BLVD Harambee Bike Shop Business Model

E·D·A
U.S. ECONOMIC DEVELOPMENT ADMINISTRATION

Denise Collaku, Nina Stojic
Madonna University

Spring 2016 Student-Led, Faculty-Guided Project

Business Model: BLVD Harambee Bikes

Denise Collaku & Nina Stojic

Madonna University

May 9, 2016

Table of Contents

List of Appendices

Appendix A: Survey Results

Appendix B: Test 1.1 Summary

Appendix C: Test 1.2 Summary

Appendix D: Test 1.3 Summary

Appendix E: Test 2.1 Summary

Appendix F: Test 2.2 Summary

Appendix G: Test 2.3 Summary

Appendix H: Test 3.1 Summary

Appendix I: Chi-Square – Test of Independence Output

Appendix J: ANOVA – Analysis of Variance Output

Appendix K: Correlation Output

Appendix L: BH Bike Shop Organizational Chart

Appendix M: Positions vs. Competencies

Appendix N: Initial Marketing Strategy

Appendix O: Sales and Marketing Metrics

Appendix P: Business Process Flow

Appendix Q: Operations Metrics

Appendix R: 90-Day Plan

Executive Summary

This small business initiative was the collaboration between BLVD Harambee (BH), two students in the MBA 6950 Capstone course and their instructor. BH is a non-profit organization striving to commit to the overall economic development of its community and provide a means for self-sustaining services within the Church of Messiah in Detroit. The project focused on a business initiative for BH Bikes, proposing a profit-based bicycle shop business model. The shop provides various life skills to the Islandview neighborhood of East Detroit by fixing used bicycles and making them available for transportation throughout the community. The principles of quality management in terms of obtaining additional funding, enhancing marketing, and structuring operations were examined.

The methodology for this study consisted of data collection from a voluntary-participation, 16-question survey study distributed to the parishioners of the Church of Messiah within the Islandview area of Detroit or others that attend the Church for meetings and/or workshops. Both demographic and quantitative-type questions were used. Several hypotheses were explored using the survey data to provide insight on statistical analyses as related to biking interest, age groups and income within the Islandview area of Detroit. Survey responses were analyzed using Chi-Square, Correlation, and ANOVA testing. Limitations of the study were discussed.

Recommendations were made in the areas of product and services, target markets, product marketing, leadership, operations, sales and marketing and general operations. A 90-day plan to begin the implementation of the business model was also included. The report was presented to the "client" in written format and in an oral presentation at the completion of the project.

Introduction

BLVD Harambee was created by the community from the Episcopal Church of the Messiah in response to the issues faced by youth in the neighborhood, such as unemployment, unsafe environments, and a lack of mentorship. BLVn acronym for 'Building Leaders for Village Development'. Harambee is a Kenyan tradition of self-help events and literally means 'all put together' in Swahili. This non-profit organization helps to foster life skills and connect resources for the holistic development of people of all ages in the Islandview neighborhood of East Detroit. (BLVD Harambee's, n.d.)

The BH Bike Shop, formerly the Mount Elliot Makerspace, is located in the basement of the Church of the Messiah on E. Grand Boulevard in Detroit. Thus far, the shop has offered a hands-on environment for woodworking, screen printing, media creation, electronics and bicycle repair. The facility is filled with various tools and equipment used for the repairing and reconditioning of bicycles. The shop is also a training facility for members of the community to repair and/or restore bicycles.

"A unique aspect of this bicycle shop is their 'earn-a-bike' apprenticeship program" (BH Bike Shop, 2015, p.1). Those members of the community that do not own a bicycle have the opportunity to earn one for free by repairing a bike that was in disrepair. For those members not interested in learning to fix or maintain a bicycle can purchase refurbished bikes at a reasonable price. The goal of this initiative was to create a valuable niche that will allow the bike shop to go from a charity model to a self-sustaining business model that will allow it to return profits back to the Church. A secondary goal was to also create a 'model' that can be replicated to other business roll-outs within BLVD Harambee.

This project concept was passed down to the Capstone course by the Graduate Curriculum Committee as a small business proposal. Initially, Dr. Rita Fields was approached

and it was discussed as a possible project for the Center of Business Development to create a business model for BH Bikes, proposing a profit-based bicycle shop. Due to limited bandwidth, the concept was passed onto two students in the MBA 6950 Capstone course and their instructor, Dr. Patricia Pelavin. The BH Bike Shop is in its beginning phases of a profit-based bicycle shop. The purpose of this research initiative was to propose a framework that would allow BH Bikes to effectively kick off its initial suite of products and services. The objectives focused around the following:

1. Outline the criteria for performance excellence

2. Gather responses of a 'community survey' relative to biking and bike shop services

3. Identify products/services suite relative to customer focus

4. Establish leadership hierarchy and outline roles and responsibilities

5. Design high-level business process flow for product/services

6. Establish next steps plan

Literature Review

There has been a renaissance of sorts within the world of bicycling in the United States in recent years. Metro cities such as Detroit, Minneapolis, Portland, Boulder and Seattle are taking on the bike movement by participating in advocacy events and making it easy for citizens to participate in the fun, healthy form of recreation that is biking. According to John Gallagher (2016), the idea behind this bike movement is that "giving residents safe, accessible pathways that don't rely on motor vehicles will pay benefits in health, civic well-being, and economic development". Detroit – or the Motor City – has been known for its automobile industry for centuries. Wheels are taking a different spin as the city begins offering bicycle custom purchases, rentals, events, and more. The focus has shifted to non-motorized forms of transportation as a means of getting around.

According to Stephen Duncan (2014), there are currently sixty-eight miles of existing bike lanes throughout the city of Detroit. Numerous new bicycle paths are in designing phases including the Inner Circle Greenway – a 26-mile non-motorized pathway – and an extension of the city's Dequindre Cut. Both of these concepts are designed to link outlying communities with the downtown area of Detroit and to promote healthy lifestyles with outdoor activities leading to social recreation. Governor Rick Snyder is also considering a 924-mile bicycle trail that will connect the city of Detroit to the state's Upper Peninsula. These initiatives not only promote a healthy lifestyle but will lessen pollution neighborhood- and city-wide.

Detroit bicycle enthusiasts share various trails with interesting sight-seeing along the way. Belle Isle Park offers a 5.5-mile loop around the island that allows for views of its historical monuments such as the Belle Isle Aquarium (Belle Isle Conservancy, 2016). In the vicinity of Grosse Pointe, mansions like the Edsel Ford House can be seen along a 27-mile round-trip bike extravaganza along Jefferson Avenue from the city's Renaissance Center. The city center's Dequindre Cut also offers a 1.35-mile rail-to-trail strolling and bike path running below street level at the Riverfront of Eastern Market. This bike stroll offers a look into Detroit's Midtown Loop, along with its graffiti culture and city urban art (Duncan 2014).

The city of Detroit also offers events geared at the promotion of bicycle use. The 'Slow Roll', a 12-to-15 mile group tour of the neighborhoods of Detroit is offered through warmer months. This event draws more than 1,500 participants. Yearly bicycle riders participating in the city's 'Tour de Troit' event enjoy a 30-mile ride through the city starting at Roosevelt Park. The 'Bike the Bridge' event offers a 20-to-30 mile bike route crossing the border between the United States and Canada from Detroit to Windsor, Ontario.

Many other cities are partaking in the bicycle movement throughout the country. Minneapolis, Minnesota offers 120 miles of both on- and off-street bike facility options and

indoor bicycle parking. Boulder, Colorado showcases 95% of its streets as being bike-friendly and features a greenbelt with 120 miles of bike trails. San Francisco, California offers a bike shuttle across the state's Bay Bridge during rush hour. Tucson, Arizona made it a mandate for all new street construction to include bicycle lanes. Within the state of Michigan, the city of Ann Arbor utilizes five percent of state gasoline and weight tax revenues toward non-motorized transportation projects. Grand Rapids, Michigan also features various cycling clubs and bike advocacy groups. The city also offers many multiuse trails and on-street facilities (America's Top 50 Bike-Friendly Cities 2015).

