Smoothie king essay

Case Study: Smoothie King Summary Smoothie King is the original nutritional smoothie bar and health marketplace since 1987 and within one year realized the key to their success and growth would be to develop a franchise system. The Smoothie King brand has been recognized by Entrepreneur Magazine as being # 1 in the juice bar category for 15 consecutive years and has seen steady growth with approximately 610 franchised units in over 35 US states (www. worldfranchising. com). As with every franchise system there are series of steps from the initial interest in the franchise to the opening of a new location.

Each step encompasses some form of information technology such as; the franchises support software used to translate the information on the request form to a excel spreadsheet that sends notification to the marketing team to mail out a physical packet to the interested party. Everything from the various electronic communication (email) to the training software used by the human resources team to train all members of management on Smoothie King's hiring, training, reference/background checks, and etc for new team members all uses some form of information technology.

In this case you are asked to examine the various information technology systems used by Smoothie King in their franchise system. 1. Identify safe ways to send important documents through the e-mail As technology touches every aspect of a business finding ways to safely and securely send documents of a sensitive nature containing confidential information via the internet or a company's intranet is becoming increasingly important. There are people out in the world who make it there business to sneak into company's systems just to learn what they are " up to".

These hackers are the reason that many organizations have invested several thousands of dollars to ensure that all electronic communication sent on their company server is safe and secure. However, no matter how much money, time, and effort is spent most of a company's confidential information isn't stolen from outside but leaked from within; and its these leaks that company's need to protect themselves from. The nonstop progress of technology has made local and international businesses rely more and on information technology (IT).

According to Pew Internet & American Life Project Tracking 2008 surveys; 93% of all internet users have e-mail (Caudron, 2005). Use of e-mail is an essential constituent of doing business in relation to communication; and as this communication is internal and external developing policies and guidelines to be followed by all employees is essential to the confidentiality of a business (Khosrowpour, 2000). All businesses must implement guidelines for reasons such as; professionalism, efficiency, protection from liability, leaked confidential information, and information overload.

By requiring employees to use appropriate, businesslike language in all electronic communications, employers can limit their liability risks and improve the overall effectiveness of an organization's e-mail and Internet policy in the process (Alder, 2003). There is one basic rule in regards to e-mail that should be followed; remember emails don't disappear when you hit send, so being aware that all attachments and content is always retrievable is important to the employee and employer.

What is considered by an organization as proper e-mail etiquette can be enforced in several ways such as creating a written e-mail policy, having employees agree to/sign a confidentiality agreement, training employees to understand the importance of e-mail etiquette, and implementing rules that can be monitored by using e-mail management software, and e-mail response tools (Alder, 2003). While e-mail has quickly become a workplace norm, only 63% of organizations with e-mail systems have policies addressing proper e-mail use, and only 43% have written workplace-privacy policies (Desaj, 2001).

The US Federal Electronic Communications Privacy Act (ECPA) of 1986 generally prohibits the interception of electronic communications including e-mail (Desaj, 2001). However, major exceptions to the ECPA may allow the interception of employee e-mail. Employers can monitor employee e-mail where the employee has consented to monitoring; which in today's society many companies require all employees to consistent to such monitoring. The ECPA also provides that the interception of electronic communication is lawful if it is for a legitimate business purpose (Desaj, 2001).

Legitimacy is on the " eye of the seeker" and remembering that will bode well for the sender and potentially the receiver; considering that one in every ten employees receives e-mail that contains confidential company information. However, approximately half of U. S. corporations do not have an established protocol for protecting their trade secrets (Desaj, 2001). A company needs to protect itself or limit its potential liability with respect to e-mail and the answer is to develop e-mail policies for the business.

This should not be just a statement that details or directs employee use of e-mail, but rather should be a total system that includes the firm's storage, retrieval, and purging policies (Khosrowpour, 2000). All rules, rights, and responsibilities of both the employer and employee should be clearly defined. Additionally, how an employer will address the use of these systems should be in a written company-wide policy governing e-mail that is disseminated to all employees as a way to limit the potential for lawsuits and company theft.

Developing a carefully considered policy will have the positive effects of educating company personnel about the pitfalls and risks inherent in the use of email. Employers have to discuss what they deem appropriate and inappropriate uses of the e-mail and internet system. The most important issue is making sure the policy states that not all e-mail and internet usage is private (Phillips, 2006). Businesses will have to decide whether to monitor employee e-mail communications.

