

Adaptation of Roster Format in Food Joints

Ranjit Singh

Indian Institute of Information Technology Allahabad, India
Email: ranjitsingh[at]iiita[dot]ac[dot]in

Suman Agarwal

Indian Institute of Information Technology Allahabad, India
Email: rwm2019002 [at] iiita[dot]ac[dot]in

Nitish Singh

Indian Institute of Information Technology Allahabad, India
Email: nitishsingh180[at] gmail [dot] com

Abstract

This case illustrates the entrepreneurial adaptation by two first generation young entrepreneurs from under-privileged family background who learned from their business experiences to come up with a strategy to survive and thrive. What makes the case study unique is that their business survival strategy was built on collaboration and not competition with each other. The adoption of a unique roster format of doing business makes this different from the usual businesses. The case provides and understanding of how collaboration can be a key to business sustenance and was well understood quite early by the young entrepreneurs.

Key words: *small-businesses, roster-format, coordination*

Background:

Most people when they contemplate of starting a business, think of getting into a regular tried and tested business to mitigate unseen risks. However, a usual business when done differently can set it on a different growth trajectory. Such an instance is seen in this case of two eateries near Indian Institute of Information Technology, Allahabad (IIITA). Allahabad (recently renamed as Prayagraj) is a big city with few features of a metropolis and IIITA enjoys a place of pride as a top educational center. IIITA, attracts students from all over India.

Availability of nutritious, inexpensive and good quality food is an issue in the campuses across educational institutes and colleges. The standard menu served in-house in the hostels fails to satisfy students of diverse backgrounds due to their palate for a particular regional cuisine apart from

the factors listed above. This dissatisfaction with hostel food has spurred the opening of eateries offering different varieties of food both inside and outside the campuses. The situation is no different at IITA as well. However, of all such eateries in and around the IITA campus, two restaurants stand out, which merit a discussion.

The Inception and Teething Challenges:

Sahil, residing near the campus of IITA, saw a potential in the unmet demands of students and started a tea-cart selling tea and snacks to meet the occasional requirements of the students looking for a cup of tea and something to eat. He used to keep his shop open till midnight, as students inside the campus usually worked late into the night and to take a small break, they visited Sahil's shop outside the campus gate. As the shop was practically a cart, he would keep it aside during the daytime. The morning hours were utilized for taking rest and purchasing the necessary goods for the shop.

He noted that many students inquired about the availability of reasonably priced food near the Institute at late hours. Within a few days, he started serving Maggi noodles as well to the students. As the days passed, his clientele not only increased but also got varied. Consequently, meeting customer demands became tough with his limited resources.

One day while serving Maggi noodles and tea, a student enquired about the business and suggested the idea of running it out of one of the rooms of his rented house. His house was adjacent to the Institute. Sahil was aware of the dissatisfaction of hostel boarders with the food served in the hostel mess. He could quickly sense that the boarders wanted a food joint near the Institute which the boarders could visit as per their requirement and convenience.

Within a fortnight of this incident, the one-room food-joint started from his rented home. He invested INR 20,000 from his savings and within 15 days, built the necessary infrastructure and arranged the raw materials. He also utilized the time to improve his cooking skills under his mother's guidance and learnt to cook new items such as Paratha, Poori-sabji, Fried rice, Noodles, etc.

With the passage of time, Sahil started encountering some problems. His neighbour, Sohail seeing the potential in Sahil's business had opened his own eatery nearby, after three months of the inception of Sahil's eatery. By seeing Sahil's business and learning from it, Sohail had done his homework better. He positioned his eatery in a manner so that Sahil could not compete with him.

With an initial investment of INR 80,000, Sohail's eatery not only had a more sophisticated infrastructure but also had the services of an experienced chef. Sohail was able to offer a better service and ambience to the customers. Sahil accepted the challenge posed by Sohail's eatery and within a span of three months succeeded in hiring a chef and improved the ambience of his eating joint. As Sahil and Sohail were catering to the same group of limited late-night customers, increasingly, there were situations when there was wastage of the food that was prepared; there were simply not enough customers.

