

**Edexcel
Principal Learning**

Information Technology

Level 3

Unit 2: Understanding Organisations

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Pre-release Material

Paper Reference

IT302/01

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Tees4Today

Tees4Today is a T-shirt printing service located in north east England. The company began in 2002 when the current partners, Huw and Lilly, were at the Glastonbury festival and saw a stall selling T-shirts printed with a range of designs and slogans. They decided to specialise in printing customised T-shirts with 'up-to-the-minute' messages and images. At the start they took orders over the phone, mostly for hen and stag parties, but gradually built up a reputation for quality T-shirts for special events for organisations. By 2009 they had established a national reputation. They now employ ten staff at their premises in north east England who deal with year-round orders. They also have a summer sales team of around 30 temporary staff who set up marketing stalls at music festivals. Lilly is responsible for the management and training of the summer sales team.

Organisational Objectives

Tees4Today has several organisational objectives:

- Maximise profit
- Enhance efficiency
- Improve competitiveness
- Enhance customer service
- Raise awareness of the business.

Business Review

In September 2009 Huw and Lilly reviewed their business and identified that competition in their area was becoming a serious problem. Because of new technology the T-shirt business has become very competitive with new start-ups appearing regularly. They decided better use of technology could achieve the following:

- Improve their customer information to generate additional business
- Improve their ordering process to keep stocks as low as possible
- Improve internal company communications
- Improve the training for summer sales team using technology such as web-based training
- Attract new customers

Huw and Lilly also decide they need to:

- Set up a research team to identify new marketing opportunities and trends by monitoring the internet
- Invest in laptops for summer sales team
- Develop new product ranges using new computerised T-shirt embroidery machines.

Researching Internet Markets

Huw has discovered that he can purchase data from companies that monitor internet traffic. He is interested in buying information on internet users who have visited his and his competitors websites. The information he can purchase could include details of which sites were visited, with dates, times and profiles of the searcher, for example age, social group, geographic location.

Company Communications with the Summer Sales Team

For several years the communications with the summer sales teams has not been good. Huw has identified several problems:

- The teams are all temporary staff and are based across the country
- Team members have several different computer and software setups. Many have a PC, whilst others have Apple Mac computers, and several only use open source software. Consequently there have been problems sending files to team members
- Introducing digital training packs may cause problems as they are likely to be too large to send as email attachments
- It is hard to keep track of where team members are and what their commitments might be. Often a team leader urgently needs to bring in extra staff and it takes a lot of time to contact team members and find out who is available
- The company currently uses standard office software. Huw is quite keen to use open source software on the new laptops for the summer sales team

As a result Huw has prioritised the following actions:

- Integrating different IT systems
- Sharing and using large files
- Sharing calendar and staff availability information

Researching Customer Relationship Management

Tees4Today is a small organisation but increasing competition has meant that customer relationship management will need to be improved. Huw plans to look at how technology is used in other organisations to improve the effectiveness of their customer relationship management.

Value of Computer Equipment

Lilly has been advised that the value of computer equipment falls rapidly and after four years is 'written off' for accounting purposes. She will, therefore, have to make sure that any computer equipment purchased will pay back its capital cost in four years or less.

New Organisational Structure

As a result of the review of the company the organisational structure was changed to the following:

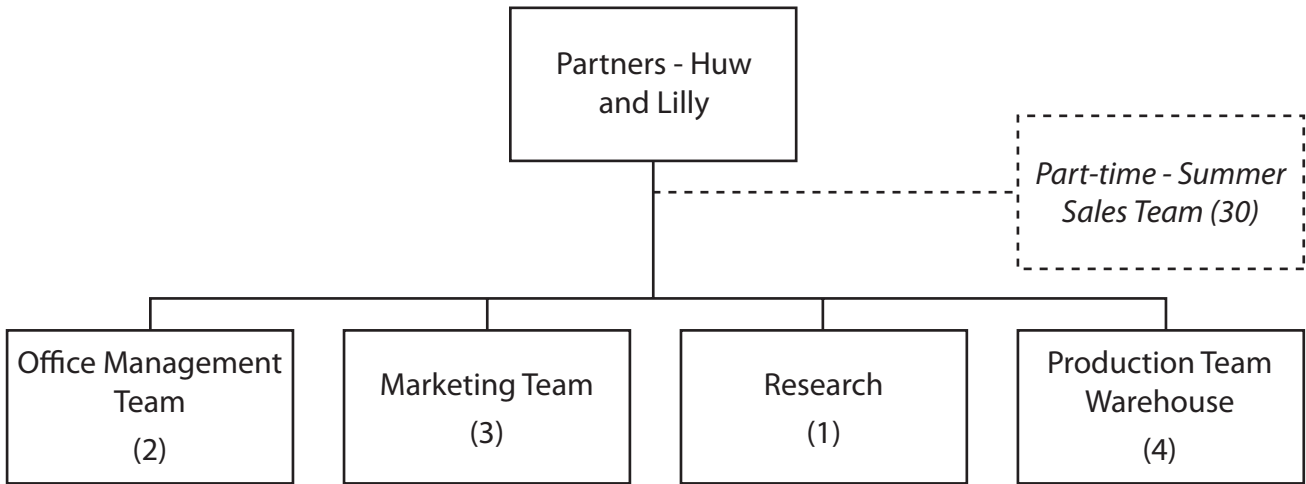


Figure 1

Predicted Cash Flow

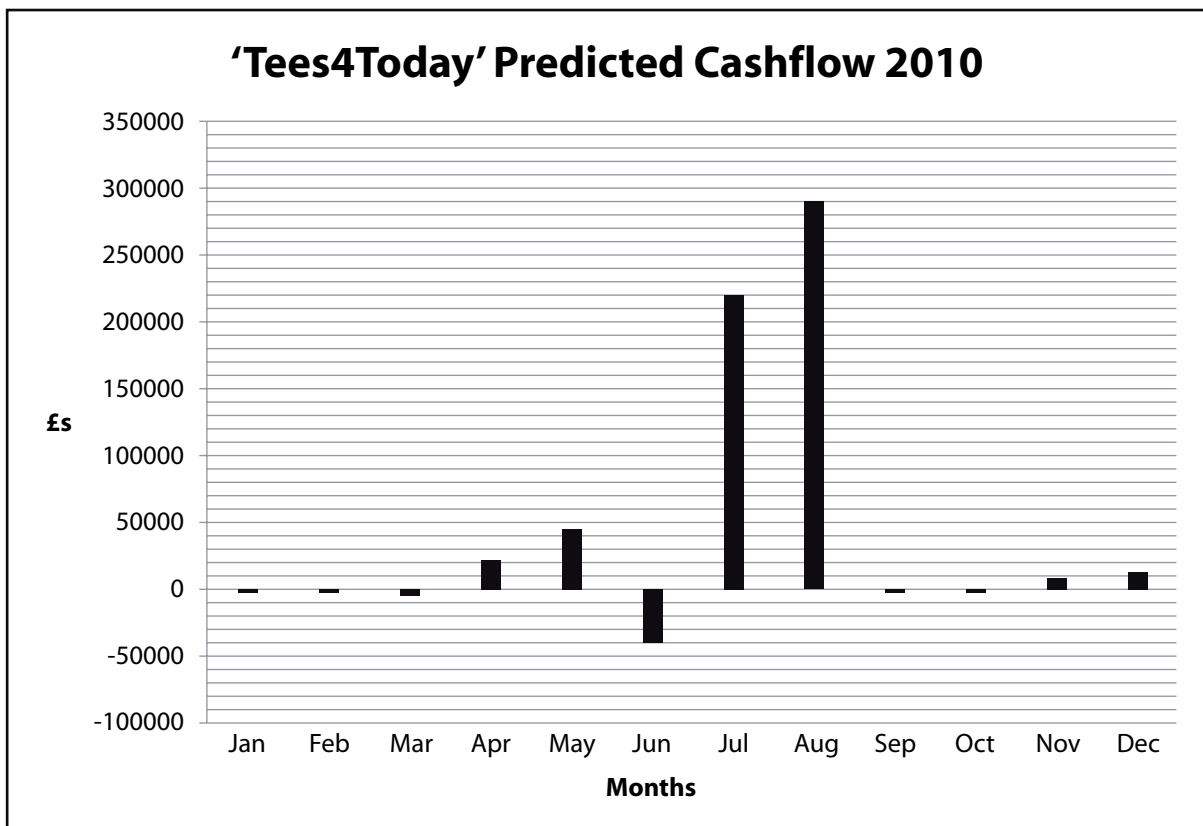


Figure 2

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New Stock Ordering System Option 1