The bicyclist community in Columbus, Ohio is a leading example of a city renaissance largely attributed to a bike movement. The Department of Public Service actually contributes to maintaining the biking industry using a program called the Bikeway Program for the City of Columbus. The city focuses its efforts on many streamlined aspects of bicycling within Columbus. For instance, a metro bike map of all of the city's maps and routes is always available at area bike shops and public libraries. Protected bike lanes are featured throughout the streets of Columbus for rider safety awareness. Bike lanes and cycle tracks can be seen through the city. Bicycle parking is accessible in several areas on city blocks in various parking options that offer safety and convenience.

Overall, the bicycle movement is continuing to gain momentum in metro cities all over the United States. This initiative focuses on healthcare, a sense of community, lessened pollution and an overall fun way to allow fitness into the lives of individuals throughout the country. With more education on the world of cycling, this phenomenon is forecasted to only increase in years to come. Cities interested in immersing its citizens into the healthy, fun lifestyle of a regular cyclist are highly encouraged. Participating in the bike movement is also likely to add to city infrastructure in a positive way.

Methodology

The methodology for this study consisted of data collection from a voluntary-participation, 16-question survey study distributed to the parishioners of the Church of the Messiah within the Islandview area of Detroit or others that attended the Church for meetings and/or workshops. Both demographic and quantitative-type questions were used. The survey was handed over to the Assistant Pastor of the Church of the Messiah, Wallace Gilbert Jr., on February 1, 2016. With Pastor Gilbert's assistance, the survey questionnaires were distributed throughout the month of February and were collected on February 27, 2016. The end result was a total of fifty-one survey responses collected.

Prior to the distribution of the survey, an Institutional Review Board (IRB) application was submitted for approval at Madonna University relating to this project. This process included documentation on how the participants would receive information as to the purpose of the survey, how the data would be safeguarded and that they freely consent to taking the survey. This informed consent was provided with the survey.

The type of sampling method used was a convenience sample. Those parishioners and attendees easily accessible and available at the church were surveyed. Qualtrics.com was used to log in and record the anonymous responses (Appendix A) and then the raw data was downloaded to SPSS software for the descriptive and inferential analysis. For most of the hypothesis testing that was conducted, a 0.05 significance level was used. For correlation, the output indicated whether the p-value was significant at the 0.05 or the 0.01 level.

Results

With the survey data that was collected, descriptive statistics and several hypotheses were explored in an attempt to provide insight on statistical analyses as related to biking interest, age

groups and income within the Islandview area of Detroit. The fifty-one survey responses were analyzed using Chi-Square, Correlation, and ANOVA testing. This section provides an overview of the results.

Descriptive. Per Appendix A, the 'typical' survey-takers' demographics consisted of individuals aged 40 years and older, male in gender with an annual gross income of $20,000 or below. The majority of the participants were familiar with BH Bike Shop and believed that profits to the shop would result in increased value in the Church of the Messiah. 41% of survey participants stated that they were likely to rent a bike for an hourly or daily rental fee. 45% of individuals indicated social media to be the most effective form of promoting awareness of BH Bike Shop.

Chi-Square – Test of Independence. Based on the chi-square test of independence analysis of Test 1.1 (Appendix B), there was no statistical evidence that there was any relationship between the survey-takers' age and their familiarity with BH Bike Shop. This leaves an open target market as far as age range is concerned. There is no reason to believe that only a certain age group is familiar with the BH Bike Shop.

Based on the chi-square test of independence analysis of Test 1.2 (Appendix C), there was no statistical evidence that there was any relationship between the survey-takers' age and their likelihood of bike usage in the colder months between November and March. This leaves an open target as far as age range is concerned. There is no reason to believe that age has any influence in bike usage during the colder months.

Based on our analysis of Test 1.3 (Appendix D), there is no statistical evidence that there was any relationship between the survey-takers' age and their likelihood of bike usage in the warmer months between April and October. This leaves an open target as far as age range is

concerned. There is no reason to believe that age has any influence in bike usage during the

warmer months.

Since all three of these Chi Square tests had some issue with validity due to several of the

cells in the cross-tabulation tables having less than five as the expected number, the Fisher Exact

test was also conducted which remedied this situation. The same results as above (that is, no

relationship) were determined and the output can be found with Test 1.1 to 1.3.

ANOVA – Analysis of Variance. For Test 2.1 (Appendix E), an ANOVA analysis was

conducted to determine if there was a mean difference in ratings of those that would visit BH

Bike Shop to repair or purchase a bike in the future, based on age groups. The results indicated

that there was no statistical evidence that age range has an impact on visiting the BH Bike Shop

for future goods or services. This also leaves the target market open as far as age is concerned.

But as Table 1 indicates, the age group 41 and older were the most likely (mean 2.19) to use BH

Bike Shop.

Age Groups	N	Mean	Std. Deviation
18-25	15	2.33	.976
26-30	6	3.00	1.673
31-40	7	2.43	.535
41 and older	21	2.19	1.327
Total	49	2.37	1.185

Table 1 - Mean rating for using BH Bikes in the future
(1-Very likely to 5- Very unlikely)

For Test 2.2 (Appendix F), an ANOVA analysis was conducted to determine if there was

a mean difference in ratings of those that would rent a bike for an hourly or daily rental fee,

based on age groups. The results indicated that there was no statistical evidence that age range

has an impact on whether one would rent a bike from the BH Bike Shop. This also leaves the

target market open as far as age is concerned within the rental market. But as Table 2 indicates,

the age group 31-40 were the most likely (mean 2.57) to rent a bike from BH Bike Shop.

Age Groups	N	Mean	Std. Deviation
18-25	15	2.73	1.335
26-30	6	2.67	1.506
31-40	7	2.57	.787
41 and older	21	2.76	1.375
Total	49	2.71	1.275

Table 2 - Mean rating for renting a bike an hourly or daily rent fee
(1-Very likely to 5- Very unlikely)

For Test 2.3 (Appendix G), an ANOVA analysis was conducted to determine if there was

a mean difference in ratings on how important BLVD Harambee was to the participants'

community life, based on age groups. The results also indicated that there was no statistical

evidence that age groups had an impact on how important BLVD Harambee was considered. But

as Table 3 indicates, the age group 41 and over, rated importance the highest (mean 4.24).

Age Groups	N	Mean	Std. Deviation
18-25	15	3.93	1.387
26-30	6	3.83	.753
31-40	7	3.57	.976
41 and older	21	4.24	.831
Total	49	4.00	1.041

Table 3 - Mean rating on importance of BLVD Harambee to one's community life
(1-Not at all important to 5- Extremely important)

Correlation. Based on the correlation analysis of Test 3.1 (Appendix H), it can be

concluded that there is a moderately strong relationship between the survey-takers' ratings on

importance of BLVD Harambee to their community life and likelihood of using BH Bikes

services in the future. There is also a moderately strong relationship between the likelihood of

renting a bike with BH Bikes and the importance of BLVD Harambee to community life. Both

of these correlations were inverse due to the coding for the responses were in opposite directions

as shown in Table 4 below. There was a strong relationship between the survey-takers' ratings on

the likelihood they would visit the Bike Shop to repair or purchase a bike in the future and the

likelihood they would rent a bike for an hourly or daily rent fee.