IIITA was located at a distance of around 8 kms from the city. Though the communication from the Institute to the city center was good, it was considered unsafe during night. A spate of robberies in the past few months, along with incidents of snatching and other crimes on the road had increased the fear and not many people took the road at night. Most of the business, along the road to the city-centre, were suffering. Owners of the shops located in the vicinity of IIITA, including that of Sahil and Sohail used to purchase perishable goods on a daily basis and non-perishable goods were purchased on a weekly basis. The situation of lawlessness and resultant uncertainty in business added to the limited customer base, added to the wastage of the perishable items. Sahil and Sohail started thinking of ways to simultaneously cut down on the wastage and increase sales.

The Business Strategy, Adopting the Roster Format:

Putting their heads together, Sahil and Sohail came up with an innovative idea to sustain their business. The strategy adopted was triggered by the need for survival of both the businesses. They had understood that competing amongst themselves was not going to help either of them rather their profit margins and then business would be affected. They had to find a solution where both the businesses could survive. They studied the inflow of customers during the daytime as well as nighttime. Based on the data they collected, they decided to use a roster format for opening of both the eateries to avoid competition amongst themselves. Roster format is one where duties are assigned rotation-wise or shift-wise. They adapted to suit their business where Sahil's eatery would open from 5 A.M to 5 P.M while Sohail's eatery would open from 5 P.M. to 5 A.M. The times could also be interchanged based on need and convenience.

Scheduling. On implementing the roster format, they realized it was not as smooth as they had imagined it to be. The new business model also generated a new problem demanding a fresh

solution. After a few days of running their business in this manner, they noted an issue with the division of eatery opening timing in this manner. It was noticed that depending on the academic schedule in the institute, sometimes the footfalls were higher in the day than in the night, and sometimes it was exactly the opposite. To equalize the differential opportunities created by this pattern, it was initially decided that the roster would be prepared monthly. However, more research on the footfalls and timings ultimately led to the roster being prepared on a quarterly basis. This meant that one of them would open the eatery during the day for a quarter while the other would open at night. For the next quarter, the opening times for each eatery would be reversed.

Pricing. The price and menu were also decided based on demand and regular inflow and outflow of customers. They standardized their food items based on quality and materials used so that there was no possibility of conflict or fall in the customer's value or demand. With experience, they knew that students compared the prices of items on the menu. Even if there was a slight variation in the price, the eatery offering the lower price was preferred for that item. Before the implementation of the roster system, this was the common practice, as the customer could always go to one from the other. Quoted below is an actual conversation between two students which had been observed by both Sahil and Sohail with alarming regularity:

Student 1: *What will you have today?*

Student 2: *Let's have Plain Parantha with some scrambled eggs.*

Student 1: *"You go to Sohail's and I will go to Sahil's. You call me after asking the price of the item at Sohail's."*

At Sahil's place, Student 1 receives the call from Student 2.

Student 1: *"Yes, what's the price there? Oh, Rs. 5 difference! proceed with the order I am coming there."*

Student 1 would then leave without ordering anything at Sahil's eatery. Such encounters were quite frequent at both the eateries, Sahil's and Sohail's.

New Beginning:

The roster-related decision took some time to get implemented as both had to study different factors associated with it. These factors were pricing, profit maximization in roster format, procurement of raw materials, resting time for the one who in night shift, getting workers for the night shift, exploring the changes during nighttime, different external and internal opportunities and threats related to the institutions and the hostel timings.

The main issue they realized was to procure the requirements at night in case of any shortage. They decided to help each other in the procurement of inventory in case of a shortage of the same during the night. It was decided that they would supply goods to each other at the market price.

It has been many years since Sahil and Sohail have come up with their ingenious roster format. To their credit, there has not been a single unresolved disagreement amongst them on the clauses of the roster agreement. If there arises any issue; they get it settled by discussion and mutual understanding.

