

POSITION DESCRIPTION

Position Description: Retail Manager
Reporting to: MC Chair & Chair of Finance Committee
Location: Enmore, Sydney
Updated: September 2016



1. PURPOSE OF POSITION

(List expected and measurable end results that must be achieved)

To be responsible for achievement to plan of the retail aspect of Alfalfa House Community Co-op identified in the strategic plan and annual budgets to ensure its profitability.

Specific responsibilities for the Retail Manager are:

- Responsible for the development and implementation of the retail sales and trade marketing aspects of the strategic plan.

2. DIMENSION: (describe 'limits of authority', monetary and number of people reporting to this position)

A Limits of Authority:

1. Implementation and management of approved purchasing, marketing, commercial expenses in accordance with the approved annual budget.
2. Supervision, development and management of the staff and volunteers that work in the Alfalfa House team at the co-op.

B Budget

Management of the company retail operations as approved, focusing on objectives in the company strategic plan and annual budget with specific emphasis on profitable revenue increases, increase membership, retaining existing members, marketing penetration, promotional support, forecasting, other KPI's as agreed annually.

3. DUTIES AND ACCOUNTABILITIES:

The following statements are intended to describe the general nature and level of work being performed. They are not intended to be construed, as an exhaustive list of all responsibilities, duties and skills required of personnel so classified.

- In conjunction with the Finance Committee provide input into the preparation of the annual budgets (sales, product mix, media, non-media, discounts and overheads), reports and forecasts and ensure that they are presented in a timely manner to the MC and formally review and report business results in a 1 page summary monthly. (New format to be developed)
- Manage the selection and training of staff. Establish lines of control and delegate responsibilities to subordinate staff & ensure performance and work plans are in place and actioned according to co-op timeframes. Ensure adherence to Alfalfa House Policies and Procedures.
- Staffing – Ensure that staff are rostered in accordance with budget guidelines and the safe operating of the company.
- Banking – Ensure that this is done a timely manner in accordance with the Alfalfa House guidelines. Ensure that governance is applied in relation to the accounts and cash handling.
- IT – Ensure that the systems are working efficiently. Provide feedback in the monthly report and suggest CAPEX for the annual budget.
- Cleaning & Pest Control– Develop in conjunction with the team a cleaning plan that is achievable, cost effective and within OH & S guidelines.
- Maintenance – Develop in conjunction with staff a maintenance program for the Co-op including fittings, fixtures, electrical equipment. Present and have approved by the MC as part of the annual budget including a cost benefit analysis.

- OH&S – Ensure that there is a safe working environment for Alfalfa House staff & volunteers. Any issues to be documented in the monthly report with a suggested action plan.
- Security – Ensure that the Co-op is secure in terms of passwords of computers, safes, maintaining them and providing to the chair of the Finance committee.
- Continually analyse and evaluate quality, process and costs that will benefit the co-op.
- Represent the Co-op at industry levels. Attendance at events, press events, trade & consumer events, public meetings and similar events.
- Direct and manage the development of improved business practices and initiatives including the development of new product selections, offers and packaging,
- Manage the SKU reviews on an annual basis to ensure relevance to the range.
- Develop the collection and collation of market trends in the business as they might impact on the future of the business.
- Contribute to overall policy development, strategic planning and operational planning, review and monthly reporting cycles.
- Responsible for the management of the company’s intellectual property in terms of trademark use, branding through maintenance of the Marketing Books, Brand Guidelines and associated information as provided by the MC for use in activities. I.e. Maintain Dropbox files and ensure it is backed up.
- To act as part of Alfalfa House Management Team. Attendance at MC Meetings and preset the retail report. Contribute to overall policy development, strategic planning and operational planning, review and monthly reporting cycles.

