

Blenger burger went onto using automation in food ordering

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Abstract

This assignment mentions the way in which Blenger Burger follows TQM and Kaizen method and in what ways it does not follow it in its production process. Also it tells how the methods which are not being followed can be followed by the company and the company can take guidance from the ten elements model to come into compliance with the methods like team work within the organization.

Blenger Burger requiring automation in food ordering

Blenger Burger is a chain of fast-food restaurants in Indonesia which was established in 2003 and is based in Jakarta. Blenger Burger grew after a few years of its start and then grew to include six locations with 50 employees and made sales of more than 9, 000 burgers per day. The restaurant chain's IT environment contained only some stand-alone personal computers, cash registers, and printers. The business was mainly handled the work manually and there was very limited IT capabilities, which caused Blenger Burger to face difficulty meeting increasing customer demand. For example, at times orders came in faster than delivery drivers could be dispatched. Managers could not easily share timely sales, inventory, and other essential business information, due to lack of efficient reporting tools to help with the business planning and forecasting. Blenger Burger also faced competition, with new restaurants emerging in the rapidly growing market.

Blenger Burger's new computer system

The owner decided to upgrade Blenger Burgers' computer system to increase its business capacity. But the restaurant had limited investment

capital with no trained IT staff, and therefore it needed a low-cost IT solution which would manage to centralize the management of its computers and make a foundation for business automation. The company was already looking into the future with Blenger Burger having several franchise outlets, so any IT solution would have to scale to put up a with large business expansion.

In 2009, Blenger Burger's owner decided to work with the upcoming Windows Server 2008 Foundation which would be the ideal operating system for its small IT environment. He also decided to install a simple client/server IT model, which would connect 10 personal computers in a local area network and manage them from a single central server. (Microsoft case studies, 2009)

Advantages

It enabled the employees to have IT capabilities, such as file and print sharing, remote access, and security management that would enable them to exchange data without requiring e-mail or Internet access. But the company was concerned about the technical expertise that was required to support that environment which would be too expensive over a long period of time. " Cost efficiency was our main driver from the beginning," says Erik Kadarman, the owner of Blenger Burger. Applications were installed that handled restaurant operations, such as customer relationship management, order taking, administrative tasks, and delivery dispatching.

The new operating system satisfies and supports the company's restaurant-management applications, which are reducing costs, increasing revenue,

improving productivity. Windows Server Foundation, which the company installed, also provides a convenient upgrade path so that the IT environment would continuously support business growth. The new IT system requires minimal management. It enabled the Managers to gain access to sales information for the entire chain in near real time, which allows them to track the performance of individual restaurants.

Now, since less effort is required to gather information, the managers can focus on running the business more effectively than before. It has allowed them to automatically assign delivery orders to the restaurant outlet that can reach a customer the quickest. Kadarman said that the installation of the new computer system resulted in efficiency as it took more orders and delivery became faster which led to consumer satisfaction. The delivery-dispatching system resulted in 25 percent rise in revenue and it also resulted in saving about 24 labor hours each day, and about 720 total labor hours per month across the restaurant chain. Using all these services has given the company a competitive edge over its competitors. (Microsoft case studies, 2009)

TQM

Total Quality Management (TQM) is described as a business “attitude” where all the employees in the business are committed to achieve quality, and not only the people in the Quality Control or production departments. This means that TQM leads the quality of products at every stage of the production process, as all employees are trained to check their own work this is known as self-checking. TQM works with two aims, Zero-defect and total customer satisfaction. In Zero-defect the aim is to produce goods and <https://assignbuster.com/blenger-burger-went-onto-using-automation-in-food-ordering/>

services with no faults or problems, and it requires strong teamwork, openly sharing information about the quality problems arising and how they are caused, and investment to improve and refine production processes. Customer satisfaction measured in the long term would mean there is total customer satisfaction and therefore, the satisfaction of both zero-defect and total customer satisfaction would result in TQM (Tutor2u, n. d.).