Since they served a group of educated and demanding customers of IITA they had to maintain the quality and hygiene of the food and their surroundings. They also adapted themselves to suit their digital behaviour. Both have since adopted digital technology to cope with the changing need and demand of the customers. They have WhatsApp groups for their customers where they share the menu of the day and take pre-orders. As a result, there is a substantial decrease in the wastage of prepared food and customers are also finding it convenient as they can place order from the comfort of their rooms and even make the digital payment through various digital payment methods such as Paytm, Google Pay, etc. Nowadays, they are using their connections inside and outside IITA to provide catering services in small and large functions. They, in fact get regular orders for the birthday parties thrown in by the students in the campus.

Exhibits

Exhibit 1: *Sahil's Capital Assets*

| Sl.No. | Particulars | Numbers |
|--------|----------------------|-----------|
| 1. | Plates | 70 Pieces |
| 2. | Cups- For tea/coffee | 20 Pieces |
| 3. | Jugs | 8 Pieces |
| 4. | Refrigerator | 2 Units |
| 5. | Mixer grinder | 1 Units |
| 6. | Cooking Stove | 3 Units |
| 7. | Gas Cylinder | 3 Units |
| 8. | Fan | 3 Units |
| 9. | Exhaust Fan | 3 Units |
| 10. | Cooking Utensils | 3 Sets |

Exhibit 2: *Sohail's Capital Assets*

| Sl.No. | Particulars | Numbers |
|--------|----------------------|-----------|
| 1. | Plates | 90 Pieces |
| 2. | Cups- For tea/coffee | 35 Pieces |
| 3. | Jugs | 15 Pieces |
| 4. | Refrigerator | 3 Units |
| 5. | Mixer grinder | 3 Units |
| 6. | Cooking Stove | 3 Units |
| 7. | Gas Cylinder | 4 Units |
| 8. | Fan | 3 Units |
| 9. | Exhaust Fan | 2 Units |
| 10. | Cooking Utensils | 2 Sets |
| 11. | Buffet Sets | 4 Sets |

Exhibit 3: *Menu and Prices of food items (Common for both)*

| .No. | Particulars | Price Per Unit (in rupees) |
|------|-----------------------------|----------------------------|
| 1. | Tea | 5 |
| 2. | Coffee | 10 |
| 3. | Samosa | 12 |
| 4. | Cutlet | 15 |
| 5. | Maggi | 20 |
| 6. | Hakka noodles/Fried rice | 30 |
| 7. | Parantha with scrambled egg | 30 |
| 8. | Poori-sabji | 25 |
| 9. | Chhole-bhature | 40 |

Note: Customized menu for Parties and Caterings

Exhibit 4: Profiles***Sahil's profile***

Sahil is a resident of village Jhalwa in the Allahabad district of Uttar Pradesh, and he is not much qualified. He matriculated and after that started working as a bus conductor in Allahabad. In later phases, he started with a tea stall, embarked on an entrepreneurial journey and established the business eventually.

Sohail's Profile

Sohail is also a resident of village Jhalwa of Allahabad district and he has studied up to class 12 under state board. As a result, his dealings with the customers are more polite and mature in comparison to that of *Sahil*. Before starting his business in the vicinity of IITA, he was planning to start his business in Allahabad proper but competition and setup cost were too high. Also, he found the present opportunity better. He has shown great management skills and his strategies have been of a very high level.

Exhibit 4: About IIT Allahabad

IIT Allahabad is one of India's renowned institutes and situated about 8 KM from the main city of Allahabad with proper transportation and connectivity. The Institute is well established with its own road connectivity as the same is funded by MHRD (Ministry of Human Resource Development) and Govt. of UP also helps the Institute with the same. The campus is a fully residential one where both faculties and students have to reside inside the campus. The total capacity of the Institute's hostel is around 2500 students. The campus consists of 5 boys' hostel and 3 girls' hostels. For the visitors, the Institute also has a visitors' hostel which is capable of accommodating more than 150 guests. As more information about the demographic of the Institute, the same is located on the Kanpur highways and surrounded by one of the private universities and within itself, the Institute also accommodates a Kendriya Vidyalaya (Central School) - a government-funded Institute.

Exhibit 5: About the staff and workers

Both of them hired the services of one cook each. Besides, both of them recruited two young boys each to help them in running the food joint. These boys help them in serving orders, cleaning and buying materials from nearby shops. Besides, their family members are helping them in running their business as and when required.