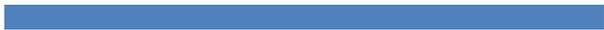




**CADBURY WORLD'S  
OPERATION MANAGEMENT**



# CADBURY WORLD'S OPERATION MANAGEMENT

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## CADBURY WORLD'S OPERATION MANAGEMENT

### Introduction:

Cadbury is an English producer of chocolates and a famous tourist site operating around the world, offering its products and services to millions of customers. The key success factors of Cadbury lies in the quality of its products and services. It is important to have complete knowledge of operational strategies to put them into practice. The report provides suggestions about the process design as to how customers should be dealt with during a visit to Cadbury World. The report further contains the calculation of capacity and demand at Cadbury for micro-processes taking place at Cadbury world. As it enabled analysis of capacity and demand, changes in demand should be addressed through changing the capacity. The last part of the report discusses the prevailing bottlenecks and their respective solutions.

There are certain parts of Cadbury world, which need improvement. The identified problem areas are the jungle part and demonstration area during the visit. For the packaging plant, another stair can be built to keep the flow in one direction at a circular path. In the jungle area, ticket collectors must be replaced with an automated machine. The form should change to attract more customers. The further report discussed how to put operation management theories into practice (Bracciotti, 2017). On basis of the Cadbury world case study, the report contained an analysis of micro and macro processes and some micro-processes are described in the input transformation output model (psychology, 2020).

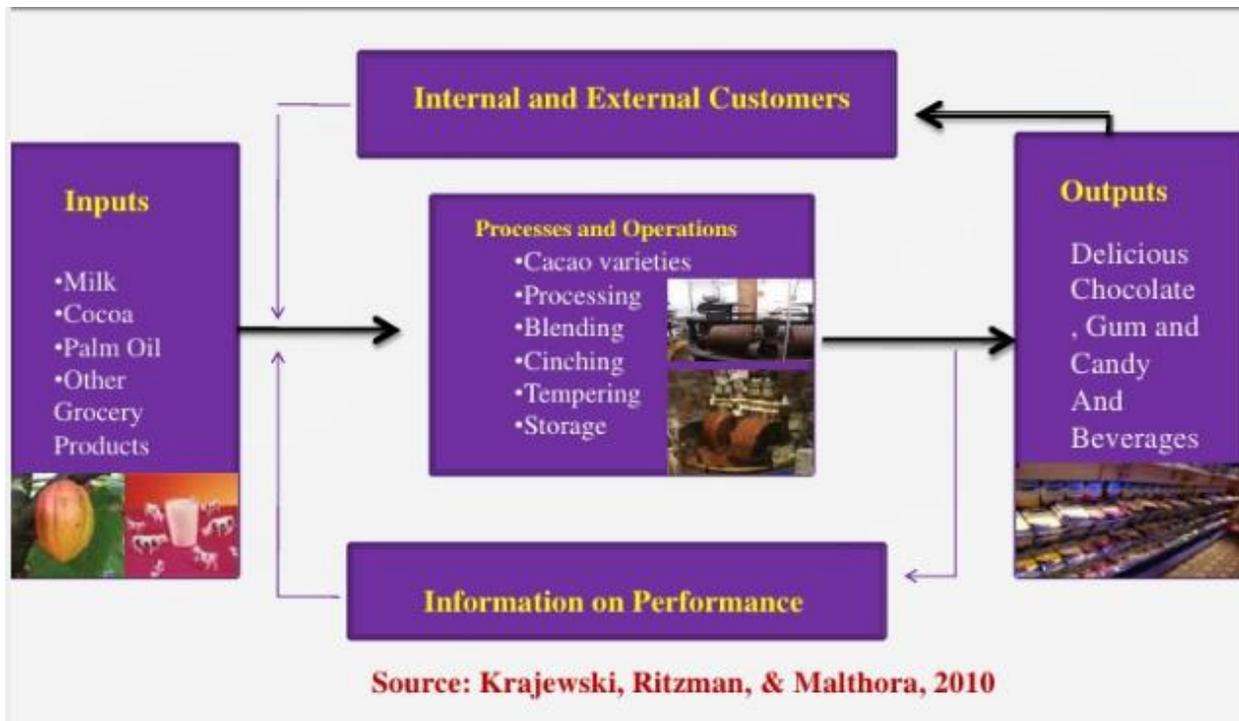
The report will focus on the operations management of Cadbury Company. In addition to that, the self-service display at the shop area may cause a shortage of stock as pilferage by children may cause such an issue due to lack of an automated system of security. Further Cadbury world location is a major issue as the location is far away from town, which causes late arrivals of coaches leading to disruption in operations and processes. It is difficult to estimate the duration of road traveling. It further causes delays and queues at the entrance of the exhibition in busy times. The operations of the Cadbury are product-based layout as it works in a logical sequence as customers pass from one process to another in a sequential manner, leading to repeatable and predictable operations. The micro-processes have been established with objective-oriented programming while macro processes have developed through an integration specialist using business analyst tools (Resources Saylo, 2011).