Survey Questions	Response Types	Correlation (r)	P-Value $\alpha = 0.01$
Likelihood of visiting BH Bike Shop to repair or purchase a Bike in the **future**	Very Likely (1) to very unlikely (5)	.692 Strong	.000
Likelihood of renting a bike for an hourly or daily **rental** fee	Very Likely (1) to very unlikely (5)		
Likelihood of visiting BH Bike Shop to repair or purchase a Bike in the **future**	Very Likely (1) to very unlikely (5)	-.439 Moderately Strong	.002
Importance of BLVD Harambee to one's **community** like	Not all important (1) to Extremely important (5)		
Likelihood of renting a bike for an hourly or daily **rental** fee	Very Likely (1) to very unlikely (5)	-.455 Moderately Strong	.001
Importance of BLVD Harambee to one's **community** like	Not all important (1) to Extremely important (5)		

Table 4 - Correlations

Limitations

There were several limitations to the survey data provided that should be considered

within the survey results. The limitations associated with this survey analysis include the

demographic used for survey administration. Questionnaires were offered only to the Church of

the Messiah parishioners and/or attendants of meeting and workshops. This creates a narrow

spectrum of opinions given only by this group of individuals, which may create bias in the

results. In addition, several of the surveys were not completed in their entirety. These survey

results were not considered in the research, which may also skew the results. Missing data from

people who refused to participate in the survey should also be considered. Lastly, since this was

only a single survey done at one point in time, the results do not give an exact measure of any

potential trends over several periods.

Relating to the design of the survey, one of the Likert-style questions was constructed

with the responses coded in the opposite direction of the other two questions. Although it did not

affect the results, it made interpretation more difficult to describe. Having the responses all in

the same coding direction would provide more clarity to the results.

Recommendations

Business Model Framework. The concept of the Baldridge Performance Excellence is

recommended as a starting point for BH Bikes. The mission of the Baldrige Foundation is to

ensure the long-term financial growth and viability of the Baldrige Performance Excellence

Program, and to support organizational performance excellence (Foundation, 2016). The

criterion for this program provides the framework recommended for the BH business model

(Baldrige Framework, 2010). As it will be the focus for the BH Bikes business model, this

framework is also the beneficial foundation to be applied for any future business roll-outs. It

establishes a set of questions for seven critical aspects of managing and performing as an

organization that help examine the current and future state of the business.

The set of questions are targeted to review the aspects of Leadership; Strategy;

Customers: Measurement; Analysis and Knowledge Management; Workforce; Operations and

the Results. Analyzing these criteria will assist in aligning appropriate resources, identifying

strengths and improvement opportunities, improving communication, productivity and

effectiveness and achieving strategic goals. (Criteria for performance, 2016) Eventually, the

business will deliver ever-improving value to its customers and stakeholders, which contributes

to organizational sustainability and the BH Bike Shop vision of becoming self-sustaining.

During the project span of twelve weeks, efforts were focused on three of the seven focus areas to establish an appropriate foundation to get the business started. First, the Customer was reviewed by identifying the target audience and determining an effective marketing strategy. Second, Leadership was examined to determine the focus of the business and ensure BH Bikes can maintain goals and objectives by establishing the fitting hierarchy and appropriate checks and balances for accountability. Lastly, Operations was outlined in terms of sales, marketing and general operations needs to forecast and measure performance and the return on investment.

Products and Services. The initial suite of products and services offered by BH Bike Shop was established. Used and new bicycles and bicycle parts, bike accessories, and BH branding accessories will be offered for purchase. Various types of bicycles including cruisers, mountain, road, and children's bikes should be included. Accessories such as tag-alongs and trailers should also be available for convenience within the family sector. BH branding accessories such as bicycle bumper stickers, helmets, t-shirts, hats with the BH logo should be included as a way of promoting the business and getting the emerging bike shop's branding out there for marketing purposes. The goal is to become a household name as a reliable, local bike shop in the area.

Bicycle rentals should also be offered as a service on Belle Isle. Considering the bike shop's location, the concept of a Bike Kiosk, where bikes would be available by means of a lockable metal frame, is recommended to maintain rental revenue. This will allow the business to make one initial investment that will deliver a return on investment with minimal operation costs. The rental services are also recommended to include individual and guided tours of the island. Other events such as monthly group rides or themed adventures geared to the renaissance of the city of Detroit are also proposed. Additional repair and maintenance services such as tune ups at various levels, brake and gear adjustments, complete overhaul, bike assembly, cosmetic

cleaning, lube and air will also be available. All products and services are offered with the idea of highest quality at the most affordable rate in and around Metro Detroit.

To promote BH Bikes initially and break into the bicycle shop market, the shop should include promotions such as a free tune up with every new bike sold with a limited time or mileage rate, free installation of accessories, an authorized warranty, and customized bike designs. BH Bikes should also continue to showcase its apprenticeship program with focus on positive human development in the Detroit community. The vision for the BH Bike Shop as it stands is to support the development of a more vibrant and healthy community by providing opportunities for healthy social interaction, mechanical skill development, and wealth generation. The apprentice program should focus around cultivating leadership and entrepreneurial skills in their program participants and allowing a stepping stone to future employment within or outside of BH Bikes. The shop will also offer a gathering place for those interested in social activities centered on bicycle innovation.

Target Market. The target market for BH Bikes locally can be found within three separate industries: Transportation, Exercise, and Social Recreation. The transportation industry includes low income individuals within the Detroit community that depend on a bicycle for transportation to work, school and for their daily tasks. This demographic may rely on their bike as being among their sole form of transportation within their household. The student sector of various universities such as Wayne State University and the University of Detroit Mercy should be considered here.

The exercise industry includes those who view a bicycle as a form of exercise or keeping fit. This may fall into individuals within an older age range who are in need of mobility to keep fit. For BH Bikes, the advantage comes from being a form of adventure with an outdoorsy aspect to exercise versus a stationary bike at home or in a gym. The category also includes those

who already regularly use a bike as a form of exercise and are looking to further their skills with

the knowledge staff the bike shop offers. The focus should be on people expressing an interest in

either establishing or maintaining general health in a manner that is considered fun and exciting.

Lastly, the social recreation industry includes young and active individuals who enjoy

physical activities within a social or group setting. Beginner riders who are looking to build

confidence and learn the rules of the road in a comfortable and unintimidating atmosphere are

welcome. The idea would be to bring those individuals into the biking industry as a gateway into

becoming a regular cyclist. This group would also include those who view biking as a trend with

a sort of 'cool factor'. Since BH Bikes is the closest bike shop to Belle Isle, this group may

show wide interest in a new trend of group biking on the island. It is recommended for the bike

shop to dribble within all three industries through the beginnings of its business model in order to

tap into multiple markets and find its most effective niche in the future.

Outside of the community of Detroit, BH Bikes should also focus on marketing to the

area's tourists through its city renaissance as a way for out-of-towners to learn about all that

Detroit, especially the area surrounding Belle Isle, has to offer. Bike rentals offering both a self-

guided and BH employee-guided tour of the island's points of interest should be offered.

