Case Study 2

# Tea and More Company

## Major Facts

In 1985, a brand ‘Global Tea’ was introduced by three sisters with the name Tea and More Company in Los Angeles. The company achieved tremendous popularity in the earlier years, generating a revenue of $25 million. However, several problems were encountered that have threatened the company in the past several years. Jack Reynolds bought partners' shares to produce some stability for the productivity of the company. The working hours were increased which made him temperamental as various issues have threatened the company's productivity and effectiveness.

## Major Problems

The main problem at Tea and More was the poor inventory management which was the main characterized issue in the operations. This implies that orders were to be carried out through Earl Morgan Limited (Meyr, Wagner, & Rohde, 2015). The company has had high storage costs and low product turnover. It resulted in ineffective corporate culture and has created widespread criticism and ownership. Also, the employees lacked interest in taking responsibilities which led to significantly decreased employee efficiency.

## Possible Solutions

The first probable solution is to modify the business's corporate culture to an appropriate leadership style as it will expand stakeholder connections. It will improve the company's collaborative decision-making approach. The second possible solution is to establish a supplier relationship management. It will help improve the company's supply chain management, particularly poor inventory management (Meyr et al., 2015). The third probable solution is to operate lean management in the company. It will comprise of existing corporate culture modification (Yawar & Seuring, 2017). It would reduce product mix-up, inventory and guarantee short manufacture lead time.

## Choice and Rationale

It was imperative to address the major problem related to the supply chain management. The complex supply chain system will ultimately result in better current operations. The second possible solution, supplier relation management, would improve the poor inventory management of the company (Yawar & Seuring, 2017). The third possible solution of lean management will effectively address the company’s relationship and interaction with the suppliers.

## Implementation

The evaluation of the proposed solutions is mandatory to check the company's business priorities, existing supply chain processes and problems with current processes. Partnering with the suppliers to integrate supply relationships into strategic supply chain sourcing will support and maintain the company's current framework (Meyr et al., 2015). Once the system is operated, monitoring and implementing desired short-term objectives will result in ineffective metrics.

References

Meyr, H., Wagner, M., & Rohde, J. (2015). Structure of advanced planning systems. In *Supply chain management and advanced planning* (pp. 99–106). Springer.

Yawar, S. A., & Seuring, S. (2017). Management of social issues in supply chains: a literature review exploring social issues, actions and performance outcomes. *Journal of Business Ethics*, *141*(3), 621–643.