

SCATERS WAREHOUSE

System User Guide



SCATERS WAREHOUSE

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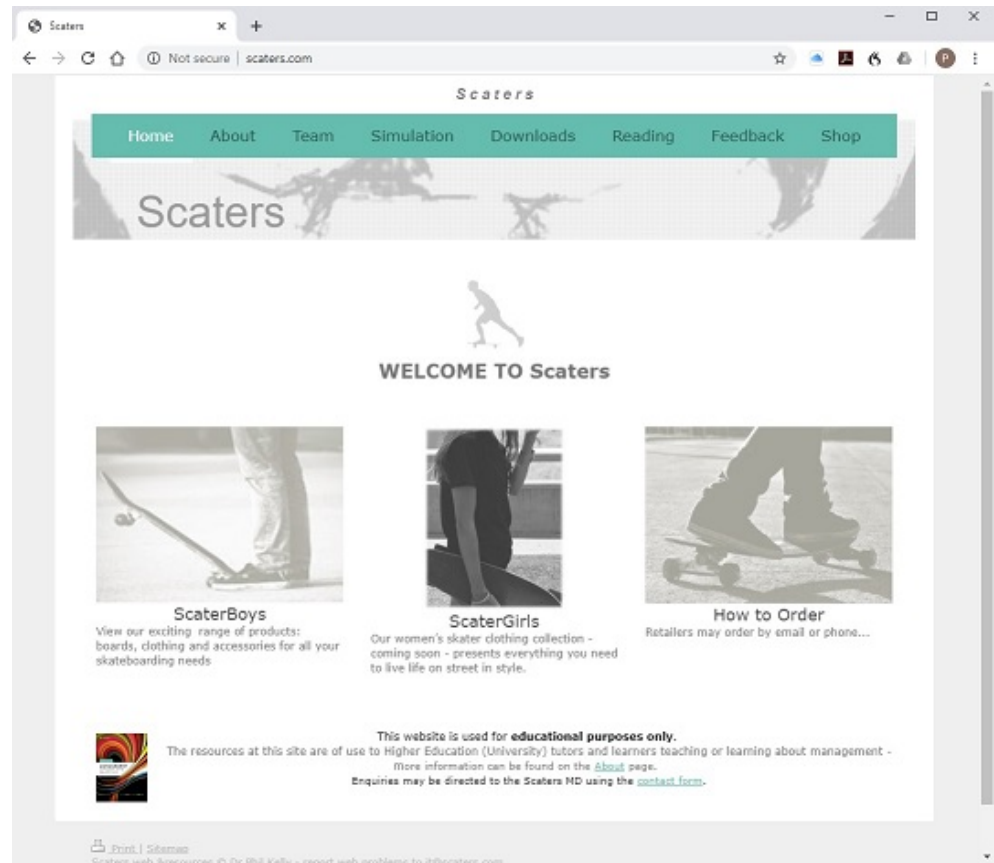
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SCATERS WAREHOUSE

This user guide is for Scaters employees with a Warehouse responsibility. 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 Warehouse Manager role	This film will show you how to use the Scaters system if you have been allocated the warehouse manager role.	https://www.scaterboys.com/team/warehouse/
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

