every company should focus on a strategy trend by understanding the emerging trends, customer needs, and potential opportunities.

Lustrs will focus on achieving 100% customer satisfaction, by understanding the needs and preferences of their customers, and going beyond expectations, better than the competitors. The strategies that will be implemented are convenience, time, ease, quality and reliability. Processes and systems- The processes and systems of business are very important to

the effectiveness of the business. These concepts affect the entire company from customers, employees, suppliers, and stakeholders.

The company will focus on establishing functional systems to ensure everyone effectively knows how to implement the mission, vision, and values set for Lustrs Laundromat.

Key areas are: marketing, finance, operations, and administration.

Developing these processes will hold employees accountable if these are not completed. Lustrs will strive for their services to be performed timely and efficiently at all times. Ensuring that the processes and systems are updated and current with the industry is essential for any business to be successful.

Lustrs adapting to changes Lustrs Laundromat will be using the SWOT analysis to ensure a strategic planning success. The company will do quarterly evaluations on overall services offered, the design and general condition, machinery, prices, hours of operations, and imputation to make any necessary changes. Establishing and reinforcing the mission, vision, and value statements within the employees to assure they are followed. A customer comment/ suggestion box will be established in the company to make sure any suggestions or concerns are taking care of and monitored.

Supply Chain Operations of the company

The supply chain operations for Lustrs Laundromat will be an outstanding planning with stock turnaround with multiple daily reside deliveries. This process will enable the business to order at any point to ensure product availability. The company will ruddy offer premium home laundry care products developed for those who desire optimal cleaning of their

belongings. Issues and/ or Opportunities that may arise Lustrs Laundromat operations are facing unique challenges as municipalities impose increasing restrictions on wastewater discharge and restrict volumes of city supplied fresh water to operations.

Impact fees make the start up of new coin laundry in certain South Florida regions financially restrictive. In many areas around South Florida, municipal water districts charge sewer connection fees; this cost can go from \$200 to \$8, 000 per washer. Brian Wallace, president and CEO of the Coin Laundry Association, reveled in a recentinterview, that hook-up fees are one of the biggest issues facing the coin laundry industry today. In addition to sewer connection fees, in some counties coin laundries have to pay sewer and waste water fees.

On the other hand there is a bright future for coin operated laundries, because national and regional demographics indicate renters occupy 32 percent of the nation households and this tendency keeps growing. But this does not mean coin laundry is not appealing to non-renters, families with washers in their homes can also contribute significantly to the growth of the business, in addition to these non-traditional items, such as rugs, comforters, drapery and other difficult to launder items can bring added volume to sales and profit.

Moreover recent surge of working professionals and families craving timeserving conveniences opens many doors for Lustrs Laundromat stores, through added services, including multiple levels of wash, dry and fold

services and high speed laundry equipment, Lustrs Laundromat can offer greater appeal to non-traditional customers

Conclusion

In conclusion, the SWOT analysis, and the above synopsis provide valuable insight in order for a new or existing company to develop its strategic planning.

This process takes time and requires extensive analysis of all external and internal forces and trends to succeed within the company. Because of its usefulness, Lustrs Laundromat has decided that will open few locations within South Florida. This expansion will have a positive impact because the owner understands how each factor plays a role in the success or failure of any business. Reference Pearce, J. A. II, ; Robinson, R. B. (2009). Strategic management: Formulation, implementation, and control (11th Ed.). New York: McGraw-Hill.

Strategic Plan Part II SWOT Analysis BUSSES Date Facilitator

The formation of a new and unique business requires a significant amount of internal and external comprehensive analysis serves to identify the internal strengths and weaknesses of the business model and the external analysis serves to identify the opportunities, threats, and trends that will impact the business. The information gathered during the SWOT analysis is essential to ensure the sustainability of the business venture and the creation of a strategic plan.

Economic Factors The current economic conditions in the United States and around the world will make obtaining credit more difficult, which will require

an initial investment from the owners. Additionally, alternative funding sources such as supplier credit, and searching for capital investments will be necessary. However, because of the slow economy Kamikaze will have less competition than in a thriving economy, which could translate into higher profits (Sister, 2011). Legal and Regulatory Factors Legal and regulatory factors are cumbersome, but necessary in the restaurant business.

