Issue

SCATERS SALES

# **System User Guide**



SCATERS SALES

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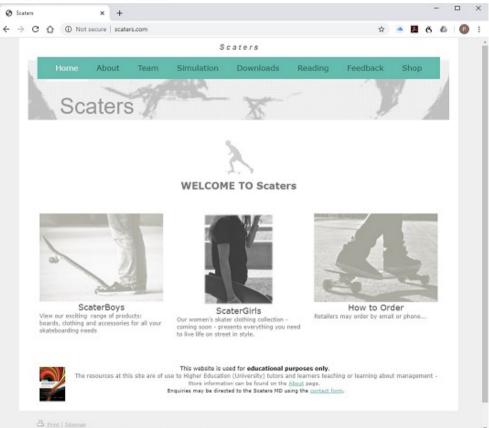
SCATERS SALES

# Version



#### SCATERS SALES

This user guide is for Scaters employees with a responsibility to make and record sales. It has been created by the Scaters office manager with the help of IT. All enquiries should be directed to the office manager. Aside from this user guide there are various video presentations available from the scaters website:



Presentation	Comments	Link
Simulation Briefing	Watch this (5 minute) video first to learn about the simulation	https://www.scaterboys.com/simulation/briefing/
Downloads	Learn how to download and configure the software by watching the five minute video.	https://www.scaterboys.com/downloads/
Scater's Sales Manager role	This film will show you how to use the Scaters system if you have been allocated the sales manager role.	https://www.scaterboys.com/team/sales/
Management team roles	View the video user guide by clicking on your role	https://www.scaterboys.com/team/
Help	The (<5min) video presentation shown will explain how to use the help facility	https://www.scaterboys.com/simulation/help- during-the-simulation/
Ending stage 1	You can watch the following video which explains what to do when stage 1 of the simulation comes to an end. The video also discusses how to start stage 2.	https://www.scaterboys.com/simulation/stage- 1/ending-stage-1/
Learn from the simulation experience	Watch this 25 minute video to learn how to reflect on your Scater's experiences	https://www.scaterboys.com/simulation/learning- from-the-simulation/

Table 1 Table of video presentations

# Logging in

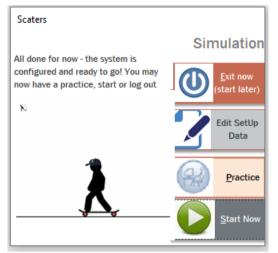


Figure 1 Start screen

You must first launch the Scaters application by double clicking on it. You should only need to do this once at the start of the simulation.

Once you click the "Start" button, see Figure 1 Start screen, the log-in screen will appear.



Each user should take turns to log-in when they have a task to perform. Simply click the drop down to select the relevant employee. The Home form, discussed next will then load.

# Home form

This is your main form and interface with the Scater's system.

 $\mathcal{T}$  hen you log in the Home form will load.

Use this form to navigate to everything you need.

Home			
Log Out	Scaters Sales		Sales Manager
You may move the form. Inventory Scaters stock Qrders Customers Purchase Orders Suppliers Employees Shippers Planned Orders Products IT Sepontelptre	My Active Orders		Add New Order
		-	23/03/2020 19:02

Revenue by Sales Person See Graph on Home form

Figure 2 Home form

When you close the Home form (by clicking the "Log out" button in the top left corner, the Log-in form will reload for the next user.

## **New Customer order**

When customers place orders (normally by sending you a purchase order PO) you must open a new order and enter the PO data.

rder Details							
elete Order	Order	#3941			Status:	New	
1000				1. Create Invo	vice		
	Customer E-mail	I		Sales	person	Phil Kelly	
1	Customer PO:			Orde	r Date	23/03/2020	
Order Details	Shipping Informatio	on Map					
tip: use the	tab button to move	from field	to field				
	Product		Unit Price 🗸	Discount 🗸	Total Price 🚽	Status 👻	
*		✓ tal					
	10	Ldi					

Figure 3 New Order

Check the amount in stock when you select a product Use the tab key when you enter a product Enter the quantity If the quantity exceeds stock you may need to raise a PO or Planned order for production! Take a note of the status (allocated if goods are in stock)

You can only raise the invoice when the goods have been allocated and shipping costs calculated.

#### Shipping

Each customer belongs to a shipment zone (0-9). Each ordered product is weighed (Kg). The zone and total weight are used to compute the shipment cost. However, customers in zone "0" are supplied at NO shipping fee. When you have entered the order, click on the "Shipping Information" tab and then click the "Calculate" button.

# My active orders

Any order you raise will be visible in the active orders window until accounts close the order by processing payment.

	S	cate	ers				
Log Out	Sal	les					
	My Ac	tive Or	lers N	ew Customer	Order		
	4	# 🚽	Status 🚽	Date 🚽	Customer	-	Add I
		3940	Invoiced	23/03/2020	Kickflip Co		
ou may move the rm.					1		
Inventory							
Scaters stock						s	£500 T
<u>O</u> rders						Thousands	£450 -
Customers						snot	£400
Purchase Orders						É	£350 -
Suppliers							£300 -
Employees							£250 -
Shippers					-		£200 -
Planned Orders							£150 -
Products							£100
Support help line							
	4				Þ		£0 ⊥

Figure 4 MyActive Orders

#### Note

Goods will be automatically allocated to an order if they are or become available



#### What next.

When you have invoiced, the warehouse can ship.

## Menu

Home	
Log Out	Scaters Sales
	My Active Orders Ne # - Status - B940 Invoiced
You may move the form.	
Inventory	
Scaters stock	
Orders	
<u>C</u> ustomers	
Purchase Orders	
Suppliers	
Employees	
Shippers	
Planned Orders	
Products	
IT Support help line	
	•
	102

Figure 5 Home form menu

From the menu bar you can:

- 1. View all **Orders** (open or closed and from all sales persons)
- 2. View Customers
- 3. Open Scaters Outlook

Emails will periodically drop in but you may wish to either check for new emails yourself or re-open old mail.

