



SYMPOSIUM ***GRH*** ***2023***

November 17-18, 2023



The chicken crisis, an inconceivable situation

Fictional case - Management

Presented to RÉFAEC member universities

**All information in this case is fictitious and in no way associated with Exceldor.*

Exceldor, Quebec's favorite chicken and turkey brand since 1996.

In 1945, the 225 members of the Société coopérative avicole régionale de Saint-Damase joined forces with the 317 members of the Coopérative avicole régionale d'Etchemins – whose plant was located in Saint-Anselme. The result was Groupe Dorchester/Saint-Damase, renamed Exceldor in 1996.

Always at the forefront of Quebec's poultry industry, the company took advantage of its new brand identity to innovate, switching in 1996 to air-cooling instead of water-cooling, and becoming the first local brand to feed its chickens grain. Since then, Exceldor has continued to enhance its brand image and product quality, and is proud to be Quebec's favourite brand.

Exceldor markets its products under various brand names, including Exceldor, Butterball (for turkey) and Granny's (for organic chicken). The company offers a wide range of poultry products, such as chicken breasts, chicken wings, poultry sausages, chicken burgers, whole turkeys and turkey cuts. The company also attaches great importance to the quality and food safety of its products. The company implements strict quality control standards at every stage of poultry production and processing. The highest standards of food safety are maintained to ensure customer satisfaction. Exceldor is also strongly committed to responsible sourcing practices. The company works closely with its partner poultry farmers, ensuring animal welfare and respecting sustainable production standards. Exceldor also promotes the traceability of its products, enabling consumers to know the origin of the poultry they buy.



Background

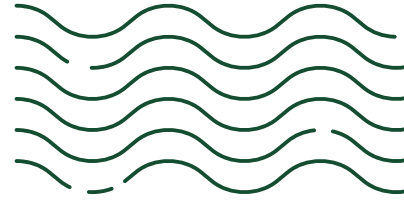
On May 12, a strike broke out at an Exceldor plant. The labor shortage in Quebec affects all sectors of activity, including chicken breeding plants across the province. For the Saint-Anselme plant, it's a catastrophe! The several thousand employees are exhausted by the overtime they have to work. There are almost 7,000 vacancies at the plant. In the last month, staff shortages have led to the euthanasia of almost half a million chickens, all of which have had to be thrown away.

Richard Desmarais, President of the Fédération des éleveurs de volaille du Québec, is outraged by this event. A trained agri-food specialist, he calls for a rethink to modernize Quebec's meat processing industry, as is the case elsewhere in the world.

"What's lacking is capital, both private and public. [...] Not all jobs can be replaced by robots, but there are a lot of them," says Mr. Desmarais. After several negotiations with the Quebec government, Mr. Desmarais succeeded in releasing a certain budget to improve the poultry processing chain at the three main plants in Quebec: Saint-Anselme, Saint-Bruno-de-Montarville and Saint-Damase.

Mr. Desmarais took matters into his own hands and called in Industries Riopel Inc. a company specializing in the development of technology and equipment for poultry slaughtering and deboning. Its installations are designed to meet health and food safety requirements. This type of system, which consists of an automated poultry processing line, is equivalent to the work of 15 employees for a week. These new technological systems have already proved their worth in the rest of Canada and in the United States. However, this is a first for Quebec.

Richard Desmarais is determined to do everything in his power to ensure the successful integration of this new technology into his plants, as the new systems could make a major contribution to overcoming the labor shortage. After issuing a call for tenders, Richard's management board decided to retain the services of your project management firm to support him throughout the process. As he's not a project management specialist, he asks you to help him at every stage of the project, from development to closure.



Project stages

After consulting with Industries Riopel Inc. engineers on the installation of the new systems, Mr. Richard Desmarais provides you with a list of the tasks to be carried out to complete the project, along with their duration and dependencies (see appendices).

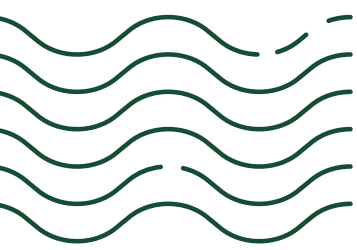
Since this poultry crisis affects the whole of Canada, the implementation of these new systems is urgent. What's more, Mr. Desmarais remains concerned. Even if the government has allocated him a certain budget, you have to bear in mind that machines of this kind are extremely expensive. In fact, one machine costs \$250,000, plus all the labor costs associated with its installation. The government has allocated a budget of \$885,000 for the installation of the three machines.

Mandate

Not being a project management specialist, Mr. Richard Desmarais implores your help. He needs a clear and precise action plan for the implementation of the new machine in the Saint-Anselme plant. This plan can then be applied to Exceldor's other two plants.

Since you'll be presenting your analysis to Exceldor's management board, they're also asking you to do a risk analysis and a budget analysis of the total cost of implementation, to find out how much Exceldor would have to pay out of pocket for the installation of a single machine.

***Hint: The use of a critical path could help Mr. Desmarais to better visualize the progress of the project.*



Appendix

Stages in the machine layout project

Tasks	Duration (in days)	Costs	Reliance
A - Assessment and planning of manpower requirements for machine installation	5	\$3500	None
B - Search and select the right machine from the Industries Riopel Inc. catalog.	2	\$2650	A
C - feasibility study to assess the viability of implementing the machine in Exceldor plants	10	6200\$	A - B
D - analysis of machine maintenance and other costs	4	\$3450	A
E - final budgeting	1	-	D
F - verification and preparation of the infrastructure to house the machine	9	\$15 000	B
G - hire a manager to ensure the machine's smooth operation	7	\$45 732	None
H - machine components to be manufactured by Industries Riopel Inc.	15	\$150 000	D
I - machine installation at Exceldor plant	35	\$235 000	B
J - testing and verification of machine operation	14	\$23 460	I
K - staff training	7	\$12 500	J
L - production start-up of the processing line	2	\$5000	K
M - machine monitoring and maintenance	20	\$8320	L
N - machine performance audit	13	\$7450	M
O - press announcement of work reorganization at Exceldor	4	\$2000	G - J



***L'aventure
t'attend***

***Adventure
awaits***

