# STRATEGIC OPERATIONS MANAGEMENT OF SMALL AND MEDIUM CASUAL RESTAURANTS IN SELECTED AREAS OF CAVITE

### THESIS

JENNA D. CRUZ
ROUCHENE A. ROSALES
JAMINE R. VICEDO

College of Economics, Management and Development Studies

CAVITE STATE UNIVERSITY

Indang, Cavite

## STRATEGIC OPERATIONS MANAGEMENT OF SMALL AND MEDIUM CASUAL RESTAURANTS IN SELECTED AREAS OF CAVITE

Undergraduate Thesis
Presented to the Faculty of the
College of Economics, Management and Development Studies
Cavite State University
Indang, Cavite

In partial fulfilment of the requirements for the degree Bachelor of Science in Business Management



Strategic operations management of small and medium casual restaurants in selected 658.4 R71 2019 T-8648

JENNA D. CRUZ ROUCHENE A. ROSALES JAMINE R. VICEDO June 2019

#### **ABSTRACT**

CRUZ, JENNA; ROSELES, ROUCHENE CZAR; AND VICEDO, JAMINE. Strategic Operations Management of Small and Medium Casual Restaurants in Selected Areas of Cavite. Undergraduate Thesis. Bachelor of Science in Business Management major in Operations Management. Cavite State University, Indang, Cavite. May 2019. Adviser: Ms. Ma. Grasya M. Tibayan.

The study was conducted to determine the business profile of small and medium casual restaurants in selected areas of Cavite; determine the strategic operations management practices adopted by small and medium (SME) casual restaurants in terms of ordering, sanitation, safety, and supervising employees; determine the level of effectiveness of strategic operations management practices in terms of different aspects; determine the significant relationship between the level of effectiveness in terms of different aspects of strategic operational practices to business profile of SME casual restaurants; and determine the problems encountered by the owners in managing the SME casual restaurants.

The participants of the study were 43 owners and managers of small and medium casual restaurants in selected areas of Cavite. A survey questionnaire was used to gather data.

Based on the results, more than half of the restaurants were sole proprietorship and mostly had been operating for less than two years and with an average number of employees of 12. The study also showed that the most frequent strategic operations management practices used in small and medium casual restaurants is in terms of sanitation followed by ordering, safety, and supervising employees. On effectiveness of strategic operations practices, the study showed that all practices are very high in level of effectiveness.

The findings also showed no significant relationship occurred between the level of effectiveness of strategic operations management and business profile of the small

and medium casual restaurants except for the number of employees and the ordering practices.

And lastly, the participants determined that their most encountered problem was the lack of communication and cooperation between the departments in their restaurants.

#### **TABLE OF CONTENTS**

BIOGRAPHICAL DATAIII
ACKNOWLEDGMENTvi
ABSTRACTx
LIST OF TABLESxiv
LIST OF APPENDICESxv
INTRODUCTION 1
Statement of the Problem4
Objectives of the Study5
Hypotheses6
Significance of the Study8
Time and Place of the Study9
Scope and Limitation9
Definition of terms9
Conceptual Framework10
REVIEW OF RELATED LITERATURE
METHODOLOGY
Research Design32
Participants of the Study32
Sampling Technique33
Data Gathered33
Special Treatment of Data33
RESULTS AND DISCUSSION
Business Profile of the Casual Restaurants36
Strategic Operations Practices of Casual Restaurants 38
Effectiveness of Strategic Operational Practices41
Relationship of Level of Effectiveness of SMP and Business Profile 45

Problems Encountered	47
SUMMARY, CONCLUSION AND RECOMMENDATION	49
Summary	49
Conclusion	. 50
Recommendation	51
REFERENCES	53
APPENDICES	58

#### LIST OF TABLES

Table	Page
1	Category of small and medium enterprise according to size
2	Category of small and medium enterprise according to number of employees12
3	List of municipalities of Cavite with highest number of casual restaurants
4	Interpretation of weighted mean for level of effectiveness of strategic operational practices
5	Interpretation of pearson's product-momentum of correlation
6	Business profile of small and medium casual restaurants in selected areas of Cavite
7	Distribution of participants according to strategic operations practices
8	Distribution of participants according to the level of effectiveness of strategic operations practices41
9	Relationship between type of ownership and level of effectiveness of strategic operations practices45
10	Relationship between years of operation and level of effectiveness of strategic operations practices
11	Relationship between number of employees and level of effectiveness of strategic operations practices
12	Distribution of participants according to problems encountered

#### LIST OF APPENDICES

Appendix		Page
1	Research Questionnaire	60
2	Letter for Department of Trade and Industries	65
3	Ethics Review Board Certification	67
4	Statistical Certification	69
5	Approval sheet	71
6	Evaluation form	73
7	Routing slip	75

# STRATEGIC OPERATIONS MANAGEMENT OF SMALL AND MEDIUM CASUAL RESTAURANTS IN SELECTED AREAS OF CAVITE

#### Cruz, Jenna D. Rosales, Rouchene Czar A. Vicedo, Jamine R.

An undergraduate thesis manuscript submitted to the faculty of the Department of Management, College of Economics, Management and Development Studies, Cavite State University, Indang, Cavite in partial fulfillment of the requirements for the degree of Bachelor of Science in Business Management major in Operations Management with Contribution No. 

M-2019-43-7

Prepared under the supervision of Ms. Ma. Grasya M. Tibayan.

#### Introduction

The restaurant industry comprises many fragmented units ranging from full service to quick service restaurants. The industry boasted many independently owned and operated restaurants, which remained the backbone of the industry. Over the past five years, there had been a trend for consumers to gravitate toward independently owned and operated restaurants. The growth had been seen in both revenues and guest counts. Research showed that there are various reasons for this shifting trend including Millennials moving to urban lifestyles, connection with consumer values, and responsiveness to customer satisfaction (Jennings, 2017).

Casual dining concept is a full-service restaurant, comprised establishments primarily engaged in providing food services to patrons who order and are served while seated (i.e., waiter or waitress service) and pay after eating.

These establishments provided this type of food service to patrons in combination with selling alcoholic beverages, providing carry out services, or presenting live nontheatrical entertainment (An, 2016).