4. Check stock levels using Inventory

It's the purchasing manager's job to order stock and authorize purchase order. However, if you take a sales order for out-of-stock goods, you may need to raise a new Purchase Order. This may have to be authorized.

## **Order list**

As noted previously, you can view all orders (regardless of sales person) by opening the order list from the home form menu.

		Ord	der List			
		View	Invoice Packi	ng slip 🚔 🛛 Invoice (PDF) 🚔	Invoice 📳	<u>H</u> ome
# 🖵	Order Date 🖕	Status 🖕	Salesperson 🚽	Customer -	Ship Date 🖕	Total
3940	23/03/2020	Invoiced	Phil Kelly	Kickflip Co		£371.10
3857	23/03/2020	Closed	Francis Muir	FuctSkateboards	29/03/2020	£2,501.88
3784	22/03/2020	Closed	Jack Ofarrell	Exist Clothing	26/03/2020	£3,150.50
116	22/03/2020	Closed	Phil Kelly	Airtime Sports	31/03/2020	£28.13
3742	22/03/2020	Closed	Phil Kelly	Airtime Sports	07/04/2020	£1,278.85
3936	21/03/2020	Closed	Jack Ofarrell	Sugar Sports	06/04/2020	£4,628.00
3879	21/03/2020	Closed	Phil Kelly	Neutral Density	31/03/2020	£99.75
3923	20/03/2020	Closed	Phil Kelly	Tumyeto	23/03/2020	£4,388.00
3247	20/03/2020	Closed	Jack Ofarrell	Fuct Skateboards	27/03/2020	£261.60
3318	20/03/2020	Closed	Phil Kelly	Yakwax	26/03/2020	£35,438.0
3639	20/03/2020	Closed	Jack Ofarrell	Society Boardshop	29/03/2020	£184.93
3215	19/03/2020	Closed	Francis Muir	Rolladome	31/03/2020	£2,196.75
3732	19/03/2020	Closed	Phil Kelly	Lush Longboards	28/03/2020	£780.00
3153	19/03/2020	Closed	Phil Kelly	Villan Skateboards	28/03/2020	£11,699.0
3350	19/03/2020	Closed	Francis Muir	Maverick Industries Ltd	20/03/2020	£2,625.00
3597	16/03/2020	Closed	Phil Kelly	Climaxmfg	19/03/2020	£62.50
3626	16/03/2020	Closed	Phil Kelly	Neutral Density	01/04/2020	£6,297.63
3403	16/03/2020	Closed	Phil Kelly	Dissent Skate Shop	26/03/2020	£3,825.00
3605	15/03/2020	Closed	Francis Muir	Maverick Industries Ltd	28/03/2020	£1,575.00
3285	15/03/2020	Closed	Jack Ofarrell	Exist Clothing	26/03/2020	£2,626.65
3060	15/03/2020	Closed	Francis Muir	Lush Longboards	20/03/2020	£20.65
3158	15/03/2020	Closed	Francis Muir	Chocolateskateboards	23/03/2020	£878.50

Figure 6 Order list

From the list (see Figure 6 Order list) it is possible to view the status of any order. This functionality can help with customer service but also when you are approaching the end of simulation to ensure all orders have been closed.

You can open a specific order by double clicking on it.

## Customers

From the home form menu you can access the customer list, Figure 7 Customer list.

Cu	stomer	List		
New Customer		_		
Company 🚽	First Name 🚽	Last Name 🚽	Job Title 🚽	
Airtime Sports	Elizabeth	Andersen	Purchasing Representative	
sportfocus	Catherine	Autier Miconi	Purchasing Representative	
Yakwax	Thomas	Axen	Purchasing Representative	
Backyards Surf and Skate Shop	Jean Philippe	Bagel	Owner	
Empire Skate Shop	John	Edwards	Purchasing Manager	
skullskates	Alexander	Eggerer	Accounting Assistant	
Villan Skateboards	Michael	Entin	Purchasing Manager	
Dissent Skate Shop	Daniel	Goldschmidt	Purchasing Representative	
Kickflip Co	Antonio	Gratacos Solsona	Owner	
Native Skate Store	Carlos	Grilo	Purchasing Representative	
Stimulus Skateboards	Jonas	Hasselberg	Owner	
Maverick Industries Ltd	Peter	Krschne	Purchasing Manager	
Society Boardshop	Helena	Kupkova	Purchasing Manager	
Neutral Density	Christina	Lee	Purchasing Manager	
Snot boards	Soo Jung	Lee	Purchasing Manager	
chocolateskateboards	George	Li	Purchasing Manager	
Prism Skateboards	Run	Liu	Accounting Assistant	
UK Ramp Hire	Andre	Ludick	Purchasing Representative	
Scaters (Warehouse)	Warehouse	Manager	Manager	
Rolladome	Sven	Mortensen	Purchasing Manager	
Exist Clothing	Martin	O'Donnell	Owner	
Lush Longboards	Francisco	Pérez-Olaeta	Purchasing Manager	
Sugar Sports	Amritansh	Raghav	Purchasing Manager	
Tumyeto	Luciana	Ramos	Purchasing Assistant	
Fuct Skateboards	John	Rodman	Purchasing Manager	
climaxmfg	Bernard	Tham	Accounting Manager	

Figure 7 Customer list

From the customer list you can (1) edit customer information and (2) add a new customer to the Scaters database. Double click on a customer from the list to open the customer form. Aside from contact data you can also view all of their purchase history (past orders).

