

Management: strategic decision making in a global business setting



5. The sustainable competitive advantages of the Devil's Den are: The location of the store. The store is located inside the campus where thousands of students attend every day. A prime location can help a business achieve greater sales. The extended hourly schedule of the store. The store has both a day shift and a night shift. The store is open 16 hours a day which gives the business an opportunity to generate greater sales. The use of part time employees can help the firm better schedule the employee hours. Access to cheap qualified labor. College students are knowledge workers. The company can pay low salaries for great workers that are motivated to have a job to help them pay for their living expenses. A fourth competitive advantage is the fact that the store does not have any competition. When companies do not have any direct competition they hold a regional monopoly on an industry. The snack shop is a unique food service for the campus community.

7. The profitability and sales growth of the Devil's Den can improve by implementing a series of operating changes. The students were allowed to eat for free while on duty. This privilege did not extend itself beyond working hours. The problem was that employees while off duty would come in and eat for free. There was also a lot theft going on from the employees and customers. Reducing theft would increase the profitability of the company. A way to eliminate the theft among employees is by eliminating the free food policy and switching that policy to an 80% discount offer. For example a candy worth \$1. 00 could be purchased by the employee for \$0. 20. The employees would be able to use the discount benefit during work hours and while off-duty. The main purpose of the discount policy is to create a way to audit the student food privileges benefit in order to eliminate employee theft. There has been theft occurring from the

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storage room because everyone has access to the key. I would only give the key to the storage room to the managers. Also a security camera should be placed near the storage room to prevent theft.