### Analysis:

#### Identification of operations,

Operations management is the process of managing product and services (Greasley, 2008), in Cadbury world the product is production of chocolate and services are provided to visitors when they visit Cadbury world. The operations are provided in following diagram, which shows all steps followed in value chain of Cadbury world:

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### Transformation processes,

Transformation process model include the operations with reference to input of resources, output of goods and services (Resources Saylo, 2011). Input involves molten chocolate, packaging foil, tray and cartons (Nigel Slack, August 2002). Other resources used in transformation are molds, robotics, factory, machinery, people, knowledge, information system.

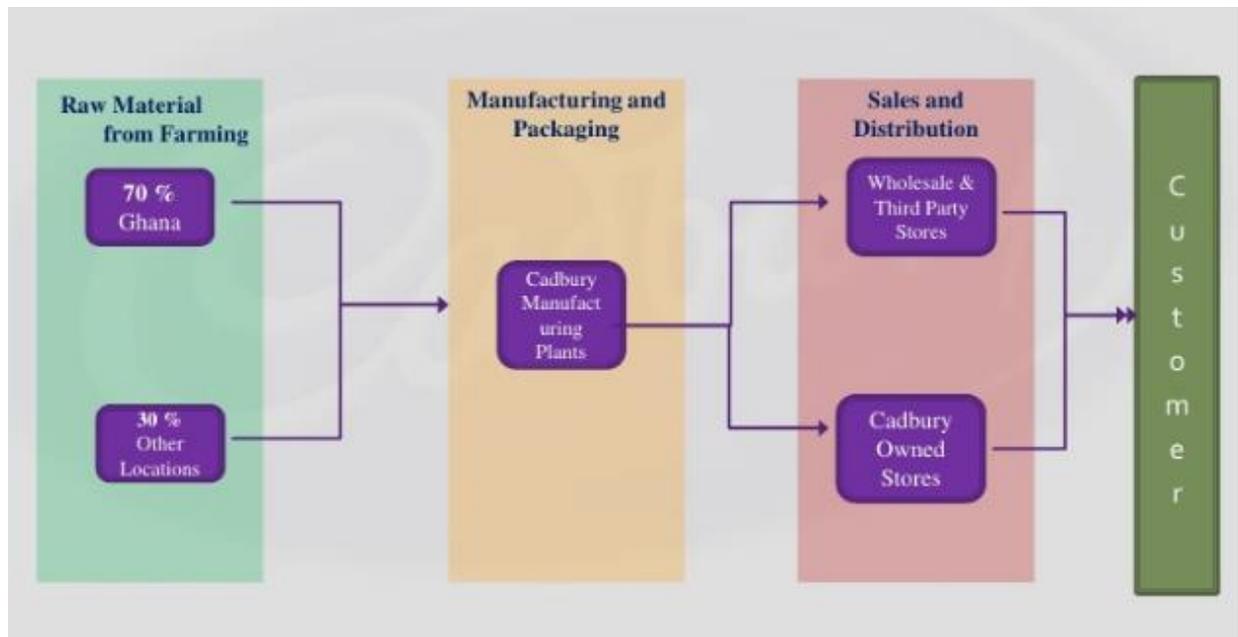
### Inventory management,

Cadbury world keep inventory of cocoa, beans and other materials. Cadbury world can follow just in time system of inventory. Just in time system allow cost reduction as it reduces the holding cost and deterioration or write down of the inventory (Nigel Slack, 2013). Assembly time can be reduced to by over 95%. Just in time, system creates flexibility leading to effective and better communication with supplier, buyer and other stakeholders.