(Figure 1)

Figure 1 - A family biking on Belle Isle. (Belle Isle Park. Eye on Michigan, 2016)

Themed bike outings such as a day at the beach at the Detroit River or a day at the Belle Isle Aquarium or Belle Isle Nature Zoo should are also recommended. To establish a sense of community, regular group outings on a monthly basis are proposed.   Overall, a partnership with the Michigan Department of Natural Resources and the Belle Isle Park Advisory Committee is strongly encouraged. There are currently no bike shop businesses in nearby vicinity to the island, allowing BH Bikes an extremely high competitive advantage. (Figure 2) This would be the ideal market to penetrate at a time when bike rentals are gaining continuous popularity within the city center of Detroit.
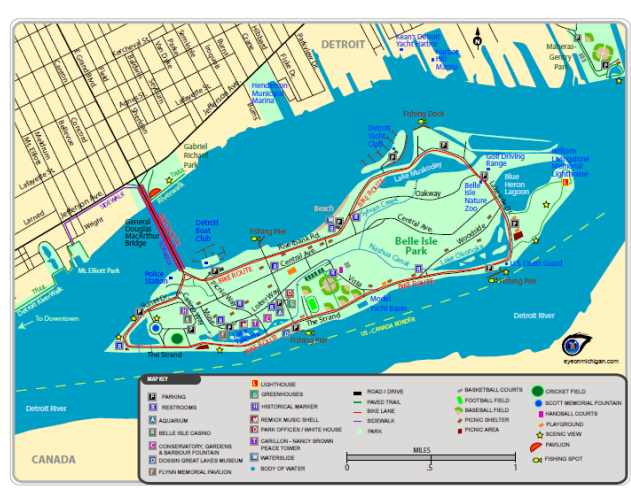
Figure 2 - Belle Isle bike route encircles island. (Belle Isle Park. Eye on Michigan, 2016)

Product Marketing. BH Bikes currently has very little online presence. It is vital to vitalize the shop's online marketing strategy to penetrate the target market. Emerging businesses have little chance of surviving nowadays without some sort of online impact. Firstly, the bike shop will need to establish a website. It should feature its own domain that people could easily find on a search engine when seeking bike shops in the Detroit area. Major associated keywords to locate the business with should be: Detroit, Belle Isle, bike purchase, bike rental, and bike repair. The BH Bikes website should include key information such as location, hours, and

contact information. It should also offer an e-Portal with the ability to search through the shop

inventory and make purchases for either products or services such as maintenance or rentals.

SquareSpace is a program of recommendation to establish a valuable website. This is an easy-

to-use web development tool that features a stylish, yet simple, mobile-optimized website with a

custom domain, powerful website metrics, unlimited bandwidth and storage, and 24/7 customer

service at an affordable price.

Social media is also of the essence when it comes to marketing the beginnings of the

shop's business and is the most inexpensive form of marketing directly to the target consumer.

Presence on networking applications such as Facebook, Twitter and a company blog with photos

of products, promotion and event announcements, information on local bike trails, news in the

bike movement, etc. is highly recommended. Consumers are all about convenience and

simplicity in today's technological world. Having online presence will prove to be a huge

competitive advantage for the BH Bike Shop.

Leadership. Regardless of a profit or nonprofit organization, leadership is a critical

component to success. As defined, leadership involves establishing and sharing a clear vision,

followed by providing the information, knowledge and methods to understand and achieve this

vision. Leadership is also responsible to coordinate and balance conflicting interests of all

members and stakeholders to fulfill the vision (Definition of Leadership, 2016). Leadership style

is the way one provides direction, implements plans, and motivates people. The leadership

behavior to this style considers the observable actions and reactions of leaders and followers in a

given situation. The behavioral focus is how a leader learns, teaches, and behaves and the leader

behavior is the best predictor of his or her leadership influences and as a result, is the best

determining factor of success

Establishing BH Shop's leadership hierarchy as reflected in Appendix L and outlining each position's required behavior competencies is a critical need for the business model to, not only, outline roles and responsibilities but also to provide a structure of accountability and checks and balances, considering we are looking to increase our profits to help the non-profit become self-sustaining. To provide guidance to the BH Bikes team, the book *FYI – For Your Improvement: A Guide for Development and Coaching* by Michael M. Lombardo is recommended. This text allows for an uncomplicated approach to understanding and developing leadership behaviors.

The book defines sixty-seven competencies detailing what it means to be skilled at this behavior. It also analyzes the understanding of undermining and overdoing each skill. It is proposed that each main position within BH Bikes requires three key skillsets, as reflected in Appendix M. The one skill that will be paramount in the non-profit setting is highlighted in this outline. It is strongly recommended that a different individual or volunteer hold each of the leadership roles to help provide checks and balances. If that is not possible, a stronger reporting control mechanism will be required and the Executive Director may have to provide additional oversight in the day to day operations.

Operations. The operations structure within a business is essential to delivering valuable products or services to customers (Definition of operations, 2016). Operations management refers to the administration of business practices concerned with ensuring the highest level of efficiency possible to maximize the return on investment. The need to design an overall business process flow and measurement of performance relative to customer experience and value for BH Bikes is vital. The bike shop is in need of two types of operations – Sales and Marketing and General.

Sales and Marketing Operations. As referenced in the Customer section of this research, the lack of online presence for BH Bike Shop is of recommended focus. As this is not uncommon for non-profit organizations, it is critical to establish an online strategy to increase foot traffic to the location of the business. With that being said, this becomes vital to establishing an effective marketing strategy. Developing a marketing strategy is key for any business, especially for BH Bikes. Without a strategy, any effort to attract customers will not provide optimal results. The focus of this strategy should be making sure the products and services not only meet customer needs but also find a way to give back to the economic development of the community. As with any strategy, it needs to remain flexible. Basic groundwork needs to be established, however, as reflected in Appendix N.

The purpose of BH Bike Shop's marketing strategy should be to identify and then communicate the benefits of the business offered to the target market. Once the strategy has been implemented, monitoring its effectiveness and impact to sales of the products and services is recommended long term. A good rule of measure found in the research stated that for every $1 invested in the BH Bikes business, a return of $3 is received. In order to ensure the bike shop is effectively receiving benefits from the marketing strategy and continually evolving along with customer needs, four associated key sales and marketing metrics were identified, as found in Appendix O.

General Operations. Business processes exist in any type of business and require a disciplined approach to manage for ongoing success. A business process is defined as a series of logically related activities or tasks performed together to produce results. During the analysis of the BH Bikes business, a high level business process flow that can be applied to multiple businesses offered within the bike shop was outlined, reflected in Appendix P. This five-step

flow commences with receiving the customer request, managing the inventory, processing the request, invoicing the request to final delivery to the customer.

The purpose of establishing a business process flow is to outline a horizontal view uninhibited by functional step or people's role changing the emphasis from who does what to what needs to be done and how valuable is it in the eyes of the customer. As the business process flow was designed, the critical need to establish general operations metrics was also identified, reflected in Appendix Q. This was done in order to oversee operational cost and effort, to proactively manage optimal result, and to avoid negative impact on the business financials and customer experience. To assist BH Bikes with optimizing the return on investment, the user-friendly point-of-sale and inventory management software, *Shopify*, was recommended. Further, the textbook *Using QuickBooks for Nonprofit Organizations, Associations and Clubs* by Lisa London has also been purchased and is recommended of use as a step-by-step resource for the financial books set up and maintenance.

Conclusion

There are many recommendations offered to the future business of the BH Bike Shop. Remaining focused on both short-term and long-term goals will be vital in the success of the start-up of the business. Beginning and completing one task at a time to achieve milestones will be essential. To ensure the business process gets up to speed with its intended framework, a 90-day plan is BH Bikes' key to success. This will allow the bike shop to set a foundation of tasks that need to be completed within steps of the beginning phases of the business.

Within the first 30 days, management at BH Bikes will need to establish and implement a hierarchy in staffing and provide proper training to its employees. Next, a finalized suite of products and services is essential. A completed marketing plan should also be created and

utilized within the 30-day timeframe. This will involve a website design and social media set up to increase the business' online presence.

In the 60-day phase of the plan, BH Bikes should set up Quick Books for financials and reporting. Management should also set up their Shopify account for point-of-sale software, inventory management, and operations reporting. Within 90 days, there should be a grand re-opening event that will be widely advertised for participation. Next, the bike shop will want to consider establishing partnerships with the Michigan Department of Natural Resources to allow for business on Belle Isle. Designing a remote bicycle kiosk for use on the island will be the next step. The goal is to implement the kiosk design within 100 days of opening the shop to the public.

