

# [Case study report: wegmans assignment](https://assignbuster.com/case-study-report-wegmans-assignment/)

Case Study Report: WEGMANS Read the following case and answer the questions in an individual report. Apply concepts learnt in the course and do additional library search to analyze the case. Your report should not exceed 800 words (state number of words at the end of the report. This assignment carries 10% of your total course marks and is due in Week 9? s tutorial. Submit a hard copy to your tutor and a soft copy to Blackboard (under Assignments; this is a SafeAssign-enabled dropbox, which checks plagiarism automatically. Please observe university? s plagiarism rules. Picture this scenario: You’re about to go home for the day and your spouse or roommate asks you to stop by the grocery on the way home. “ OK,” you say, though the errand doesn’t exactly fill you with anticipation or excitement. It might if you had a Wegmans on your way home, however. Shopping at Wegmans, a privately held chain of 67 grocery stores in New York, Pennsylvania, New Jersey, and Virginia, is viewed as a fun event—so much so that the company received over 3000 letters from around the country trying to persuade the chain to expand to new cities.

Wegmans understands that successful grocery stores must combat this sobering statistic: 84% of consumers believe that all grocery stores are alike. Why travel an extra two blocks to go to a different store? Wegmans has created its own unique identity by offering more of virtually everything, including 500 varieties of cheese and bookstores, child play centers, and dry cleaners within its stores. It also stops at nothing to make customers happy, including sending a chef to a customer’s home to correct a food order mistake, or cooking a family’s Thanksgiving turkey at the store because Mom bought one that was too big for the oven.

How does Wegmans create a shopping experience like no other? By being an employer like no other, as Wegmans finished first on the list of Fortune’s 100 Best Companies to Work For in 2005 and third in 2007. The smiles customers see on the faces of employees at Wegmans are not forced or rehearsed. Instead, they reveal a genuine sense of satisfaction among rank and file employees. What makes employees so satisfied? Well, for one, they make good money, with hourly wages and annual salaries that are at the high end of the grocery store industry.

Wegmans also has shelled out $54 million for college scholarships to full-time and part-time employees over the past 20 years, and offers profit sharing and medical coverage to its employees. Such employee-friendly policies have resulted in higher labor costs, as Wegmans’ labor costs run around 16% of sales versus 12% for its competitors. However, Wegmans enjoys a 6% turnover rate instead of the 19% rate of competitors, with 20% of its employees now having ten or more years of service.

As Chairman Robert Wegman puts it, “ I have never given away more than I got back. ” The satisfaction felt by Wegmans employees goes beyond pay and benefits, however. The company looks to hire people who have a passion for food and a genuine interest in culinary products, even passing over qualified candidates who lack such feelings. The company even sent one of its cheese managers on a tenday trip through London, Paris, and Italy to learn more about the cheeses Wegmans might offer.

Wegmans employees also are given the freedom to do whatever it takes to make a customer happy or to improve the store, without having to check with higher-ups. One Wegmans operations chief even noted, half-jokingly, “ We’re a $3 billion company run by 16-year-old cashiers. ” The end result of these philosophies is that employees view their work as very meaningful, with jobs at Wegmans being described as “ a badge of honor” or “ part of the social fabric. ” Next time you’re shopping at your local grocery store, study the employees’ faces to see if they seem to view their work that same way.

What emotions do they seem to be feeling, and how do those emotions affect your enjoyment of that particular shopping trip? Questions: 4. 1 What factors cause employees at Wegmans Food Markets to have a high level of job satisfaction? Explain. 4. 2 What differentiates Wegmans Food Markets from other grocery stores? Explain. 4. 3 What further recommendations would you propose to Wegmans? Support your recommendations with reference to specific Wegmans’ business practices and explain the rationales behind your recommendations. ?