### Supply chain management, resource planning,

Simple supply chain starts and end with customers and made u of several elements. In supply chain, the company order its material from Ghana which takes most of its raw material (Brandon-Jones, 2018 ). Only 30% of the raw material is ordered from other locations. The manufacturing and packaging takes place at Cadbury plant. After packaging the products are distributed and sold to third parties (Slack, 2017).

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### Quality

In competitive business environment, quality customer services are the key to keep high standards. It is highly important for staff to keep the customers satisfied (Open Education, 2017). In order to achieve objective following areas are focused to ensure the quality (Slack, et al., 2020):



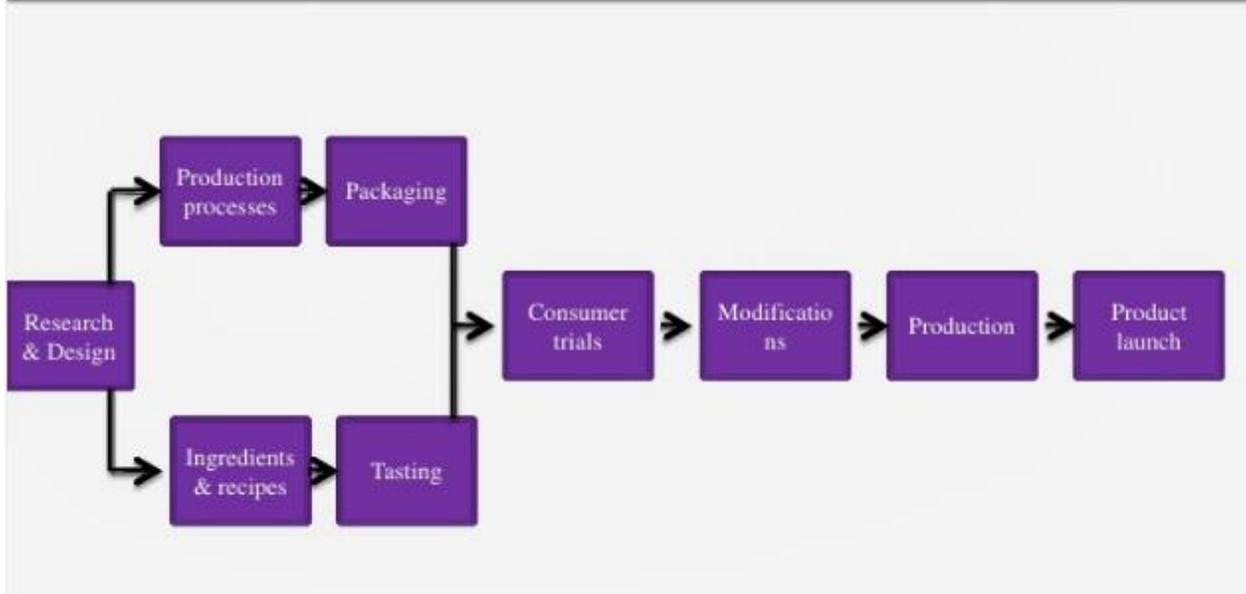
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The design of the Cadbury world is based upon the service concept and design is formed in a way to satisfy the customer needs. The meaning of service concept is contemporary leisure experience in form of the permanent exhibition is linked to chocolate however has educational value, in context of the function, service concept is applied by keeping social responsibility as a strategic priority. In the context of purpose, the company has the purpose to satisfy the customer's desire to remember their childhood tours to Cadbury world and students from educational institutes interested to know about the operational processes of the Cadbury world. In the context of benefits, the service concept enables to delivery of quality leisure experience along with educational value at less cost (Open Text Books, 2016). The service package of Cadbury world is based upon the core, supporting, and facilitating processes.

