



Retail Therapy

Is your business ready? Ready for what? - Anything, really.

One of our colleagues has this cautionary tale to share:

"... One Saturday morning I went into a local kitchen shop to buy a potato masher. The item was cheap - £2.75 (then \$4.40 or i 4.40). I went to the checkout and offered £3.00

The shop had a new computer-based cash register and it suffered a "blue screen of death". It needed rebooting, the sales assistant said. Can I come back in a few minutes? I went shopping in the supermarket and was back in 20 minutes it was 9:45 in the morning.



We cannot reboot the computer, the sales assistant said. I offered to pay by credit card, they said no, machine's down and can't scan your card either. Have you got a cheque? I said I no longer carry a cheque book in these days of plastic. They sighed, I sighed. They cannot open the cash till because the computer crash locked the entire system.

As it was a Saturday, they cannot get a service engineer out until mid-afternoon at the earliest.



The shop had to close for business that day at 10AM. I did not get the masher, they lost a day's sales.

It was bad business and it was avoidable. Why didn't they have a backup? A simple cash box with a note pad to log the sales would suffice, they could then get some cash from the bank and do some business..."

Being ready is not always having the latest technology or the best business plan. It also means being ready to cope with the unexpected. Think of it in terms of fire engines - you don't really want to see them in use, but if an emergency arises - you will need them to be ready.

And how can you best do that? How do you plan for the unknown?

One way to make sure you address things that may go wrong is by carrying out a process mapping. By mapping all the stages of the business process, it is possible then to explore potential areas where things can go wrong. In the case of the kitchen shop, they could map several processes, for example:

- Customer Purchase
- Purchase Transaction

Customer Purchase

The customer finding the required product in the shop as well as the necessary information (price, warranties etc) that goes with it.

Using the simple SIPOC process outlined in the Six Sigma Periscope File, the following mapping can take place:

Suppliers:	People who make the product- delivery stock, warranty, price
Input:	Getting the product in the shop where the customer can access it; provide sufficient product information for the customers
Process:	Customer must be able to find the product in a short/reasonable period of time
Outputs:	Customer purchase decision- is there sufficient incentive (promotions, attractive labelling, product information, price) to purchase
Customer:	People who buy the product; after sales service

Once this map is produced, the shop team needs to look that where things can go wrong at every point of the process map. These can then be ranked in terms of their impact on customers and then addressed.



When the customer has made the purchase decision, then a process map for the Purchase Transaction can be plotted.

Suppliers:	Make equipment that allows Purchase Transaction to take place (cash register, bar code, stock management software etc.)
Input:	Customer/ Product/ Product information (price/ warranty)
Process:	Carries out the purchase transaction
Outputs:	Successful transaction (retailer receives cash, credit card receipts, cheques etc)
Customer:	Takes purchase away

When the team asks questions on what can go wrong at the Process stage-one of those could be "a non-recoverable crash of the cash register". This can then be examined by looking at all the possible solutions that will allow the shop to stay in business until the problem is rectified.

"Being ready" is made easier when you know what can go wrong and have policies and procedures in place.

Postscript: Our colleague reported that the kitchen shop had since closed for business - perhaps paying the price of Being *Not* Ready.

There are many books on customer service management, one particular fun read is by the man who invented Business Class on airlines: Moments of Truth by Jan Carlzon, Perennial 1989; ISBN: 0060915803