



**Institute of Administrative Management
Level 4 Diploma in Administrative Management
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Unit 5: Case study 1 Scenario

Party Surprise Event Management

Party Surprise has enjoyed a substantial growth in business since it was established a year ago, by Milo Pajek. It was established as a private limited company with Milo as the major shareholder, Chairman and Managing Director. From an initial turnover of £240k in the first quarter, year end accounts were reporting turnover to have reached £1,800K. This was due to Milo's entrepreneurial flair, enthusiasm for clubbing, his corporate contacts in the finance sector and personal contacts. He also partied amongst the outer fringes of the celebrity scene.

The company now employs 43 full and part time staff, operating from one site on the outskirts of a capital city. There is a small office building and adjacent warehouse premises, to accommodate supplies and transport. This location for which Milo owns both land and premises, is advantageous for a number of reasons, it is close to the city centre, the night life is useful for personal business contact, and the road links to provincial centres are increasingly generating new business.

Milo's style of leadership is to maintain a tight control over the direction and activities of the business by keeping a close eye on his management team and giving them instructions on the way he wants his business run, its types of clients, events and bespoke services on offer.

Clients range from large corporations to individuals with particular tastes and interests. In short, clients are varied, and the range of event services is diverse. These range from parties, weddings and celebrations to hospitality, surprises and special events. Service operations are organised into three support teams reporting to Milo through the Operations Manager each typically responsible for a range of clients within a particular area of activity e.g., corporate hospitality. In this way, Party Surprise retains some flexibility in deploying staff to meet client needs within the different areas of its business. Additional staff is recruited on a temporary basis to cover events as and when required. Where appropriate, resources such as party props, entertainers, caterers and security staff are outsourced rather than have the company deliver its service purely on an in-house basis. Milo has reservations about the economies derived from the extent to which they rely on outside providers and the degree of quality control that can be personally exercised over the service they provide. Health, safety and risk assessment of events are carried out in-house by his Team Service Leaders, as part of the planning and organisation of client contracts.

Team Service Operations are backed up by a range of administrative activities covering the usual areas of business and office systems including finance, human resources, supplies, IT, marketing, client accounts, and transportation (see Appendix 1). Whilst IT has installed proprietary software for managing events, marketing would benefit from investing in business performance reports to keep up to date with developments in how the market is changing. This information is presently furnished by Milo from his contacts within the industry.

It was against this background that Milo opened the first monthly review meeting of the new financial year with his managers. Not bothering with the formality of having an agenda, Milo launched straight into his address.

"A good first year, but I'm looking ahead to global recognition and not just continuing with business on a regional basis. This means expansion in a big way and at present, we're very small players with less than 0.1% of the national market, quite apart from the international setting."

Without giving the other managers time to respond, Milo continued.

“Bruce has prepared an analysis of our current target markets by age and type of customer and a service analysis of the types of business in which we are engaged. Bruce also points to the need for further consideration of our strengths and weaknesses, as well as other types of competitors in the markets in which we operate (see Appendix 2). However, this is descriptive and not in an appropriate format to present at this meeting. Also, it lacks specifics about our competitors in the market and should be using statistical methods to tabulate and graphically represent the data to provide more information on strengths and weaknesses from which I can make decisions.”

Bruce Oakes, The Marketing and Promotions Manager, immediately responded by assuring Milo that he would look into how the data could be more meaningfully represented for information purposes and made available to the other managers. Milo then addressed Jenny Chung, the Administration Manager across the table.

“It’s also vital that finance keep a tight control on our costs. For the benefit of the other managers, could you brief us at the next meeting on how you classify the types of costs that our type of business incurs? Also, provide us with examples of how you break down the costs and the way that they behave in relation to changes in the number of events we manage for our clients.”

Susan Eldridge, the Client Accounts Manager, then took the opportunity to turn to Winston Smythe, the Operations Manager,

“Winston, before this meeting, you told me about the challenges in planning and managing events with the team structure you have and the capacity to take on additional business. Why not tell the others here what you think the problems are?”

Winston thought for a moment then spoke to the others.

“After having talked to my Team Service Leaders, I think all the managers here are experiencing the same problems. Despite having software support, we’re really stretched at times coping with the volume of business and coordinating outsourcing arrangements. All teams are drawing on Jenny’s administrative services and competing for the time and effort of her limited number of staff. Milo is looking for growth but this poses questions about the organisation and size of the company to take on additional work. Susan manages client accounts and can confirm how the present volume of work can lead to difficulties in paying close attention to our customers’ needs and those of our service teams, when they’re all looking for a prompt response to their queries.”

