



Day I

Seminar Overview

Introduction to the Business Simulation

- Case: "The Metravil Company"
- Competing in a Mature Commodity Market

Discussion: Roles of the General Manager

Business Process Overview

Human Resources

- Staff Levels and Staff Skills
- Management Performance and Skills

Marketing

- Key Goals
- Marketing Analysis and Sales Forecasting
- Marketing Share Drivers
- Advertising Impact
- Advertising Budget: Market Share
- Marketing Report

Production (Operations) Phase I

- Orders/Inventory/Production Relationships

Orientation to Simulation

- Decision Options and Reports - First Month
- Electronic Decision Guide and Production Planning Tool
- Spending and Profitability Analysis

Assignment #1

- Organize Cross Functional Business Team
- Decision Making - Limited Set-First Month
- Manage the Business for Initial Period
- Review Reports - Analyze Results

Business Process Overview

Production (Operations) Phase II

- Key Goals
- Perspective
- Production Planning and Forecasting

Quality

- Characteristics and Costs of Quality
- Simulation Options Impacting Quality
- Simulation Options for Supply Chain

Research and Development

- Systems Perspective and Limiting Factors
- Simulation Options and Investment Decisions
- Process Improvement
- Product Enhancements
- New Product Investment

Assignment #2

- Forecast Market Share, Orders, Production Efficiencies and Output for Second Month
- Set Interim Goals for Second Period
- Identify Possible Problem (Gap) Areas
- Make Increased Number of Decisions
- Manage the Business for the Second Month
- Review Reports - Analyze Results

Financial Review- Financial Reports

- Income Statement
- Expense Reporting
- Balance Sheet
- Cash Flow Report

Financial Ratios

- Profitability (Margins)
- Financial Strength
- Asset Utilization or Returns
- Other Performance Metrics

Financial Analysis

- Cost Behavior (Variable vs. Fixed) and Margins
- Break-Even Analysis
- Cost Volume and Profit Relationships
- Cash Flow Analysis

Investment Decisions and Tools

- Research & Development
- Capital Investments - Machinery & Equipment
- Inventories - Level and Order Patterns
- Tools Review - Payback, NPV and IRR

Financing Options

- Short Term
- Long Term

Exercise #1 Analyze the Business

Review results of previous 11 months and analyze for opportunities and challenges. Using appropriate decision tools, plan for investments in key areas for future.

Strategic Planning

- Business Definition
- Business Differentiation
- Strategic Options and Core Process Policies

Assignment #3

- Forecast and Manage the Business for the Third Month Making Full Set of Decisions
- Review Reports - Analyze Results
- Prepare Presentation for Transition Period
- Key Performance Metrics (KPM's)
- Initial Strategy Assessment
- Forecasting Results

Risk Analysis, Planning and Management

- Assessment
- Contingency Planning



Day 2

Business Planning & Control

Exercise #2 - Formulate Complete Strategic Plan

- Define Business Metravil
- Evaluate Differentiation
- Develop Business Plan and Functional Policies
- Forecast and Track Market Share
- Set Pricing Policy
- Set Quality, Customer Service and Productivity Policies
- Set Capacity Plan and Production Targets
- Consider Investments in R&D
- Consider Investments in Capital Equipment/Plant Improvements
- Determine Productivity, Quality and Cost Implications of Investment
- Determine Staffing Levels for Plan Operators
- Set Manager Training Policies
- Assess Impact of Short Term Borrowing vs. Long Term Financing Based on Plan and Policies
- Set Business Result Objectives
- Set Targets for KPM's
- Forecast Market Size and Share, Forecast Metravil's Revenues, Investments and Costs for the Coming Year
- Set Up Budget Analysis to Track Against Simulated Results

Assignment #4

- Analyze Latest Financial, Marketing, Production Reports
- Develop Contingency Plan to Cope with Crisis Events
- Choose Decision Options, Input and Manage Metravil for First Four Months of New Year
- Printout and Analyze Reports. Track Results vs. Plan
- Assess Strategy - Working?
- Update Forecast if Appropriate
- Present Results to Group

Assignment #5

- Analyze Latest Financial, Marketing, Production Reports
- Develop Contingency Plan to Cope with Crisis Events
- Choose Decision Options, Input and Manage Metravil for Second Four Months of New Year
- Printout and Analyze Reports. Track Results vs. Plan
- Assess Strategy - Working?
- Update Forecast if Appropriate
- Present Results, Assessments and Rationale to Group

Day 3

Analyzing and Evaluating the Business Results

Assessing Strategy and Reacting to Changing Market Conditions

- Identifying Windows of Opportunity
- Price/Inventory Production
- Managing in Up/Down Flat Markets
- Making Price Adjustments
- Detecting On-Coming Disasters
- Fine Tuning the Plan

Assignment #6

- Examine Financing and Modify as Needed
- Conduct Gap Analysis to Identify Business Problems
- Fine Tune Decisions as Necessary
- Manage Metravil for Final Four Months
- Printout Reports, Analyze and Update Baseline KPM's
- Develop Recommendation for Business - Keep, Sell or Liquidate
- Develop Recommendation for Management's Variable Compensation

Assignment #7

- Prepare Final Business Team Presentation
- **Present to Other Teams, Invited Senior Management and Guests:**
 - Strategic Plan
 - Business Plans
 - Decisions Made and Results
 - Compensation Recommendation
 - Business Dispensation Recommendation
 - Lessons Learned

Debriefing

Senior Management Remarks

Program Conclusion