While there are many advantages to monitoring, such advantages must be weighed against its disadvantages such as; administrative headaches, the risk of invading employees' privacy, and having to defend a lawsuit alleging such a claim. The most significant advantage to monitoring e-mail is that it will place employees on notice that the employer might be " watching," which, in turn, may naturally decrease their personal use of e-mail, increase productivity, and instill a little " fear" in the employee that sending confidential company information via emails will be caught immediately (Khosrowpour, 2000).

In addition to company policies, building employee relations and trust is also the key to protection. Businesses are encouraged to create a culture where employees are assured that the privacy of their communications is respected as long as they abide by the organization's stated policy (Phipps, 2006). Any type of policy or practice which leads employees to believe that their privacy in the workplace is not respected may be regarded as intrusive and oppressive and have a negative impact on morale and productivity; creating high turnover rates. 2. Do you believe all of the necessary steps are listed in this case study? Why or why not?

Yes, in reviewing the " Steps to Becoming A Franchisee" for Smoothie King all of the needed steps have been clearly identified. From the original " request for information" step which is completed on the company's website to the store opening which is supported by Smoothie King's help desk management system and CRM system everything a franchisee needs to know in making the decision on whether they want to become a member of the Smoothie King franchise system is listed. As you can see in the column entitled " information systems used" in Table 12-10 a potential franchisee is even given the information on how each step is accomplished.

For instance, step 5 " meet with existing franchisee", most of this communication may be done via email elevating the cost of travel. However; there are also the possible options such as; Skype and other video-conferencing means that will allow the two people to communicate in more of an immediate setting than email. The interested potential franchisee may also be able to setup a meeting time with a current franchisee that is more

local to their area. Reviewing step 10, " training session" is designed to be more of a two-part process; which is similar to other franchise systems.

The franchisee is brought to a training facility for a specified number of days for hands on training and is then typically required to complete several hours of web-based training which can be done from the privacy and comfort of their home office. This decreases the cost of training on the franchisor and franchisee. 3. Are there any steps you would add and/or remove? Fully explain. A possible suggestion would be to increase the time spent on step 9, orientation session, to 3-4 days or add in a step that assigns a " franchisee mentor" to all new franchise owners.

This would be a person local to the area who has been very successful in their business venture. They would not be a competitor to the new franchisee as to avoid any unethical behavior on the part of the " experienced" franchisee as a way to ensure continued to success of their business. Yet they would have a proven track record of success with running a Smoothie King franchise. This person would meet with the new franchisee within the first few weeks of orientation to ensure they understand Smoothie King's operations such as; budgeting, financing, planning, site selection, ordering, and construction.

For the first year or two they would serve as the new franchisee's go to person for questions regarding these matters. Next to the franchisee support staff and their own hired management team their " mentor" would be the next point of contact for questions. 4. Choose three of the information systems used in the case study and briefly describe the purpose of each

system and how it is useful to the franchisee and/or franchisor. Franchise communication system (E-mail) is used as a way to help the franchisor communicate with its franchisees, prospective franchisees, suppliers/vendors, and the government (Judd/Justis, 2010).

This system is also a useful tool used by the franchisee as a way to communicate with the franchisor, employees, suppliers/vendors, and government. In this case a good example of franchise communication system would be company email. Emails are sent between all parties of the Smoothie King's franchise system. These electronic communications can not only be tracked by the sender and receiver but are also stored on the company's sever and can be recalled at any time. Additionally, the information contained in the emails can be monitored by Smoothie King headquarters for any traces of breach in confidentiality.

Emails also allow the franchisor the ability to communicate faster with needed people, department, teams, and etc. No longer are the days of calling leaving messages and hoping the message is received. Today, many management level are connected to their emails via Smartphone where emails are received in two places keeping everyone in " the know". Franchise headquarters office management system (Training Software) is a system developed as a way for continued training of all franchisees.

This web-based training elevates additional cost on travel for training in one location and allows the franchisee the freedom to complete the training leisurely. Additionally as this training software is web-based the franchisor is able to keep its franchisees abreast to any changes in procedures/processing

at a moments notice. The franchise development system (Site selection) is the software used by the franchisor for things such as; marketing, contact management, and real estate management (Judd/Justis, 2010).

In the case of Smoothie King the franchisor will be able to use this information system software as a way to assist with site selection, one of the most important steps in business development. Choosing the right location that is accessible by your target market is the key to having a successful business. Location, location, location is what every entrepreneur knows to be true. It doesn't matter if the product or service offered is needed serving a desire or want by consumers if consumers are unable to access said product or service its availability to the market does not matter much. Reference

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