At this, Milo cut in and called a halt to what he saw as negative thinking.

“We’ve got enough to think about, so I’m closing this meeting. We’ll get together in a couple of days time with ideas to take the company forward. Meantime, back to work, bring in the orders and keep the customers satisfied!”

Jenny couldn’t resist challenging Milo about the abrupt way he was curtailing the meeting and echoing the thoughts of the other managers.

“Milo, it’s at this type of meeting we should have the opportunity to raise our concerns and together consider how best to take the business forward. After all,

what's the purpose of holding a meeting if we aren't able to do this? It also feels as though the meeting hasn't been well planned or organized.”

Milo didn't respond. In the back of his mind was a more fundamental concern about how he could grow the company into new areas of business, such as historical re-enactment, whilst carrying his staff with him.

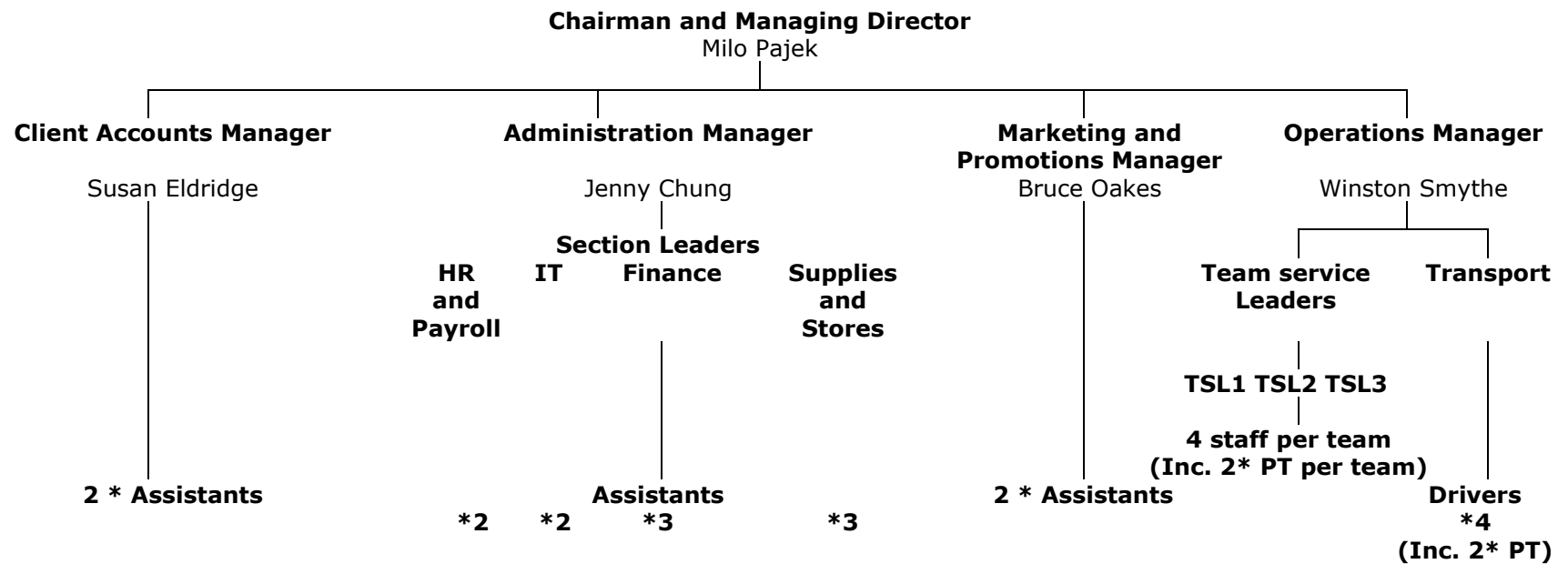
NOTES

In dealing with this case study you are requested to:-

- (a) Make clear any assumptions you feel necessary.
- (b) Make clear any local circumstances that are applicable to the country in which you live, if appropriate to the case study.



Appendix 1



Appendix 2

Customers at Year End

Individuals	% of Customers
Aged under 25years	4
25 - 54	12
55 and over	8
Corporate Private Sector	58
Corporate Public Sector	18
Total	100

	Individual %	Corporate %
City Centre	45	55
Provinces	55	45
Total	100	100

Types of Event

Corporate	30%
Conferences	25%,
Parties	20%,
Weddings	10%,
Surprise	15%

Business Analysis

Assessment of Competitor Strengths and Weaknesses - Conference centres, hotels and universities/colleges, Event management companies, Do it yourself employees or individuals