3 PERSONAL SPECIFICATIONS

(a) COMMERCIAL:

- Extensive commercial experience the retail channel in managing fresh produce and grocery lines.
- An outstanding record in leading and developing teams.
- Strong understanding of customer and market dynamics and requirements.
- Proven ability to oversee all sales, trade marketing, advertising, staff, volunteers and activities.
- Strong financial competence in sales, margins, profitability, ullage and ROI, GMROI (Gross Margin Return On Investment), DSI (Days of Inventory), Slow and fast moving stock.

(b) MANAGERIAL:

- Demonstrate decisive, lateral and strategic thinking complemented by advanced business acumen and people skills.
- Capable of working with minimal supervision.
- Ability to work with the Management Committee of Alfalfa House and the wider community.

(c) HUMAN RELATIONS:

- A passionate, energetic tenacious attitude that will create and deliver success.
- Proactively establish and maintain effective working team relationships with all support departments.
- Build trust, value others, communicate effectively, drive execution, foster innovation, focus on the customer, collaborate with others, solve problems creatively and demonstrate high integrity.

(d) QUALIFICATIONS

- Minimum of 10 years retail grocery sales management experience with demonstrated successes with a commercial focus including the responsibility for purchasing, budgeting and HR. Extensive experience in the fresh produce and grocery in through the health food, organic grocery channels is mandatory.
- Computer Skills Word, Excel, MYOB or similar, Social Media

4 SIGNATURES

.....
Manager **Date**

..... **Date**

Alfalfa House Reallocation of Resources.

	Hrs per week		Hrs per week		Hrs per week		Hrs per week		Hrs per week	
Finance		HR		Merchandising		Sales		Promotions		Purchasing
Retail										
Paid Staff		Paid Staff		Paid Staff		Paid Staff		Paid Staff		Paid Staff
Banking	2	Hire		Display	4	Budgets	2	Tasting adventure		Budgets
Recommend IT and implement plan		Timesheet signoff		Product of the week	2	Tracking	1	Produce of the week	1	Wastage
AR/AP	5	Payroll	1			Sales plan	1	Weekly food box	1	Profit
Passwords		Staff forms				Promotional Plan	1	Weekly produce box	1	Margins
Safe & keys		Rostering	2							Orders
Security		Training coordinator								
Miscellaneous	5	Staff record keeping								
		OH&S								
	12		3		6		5		3	
Shop Volunteers		Shop Volunteers		Shop Volunteers		Shop Volunteers		Shop Volunteers		Shop Volunteers
Governance, Strategy & Planning										

Hrs per week		Hrs per week		Hrs per week		Hrs per week
	Operations		Marketing		Registers	
	Paid Staff		Paid Staff		Paid Staff	
1	Cost saving	1	Implement plans	1	Assume open 59.5 hrs per week	102
2	Maintenance program	0.5			2 registers	
1	Registers	0.5			Register 1- 100% of the time	
1	Replenishment	0.5			Register 2- 70% of the time	
3	Complaint resolution	0.5				
8		3		1		102
	Shop Volunteers		Shop Volunteers		Shop Volunteers	
	Replenishment	30	Newsletter			
	Membership database	2	Social Media plan			

MC & Delegated working groups		MC & Delegated working groups		MC & Delegated working groups		MC & Delegated working groups		MC & Delegated working groups		MC & Delegated working groups
Insurances		Policies		Review		Review actuals and plan		Approve plan and review post analysis		Review monthly report
Approve budgets		Review liabilities				Review and approve action plan				
Approve CAPEX										
Grants coordination										
Membership database										
Registry of co-ops										
IT - Ensure that it fulfils the needs										

	MC & Delegated working groups		MC & Delegated working groups		MC & Delegated working groups	
	New premises		Develop plan as part of the annual budget.			
			Develop materials			

1. CASH FLOW PROBLEM

OK. We are now experiencing problems with our cash flow. Why is this happening now? Generally speaking, we are simply not making enough money (selling enough goods). This has been an ongoing problem for the past couple of years now.