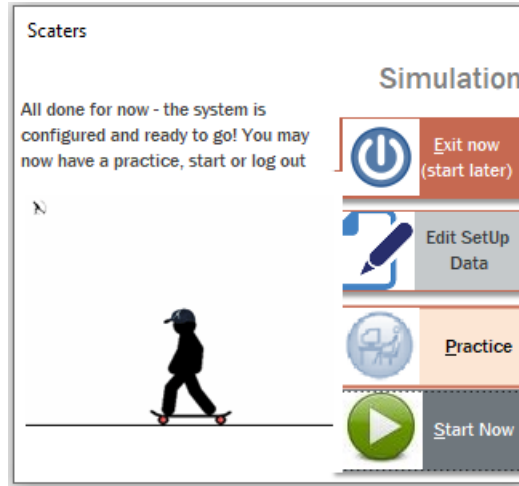
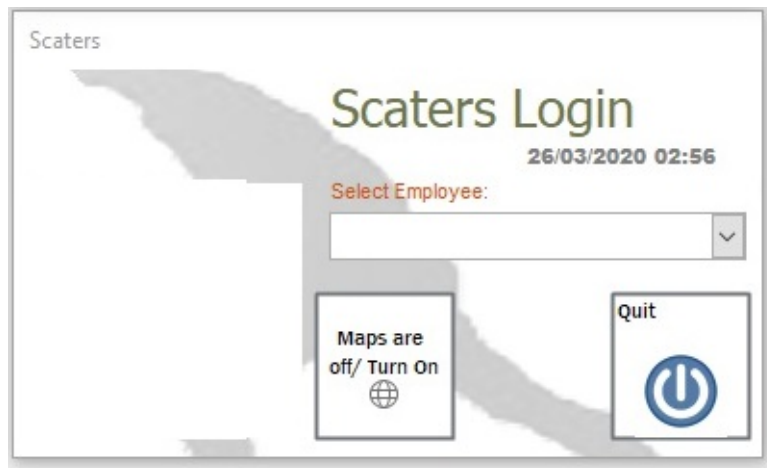


Figure 1 Start screen

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.



Warehouse

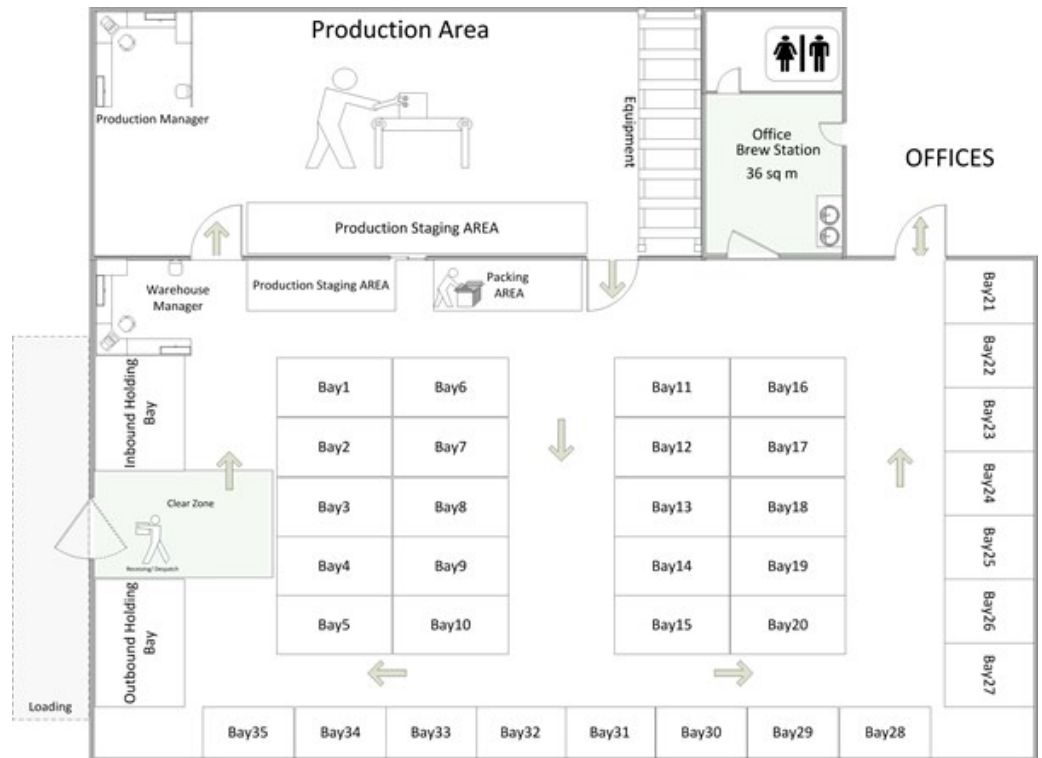


Figure 2 Warehouse floor plan

Inbound goods are taken from carriers and initially located in the holding bay. They are then entered onto the Scaters system and stored in the respective bay, see Figure 3 Product location list.

