

# Proposal



**ASSIGN  
BUSTER**

FIRST PART: The Queensland Leisure Group (QLG) is a business that is owned by a family with a long history and tradition of manufacturing in Queensland. This business has continuously formed its reputation based on the strength of its quality. Unfortunately, current adjustments in market circumstances has concluded in QLG quickly ridding themselves of market share and profitability. Their operating profit as a percentage of turnover has decreased from 13.7% in 2004 to 3.96% in 2009. This has been of major concern to the business. The major principles that have arrived to this are an increase in competition marketing cheaper imported goods; competitors using modern, and therefore more catchy business practices; and improved systems and methods to help to decrease their costs and the constantly changing demands of modern consumers, as well as a major depletion of customer awareness. The difficulties currently hampering QLG is that if they do not take immediate action, they will only be faced with more decreases in market share and profitability. We must also be prepared for continual losses of important and highly skilled staff members, as well as deterioration in the overall business performance and profitability.

The question now facing QLG is how to adapt its workforce and HR strategies to respond to its rapidly changing business environment?

Our proposal outlines a progressive five stage process to address the objectives as identified by Queensland Leisure Group executives during the consultation process. These five stages will create positive change in a number of key areas:

Business model change: QLG needs a flatter, more functional business structure which will reduce labour costs and increase flexibility to help them respond more quickly to the rapidly changing external environment,

Process change: New technology and processes should be used to improve productivity and efficiency in the production department, further reducing labour and operational costs,

Job design change: New job roles will increase the flexibility of QLG's workforce, allowing them to be used more efficiently to meet swiftly changing consumer demands, and

Corporate culture change: QLG will be able to retain its caring, family orientated culture while supporting change, innovation and progress towards a more versatile business.

Following the analysis that we, NAHN Consulting, have completed, we have prepared this proposal for you which we believe will provide you with the guidance, tools and support that will greatly improve your current performance. We have forecast an improvement of 5% increase in your Net Profit in 2011 followed by a further 10% in 2012 based on the implementation of our proposed changes. It is also our firm belief that with these improvements you will increase your ability to attract and retain key talented staff members which will reduce costs associated with recruitment and training of new staff.

## SECOND PART:

### VALUE/ROI

The value to your organisation in meeting these objectives includes improving the overall productivity level and decreasing the costs of manual labour. In addition, the enthusiasm of human capital will be greatly increased, and employees will be more pleased, which will lead to greater levels of performance and reduced employee turnover. On the other hand, a well-organised, structured and job redesign process would be matched

appropriately to the internal and external environment. A modified process will make the work flows inside the organisation smoother, and the corporate culture will become one more representative of a learned organisation based on trust and loyalty. All of these factors would add value to QLG, and likely raise the market share and profits of QLG so that it continues to maintain and strengthen its competitive advantage in the market.