Legal and regulatory compliance will be a significant part of the daily operations of Kamikaze's leadership team. As an employer it is necessary to ensure that wages are at least at the federal or state minimum wage level (depending on the state), tips and food credits must be tracked to reduce the tax burden on the restaurant (Begley, C, 2009). The Food and Drug Administration establishes and enforces food safety guidelines and regulations covering all aspects of the food industry.

FDA guidelines must be followed concerning the handling, labeling, and preparing of food items. Additionally, local governments establish and enforce hygiene standards and conduct scheduled and unscheduled inspections of the facility. Kamikaze leadership and employees must understand and follow all food safety laws and regulations at all times to ensure public health as well as compliance with established laws. Kamikaze's leadership team will be required to stay abreast of any new regulations and laws introduced to guarantee compliance at all times (Begley, 2009).

Adaptation to Change Kamikaze has developed an effective strategic plan that can adapt to the constantly changing environment. From changes in technology, regulations, market conditions, etc. Change can be hard for

business owners and operators to adapt. However, failure to adapt to and embrace change is one reason small businesses fail (Garcia, 2009). To ensure Kamikaze is aware of and embraces changes the company is dedicated to continual learning and training for all employees.

Employees may also find it difficult to adjust to change for various reasons, to mitigate this risk Kamikaze will implement programs that reward or provide incentives to employees who excel at adapting to change; this should increase employee morale and encourage reluctant employees embrace change to make adjust his or her perspectives. Supply Chain Operations To effectively manage the supply chain, Kamikaze will partner with a vendor to integrate supply chain operations by linking it to our POS and sales forecasting system.

As we establish our sales patterns, this will become more effective as we will know what items have the highest demand and during what seasons. Kamikaze will be selective about the vendor to ensure that its systems integrate without additional cost, and that food safety laws and regulations are met. Additionally, because customer quality (Crunchier. Com, 2011). The supply chain process of the firm is fast and effective. The firm uses three level distribution channels to supply the products from the firm to consumers (Wilson ; Gilligan, 2005).

The supply chain process includes three levels, from the firm to wholesalers, from wholesalers to retailers and from retailers to consumers (Repack ; Reilly, 2008). First the firm supplies the end product to the wholesalers in the target market as fast as possible to maintain the quality of the product

(Brown, 2009). The wholesales distribute these products to the retailers throughout the target market, the retailer sales the products to the customers through the company. Issues and Opportunities The main issues for Kamikaze are regulatory requirements and funding.

Food safety is an immenserresponsibilitythat will require knowledge of the current laws and regulations as well as an ability to adapt to changes with little or no notice. Additionally, because banks have made it more difficult to secure credit lines, it is necessary to Kamikaze's owners to think of creative ways to ensure an appropriate level of funding until revenues reach a level at which the restaurant will be self-sustaining The potential for employee theft will be kept to a minimum by screening each antedate thoroughly and using a Point of Sale system that will require every employee to account for each item (Figment, 2011)..

Hypothesis The hypothesis for legal and regulatory issues for Kamikaze is based on the company's ability to meet or exceed the current regulations, and be prepared for future regulations. The hypothesis is in line with the goal of creating a first class customer service experience for both our dine-in and drive-through customers. The economy will play a significant role in Kamikaze's ability to generate a profit; however, with creative leadership and employees who can think outside of the box, the economic notations can be overcome.

The supply chain, although designed and operated by a third party will be closely monitored by Kamikaze's leadership team to ensure customers is receiving the exceptional service guaranteed to them. Circumstances The

circumstances for each issue will be abundant and will exceed the outline contained in the SWOT analysis (Appendix A). While every circumstance is important, it is vital that Kamikaze focus on the funding, legal and regulatory, change management, employee engagement, and customer satisfaction of the business.

Each issue will require the participation of all Kamikaze's employees, from the owners to the wait staff, everyone must be involved to make a sound decision and understand every aspect of the circumstance. While Kamikaze's management would like to think that every aspect of the business has been identified in the SWOT analysis, they have not; many circumstances will require quick actions, decisions, and often a trial-and-error approach.

Inference The prospect of opening a new small business is intimidating and often seems like an insurmountable number of threats and weaknesses will prevent the business from thriving.

However, it is only by identifying, through various tools such as the SWOT analysis, which the owners of a small business can hope to succeed. Not knowing the weaknesses and threats that the business will face is the one mistake that will guarantee failure. Whereas, identifying and understanding weakness and threats, in addition to the strengths and opportunities will allow business leaders organization is consumed in them.

References Begley, C. (2009). Operating a Restaurant within the Law: A 101 in Compliance (Part I).