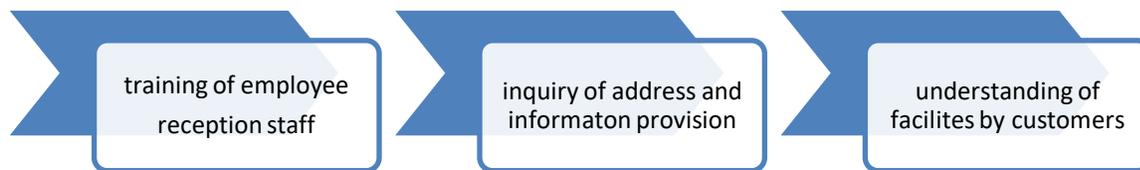
Core process consists of experience, support process consists of a shop, and coffee, ice cream parlor, and restaurant, and facilitating process consist of parking service. To keep the costs low Cadbury is following a cost leadership strategy, to keep costs low Cadbury kept the staff costs low by hiring a limited number of staff members and mostly unskilled or non-professional for their desired position. Further Cadbury has implemented less technology as less automated functions and processes can be observed from the case study, most of the systems are manual. Operations are not streamlined using technology. Facilities are provided using old and outdated tools and equipment. Cadbury has a history of more than a hundred years, to promote the brand and knowledge of chocolate production based upon the history of chocolate production, and entertainment facility had established. Four micro-processes at Cadbury world have mentioned below:



# Flow Chart of Process Analysis at Cadbury



## Information center



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### Chocolate production at demonstration are



### Retail

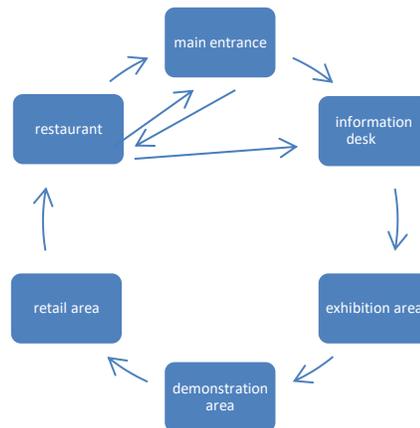


### Restaurant



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### Process flow chart



Process chart shows the advantages of the process as customers flow can be managed from start to end of the visit (Slack, 2017), the one-way route allows visitors to attend the majority of the events as the only way to walk in and out is constructed, entrance from one side and exit from another end (Brandon-Jones, 2018 ).

### Parking capacity

Processes	Capacity for visitors	Capacity in context of number of visitors
<b>Parking availability for cars</b>	484	
<b>Cars</b>	3 people each car (average)	$484 * 3 = 1452$
<b>Parking available for different Coaches</b>	24	
<b>Coaches</b>	35 people per Coach (average)	$24 * 35 = 840$
<b>Total</b>		2192

The average stay period is 2.5 hours and maximized parking capacity in the context of visitors can be:

Monday to Saturday  $2192 \times (7.5/2.5) = 6576$

Sunday  $2192 \times (6/2.5) = 5260$

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### Exhibition area

As 15 to 20 people can enter into the area after every 2.5 minutes on average 17.5 people can enter per 2.5 minutes hence exhibition capacity in the area is  $17.5 \times (60/2.5) = 420$  people each hour

### Marie Cadbury Room

As 23 people has permission to enter into each show, with decreased length for a show from 9 minutes to 5 minutes the capacity will be  $23 \times 60/5 = 276$  visitors each hour.

However, there are situations where capacity can be enhanced by having increased supply facility, labor, equipment, handling efficiency and service time extension.

### Packaging plant

Groups consist of 30 people and the process takes 10 minutes hence  $30 \times 60/10 = 180$  individuals each hour for each group.