Blenger Burger is partially following TQM since it was mainly focusing on the total satisfaction of its customers by improving the delivery system but the computer system was mainly installed for the managers who are upper in the hierarchy of the company and the left out the employees of the lower rank. So we can't for sure say that zero-defect was being followed. But it did help out the company overall to increase efficiency and reduce costs also it reduced the working hour.

An effective TQM has benefits such as financial benefits like lower costs, higher returns on sales and investment, and the ability to charge higher rather than competitive prices, improved access to global markets, higher customer retention levels, and also a reputation as a quality firm. (CliffsNotes. com, n. d.)

Blenger Burger was able to gain financial benefits like lower costs, high revenue, and it also grew rapidly, managing 6 outlets. And eventually it grew internationally as well having franchise. The new computer system was also very helpful in giving the company a competitive edge over its competitors, but I believe that eventually this advantage could be taken over by its competitors as well since it's not very costly.

KAIZEN MANAGEMENT

Kaizen is another quality management technique which means improvement, involving everyone in the organization, managers and workers to work together to achieve good quality. Kaizen aims at achieving small improvements resulting from coordinated continuous efforts by every employee within the organization. Kaizen is aimed at increasing productivity, improving quality and worker satisfaction. This system encourages every employee to come up with a new idea. Kaizen is a process oriented rather than result oriented system. It diminishes wastes, increases personal growth of employees and the company, and provides guidance for employees. (Kotelnikov , n. d.)

Blenger Burger did not consider employee satisfaction and just went ahead with the change in the computer system which reduced the labor hours tremendously and this might have reduced wages tremendously. Although managers and workers did coordinate, as we know that as soon as an order was received the delivery was dispatched and it increased customer satisfaction and profits for the company. Only the managers and the owner seems to be benefiting by the new computer system and the people like the ones involved in delivery were not asked for new ideas and contribute in the company in any other way. So perhaps the owner can hold monthly meetings with entire staff and ask for ideas as to how to bring about further improvement in the working of the company, this would increase employee satisfaction and lead to more productivity, and well motivated workers as they'll feel to be a significant part of the company.

TQM works with two main aims, zero-defect and total customer satisfaction, Blenger seems to be achieving mostly total customer satisfaction, since with the reduced costs they were able to maintain the same price of their product and they were able to retain customers, and make deliveries efficiently as a result of the new computer system. But Zero-defect is not being achieved fully since there was not team work within the organization the lower ranked employees like the ones who were supposed to make deliveries were just simply asked to do their work and this would lead to those employees feeling demotivated as they won't feel like they belong to the company.

This problem might have been caused by ignorance of the owner towards the lower ranked employees. Only the managers' work was much easier now as they could pass on the order much more quickly than before to the delivery department, who then had to carry out the same task of delivering in the same way as before.

What the owner can do to come into compliance with the methods is that he can follow Ten Element Model according to which the CEO and the top management has to make sure that they are committed to TQM, understand the customer, take necessary steps to achieve customer's needs, make sure the employees know how they can affect the TQM, assessment of the organization and the objectives, manage TQM, achieve the goals, Daily management and standardization which would enable all employees to contribute to achieve TQM but making individual efforts, build new functional and cross-sectional teams in order to gain organization wide interaction. I have selected this order because it would lead to an effective TQM, and

make the employees aware of how their contribution can affect the TQM. (Goal QPC's synthesisism, n. d.).

Conclusion

If the improvement plan that I have suggested works effectively, then it would lead to tremendous benefits for the company, such as financial benefits, reduced costs, increased profits, increased productivity, better quality of the final product, much better relation with the customers, every employee would be aware as to how they are responsible for the final product, and its delivery to the customer. Easier and better relation with the supplier as before starting to work on the planned TQM the supplies required will also be planned, and supplier will be informed about its delivery before time.

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