#### Note

Add a new customer by clicking "New Customer" at the top of the form (menu)

## **Complaint Handling**

Open the customer details form by double clicking the relevant customer on the customer list (Figure 8)

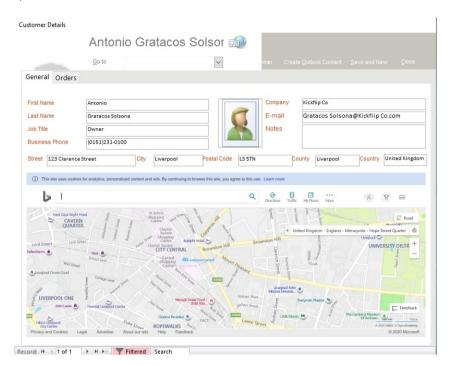


Figure 8 Customer details

#### Details of any complaint should be recorded in the Notes field

Note: The financial worth (total amount spent with Scaters) of a given customer can be seen, along with their order history, on the "Orders" tab of the customer details form:

		Antoni	o Grata	cos Sol	sor 🗖	٠			
		Go to			$\sim$	omer			
neral	Orders								
Inv	pice # 🗸	Order Date 🚽	Shipped 🗸	Sub Total 👻	Taxes .	Shipping .	Invoice Total 🗸		Customer Value
	217		28/05/2015	£281.25	£0.00	£0.00	£281.25	H	Total ammount spent:
	202	13/05/2015	13/05/2015	£281.25	£0.00	£0.00	£281.25		
	3543	14/04/2015	16/04/2015	£2,968.15	£0.00	£0.00	£2,968.15		£62,454
	3494	27/03/2015	29/03/2015	£463.50	£0.00	£0.00	£463.50		
	3111	26/03/2015	28/03/2015	£780.00	£0.00	£0.00	£780.00		
	3463	26/03/2015	28/03/2015	£6,911.05	£0.00	£0.00	£6,911.05		
	3096	16/03/2015	18/03/2015	£5,381.75	£0.00	£0.00	£5,381.75		
	203	13/03/2015	14/03/2015	£281.25	£0.00	£0.00	£281.25		
	3833	06/02/2015	08/02/2015	£60.00	£0.00	£0.00	£60.00		
	216	02/02/2015	05/02/2015	£281.25	£0.00	£0.00	£281.25		
	238	01/02/2015	03/02/2015	£281.25	£0.00	£0.00	£281.25		
	3555	28/01/2015	29/01/2015	£1,660.50	£0.00	£0.00	£1,660.50		
	3627	28/01/2015	28/01/2015	£2,529.30	£0.00	£0.00	£2,529.30		
	3122	26/01/2015	29/01/2015	£17,773.20	£0.00	£0.00	£17,773.20		
	292	13/01/2015	14/01/2015	£281.25	£0.00	£0.00	£281.25		
	<u>3050</u>	26/12/2014	30/12/2014	£5,273.68	£0.00	£0.00	£5,273.68		
	<u>3017</u>	14/12/2014	17/12/2014	£3,681.63	£0.00	£0.00	£3,681.63		
	3464	01/12/2014	02/12/2014	£1,235.63	£0.00	£0.00	£1,235.63		
	241	01/12/2014	04/12/2014	£281.25	£0.00	£0.00	£281.25		
	212	27/11/2014	28/11/2014	£281.25	£0.00	£0.00	£281.25		
	131	13/11/2014	16/11/2014	£281.25	£0.00	£0.00	£281.25		
	<u>137</u>	<u>13/10/2014</u>	14/10/2014	£281.25	£0.00	£0.00	£281.25		
	276	09/10/2014	09/10/2014	£281.25	£0.00	£0.00	£281.25		
	221	26/09/2014	27/09/2014	£281.25	£0.00	£0.00	£281.25		
	<u>3034</u>	<u>15/09/2014</u>	18/09/2014	£3,900.00	£0.00	£0.00	£3,900.00		
	3549	11/09/2014	13/09/2014	£507.40	£0.00	£0.00	£507.40		
	<u>3032</u>	26/08/2014	29/08/2014	£677.30	£0.00	£0.00	£677.30	-	
Decord	H 1 0	of 36	No Filter	Search	00.00	00.00	0001.05		

## **Emails**



From the Home form menu (left) you can access your simulated emails by clicking on the button. This will open the inbox (see below). Any delivered emails will be visible in your inbox. You can wait for emails to arrive on a timer or 'pull' them through by clicking on the send receive button.

#### Note

This is a simulated version of email and many of the buttons will not function – with the exception of the "send receive" button located in the top left corner and in the ribbon area

📑 🕛   File		Inbo Receive Folder	x - Personal Folders View Developer		crosoft Outloo	k	(		۵ ۵
New Nev New New	Delete	Reply Reply All Forward Respond	To Manager Team E-mail Quick Steps	K + +	Move * Rules * OneNote Move	Y Tags	Find a Contact  Address Book Filter E-mail  Find	Send/Receive All Folders Send/Receive	
> Searc	h All Mail Items							Q	
! []	From		Subject		Receiv	/ed 👻	Si	Cat 🕅 🔺	
Folders									
NDOX									iouaj. o tasta
3									
🔟 sent Items D <i>Unread Ma</i> rif 🔟									5

Figure 9 Email inbox

## **Post Simulation – Analytics**

#### Ending stage 1

You can watch the following video which explains what to do when stage 1 of the simulation comes to an end. The video also discusses how to start stage 2. https://www.scaterboys.com/simulation/stage-1/ending-stage-1/

In this section we outline a feature that allows you to understand a wide range of activity related to your simulation, a compilation of data and statistics which may be used to analyze and report on the performance of the company. This section concerns the using of existing Scaters company data to gain insights into the company and its operations. For example, the data may be used to benchmark, identify problems, opportunities and strengths. Data can be exported from the application as a series of Excel spreadsheets, through the Analytics form. Data exists for many aspects of the (core) Fulfillment, production and procurement processes and about current employees and their reporting lines (to aid the creation of organization designs/ structure charts). You may extract ALL available data.