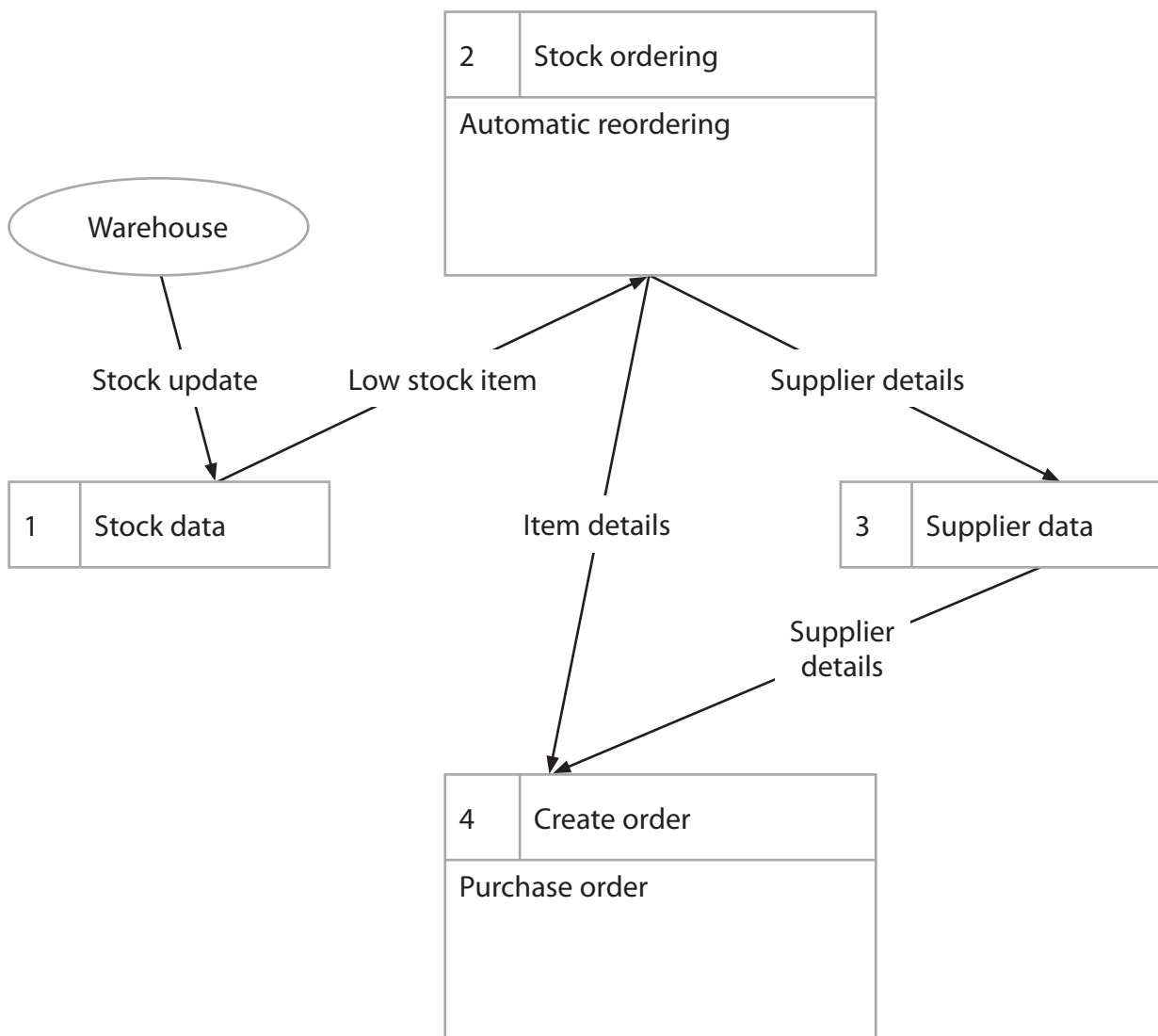


Figure 3

This figure shows an extract from a proposed new stock ordering system that might be introduced at Tees4Today.