Why have we been taken by surprise by this? I think there are a couple of reasons. First, there may have been a failure of communication from Simon regarding our cash flow and our continuing ability to sustain operations. Also, in August, I may have failed to fully understand our cash flow needs. Second, we have experienced a significant loss in August (about \$17K) which is a pretty big hit to our available cash. The August loss is primarily due to an extra payroll period, the transition cost of the book-keeper and reduced sales revenue (comparative sales revenue figures: \$101K (FY16) vs. \$108K (FY15) vs. \$116K (FY14)). Third, the write down of the Clearing Account - Cash from last month was an unexpected hit to our available cash (surprising last month, maybe not part of this month's surprise).

Here's the crunch. We have \$66K in the bank, currently, to pay (i) \$28K in overdue creditors; (ii) another \$18K in current creditors, (iii) a fortnight's payroll of around \$9.5K, and (iv) PAYG \$5.3K. So, we have to cut back on purchasing and delay some payments to vendors. We may also have to cut back on some staffing. By delaying some payments and reducing additional purchases, we may be able to drive up our cash position, so that we can continue to operate with a comfortable cash cushion. I think we should get through this with our continuing sales (as they are) in the short term; however, long term, this is going to be an issue. We have some significant expenses on the horizon: Simon's accumulated annual leave, annual insurance premiums, etc.

If you look at my forecast,

<https://docs.google.com/spreadsheets/d/1byLkaCe4IEQ8qcn1nmCEZKxnWL0bz7rsNjjr90vUyk/edit?usp=sharing>

I estimate that we need to have average monthly sales of \$117K (at a 37% margin) or \$108K (at a 40% margin) to cover our costs. We are not making those numbers (\$102K average for FY16; \$112K average for FY15).

We need more people participating in our enterprise.

Are we insolvent? At the moment, I don't think so. We still seem to have enough cash to pay our debts as they come due, although, I think it could get close. We may have to rely on the inventory (as close out) to cover debts.

Please refer to this an information sheet published by ASIC (Australian Securities & Investments Commission) entitled "Duty to prevent insolvent trading: Guide for directors"

<http://download.asic.gov.au/media/1241384/rg217-29july2010.pdf>

2. AUGUST NUMBERS

We recorded \$101K in sales vs. \$108K last year vs. \$116K (FY14)

We show a net loss of around \$17K for the month. Note that: (i) we had an extra payroll period in August; and (ii) the cost of the transition to a new book-keeper (overlapping fees).

Simon's take: Weekends busier than the week; average transaction value is up but volume of transactions is lower; we had a number of workshops in August but that did not translate into sales (no staff to do sales).

3. POS / NUMBERS Qs / MISREPORTING OF CASH

As you know, at the FWG meeting and at a separate meeting with Kate and me, Simon revealed that he had noticed shortfalls in cash some time ago (more than a year ago); he could not remember any details regarding the circumstances of his discovery except that it was with cash (not EFTPOS). Simon said that he had been using current funds to cover shortfalls from previous periods on about a two-week running basis. As a result of this (non-)revelation, we froze the bank accounts, confiscated Simon's AH bank card, changed the code on the safe and transferred all banking responsibilities to Julia and me.

Upon further investigation, it appears that, as far as we can tell, Simon was not doing what he said he was doing currently or that he stopped doing it at the time of the write down. It is unclear, and, unfortunately, Simon is unable or unwilling to provide us with any details or further information.

The FWG will continue with our research into the discrepancies between POS and cash/EFTPOS banked. We will attempt to reconcile June 2016 which saw a \$1K variance between POS and deposits. In addition, we will examine the POS for errors with Phil.

4. MONTHLY REPORT

I do not have time to create a Monthly Report for August. I am also unsure of its efficacy. I think I will ask our book-keeper to produce the Dashboard with a previous year comparison and leave it at that. Let me know your thoughts.