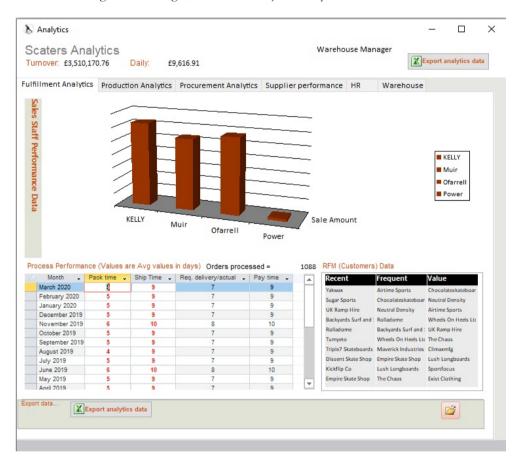


Figure 10 Analytics form

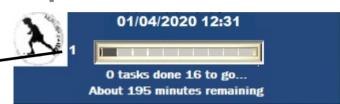
#### **Extracting ALL available data**

- 1. Open the analytics form (from the home form or the simulation end form)
- 2. Near the top right of the form you will see a shaded box "Export analytics data", simply click this button!
- 3. The system will then process your request and create the relevant spreadsheet(s) in the preferred location.
- You may then view and edit the spreadsheets. Consider applying statistical functions to summarize/ analyze the data; compare with benchmark data (see https://www.scaterboys.com/about-1/benchmarks/) etc.

## **Stage 1 performance**

Your performance in stage 1 is judged, in part, by how many times you log-in and out as different roles (sales, warehouse etc) and this is used to indicate if you were aware of the relevant business processes and have an understanding of operations. The log-in count is shown on the Scater's clock. You can reduce your log-in count i.e. improve your performance (and therefore revenue for stage 1) by doing additional tasks. These can be found by clicking the button on the simulation task progress form (see Figure 12).

#### Help



Performance score – lower the better (aim for <40 by the end of stage 1 Figure 11 Scater's clock

The main help functions are accessible from the Scaters Clock. Click the text "tasks" below the progress bar. This will open a form "Simulation task manager". This form shows the stage 1 tasks you have and have not done. You may also fast track through the simulation by clicking on the buttons at the foot of the form. Clicking the "20%" button will move you on approximately 20% of the simulation – marking the first two simulation tasks as complete. You can use these buttons to automatically progress through the simulation if time is constrained or you do not know what to do or simply want to fast track to the end of stage 1 so that you can access stage 1 data and stage 2. However, use of these buttons will reduce your performance score significantly.

Simulation Ta:	sk Progress	×
		<b>_</b>
Not Due	Order1 - the sales role is required to process a Kickflip Co order for 10 Black Helmets	
Not Due	Peyment Order1 - Payment received order 1	
Not Due	Order2 - Airtime Sports order for "First Aid Add On Kit" X 50	
Not Due	Payment Order2 - Payment received order 2	
Not Due	Order3 - Sales order 200 "Forest green Skate - Skateboarding - Indy Grab*	
Not Due	Payment Order3 - Payment received order 3	
Not Due	Order4 - Backyards Surf and Skate Shop Sales order "Extreme Board" X 20	
Not Due	Payment Order4 - Payment received order 4	
Not Due	Order5 - Order from Wheels on Heels Ltd for 40 Scaterboy FLIP	
Not Due	Payment Order5 - Payment received order 5	
Not Due	Add new customer - Add new customer: Mark Lewis	
Not Due	Supplier email change - Change of supplier email address Isouss@baker.com	
Not Due	New Product - Add new product.Product Name Skull Dream Team Skateboard Backpack Product Code X233	76
further orders; (3) If	Il score is reduced each time you open this form; (2) You must complete the first order before recei you are finding it difficult to complete the simulation or are running out of time to finish then you m of the simulation by clicking on one of the buttons below (%to fast track through) - each task avoide In artomance.	nay fast
Additional tasks	200/ 400/ 600/ 900	End

Figure 12 Simulation task progress form

You can watch a video presentation explaining help here: <u>https://www.scaterboys.com/simulation/help-during-the-simulation/</u>

# **A**1

# **Practice Mode**

# **Practice Mode**

The system now comes with a practice mode. Anything you do in practice mode will NOT affect the main simulation. It therefore presents an opportunity for you to learn how to use the system. In this section we describe how to use the system in practice mode.

Practice mode may be selected before you start the simulation.

The start screen (see Figure 1 Start screen) will appear once you have configured the system for your group.

Upon clicking the Practice' button you will be given the opportunity to print a set of user guides if you have not done so already.

Next, the practice mode menu bar will load:



Figure 13 Practice mode menu bar

#### **Pre-programmed practices**

In this mode you can select up to 4 preset practice scenarios:

- **1.** Simple (Sales) order
- 2. Sales (resale item) order plus Purchase Order
- **3.** Sales (manufactured item) order

Start the session by clicking the green 'play' button in the menu bar.

Next, select the preferred adjacent preset practice button.

You will then be informed of a scenario e.g. an order has just been placed by...

Details of the practice scenario will be shown in the text box located around the middle of the practice bar.

The Home form will load in practice mode.

You must then enter details in the correct way to process the order.

Some help is provided in the form of context specific message boxes.

When you have successfully processed the order, the home form will close, returning you to the practice mode menu bar.

You may then select another preset practice or redo a practice scenario already attempted. You can attempt the practices as many times as you like. Records are deleted when you finish.