References

America's Top 50 Bike-Friendly Cities. (2015, June 15). Retrieved April 29, 2016, from

      http://www.bicycling.com/rides/best-cities/americas-top-50-bike-friendly-cities

The Baldrige Framework – driving organizational excellence. (2010). Retrieved

      from: http://sill-www.army.mil/usag/_docs/balldrige-framework.pdf

Belle Isle Conservancy – Activities and Attractions. (2016). Retrieved from:

      http://belleisleconservancy.org/visit-the-park/activities-attractions/

Belle Isle Park. Eye on Michigan. (2016). Retrieved from:

      http://eyeonmichigan.com/guides/belleisle/

BH Bike Shop: A program of BLVD Harambee. (2015). Business communication - Draft

BLVD Harambee's Buck-a-Day Campaign and Kick-off Event. (n.d.). Brochure

City of Columbus. (n.d.). Retrieved April 29, 2016, from https://www.columbus.gov/bike/

Criteria for Performance Excellence. (2016). Baldrige Performance Excellence Program. NIST.

      Retrieved from:

      http://www.nist.gov/baldrige/publications/business_nonprofit_criteria.cfm

Definition of Leadership. (2016). Business Dictionary. Retrieved from:

      http://www.businessdictionary.com/definition/leadership.html

Definition of Operations. (2016). Business Dictionary. Retrieved from:

      http://www.businessdictionary.com/definition/operations.html

Duncan, S. (2014). Bike Detroit, Michigan – the motor city's pedal-powered culture is on the

      upswing. Bicycling.com. Retrieved from: http://www.bicycling.com/bike-friendly-

      cities/bike-Detroit-Michigan

The Foundation for the Malcolm Baldrige National Quality Award. (2016). Retrieved from:

      http://www.baldrigepe.org/

Gallagher, J. (2016, April 28). Dequindre Cut extension opens this weekend. Retrieved April 29, 2016, from http://www.freep.com/story/money/business/2016/04/28/detroit-greenways-dequindre-riverwalk-midtown/83537488/

Heaton, J. (2016). What is marketing strategy? Tronvig Group. Retrieved from: http://www.tronviggroup.com/marketing-strategy/

Hill, B. (2016). How to write a product or service strategy in a business plan. Chron. Retrieved from: http://smallbusiness.chron.com/write-product-service-strategy-business-plan-62231.html

Lavinsky, D. (2013). Marketing plan template: exactly what to include. Forbes. Retrieved from: http://www.forbes.com/sites/davelavinsky/2013/09/30/marketing-plan-template-exactly-what-to-include/#718815ef3b82

Liang, S. (2010). The Baldrige Framework – driving organizational excellence. Retrieved from: http://sill-www.army.mil/usag/_docs/balldrige-framework.pdf

Lombardo M. & Eichinger R. FYI – For Your Improvement – A guide for development and coaching

London, Lisa (2014) *Using QuickBooks for Nonprofit Organizations, Associations and Clubs,* Deep River Press, Inc.

Marketing – product strategy. (2016). Retrieved from: https://www.smallbusiness.wa.gov.au/business-in-wa/corporate-publications/business-guides/marketing-product-strategy/

Marten, K. (2010). Belle Isle in Detroit offers tons of family fun. MetroParent. Retrieved from: http://www.metroparent.com/daily/family-activities/family-fun/belle-isle-in-detroit-offers-tons-of-family-fun/

Mirman, E. (2012). 12 Critical marketing and sales metrics you better be tracking. Hubspot.

Retrieved from: http://blog.hubspot.com/blog/tabid/6307/bid/33659/12-Critical-

Marketing-and-Sales-Metrics-You-BETTER-Be-Tracking.aspx

Shopify [Computer software]. https://www.shopify.com/inventory-management
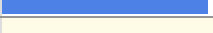
Appendices

Appendix A: Survey Results

	Initial Report

Last Modified: 03/01/2016

1. What is your age range?

#	Answer		Response	%
1	18-25		16	31%
2	26-30		6	12%
3	31-40		7	14%
4	41 and older		22	43%
	Total		51	100%

Statistic	Value
Min Value	1
Max Value	4
Mean	2.69
Variance	1.74
Standard Deviation	1.32
Total Responses	51

2. What is your gender?

#	Answer		Response	%
1	Male		33	65%
2	Female		18	35%
	Total		51	100%

Statistic	Value
Min Value	1
Max Value	2
Mean	1.35
Variance	0.23
Standard Deviation	0.48
Total Responses	51

3. Is your total annual income before taxes $20,000 or more, or is it less than $20,000?

#	Answer		Response	%
1	Under $20,000		33	69%
2	Over $20,000		15	31%
	Total		48	100%
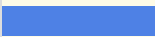
Statistic	Value
Min Value	1
Max Value	2
Mean	1.31
Variance	0.22
Standard Deviation	0.47
Total Responses	48

4. In the colder months (Nov-Mar), how often do you use a bike for fun or transportation?

#	Answer		Response	%
1	0-1 times per month		33	67%
2	2-5 times per month		8	16%
3	6-10 times per month		5	10%
4	More than 11 times per month		3	6%
	Total		49	100%

Statistic	Value
Min Value	1
Max Value	4
Mean	1.55
Variance	0.84
Standard Deviation	0.91
Total Responses	49

5. In the warmer months (Apr-Oct), how often do you use a bike for fun or transportation?

#	Answer		Response	%
1	0-1 times per month		16	33%
2	2-5 times per month		7	14%
3	6-10 times per month		6	12%
4	More than 11 times per month		20	41%
	Total		49	100%

Statistic	Value
Min Value	1
Max Value	4
Mean	2.61
Variance	1.74
Standard Deviation	1.32
Total Responses	49

6. Are you familiar with the BH Bike Shop?

#	Answer		Response	%
1	Yes		37	74%
2	No		13	26%
	Total		50	100%

Statistic	Value
Min Value	1
Max Value	2
Mean	1.26
Variance	0.20
Standard Deviation	0.44
Total Responses	50

7. Are you aware that the BH Bike Shop is the closest bike shop to Belle Isle?

#	Answer		Response	%
1	Yes		30	60%
2	No		20	40%
	Total		50	100%

Statistic	Value
Min Value	1
Max Value	2
Mean	1.40
Variance	0.24
Standard Deviation	0.49
Total Responses	50

8. Do you think increasing profits to the BH Bike Shop will bring value to the Church?

#	Answer		Response	%
1	Yes		43	88%
2	No		6	12%
	Total		49	100%

Statistic	Value
Min Value	1
Max Value	2
Mean	1.12
Variance	0.11
Standard Deviation	0.33
Total Responses	49

9. Have you used BH Bike's services in the past?

#	Answer		Response	%
1	Yes		20	41%
2	No		29	59%
	Total		49	100%

Statistic	Value
Min Value	1
Max Value	2
Mean	1.59
Variance	0.25
Standard Deviation	0.50
Total Responses	49

10. How likely is it that you would visit BH Bike Shop to repair or purchase a bike in the future?

#	Answer		Response	%
1	Very likely		11	22%
2	Likely		21	43%
3	Undecided		10	20%
4	Unlikely		2	4%
5	Very unlikely		5	10%
	Total		49	100%

Statistic	Value
Min Value	1
Max Value	5
Mean	2.37
Variance	1.40
Standard Deviation	1.18
Total Responses	49

11. What do you think is a reasonable price range for bike repair?

#	Answer		Response	%
1	$10-20		21	46%
2	$21-30		17	37%
3	$31-40		4	9%
4	$41-50		4	9%
	Total		46	100%

Statistic	Value
Min Value	1
Max Value	4
Mean	1.80
Variance	0.87
Standard Deviation	0.93
Total Responses	46

12. What do you think is a reasonable price range for a newly refurbished bike?

#	Answer		Response	%
1	$20-40		15	31%
2	$41-60		16	33%
3	$61-80		12	25%
4	$81-100		5	10%
	Total		48	100%

Statistic	Value
Min Value	1
Max Value	4
Mean	2.15
Variance	0.98
Standard Deviation	0.99
Total Responses	48