Profit & Loss

ALFALFA HOUSE COMMUNITY FOOD CO-OPERATIVE 1 August 2016 to 31 August 2016

	31 Aug 16	31 Aug 15	31 Aug 14
Income			
Daily Balance Sheet Variance	-	-	788
Sales - Ex GST	87,990	93,039	100,608
Sales - GST	13,118	15,389	15,722
Till Variance - Cash	-	(49)	(967)
Total Income	101,108	108,380	116,151
Less Cost of Sales			
Fruit & Vegetables	23,406	20,028	23,722
Groceries	44,676	44,217	54,513
Total Cost of Sales	68,083	64,245	78,236
Gross Profit	33,025	44,135	37,915
Plus Other Income			
Interest Income	23	101	195
Total Other Income	23	101	195
Less Operating Expenses			
Administration Expenses			
Accounting & Audit Fees	-	-	3,250
Bank Fees	-	-	59
Bookkeeping Fees	3,132	3,000	3,000
Computer & IT Maintenance	720	-	1,820
Depreciation	816	855	705
EFTPOS Fees	837	839	559
Equip. Repairs & Maintenance	-	137	280
Pest Management	291	291	-
Postage [62850]	-	-	33
Room Hire	85	85	63
Shop & Office Equip < \$1000	573	267	145
Shop Refurbishment	-	-	250
Software [62830]	85	-	64
Stationery & Office Supplies	-	196	268
Subscriptions	417	202	463
Travel Expenses	-	23	19
Total Administration Expenses	6,956	5,895	10,978
Communication Expenses			
Internet	64	64	64
Telephone Expenses	64	218	22
Total Communication Expenses	127	282	86
Employment Expenses			
Annual Leave Movements	374	298	2,188
Contractor Expenses	-	837	-
Superannuation Expense	2,925	2,303	2,256

Profit & Loss

	31 Aug 16	31 Aug 15	31 Aug 14
Wages & Salaries Expenses	33,991	24,481	24,222
Total Employment Expenses	37,290	27,918	28,666
Facility Expenses			
Cleaning Expenses	1,891	2,295	-
Recycling Fees	-	100	-
Rent	3,259	2,450	2,702
Rubbish Removal	276	100	85
Water Usage	179	-	160
Total Facility Expenses	5,605	4,945	2,947
Insurance Expenses			
Workers Comp Insurance	727	1,273	-
Total Insurance Expenses	727	1,273	-
Total Operating Expenses	50,706	40,313	42,677
Net Profit	(17,658)	3,923	(4,567)

Profit & Loss

ALFALFA HOUSE COMMUNITY FOOD CO-OPERATIVE 1 July 2016 to 31 August 2016

	31 Aug 16	31 Aug 15	31 Aug 14
Income			
Cash Sales Adjustment	433	-	-
Daily Balance Sheet Variance	-	-	164
Sales - Ex GST	176,165	189,202	199,489
Sales - GST	26,420	31,214	30,162
Till Variance - Cash	-	(217)	(1,843)
Vouchers Claimed	-	-	(100)
Total Income	203,017	220,199	227,871
Less Cost of Sales			
Fruit & Vegetables	44,112	41,529	46,109
Groceries	85,459	104,518	110,647
Less: Closing Inventory	-	-	(58,710)
Opening Inventory	-	-	58,710
Total Cost of Sales	129,571	146,046	156,755
Gross Profit	73,446	74,152	71,116
Plus Other Income			
Interest Income	97	204	373
Total Other Income	97	204	373
Less Operating Expenses			
Administration Expenses			
Accounting & Audit Fees	-	(6,500)	(3,250)
Bank Fees	3	-	125
Bookkeeping Fees	5,632	6,000	6,000
Computer & IT Maintenance	1,220	960	2,300
Depreciation	1,632	1,710	1,308
EFTPOS Fees	1,604	1,622	1,120
Equip. Repairs & Maintenance	789	831	368
Fines and Penalties	-	104	-
Licences	117	427	113
Pest Management	291	291	345
Postage [62850]	-	-	33
Printing	-	-	140
Recruitment Fees	-	110	-
Room Hire	85	164	63
Shop & Office Equip < \$1000	1,494	355	294
Shop Refurbishment	-	-	250
Software [62830]	85	70	127
Stationery & Office Supplies	-	451	680
Subscriptions	502	314	753
Travel Expenses	-	45	19
Website Hosting	-	-	133
Total Administration Expenses	13,454	6,955	10,920