#### **Spontaneous practice**

It is also possible for you to determine your own practice scenarios enabling you to freely interact with the system.

In order to enter this mode you should simply click on the padlock button which will launch the home form in practice mode. As with the pre-programmed practices, all records will be deleted when you exit this mode.



#### **Returning to the simulation**

When you have finished practicing you may return to the simulation start screen (as shown in Figure 1) by clicking the button 'Start Simulation'



# **Stage Two (Management)**

In some cases your tutor will ask you to complete certain tasks associated with stage 2 (*Management stage*).

The main purpose of stage 2 will be to either (1) provide a context for identifying and selecting areas of business improvement Or (2) to practice tactical and strategic management decision making.

In the case of the first objective, you will be provided with data such as sales forecasts etc. enabling the immediate creation of a master budget for Scaters. This will then act as a context for investment and improvement decisions.

# Stage 2

Having gained experience of the Scaters company and core processes you are now well placed to apply management theory to practice and determine where you may make the company more efficient and effective. Decisions about improvements are investment decisions and need to be made in the context of available capital and strategic priorities and targets/ goals.

Stage 2 (automatically) follows on from stage 1. Whereas stage 1 enables users to gain familiarity with operations (executing core business processes), stage 2 is more about Managing for improvement and the attainment of goals.

The task requirements of stage two will vary from course to course and will be predetermined by your tutor. Examples of stage 2 tasks include: (1) strategic tasks: environmental analysis (PESTLE, SWOT etc.), target and goal setting and the identification of improvement projects. In some cases you may be required to conduct investment appraisal of such projects; and (2) Budget tasks: forecasting sales, expenses and labour costs.

You may also be allocated a specific (individual) role such as secretary, budget or strategic and may be given a department to manage (specifying the departmental mission and goals etc.).

Finally, you may be informed of a Budget date and possibly an MD presentation date.

The main outcomes of stage 2 are as follows:

- Creation of a master budget for Scaters this provides a context for investment decisions
- 2. Presentation (verbally and/or in writing) to the MD of ideas to improve the company.

In this section of the user guide we explain how stage two data is generated, analysis and projects entered and the master budget prepared and printed.

#### **Ending stage 1**

Upon completion of all (required) simulation tasks, stage 1 will end. A message box will automatically inform the user of this. Stage 1 represents a year of trading. During the first year of your simulation the company turnover is set around  $\pounds$ 3M. The second year of simulation witnesses growth and a turnover of around  $\pounds$ 5M. Consequently, at the end of stage 1 the system must generate orders to reflect the next year ( $\pounds$ 5M). After the message box informing you that the simulation (stage 1) is ending a data processing form will load as shown in the figure below.



Figure 14 Data Processing (stage 1 end)

Data processing will take several minutes so please be patient!

Do not worry if there are short periods (2-3 mins) of apparent inactivity – this is normal. When processing is complete the title text will change to 'Finished' and a button will become visible to move on. Click the button to proceed. The simulation (stage 1) end screen will then load as shown in Figure 15.

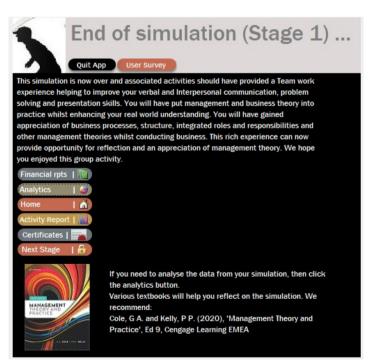


Figure 15 Stage (1) end screen/ form

Shortly after this form has loaded the system may load details of your assessment and may email various documents to your tutor. Before moving into stage 2 you may wish to explore the analytics (refer back to Figure 10 Analytics form). YOU SHOULD THEN ONLY CLICK THE 'NEXT STAGE' BUTTION IF TOLD TO DO SO BY YOUR TUTIOR.

#### **Entering stage 2**

Upon clicking the 'Next Stage' button a 'Scaters Stage 2 Briefing for Students' document will load. This document explains what your tutor (and the Scaters MD!) is expecting you (and your group) to do next.

The main form for stage 2 (Scaters Manager) as shown below then loads.

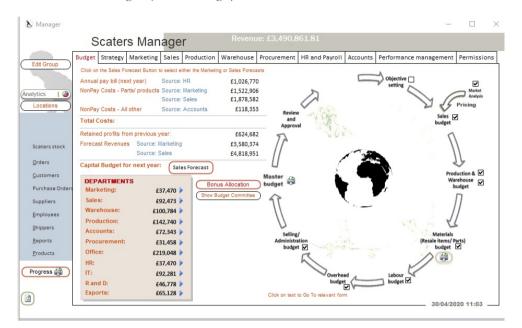


Figure 16 Manager form (stage 2)

As discussed earlier, dependent upon how your tutor has configured the simulation you may or may not be required to enter data in different parts of this form. The data will already be present if you are not expected to enter data. Similarly, some buttons will have been disabled if you are not required to enter data in certain areas.

Your main tasks will be to

- **1.** Assure the correct data is in place (reviewing/ populating the form)
- 2. Add ideas for improvements (strategic projects/ capital investments)
- 3. Print a master budget
- **4.** Prepare for meetings, presentations or report writing tasks

Each of the main tasks will be outlined next.

#### Reviewing/ populating the management form

You should first review the information presented on the various tabs, sub and main form.

Next, if appropriate, review the aforementioned 'Scaters Stage 2 Briefing for Students' and identify tasks where you may need to populate the form.

You may be asked to populate data on the strategy forms or by a specific business function such as sales etc. Each will be considered next.