New Stock Ordering System Option 2

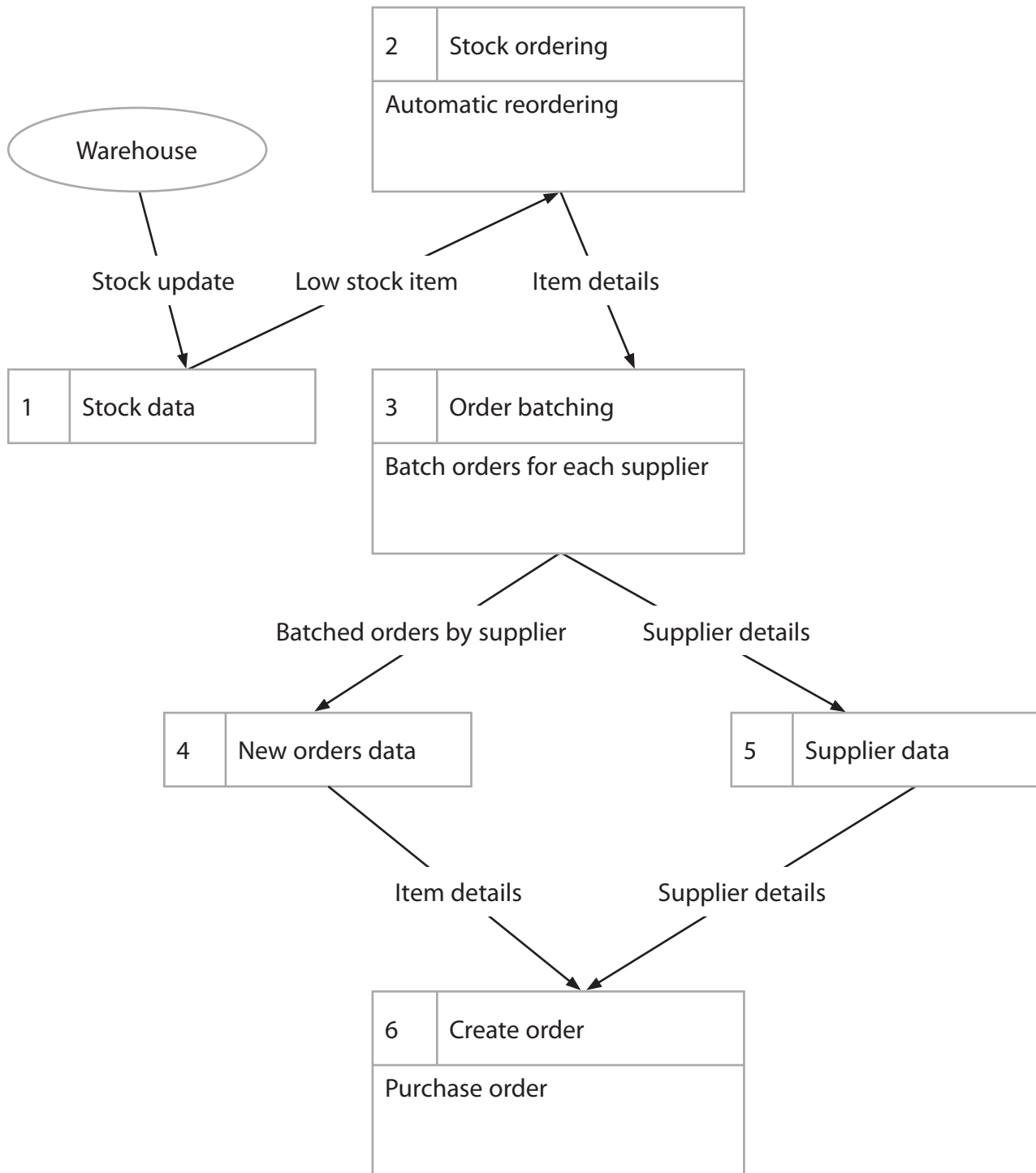


Figure 4

This figure shows an extract from an alternative new stock ordering system that might be introduced at Tees4Today.

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