Profit & Loss

	31 Aug 16	31 Aug 15	31 Aug 14
Communication Expenses			
Internet	127	127	127
Telephone Expenses	127	377	84
Total Communication Expenses	254	504	211
Employment Expenses			
Annual Leave Movements	2,572	481	4,800
Contractor Expenses	-	837	817
Long Service Leave Expense	-	-	(5,244)
Superannuation Expense	4,879	4,269	4,488
Wages & Salaries Expenses	56,175	45,319	44,722
Total Employment Expenses	63,627	50,906	49,583
Facility Expenses			
Cleaning Expenses	3,309	4,132	-
Electricity Expenses	-	1,852	(205)
Recycling Fees	-	300	232
Rent	6,518	5,212	5,456
Rubbish Removal	413	451	178
Water Usage	179	-	160
Total Facility Expenses	10,419	11,947	5,822
Insurance Expenses			
Business Insurance	-	4,262	986
Work Cover Premiums	562	-	-
Workers Comp Insurance	727	2,078	735
Total Insurance Expenses	1,289	6,340	1,722
Total Operating Expenses	89,043	76,652	68,256
Operating Profit	(15,499)	(2,296)	3,232
Non-operating Expenses			
Other Non-operating Expenses			
Suspense	-	222	-
Total Other Non-operating Expenses	-	222	-
Total Non-operating Expenses	-	222	-
Net Profit	(15,499)	(2,518)	3,232

Balance Sheet

ALFALFA HOUSE COMMUNITY FOOD CO-OPERATIVE As at 31 August 2016

	31 Aug 2016	31 Aug 2015	31 Aug 2014
Assets			
Bank			
MECU Community Acc - 12046249	24,901	38,473	38,077
MECU Expenses Acc - 12046250	19,515	23,539	39,466
Total Bank	44,416	62,012	77,543
Current Assets			
Clearing Accounts			
Clearing - Cash	3,746	16,395	22,632
Clearing - Debit/Credit Card	6,562	5,175	10,327
Clearing Cheque Deposit	(1,928)	-	-
Electronic Clearing Account	-	-	-
Total Clearing Accounts	8,381	21,570	32,959
Inventory			
Inventory	71,228	67,221	58,710
Total Inventory	71,228	67,221	58,710
Other Current Assets			
TFN Withholding Credits	-	354	354
Total Other Current Assets	-	354	354
Till Box			
Float Till Drawer	300	300	300
Front Till Change box	466	466	466
Total Till Box	766	766	766
Total Current Assets	80,375	89,910	92,789
Non-current Assets			
Containers & Scoops			
Accum.Depr.Containers & Scoops	(7,880)	(7,083)	(6,145)
Containers & Scoops At Cost	12,396	12,396	12,396
Total Containers & Scoops	4,516	5,313	6,251
Fixtures & Fittings			
Accum.Depr.Fittings & Fixtures	(31,406)	(29,437)	(26,918)
Fittings & Fixtures At Cost	40,069	40,069	36,436
Total Fixtures & Fittings	8,664	10,632	9,518
Improvements			
Accum. Depr. Improvements	(3,870)	(1,685)	-
Improvements At Cost	14,564	14,564	-
Total Improvements	10,695	12,879	-
Shop & Office Equipment			
Accum.Depr.Shop & Office Equip	(37,951)	(33,240)	(28,518)
Shop & Office Equip At Cost	58,380	53,066	53,066

Balance Sheet

	31 Aug 2016	31 Aug 2015	31 Aug 2014
Total Shop & Office Equipment	20,428	19,826	24,548
Software			
Accum. Depr. Software	(9,998)	(9,509)	(8,858)
Software At Cost	11,463	11,463	11,463
Total Software	1,465	1,953	2,604
Total Non-current Assets	45,768	50,604	42,921
Total Assets	170,559	202,527	213,253