If you are unable to enter data in parts of the Scater's Manager form then you may not have been given the appropriate permission – check with your tutor if you are completing the simulation under their guidance. If you are completing the simulation independently then click the permissions tab of the manager form and then click the button "Unlock All" – this will give you permission to edit data on the Manager form.

🖒 Manager	S	cater	s M	an	ade	r	R	even	ue: £3,7	718,43	22.82								>
		Strategy			-	Production	Ware	house	Procure	ment	HR and Payr	oli A	ccounts	Perfo	ormance i	managen	nent	Permis	ssions
Edit Group		Unlock A	. 1	-								_				_		]	
		,											•••		Set Pe	ermissions	)		
nalytics   🎒	Unloc	ck stage 2		)			Scate	ers def	ault1										
	Stra	tegy Task	G		Stude	nt Roles to	Alloca	ate	Aim					_					
Locations	PEST	16			Secreta														
	SWOT				Budget														
	5 F0				Strateg														
Scaters stock	Set S	trategic Ta	rgets		Strat P			$\square$											
Scaters Stock		te Mission		$\checkmark$	Sales				Notes										
Orders	Add F	Projects		$\checkmark$	Depar	tmental Go	als												
Customers	Auth	orise Proje	cts	$\checkmark$	Account	ts		$\checkmark$											
Purchase Orders	Calc	NPV		$\checkmark$	Market	ing		$\checkmark$											
		ify Model		$\checkmark$	Sales			$\checkmark$											
Suppliers	Bud	get Tasks			Wareho	use		$\checkmark$											
Employees	Enter	r Income Gr	owth	$\checkmark$	Product	tion		$\checkmark$											
Shippers	Apply	Pricing Po	olicy	$\checkmark$	Procure	ment		$\checkmark$											
	Chag	e Product F	Prices	$\checkmark$	Office			$\checkmark$											
Reports	Enter	Sales Fore	ecasts	$\checkmark$	HR			$\checkmark$											
Products		ge Product		$\checkmark$	RnD			$\checkmark$											
	Fored	cast Cost O	Goods	$\checkmark$	Export			$\checkmark$											
Progress 🚔 🔵	Pay			$\square$						udget I	Date ation Date		01/04/202						
	Fored	cast Expens	ies	$\checkmark$					P	resenti	ation Date		01/04/202	0					
a)																			
	L															02/0	04/20	20 16:4	43

Figure 17 Manager privileges

#### **By Function e.g. Sales**

The budget process (see later) involves forecasting, setting goals and conducting analysis, prior to investment decision making. The company needs to estimate income and costs.

Scaters management will need to know how much revenue it is expected to generate in the forthcoming year. Either the marketing or sales (or both departments) contribute to such forecasts.

There is a need to estimate price changes and the number of sales. This can either be done at a high level (marketing) or on a detailed product by product basis (sales forecast).

Bu	udget Strategy Marketin	ng Sale	s Produc	tion Wa	rehouse	Procurement	HR and Payroll	Accounts	Perform	mance management Permiss		
	Product Name 🚽	Cost 🚽	List Price 🗸	Qty Sold 🗸	Revenue 🗸	New Price 🗸	Target Qty to sel 🖕	Forecast Revenue	-	Simulate New Pricing Polic		
	First Aider (minor)	£15.00	£20.50	2107	£43,194	£37.36	2212	£82,650.94				
	Nut150	£1.50	£2.25	4082	£9,185	£8.20	4286	£35,130.63		Pricing policy: Adds the		
1 🎱	Trucks	£16.50	£24.75	2449	£60,613	£38.53	2571	£99,068.09		[purchase cost] to the [overhead allocation] and then		
_	SKATEBOARD WAX	£3.01	£4.50	1752	£7,884	4 £18.24	1840	£33,554.24		adds the desired profit margin		
ons	Black Helmet	£18.75	£28.25	1701	£48,053	£46.58	1786	£83,200.27		i.e. (%) - 0.776512186552648		
	Skateboard WHEELS Blank 59	£5.75	£8.63	2178	£18,785	£20.58	2287	£47,072.63		The overhead allocation		
	Pro Tec Helmet	£30.00	£45.00	1239	£55,755	£71.52	1301	£93,048.17		is calculated as the Itotal		
	Truck Assemblies	£17.44	£26.16	1774	£46,401	£43.71	1863	£81,425.77		overheads]* [% of sales by the		
	Pro Skate	£50.34	£60.00	2159	£129,540	£99.89	2267	£226,447.46		product])/the number of sales		
sstock	Mini First Aider	£9.50	£14.25	1147	£16,345	£36.56	1204	£44,022.94		of the product)		
JUCCH	Silver Helmet	£60.75	£91.13	1732	£157,829	£120.96	1819	£220,027.33		You can simulate suggested		
	Ultimate Sports First Aid Kit	£40.00	£55.00	1811	£99,605	£83.53	1902	£158,872.73		price changes (by product) by		
	Rapid Response Kit	£10.50	£15.75	3078	£48,479	£25.99	3232	£83,998.39		clicking the button below.		
ners	Forest green Skate - Skateboa	£13.80	£20.70	3474	£71,912	£31.02	3648	£113,146.00		You should then enter the		
	Scater Clothing	£7.24	£10.86	1463	£15,883	£28.29	1536	£43,456.82		quantity, of each product, you		
se Orders	First Aid comprehensive kit	£15.90	£23.85	2237	£53,352	£38.34	2349	£90,062.77		aim/expect to sell in the forthcoming year.		
	Trucks, Wheels	£20.56	£30.84	4036	£124,470	£42.12	4238	£178,504.56		Finally, the Sales Forecast		
ers	JESUS FISH SKATEBOARD WHE	£8.50	£12.75	2330	£29,708	£24.79	2446	£60,640.74		(Turnover/Revenue) will be		
	Skater cool	£25.25	£30.00	2513	£75,390	£53.84	2639	£142,090.62		calculated and shown below		
/ees	Board Blank	£95.50	£143.25	1785	£255,701	£182.31	1874	£341,643.88		concoraced and shown below.		
rs	Pre-drilled Riser Pad	£5.00	£7.50	4531	£33,983	£13.87	4758	£65,975.38		Simulate new pricing		
1.0	Multicoloured Helmet	£15.79	£23.68	1897	£44,923	£39.95	1992	£79,580.80				
s	Bell Santa Cruz Aftersupper Sk	£28.75	£43.13	1257	£54,208	£69.04	1320	£91,131.35		Undo pricing changes		
	Protec ACE Skateboard Helme	£26.10	£39.15	2360	£92,394	£55.94	2478	£138,607.43		Turnover		
ts	Grip Tape	£2.50	£3.75	3819	£14,321	£10.35	4010	£41,519.94		Last year £3,737,73		
	Bolt100	£2.75	£4.13	2839	£11,711	£12.84	2981	£38,273.95		Marketing Forecast £3.812.4		
s 🚔 📜	Moose 7ply Canadian Maple B	£10.00	£15.00	2801	£42,015	£25.83	2941	£75,956.91				
	One Person / Travel Kit First Ai	£5.00	£7.50	1376	£10.320	£25.29	1445	£36.548.67	-	rerected or		
	Record: 14 4 1 of 44 >		No Fi	Iter Sea	rch				_	Sales Forecast C £4,702,8		