13. How likely is it that you would rent a bike for an hourly or daily

#	Answer		Response	%
1	Very likely		7	14%
2	Likely		20	41%
3	Undecided		9	18%
4	Unlikely		6	12%
5	Very unlikely		7	14%
	Total		49	100%

Statistic	Value
Min Value	1
Max Value	5
Mean	2.71
Variance	1.63
Standard Deviation	1.27
Total Responses	49

14. Have you used services from Detroit Bikes, The Hub, or Back Alley Bikes before?

#	Answer		Response	%
1	Yes		12	25%
2	No		36	75%
	Total		48	100%

Statistic	Value
Min Value	1
Max Value	2
Mean	1.75
Variance	0.19
Standard Deviation	0.44
Total Responses	48

15. What do you see as the most effective way of promoting

#	Answer		Response	%
1	Word of mouth		11	22%
2	Social media		22	45%
3	Signs, flyers, brochures within community		15	31%
4	Mailers to residences/businesses outside of community		1	2%
	Total		49	100%

Statistic	Value
Min Value	1
Max Value	4
Mean	2.12
Variance	0.61
Standard Deviation	0.78
Total Responses	49

16. How important is BLVD Harambee to your community life?

#	Answer		Response	%
1	Not at all important		2	4%
2	Very unimportant		2	4%
3	Neither important or unimportant		8	16%
4	Very important		19	39%
5	Extremely important		18	37%
	Total		49	100%

Statistic	Value
Min Value	1
Max Value	5
Mean	4.00
Variance	1.08
Standard Deviation	1.04
Total Responses	49

Appendix B: Test 1.1

Ho: There is no relationship between age groups and those who are familiar with BH Bike Shop.

Ha: There is a relationship between age groups and those who are familiar with BH Bike Shop.

Survey Question Responses Used:

Q1: What is your age range? and

Q6: Are you familiar with the BH Bike Shop?

Significance and Calculations:

Asymptotic significance (2-sided) of Pearson Chi-Square is .814 is greater than .05

Test 1.1 Conclusion:

<u>Do Not Reject the null</u>: H0: There is no relationship between age groups and those who are familiar with BH Bike

Shop.

Appendix C: Test 1.2

H0: There is no relationship between age groups and those who currently use a bike for fun or transportation in the colder months (Nov-Mar).

H1: There is a relationship between age groups and those who currently use a bike for fun or transportation in the colder months (Nov-Mar).

Survey Question Responses Used:

Q1: What is your age range? and

Q4: In the colder months (Nov-Mar), how often do you use a bike for fun and transportation?

Significance and Calculations:

Asymptotic significance (2-sided) of Pearson Chi-Square is .424 is greater than .05

Test 1.2 Conclusion:

Do Not Reject the null: There is no relationship between age groups and those who currently use a bike for fun or transportation in the colder months (Nov-Mar).

Appendix D: Test 1.3

H0: There is no relationship between age groups and those who currently use a bike for fun or transportation in the warmer months (Apr-Oct).

H1: There is a relationship between age groups and those who currently use a bike for fun or transportation in the warmer months (Apr-Oct).

Survey Question Responses Used:

Q1: What is your age range? and

Q5: In the warmer months (Apr-Oct), how often do you use a bike for fun and transportation?

Significance and Calculations:

Asymptotic significance (2-sided) of Pearson Chi-Square is .620 is greater than .05

Test 1.3 Conclusion:

<u>Do Not Reject the null</u>: There is no relationship between age groups and those who currently use a bike for fun or transportation in the warmer months (Apr-Oct).

Appendix E: Test 2.1

Ho: There is no difference in the mean likelihood rating of visiting the BH Bike Shop to repair or purchase a bike in the future based upon age groups.

Ha: At least one of the means is different.

Survey Question Responses Used:

Q1: What is your age range? and

Q10: How likely is it that you would visit BH Bike Shop to repair or purchase a bike in the future?

Significance and Calculations:

Levene Statistic = .101

ANOVA = .543 is greater than .05

Test 2.1 Conclusion:

Do Not Reject the null: H0: There is no difference in the mean likelihood rating of visiting the BH Bike Shop to repair or purchase a bike in the future based upon age groups.

Appendix F: Test 2.2

Ho: There is no difference in the mean likelihood rating of renting a bike for an hourly or daily rent fee based upon age groups.

Ha: At least one of the means is different.

Survey Question Responses Used:

Q1: What is your age range? and

Q13: How likely is it that you would rent a bike for an hourly or daily rent fee?

Significance and Calculations:

Levene Statistic = .347

ANOVA = .989 is greater than .05

Test 2.2 Conclusion:

Do Not Reject the null: H0: There is no difference in the mean likelihood rating of renting a bike for an hourly or daily rent fee based upon age groups.

Appendix G: Test 2.3

Ho: There is no difference in how important BLVD Harambee is to your community life based upon age groups.

Ha: At least one of the means is different.

Survey Question Responses Used:

Q1: What is your age range? and

Q16: How important is BLVD Harambee to your community life?

Significance and Calculations:

Levene Statistic = .287

ANOVA = .487 is greater than .05

Test 2.3 Conclusion:

Do Not Reject the null: H0: There is no difference in how important BLVD Harambee is to your community life

based upon age groups.

Appendix H: Test 3.1

Ho: There is no relationship between the rating variables below.

Ha: There is a relationship between the rating variables below.

Survey Question Responses Used:

Q10: How likely is it that you would visit BH Bike Shop to repair or purchase a bike in the future?

Q13: How likely is it that you would rent a bike for an hourly or daily rent fee?

Q16: How important is BLVD Harambee to your community life?

Significance and Calculations:

The correlation between community life and future services is -0.439. This is a strong inverse or negative

relationship. The p-value is .002, meaning that there is a correlation.

The correlation between rental to community life is -0.455. This is a strong inverse or negative relationship. The p-

value is .001, meaning that there is a correlation.

The correlation between rental and future services is 0.692. This is a strong positive relationship. The p-value is

.000, meaning that there is a correlation.

Test 3.1 Conclusion:

The correlation between community life and future services shows a strong inverse or negative relationship.

The correlation between rental and community life shows a strong inverse or negative relationship.

The correlation between rental and future services shows a strong positive relationship.

Appendix I: Chi-Square – Test of Independence

Test 1.1

Age_Range * Familiarity Crosstabulation

			Familiarity Yes	Familiarity No	Total
Age_Range	18-25	Count	11	5	16
		Expected Count	11.8	4.2	16.0
		% of Total	22.0%	10.0%	32.0%
	26-30	Count	4	2	6
		Expected Count	4.4	1.6	6.0
		% of Total	8.0%	4.0%	12.0%
	31-40	Count	5	2	7
		Expected Count	5.2	1.8	7.0
		% of Total	10.0%	4.0%	14.0%
	41 and older	Count	17	4	21
		Expected Count	15.5	5.5	21.0
		% of Total	34.0%	8.0%	42.0%
Total		Count	37	13	50
		Expected Count	37.0	13.0	50.0
		% of Total	74.0%	26.0%	100.0%

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	.949[a]	3	.814
Likelihood Ratio	.967	3	.809
Linear-by-Linear Association	.766	1	.381
N of Valid Cases	50		

a. 4 cells (50.0%) have expected count less than 5. The minimum expected count is 1.56.