SCATERS WAREHOUSE

ID	Prod Code	Supp code	Product Name	EAN	Bay
1	004-00001	AL20	First Aider (minor)	501123400001	1
3	010-00003	BA150	Nut150	501123400003	2
4	010-00004	BA200	Trucks	501123400004	2
5	010-00005	BA250	SKATEBOARD WAX	501123400005	3
6	002-00006	ZE60	Black Helmet	501123400006	4
7	002-00007	ZE70	Skateboard WHEELS Blank 59mm	501123400007	5
8	008-00008	LI320	Pro Tec Helmet	501123400008	6
14	002-00014	ZE140	Truck Assemblies	501123400014	7
17	006-00017	006-00017	Pro Skate	501123400017	8
19	001-00019	PE95	Mini First Aider	501123400019	9
20	002-00020	ZE200	Silver Helmet	501123400020	10
21	001-00021	PE105	Ultimate Sports First Aid Kit	501123400021	9
34	004-00034	AL680	Rapid Response Kit	501123400034	11
40	007-00040	DI1400	Forest green Skate - Skateboarding - Indy Grab	501123400040	12
41	006-00041	006-00041	Scater Clothing	501123400041	13
43	004-00043	AL860	First Aid comprehensive kit	501123400043	9
48	010-00048	BA2400	Trucks, Wheels	501123400048	14
51	002-00051	ZE510	JESUS FISH SKATEBOARD WHEELS 54mm	501123400051	15
52	001-00052	PE260	Skater cool	501123400052	16
56	001-00056	PE280	Board Blank	501123400056	17
57	001-00057	PE285	Pre-drilled Riser Pad	501123400057	18
65	008-00065	LI2600	Multicoloured Helmet	501123400065	19
66	008-00066	LI2640	Bell Santa Cruz Aftersupper Skateboard Helmet	501123400066	20
72	005-00072	SU1800	Protec ACE Skateboard Helmet Gloss White	501123400072	21
74	002-00074	ZE740	Grip Tape	501123400074	18
77	010-00077	BA3850	Bolt100	501123400077	18
80	002-00080	ZE800	Moose 7ply Canadian Maple Blank Decks	501123400080	19
81	003-00081	OU1215	One Person / Travel Kit First Aid Kit in Box	501123400081	20
82	001-00082	PE410	Skateboard T-shirt	501123400082	21
83	009-00083	HO3735	BLANKS SKATEBOARD DECKS 8" Deck NATURAL	501123400083	22
85	001-00085	PE425	First Aid Add On Kit	501123400085	23
86	001-00086	PE430	PREMIUM SPORTS TEAM KIT	501123400086	24
87	007-00087	DI3045	Active MAX First Aid Kit	501123400087	23
88	006-00088	006-00088	Scaterboy FLIP	501123400088	24
89	006-00089	006-00089	Extreme Board	501123400089	25
90	006-00090	006-00090	Scaterboy Stunt	501123400090	26
91	006-00091	006-00091	Entry level Skateboard	501123400091	27
92	006-00092	006-00092	Fast and Furious	501123400092	28
93	006-00093	006-00093	The Dutch Monster	501123400093	29
94	006-00094	006-00094	Scaterboy Elite	501123400094	30
95	007-00095	DI3325	Club Arizona	501123400095	31
96	007-00096	DI3360	Stunts	501123400096	32
97	001-00097	PE485	Orange Simpsons skateboard t-shirt	501123400097	33
98	001-00098	PE490	Single Blank Board	501123400098	34
99	006-00099	SC2970	ScaterBoy T Shirt Black	501123400099	35

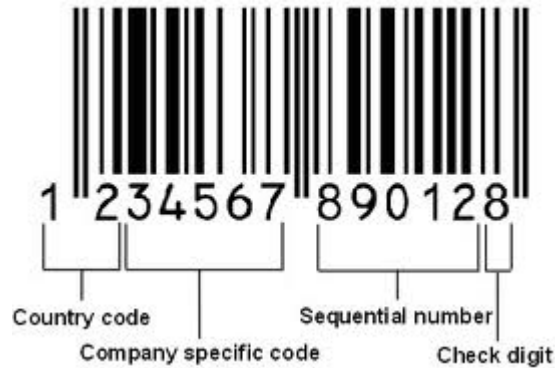
Figure 3 Product location list

Note

Barcoding may be disabled if the barcode software has not been loaded on the computer running the simulation.