Figure 18 Manager form: Sales tab

The sales forecast data is entered on the manager form sales tab as shown in Figure 17.

If required to do so you may enter the new price and target quantity to sell directly into the form - for each product. Alternatively you can, based on entered assumptions, automatically enter new pricing and quantity data by clicking the 'simulate new pricing' button.

A similar approach is taken for other business functions.

You may also be required to enter various assumptions on a defaults form for a given department – see Figure 18.

Bu	idget Strategy	Marketing S	ales	Produc	tion W	/arehouse	Procure	ement	HR and Payro	oll Acco	ounts Per	formance	e management	Permiss
Group	Non Pay Costs* (L	ast year) - Mate	rials/ p	roducts		£1,408	142					6	rocurement Defa	ults
	Non Pay Costs (Fo	orecast) - Materi	als/ pri	oducts		£1,522,	906							
5 1 🕘 [	Note. This forecas						oric	Pro	urement Defa	aults				
ations	materials costs a inflation	re multiplied by t	the ant	licipated	sales gro	owth and		5	Proc	III	ment	Def	aults	
	Last years PO's (S	Summed)						P 2	1100	ure	nem	Dei	auns	
	Prod	uct Name		Qty -	£(Unit)	+ £(List)	* *	1.1.	7		sold produc		Clear All	
ers stock	Active MAX Fi	irst Aid Kit		2243	£15.0	0 £22.5	ю			pro	oduction ma	aterials	Circui Pui	
cro stock	Bell Santa Cri	uz Aftersupper S	katel	1542	£28.7	5 £43.1	.3	Costs	(Last year)	Σ		£1	L,408,142.05	1.1
ers	Black Helmet			2756	£18.7	5 £28.2	6	Inflat	in n	_	2.00%			
	BLANKS SKAT	EBOARD DECKS	8" D	2288	£35.0	0 £52.5	0		//www.ons.gov	unk (opt		r /index ht	and a	
omers	Board Blank			2935	£95.5	0 £143.	25	meep.	7 www.orts.go	V.UK/ OIIS	Neg-ligure		1111	
hase Orders	Bolt100			3104	£2.75	£4.1	3	Exper	ted Price Mos	vement	ise by infla	tion plus a	specified % 🗸	
	Club Arizona			2382	£12.0	0 £18.0	0		Movement		1.00%	cion pico e	specifica w o	
oliers	Entry level Sk	ateboard		2393	£29.2	5 £43.8	8		Assumptions	-	1.00%			
loyees	Extreme Boar	d		2067	£50.3	4 £60.0	0	Price	Assumptions					
pers	Fast and Furi	ous		3379	£29.2	5 £43.8	8							
pers	First Aid Add	On Kit		2457	£9.00	£13.5	0							
orts	First Aid com	prehensive kit		3307	£15.9	0 £23.8	5	Su		cing				
lucts	First Aider (m	inor)		2497	£15.0	0 £20.5	0							
	Forest green	Skate - Skatebo	ardin	3579	£13.8	0 £20.7	• 0	Expe	ted Sales Gro	wth	1.05			
ess 🛱	4						F.	(from	Marketing)					
	Estimated								Forecast	Σ		522,906		

Figure 19 Defaults

If the relevant defaults button has been disabled you are not expected to enter this data.

Finally, if your role includes managing a specific department you may be asked to complete tasks such as writing a departmental mission statement, objectives and so on. You can view/enter such data on the departmental form, see Figure 19.

#### SCATERS SALES

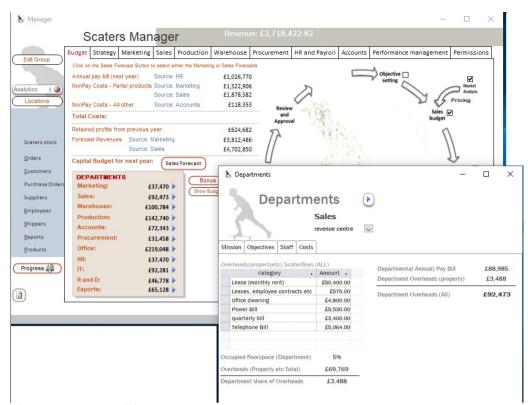


Figure 20 Departmental data

Aside from considering departmental data you may also enter/view strategic data on the strategy tab of the manager form.