Liabilities

Current Liabilities

ATO Liabilities

GST	(1,844)	(2,981)	(2,690)
ICA - ATO	-	3,920	3,212
PAYG Withholding Payable	5,282	1	1
Total ATO Liabilities	3,438	940	523

Employment Liabilities

Annual Leave	18,527	18,485	25,486
Long Service Leave	3,598	9,710	-
Super Clearing House	6,041	4,269	4,488
Wages Payable - Payroll	-	-	-
Total Employment Liabilities	28,166	32,464	29,973

Payables

Trade Creditors New	60,663	37,239	43,656
Total Payables	60,663	37,239	43,656

Total Current Liabilities

Total Current Liabilities	92,267	70,643	74,152
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Non-Current Liabilities

Loan - Paul Spyris	-	-	(1,112)
Total Non-Current Liabilities	-	-	(1,112)

Total Liabilities	92,267	70,643	73,040
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Net Assets	78,292	131,884	140,214
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Equity

Current Year Earnings	(15,499)	(2,518)	3,232
Retained Earnings	93,791	134,402	136,981
Total Equity	78,292	131,884	140,214

Alfalfa House Sales Activation

Aim:

- To stimulate sales in the co-op by 15%*(arbitrary target).
 - Can be achieved by either increasing the basket size by \$5.00, (Option 1) or
 - Increasing the number of transactions per day by 19 (Option 2).

Objectives

- Encourage new members
- Reactivate existing members
- Increase the shoppers to spend more

Mandatories

- Minimal additional cost to implement.
- Can be started with minimal planning or resources.

Actions

- Boxed Options – Can be ordered and paid on line
- New member drive

Boxed options

		Price	Qty per week	Revenue
Meal Box	Pasta, Sauce, Salad, Recipe card	\$20.00	20	\$ 400.00
Weekly basics	sauce	\$30.00	40	\$1,200.00
	salad			
	vegetable			
Vege box options	low carbs	\$ 30.00	10	\$ 300.00
	detox box	\$ 30.00	10	\$ 300.00
	high fibre	\$ 30.00	10	\$ 300.00
	basics	\$ 25.00	10	\$ 250.00
	pickling	\$ 40.00	10	\$ 400.00
	preserves	\$ 40.00	10	\$ 400.00
	week lunch box	\$ 40.00	20	\$ 800.00
Premix	Pancakes/ recipe card	\$ 5.00	10	\$ 50.00
	Muffins/ recipe card	\$ 5.00	10	\$ 50.00
Lunch salad		\$ 15.00	50	\$ 750.00
Sweet treats		\$ 2.00	50	\$ 100.00
	Total			\$ 5,300.00

New Member Drive

Reach

Local Primary Schools
 Council Sustainability Newsletter
 Locals
 Ad Inner West Courier

Vehicle

In newsletter
 In email newsletter
 flyer in local shops
 Ad

Incentive

\$5.00 coupon on 1st shop min \$20 spent
 \$5.00 coupon on 1st shop min \$20 spent
 \$5.00 coupon on 1st shop min \$20 spent
 \$5.00 coupon on 1st shop min \$20 spent

Sales Calculations

Days	31			
	July Actual	15 % Sales Increase		
		Option1	Difference	Option 2
2016/17	\$ 104,619.00	\$ 120,311.85	115%	\$ 120,311.85
Daily Average	\$ 3,374.81	\$ 3,881.03		\$ 3,957.63
Av daily transactions	111	111	\$ 3,881.03	130
Av basket	\$ 30.40	\$ 34.96	\$ 4.56	\$ 30.40
Additional Transactions				\$ 19.19
New members	48			19
Exited members	?			

Next Steps

MC Approve in principle	28 September 2016
Staff Input	29Sept – 3 Oct 2016
Implement	4 October 2016
Review	December 2016 MC Meeting