Barcoding

An EAN-13 barcode (originally European Article Number, but now renamed International Article Number) - a 13 digit (12 data and 1 check) barcoding standard – is used.



Components

The GTIN-13 encoded in the bar code has four components:

The GS1 **Prefix**, the first three digits, usually identifying the national GS1 Member Organization to which the manufacturer is registered (not necessarily where the product is actually made).

ASSIGNED GS1 PREFIXES:

500 - 509	GS1 UK
000 - 019	GS1 US
400 - 440	GS1 Germany

The **Company (prefix) number**, comprises four digits

The **Item** reference, consists of five digits

Finally, the Check digit, is a single checksum digit

The check digit is computed modulo 10, where the weights in the checksum calculation alternate 3 and 1. In particular, since the weights are relatively prime to 10 the EAN system will detect all single digit errors. But, since the difference of consecutive weights is even, the EAN system does not detect all adjacent transposition errors.

The complete number is used as a reference key to look up information about the product line held on a database; the number is never normally broken down into its components within users' systems.

Home form

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

When you log in the Home form will load.
Use this form to navigate to everything you need.

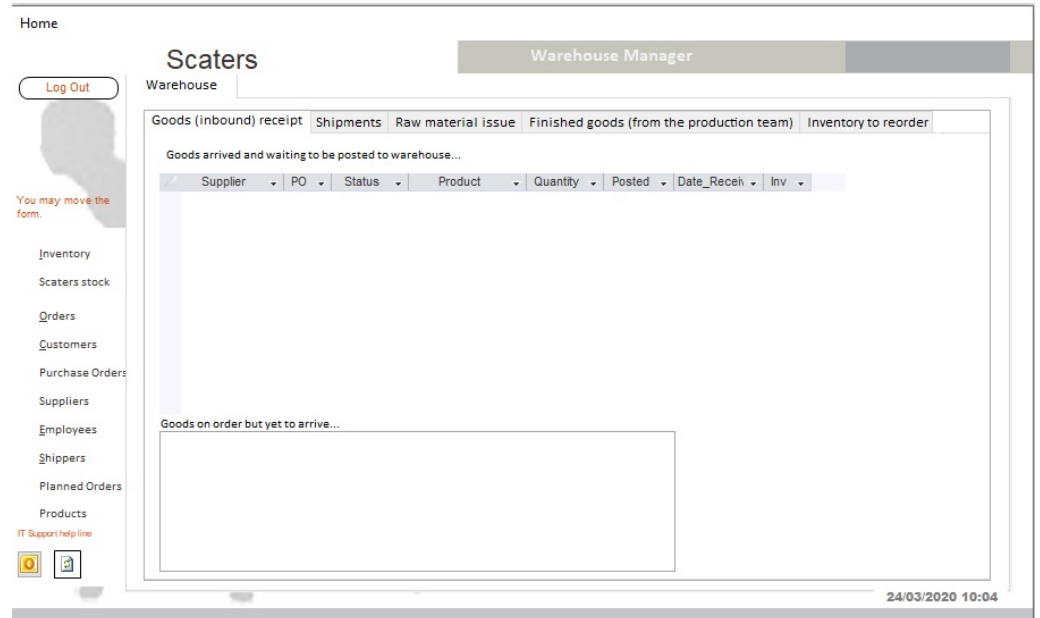


Figure 4 Home form

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.

Inbound goods

Goods arriving at Scaters are entered into the system by clicking the “Enter newly arrived stock” button on the home form. The form shown in Figure 5 Inbound goods waiting is then displayed. Click the “Add to store” button for each received item. You will be notified if any customers are waiting for the received goods.

The screenshot shows the Scaters Warehouse Manager interface. At the top, a notification banner indicates a courier arrival: "04/04/2020 05:04" and "Courier with goods from supplier... About 120 minutes remaining". Below this, a table lists goods from various suppliers with their quantities and "Add to store" buttons.