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)	Point Probability
Pearson Chi-Square	.949[a]	3	.814	.844		
Likelihood Ratio	.967	3	.809	.844		
Fisher's Exact Test	1.315			.765		
Linear-by-Linear Association	.766[b]	1	.381	.397	.227	.066
N of Valid Cases	50					

Test 1.2

Age_Range * Bike_Colder Crosstabulation

			Bike_Colder				Total
			0-1 times per month	2-5 times per month	6-10 times per month	More than 11 times per month	
Age_Range	18-25	Count	11	2	2	1	16
		Expected Count	10.8	2.6	1.6	1.0	16.0
		% of Total	22.4%	4.1%	4.1%	2.0%	32.7%
	26-30	Count	2	3	1	0	6
		Expected Count	4.0	1.0	.6	.4	6.0
		% of Total	4.1%	6.1%	2.0%	0.0%	12.2%
	31-40	Count	6	0	1	0	7
		Expected Count	4.7	1.1	.7	.4	7.0
		% of Total	12.2%	0.0%	2.0%	0.0%	14.3%
	41 and older	Count	14	3	1	2	20
		Expected Count	13.5	3.3	2.0	1.2	20.0
		% of Total	28.6%	6.1%	2.0%	4.1%	40.8%
Total		Count	33	8	5	3	49
		Expected Count	33.0	8.0	5.0	3.0	49.0
		% of Total	67.3%	16.3%	10.2%	6.1%	100.0%

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	9.143[a]	9	.424
Likelihood Ratio	9.798	9	.367
Linear-by-Linear Association	.062	1	.803
N of Valid Cases	49		

a. 14 cells (87.5%) have expected count less than 5. The minimum expected count is .37.

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)	Point Probability
Pearson Chi-Square	9.143[a]	9	.424	.433		
Likelihood Ratio	9.798	9	.367	.547		
Fisher's Exact Test	8.155			.444		
Linear-by-Linear Association	.062[b]	1	.803	.814	.424	.045
N of Valid Cases	49					

Test 1.3

Age_Range * Bike_Warmer Crosstabulation

			Bike_Warmer				Total
			0-1 times per month	2-5 times per month	6-10 times per month	More than 11 times per month	
Age_Range	18-25	Count	4	2	2	8	16
		Expected Count	5.2	2.3	2.0	6.5	16.0
		% of Total	8.2%	4.1%	4.1%	16.3%	32.7%
	26-30	Count	2	0	0	4	6
		Expected Count	2.0	.9	.7	2.4	6.0
		% of Total	4.1%	0.0%	0.0%	8.2%	12.2%
	31-40	Count	3	2	0	2	7
		Expected Count	2.3	1.0	.9	2.9	7.0
		% of Total	6.1%	4.1%	0.0%	4.1%	14.3%
	41 and older	Count	7	3	4	6	20
		Expected Count	6.5	2.9	2.4	8.2	20.0
		% of Total	14.3%	6.1%	8.2%	12.2%	40.8%
Total		Count	16	7	6	20	49
		Expected Count	16.0	7.0	6.0	20.0	49.0
		% of Total	32.7%	14.3%	12.2%	40.8%	100.0%

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	7.163[a]	9	.620
Likelihood Ratio	9.139	9	.425
Linear-by-Linear Association	1.345	1	.246
N of Valid Cases	49		

a. 12 cells (75.0%) have expected count less than 5. The minimum expected count is .73.

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)	Point Probability
Pearson Chi-Square	7.163[a]	9	.620	.653		
Likelihood Ratio	9.139	9	.425	.586		
Fisher's Exact Test	6.069			.756		
Linear-by-Linear Association	1.345[b]	1	.246	.265	.133	.017
N of Valid Cases	49					

Appendix J: ANOVA – Analysis of Variance

Test 2.1

Test of Homogeneity of Variances

Future_Services

Levene Statistic	df1	df2	Sig.
2.202	3	45	.101

ANOVA

Future_Services

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	3.102	3	1.034	.724	.543
Within Groups	64.286	45	1.429		
Total	67.388	48			

Post Hoc Tests

Multiple Comparisons

Dependent Variable: Future_Services

Tukey HSD

(I) Age_Range	(J) Age_Range	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
18-25	26-30	-.667	.577	.658	-2.21	.87
	31-40	-.095	.547	.998	-1.55	1.36
	41 and older	.143	.404	.985	-.94	1.22
26-30	18-25	.667	.577	.658	-.87	2.21
	31-40	.571	.665	.826	-1.20	2.35
	41 and older	.810	.553	.468	-.67	2.29
31-40	18-25	.095	.547	.998	-1.36	1.55
	26-30	-.571	.665	.826	-2.35	1.20
	41 and older	.238	.522	.968	-1.15	1.63
41 and older	18-25	-.143	.404	.985	-1.22	.94
	26-30	-.810	.553	.468	-2.29	.67
	31-40	-.238	.522	.968	-1.63	1.15

Test 2.2

Test of Homogeneity of Variances

Rental

Levene Statistic	df1	df2	Sig.
1.130	3	45	.347

ANOVA

Rental

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.210	3	.070	.040	.989
Within Groups	77.790	45	1.729		
Total	78.000	48			

Post Hoc Tests

Multiple Comparisons

Dependent Variable: Rental

Tukey HSD

(I) Age_Range	(J) Age_Range	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
18-25	26-30	.067	.635	1.000	-1.63	1.76
	31-40	.162	.602	.993	-1.44	1.77
	41 and older	-.029	.444	1.000	-1.21	1.16
26-30	18-25	-.067	.635	1.000	-1.76	1.63
	31-40	.095	.731	.999	-1.86	2.05
	41 and older	-.095	.609	.999	-1.72	1.53
31-40	18-25	-.162	.602	.993	-1.77	1.44
	26-30	-.095	.731	.999	-2.05	1.86
	41 and older	-.190	.574	.987	-1.72	1.34
41 and older	18-25	.029	.444	1.000	-1.16	1.21
	26-30	.095	.609	.999	-1.53	1.72
	31-40	.190	.574	.987	-1.34	1.72

Test 2.3

Test of Homogeneity of Variances

Community

Levene Statistic	df1	df2	Sig.
1.297	3	45	.287

ANOVA

Community

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	2.710	3	.903	.825	.487
Within Groups	49.290	45	1.095		
Total	52.000	48			

Post Hoc Tests

Multiple Comparisons

Dependent Variable: Community

Tukey HSD

(I) Age_Range	(J) Age_Range	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
18-25	26-30	.100	.506	.997	-1.25	1.45
	31-40	.362	.479	.874	-.92	1.64
	41 and older	-.305	.354	.825	-1.25	.64
26-30	18-25	-.100	.506	.997	-1.45	1.25
	31-40	.262	.582	.969	-1.29	1.82
	41 and older	-.405	.484	.837	-1.70	.89
31-40	18-25	-.362	.479	.874	-1.64	.92
	26-30	-.262	.582	.969	-1.82	1.29
	41 and older	-.667	.457	.470	-1.89	.55
41 and older	18-25	.305	.354	.825	-.64	1.25
	26-30	.405	.484	.837	-.89	1.70
	31-40	.667	.457	.470	-.55	1.89

Appendix K: Correlation

Test 3.1

Descriptive Statistics

	Mean	Std. Deviation	N
Future_Services	2.37	1.185	49
Rental	2.71	1.275	49
Community	4.00	1.041	49

Correlations

		Future_Services	Rental	Community
Future_Services	Pearson Correlation	1	.692**	-.439**
	Sig. (2-tailed)		.000	.002
	N	49	49	49
Rental	Pearson Correlation	.692**	1	-.455**
	Sig. (2-tailed)	.000		.001
	N	49	49	49
Community	Pearson Correlation	-.439**	-.455**	1
	Sig. (2-tailed)	.002	.001	
	N	49	49	49

