

## Scenario: Amazing Coffee House – Case Study Company Biography

Amazing Coffee Houses (ACHs) is a small but established company in the coffee industry. It is based in northern Chicago, Illinois, and employs over 100 workers locally in its 10 stores. Its current chief executive officer (CEO) and chairman of the board, Sam Ryder, founded the company in 1994 with his wife, Gloria Ryder. Since its founding, Gloria has been the company's chief financial officer (CFO). Sam and Gloria graduated from the Kellogg School of Business at Northwestern University in Chicago. Sam was the senior vice president (SVP) of marketing and sales at another company for many years before starting ACHs with his wife. Gloria also worked for that same company and held the position of finance director.

The Amazing Coffee House is known for its gourmet coffee, low-fat doughnuts, and line of logo stainless-steel coffee mugs that keep drinks hot for 12 hours straight. The workforce is mostly comprised of bakers, managers, baristas, greeters, clerks, and cashiers. They also work closely with several large suppliers and distributors in the United States. There is also a small corporate staff.

### **Problem**

The company has a loyal customer base throughout Chicago. It is known for its personalized service and quality food and drinks. However, the company cannot expand in Chicago without cannibalizing the existing business. Therefore, ACHs is looking to expand in markets beyond Chicago. The first market it has decided to expand into is 81 miles away, in Milwaukee, Wisconsin. The company has worked with a local real estate agent and has purchased an empty building. Sam and Gloria think that Milwaukee is where their 10 stores should be opened. Sam has made it clear to Gloria that his vision is to take ACHs to every city in America one day. The expansion will be financed from retained earnings. No additional outside money will be required.

### **Opportunity**

Sam has no project management experience and has decided to name a project sponsor to manage the expansion project in Milwaukee, Wisconsin. After a thorough evaluation and dozens of interviews, they asked Jim Young, a rising star at the company, to take on the role of the project sponsor to lead a team of five people from different departments to create a project plan for the new site. Jim Young currently serves as a store manager for the biggest of their coffee shops. During his time with the company, he has worked on many new shop development projects as a team leader and helped renovate some of the company's existing shops. People in his business units speak highly of his leadership and coaching style. Although Jim has worked on project teams and supervised functional departments, he has never

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been the project sponsor. He knows that there are a lot of moving parts in leading a project. Jim is worried about his ability to lead a new team of people with whom he has never worked previously. In addition, he is concerned about his lack of experience and knowledge to manage the entire life cycle of a project from start to finish within the budget, quality, time, and scope. You will be working with Jim Young as a project manager with four other professionals in the company. You were hired specifically for this project. Before your tenure at ACHs, you worked as an associate project manager for a large defense contractor on the West Coast. You have worked on many different projects and are familiar with project management terms, methodologies, tools, and techniques. Jim is especially interested in your experience in the agile methodologies reflected in *A Guide to the Project Management Body of Knowledge (PMBOK® Guide)*—Seventh Edition. You earned several certifications relating to project management, including a Project Management Professional (PMP)® Certification, and have a Master of Business Administration (MBA) degree in logistics. Although you have never worked with Jim Young or anyone else in the new team, you are excited about the opportunity to make a difference.

### Project Background Details

Out-of-state expansion requires implementing an accounting system upgrade. The current accounting system is causing a significant amount of business interruptions and must be updated immediately. You have been assigned the role of project manager to develop the project schedule and budget. As the project manager, you are responsible for implementing and enforcing the project schedule and its estimates, expected costs, and the techniques and methods that will be chosen to execute and control the project. The project is being initiated with the following initial project scope in mind:

- There are five traditional accounting systems currently being used. These will be replaced and consolidated into one accounting system.
- New accounting standards and protocols will be established.
- All historical data and records will be converted and transferred to the new system.
- A new accounting software platform is required.

**Note:** The example companies, organizations, products, people, and events depicted herein are fictitious. No association with any real company, organization, product, person, or event is intended or should be inferred.

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