#### Strategy

There are several tabs on the strategy sub form (Analysis, Targets etc.). Empty boxes (fields) should be populated if enabled. Use the information on Scaters strategy to provide a context for improvement project investment.

#### **Strategic projects**

The strategic projects tab shows a list of strategic (capital) investment opportunities identified by the management team. Projects aim to assure strategic goals are accomplished. They represent major areas for improvement (arising from a commitment of resources in the future).

Based upon your experiences in stage 1 and your reading of management theory to date you may be expected to identify improvement opportunities. Significant changes (improvement initiatives) will normally be managed as a strategic project (see examples). If required to do so, you can add your ideas for improvement projects by clicking the 'Add New Project' button on the tab.

This will launch the strategic projects form which should then be populated by you and your group.

Strategic projects typically have future cash flows associated with them i.e. costs and benefits may be incurred and witnessed over more than one year. Consequently, you may be required to appraise the investment using a technique like NPV.

There is a function to help you estimate this. Simply enter your forecast of costs and income over the next 4 years and then the NPV (using a 10% cost of capital) will be calculated. The NPV should then be copied and pasted into the 'Benefit' field of the strategic projects form.

StrategicProjec	ts						_		×
0.	Stra	ategic	Projec	ts					(Nev
						Proje	ectBeginD	ate	
								01/04/	2020
		BudgetHold	der			Proje	ectEndDat	e	
				$\sim$				01/04/2	2021
		ProjectMar	nager	_		Proje	ect status		
3 5	- W			$\sim$		Und	er Consi	deration	~
roject Details Proje	ect Plan Delivera	ables							
	1								
rojectName	L								
rojectDescription									
	Estimated hours		Budget		 Benefit(£)		_	_	
								•v ) 🗈	
usiness Objectives									
Project Objectives					 				
enefits					 				
onstraints					 				
tisk Analysis Jutline					 				
	L								_
				Delete R	6	e Record		Close	

Figure 21 Strategic projects

#### **Strategic spend**

The next tab along (strategic spend) identifies those projects that have been authorized (by the MD) – their aggregated cost and benefit.

You will normally introduce ideas for strategic spend (projects) at the budget meeting and may be asked to present them in detail to the MD.

You should consider how the investment will be funded.

In order to self-fund new investment/ improvement initiatives Scaters must formulate a budget. The process by which it does this is discussed next.

## The budget process

In the broadest sense, a budget is an allocation of money for some purpose. Budgeting has always been part of the activities of any business organization of any size. Scaters is no exception. The Scaters budget not only limits expenditures; it also predicts income, profits, and returns on investment a year ahead.

Budgeting in Scaters is a collective process in which operating units (functions) prepare their plans in conformity with Scaters goals. Each unit plan is intended to contribute to the achievement of the Scaters goals. Unit managers prepare forecasts of sales, operating costs, overhead costs, and capital requirements. They calculate operating profits and returns on the investment they intend to use. The (master) budget itself is the projection of these values for the next year. As part of this process, each unit presents its plans and budget to the MD and management team (budget committee) and may, thereafter, make whatever changes result from instructions from or negotiations with the budget committee. Approved budgets then become the road-map for operations in the coming year.

Ideally monthly or quarterly budget reviews track performance against the budget. As part of such reviews, changes to the budget may be approved. At year-end Scaters managers may be judged by their performance against the budget.

An overview of the Scaters budget process is presented within Figure 20.



Figure 22 Scaters Budget Process

Once all activities have been completed you should print the master budget and explain it at the budget meeting if one is set. If there is no scheduled meeting you should use the master budget as a context to generating and evaluating strategic investment opportunities. Such opportunities may be presented to the MD.

Running in parallel with the master budget process is the capital investment process. This is outlined within Figure 21.

Having completed this stage, the company may then focus on implementation and operating in the New Year. Thus the cycle is repeated.

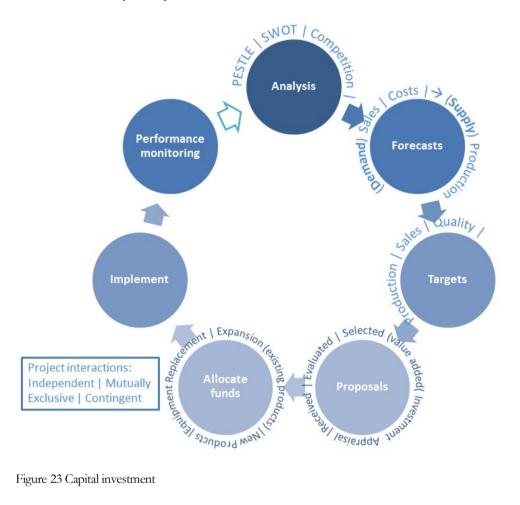
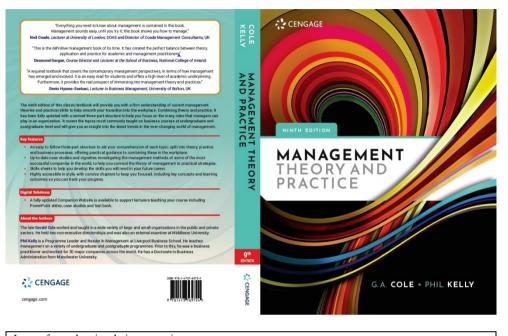


Figure 23 Capital investment

## **Simulation End**

When the simulation is over you should reflect on what you have learnt. The Management textbook will help you to do this.



Learn from the simulation experience

Watch this 25 minute video to learn how to reflect on your Scater's experiences <a href="https://www.scaterboys.com/simulation/learning-from-the-simulation/">https://www.scaterboys.com/simulation/learning-from-the-simulation/</a>

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