Just about three years ago, a couple of entrepreneurial students from Brandeis IBS opened a specialty food retailer – Boston Bites – based on the idea of offering healthy take-out food ready on short notice. They hesitate to call it fast food because of the images that category often creates, but their idea was indeed to offer healthy fast food. Customers call, fax, or place orders online, choosing from a menu of salads, soups, sandwiches, fruits, and other healthy snacks, and then come to the shop to pick up their orders. Some customers also walk in and place orders. There is a small eat-in area, but most customers take their orders to go.

Boston Bites has had a great success in its early days. They have attracted lots of young employees, many of whom come from Brandeis. The founders and the employees have been amazed with the volume of customers, as the new concept has caught on. The company has seen growth in many areas – volume, customers, staff, menu, and even in number of locations.

Once the owners got the first location established and running at a profit, they began to develop dreams for a bigger future. They had proven to themselves that the concept worked, the market was ready, and they could make a good profit with their business model. The plotted an expansion plan in which copying the successful model created in their original “mother store” would help them increase their customer base. They would enjoy growing sales volume which translated to more revenue, so they would have funds available for expansion into more locations. They had their eyes on achieving a dominant presence in Boston and beyond.

As young owners with a big vision, they are happy to make room for employees to move up into the ranks of management. They have indeed opened new locations all over the Boston area, and employees have had many chances to learn the business and gain new skills. In the last year alone, they have opened six new locations, including one in Providence and one in Worcester.

The situation in the last few months is beginning to concern the top managers. They have noticed the business’s performance has not been as strong. The number of customers seems to be leveling off. Revenues aren’t growing like they used to. Starting to look into their concerns, the top managers have asked for some input from the site managers. The site managers seem to each be struggling with different kinds of problems, but they complain about increases in problem areas such as botched filling of orders, carelessness in restocking, clutter, problems in maintenance, cleanliness issues, and employee absenteeism. The ones who have been around for a while were particularly critical of new employees. Said one of the more experienced managers, “There’s a kind of special way to do things at Boston Bites. They just don’t get it.”

**Your Assignment:** Develop a 10 minute PowerPoint presentation that explains your dynamic hypothesis(ies) regarding the situation at Boston Bites. Propose policies, and identify insights. FOLLOW THE STANDARD METHOD.