### Demonstration area

As there are 15 people in each group, the time spent on each group is 17 minutes. The least capacity can be  $15 \times 60/17 = 53$  visitors each hour for each group in total. In the case of nine groups, the total capacity would be  $53 \times 9 = 477$ , where visitors graze and walk away, average time can be reduced to 11.5 minutes hence new capacity can be  $15 \times 60 / 11.5 = 78$  people each hour.

### Shop at Cadbury world

Three tills are available with an average handling time of 15 seconds and the capacity will be  $3600 \times 3/15 = 720$  people each hour.

### Restaurant at Cadbury world

The average stay length is 25 minutes and 169 seats are available hence the capacity would be  $169 \times 60/25 = 406$  individuals each hour.

### Coffee and ice cream parlor

Capacity would be  $46 \text{ seats} \times 60 / 17 \text{ minutes} = 162$  visitors each hour

### The capacity should be changed in the response to varied demand

The facts mentioned above show 185 thousand visitors from mid-august to December end. The approximately full-year visits can reach 493333 each year calculated as  $185000 \times 12/ 4.5$ , assuming there are 52 weeks in a year. Weekly visits could reach 9487, which will contain 60% visits from Monday to Friday ( $9487 \times 0.6 = 5692$ ). On Saturday the demand is 1708 as about

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18% and for Sunday the demand is 2087 ( $9487 \times 0.22$ ). Data is provided only for 4.5 months but not for 7.5 months; however, it is clear that there is a huge seasonality impact as most of the visitors visit on weekends and major groups are families and student groups.

### **Conclusions:**

Cadbury is a successful business dealing with hundreds of millions of customers, company has established Cadbury world to promote its product and services. The services concept had followed which include visit offer to customers from different fields of life such as adults, children, and school groups (Slack & Brandon-Jones, 2019). In this, visit visitors can see the whole production process and can hear different sounds, concepts, stories, and history of chocolate. Customers go through different paths and rooms under a lengthy process. The whole process is managed and supervised with staff members hired and trained to deal with visitors. Student groups and coaches sometimes reach late due to the distance of Cadbury land location from the main town. The company is managing its operational processes efficiently however there are several weaknesses in processes, which need to be addressed. Automation of operational processes has a significant impact on process flows (Jones, et al., 2010), which is missing within the Cadbury operations. Automation of operations will enhance efficiency and mitigate delays (Open Stax CNX, 2019).

The company has developed a comprehensive and efficient flow of customer handling, however; there are several bottlenecks, which are caused due to the seasonality impact of visits. There are several loopholes within the process, which can be improved to provide efficient services (Slack, 2013). The capacity of the visitor area can be enhanced, more skilled staff will be appropriate; a lift can be installed to enable old age customers to move with more ease. Non-automation of systems is also a major problem (Open Learn, 2017).

### **Recommendations:**

In the demonstration area, the bottlenecks exist, however, the company has found the use of portable devices such as microphones, which can assist to control the groups, and this equipment can be provided to tour guides when their equipment is not working appropriately. A ten minutes' walk from parking to the entrance of Cadbury world is another issue, which can be resolved using effective means of transportation to join these two points. The choice to use transportation or to cover the distance by walk should be provided to customers. On arrival of the groups, there is a bottleneck on the entrance as the groups sometimes arrive late due to delay during the journey, concurrence with leaving groups is another major issue causing delays, and the timing efficiency would be reduced due to these issues. There is a solution, as the gathering of visitors should be made at a gathering zone to accommodate the groups leaving a certain area, which will allow the entrance of group members efficient.

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Another weakness of Cadbury world is its entrance fee, which is quite high as for adults its 16 pounds as the Cadbury world is more of children place. Cadbury world should construct more toilets in the building area and should make it easy for customers to access the toilet with ease. Cadbury world must allow taking pictures inside as most of the people will want to make memories during a visit to Cadbury World. There is an improvement, which can be undertaken by improving the ingredients to make people healthy. Products with less sugar should be produced. The manual ticketing process should be made automated, as the use of technology is highly effective and needed in the modern world. The staff should be highly skilled and professional in customer handling merely taking staff from other areas and deploying them after basic training will not work for the company in long term.

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