**. Correlation is significant at the 0.01 level (2-tailed).

Appendix L: BH Bike Shop Organizational Chart
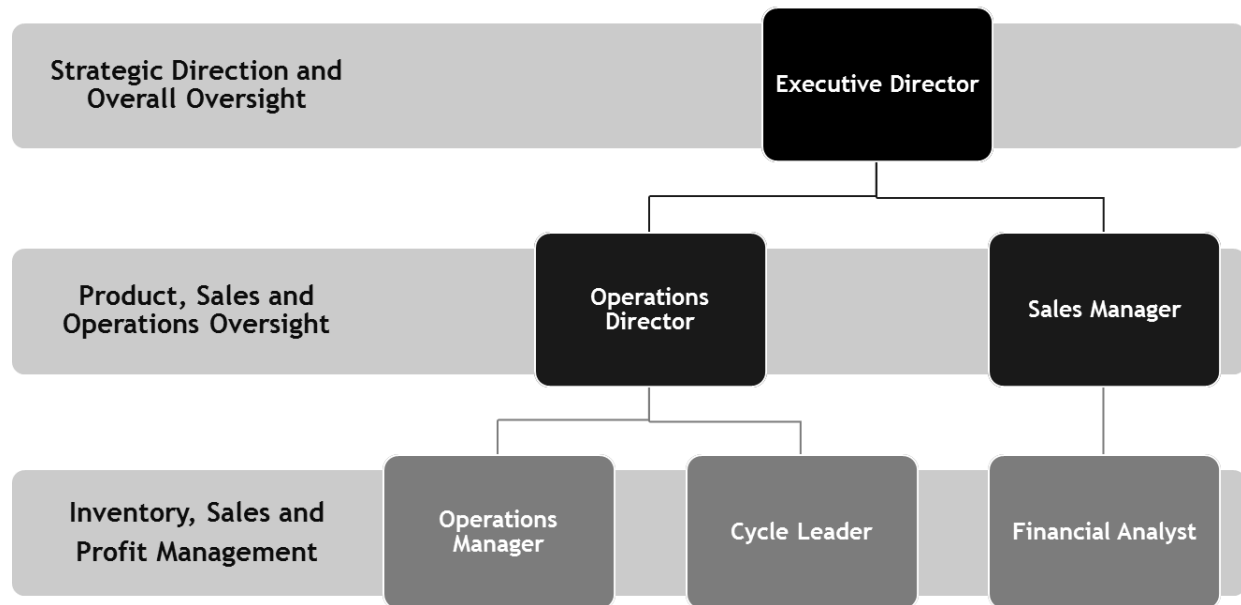
Appendix M: Positions vs. Competencies

Title	Lominger Competencies
Executive Director*	• Managing Vision and Purpose • Strategic Agility • Command Skills
Operations Director*	• Process Management • Dealing with Ambiguity • Conflict Management
Sales Manager	• Interpersonal Savvy • Motivating Others • Drive for Results
Operations Manager	• Planning • Drive for Results • Managing & Measuring Work
Cycle Leader**	• Functional/Technical Skills – Bicycle Build and Repairs • Developing Direct Reports & Others (Apprenticeship) • Priority Setting
Financial Analyst*	• Functional/Technical Skills – Accounting and Bookkeeping • Communications – written and presentation • Action Oriented
Social Media Analyst**	• Functional/Technical Skills – Social Media Applications/Uses • Creativity • Customer Focus

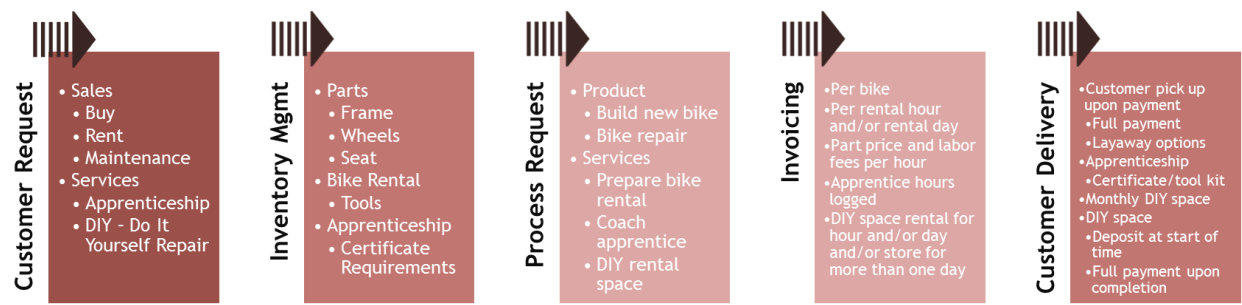**Appendix N:** Initial Marketing Strategy

Executive Summary	• One page overview of marketing plan summarizing each section
Target Customers	• Describe customer to be pursued based on demographic profiles and influencers • **Transportation, Exercise and Social Recreation Industries**
Unique Selling Proposition / Positioning Strategy	• Distinguishes BH Bikes from competitors • Represents the company's image and value • **Belle Isle location**
Pricing Strategy	• Detail how pricing will support BLVD Harambee's self-sustaining capabilities • **Affordable, quick service/quality products**
Distribution Plan	• Details how customers will buy products/services from BH Bikes • Identify different ways to reach out to customers • **Online presence, Word-of-mouth, Flyers**

Appendix O: Sales and Marketing Metrics

Sales and Marketing Metrics:

- **Social Reach:** Anyone that the company can reach with content or marketing messages, Total of company's social media following subscribers
- **Leads Generated:** Once lead is generated, company has contact information and can nurture customer relationship for products/services and word-of-mouth referrals
- **Forecasted Revenue:** Based on lead-to-customer transition and average revenue per product/service
- **Actual Revenue:** Measured throughout month and reported at end of sales cycle, providing actual revenue

Appendix P: Business Process Flow

Customer Request
- Sales
  - Buy
  - Rent
  - Maintenance
- Services
  - Apprenticeship
  - DIY - Do It Yourself Repair

Inventory Mgmt
- Parts
  - Frame
  - Wheels
  - Seat
- Bike Rental
  - Tools
- Apprenticeship
  - Certificate Requirements

Process Request
- Product
  - Build new bike
  - Bike repair
- Services
  - Prepare bike rental
  - Coach apprentice
  - DIY rental space

Invoicing
- Per bike
- Per rental hour and/or rental day
- Part price and labor fees per hour
- Apprentice hours logged
- DIY space rental for hour and/or day and/or store for more than one day

Customer Delivery
- Customer pick up upon payment
  - Full payment
  - Layaway options
- Apprenticeship
  - Certificate/tool kit
- Monthly DIY space
- DIY space
  - Deposit at start of time
  - Full payment upon completion

Appendix Q: Operations Metrics

Key Performance Indicators:

Financial Metrics

-**Profit**: Most important metric to be analyzed for both gross & net margin
Cost: Measuring cost effectiveness, finding ways to reduce and manage
-**Cost of Goods Sold**: All production costs for product/service to analyze actual profit margin and forecast product mark-ups

Customer Metrics

-**Customer Satisfaction/Retention**: Measuring satisfaction rate and percentage of repeat business
-**Customer Lifetime Value**: Looks at value of BH Bikes from long-term customer relationship & assists w/ word-of-mouth forecasting

Process Metrics

-**Percent of Product Defects**: Number of defective units divided by total number of units produced in designated time frame
-**Efficiency Measures**: Number of total hours divided by total units produced in designated time frame
-**Customer Support/Complaint**: Analyze number of incidents, resolution, and time it took to resolve

Appendix R: 90-Day Plan

30 Days

- Staffing
- Finalize Products and Services Suite
- Complete Marketing Plan
  - Website Design
  - Social Media Accounts Set Up

60 Days

- Set up Quick Books
  - Financial Set Up and Reporting
- Set up Shopify Account
  - Inventory Management and Reporting
  - Operations Reporting

90 Days

- Grand Re-Opening Event
- Establish Partnerships
  - Belle Isle
- BH on the Go
  - Design Remote Kiosk

Amend 30 days to include:

- Begin development of BH Bike Shop business plan