Supplier	Goods	Quantity	Action
Dirty Butt Skateboards	Forest green Skate - Skateboe	200	Add to store
Baker Skateboards	Trucks, Wheels	40	Add to store
Zero Skateboards	Grip Tape	20	Add to store
Performance Sk8products	Pre-drilled Riser Pad	20	Add to store

The main dashboard area is titled "Scaters Warehouse" and includes a "Warehouse Manager" header. It features a navigation menu on the left with options like "Log Out", "Inventory", "Orders", etc. The central area has tabs for "Goods (inbound) receipt", "Shipments", "Raw material issue", "Finished goods (from the production team)", and "Inventory to reorder". The "Goods (inbound) receipt" tab is active, showing a table of goods arrived and waiting to be posted to the warehouse.

Supplier	PO	Status	Product	Quantity	Posted	Date_Receiv	Inv
Dirty Butt Skat	216	Approved	Forest green Skate - 200		<input type="checkbox"/>		
Baker Skateboard	221	Approved	Trucks, Wheels	40	<input type="checkbox"/>		
Zero Skateboards	222	Approved	Grip Tape	20	<input type="checkbox"/>		
Performance Sk8j	223	Approved	Pre-drilled Riser Pad	20	<input type="checkbox"/>		

Below the main table, there is a section for "Goods on order but yet to arrive..." with a table showing order dates and items:

Date	Supplier	Goods
03/04/2020	Performance Sk8products	Pre-drilled Riser Pad
03/04/2020	Zero Skateboards	Grip Tape
03/04/2020	Baker Skateboards	Trucks, Wheels
03/04/2020	Dirty Butt Skateboards	Forest green Skate - skateboarding - Indy Grab

The interface also includes a "Log Out" button, a "Warehouse Manager" header, and a date/time stamp "04/04/2020 05:04" in the bottom right corner.

Figure 5 Inbound goods waiting

Outbound goods

Once sales have invoiced for goods sold to customers you must pick, pack and ship the goods from the warehouse.

Orders waiting to be picked packed and shipped are shown on the home/ shipments tab, see Figure 6 List of shipments to be made.

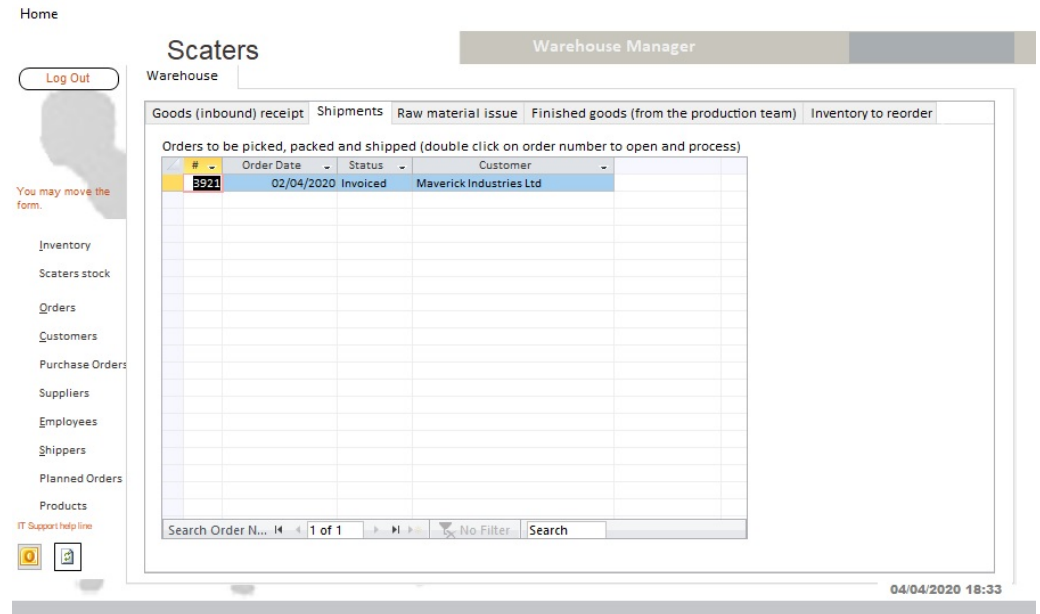


Figure 6 List of shipments to be made

Double clicking on the order will trigger the work for picking, packing and shipping, see Figure 7 Order to be picked packed and shipped.

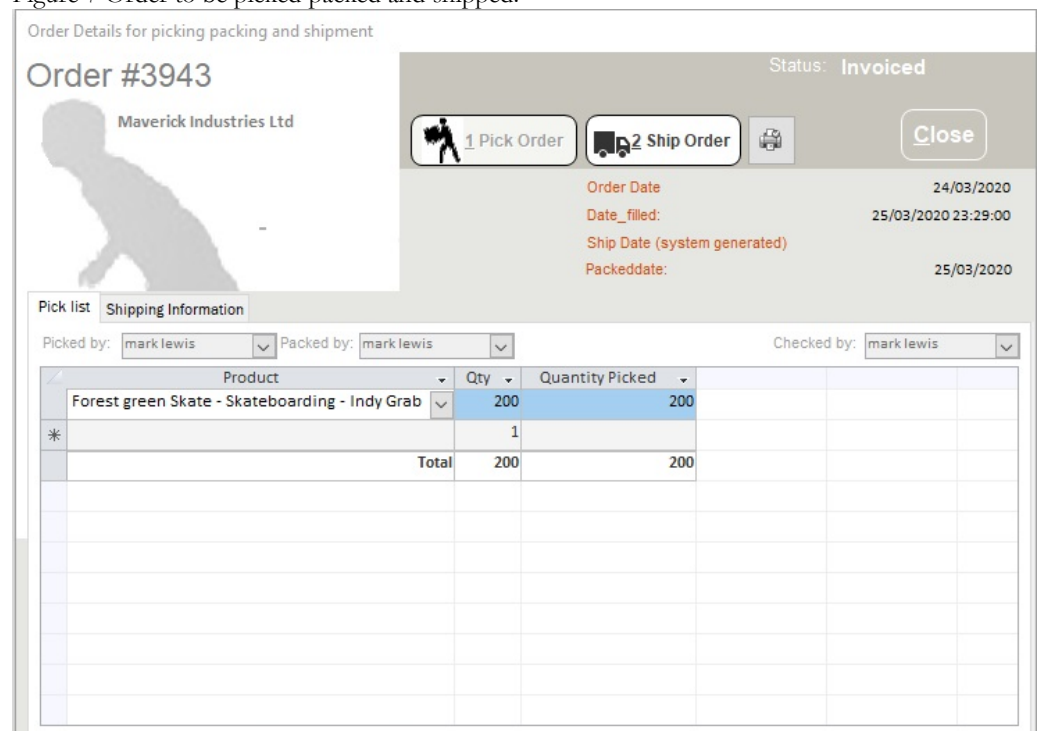


Figure 7 Order to be picked packed and shipped

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Scaters is currently improving the pick and pack sub process and is now making greater use of barcodes to automate activities.

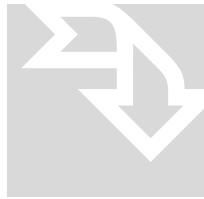
First click on the “Pick Order” text at the head of the form.

A Pack list showing the goods to be picked, barcodes and warehouse location is created. You would then use this to pick the items for the order. Then pack them.

In the packing area you would normally put the items into a bag/ box and then print a mailing label, see the shipping information tab of the form.

Finally, once picked, the goods can be shipped by clicking the “Ship Order” text at the top of the form. A packing slip is created, normally printed and included in the box of items. The mailing label is peeled of the form and attached to the package.

The package is then placed in the outbound holding bay until the relevant carrier/ courier arrives.



What next.

When you have shipped goods, the accounts team can collect payment.

Raw Material Issue

When production authorizes a planned order, the order details are shown on the form located on the “Raw material issue” tab, see Figure.

You must locate and withdraw the parts/ items required from the warehouse and stage them by production ready for assembly.

To do this you must double click on and open the planned order.

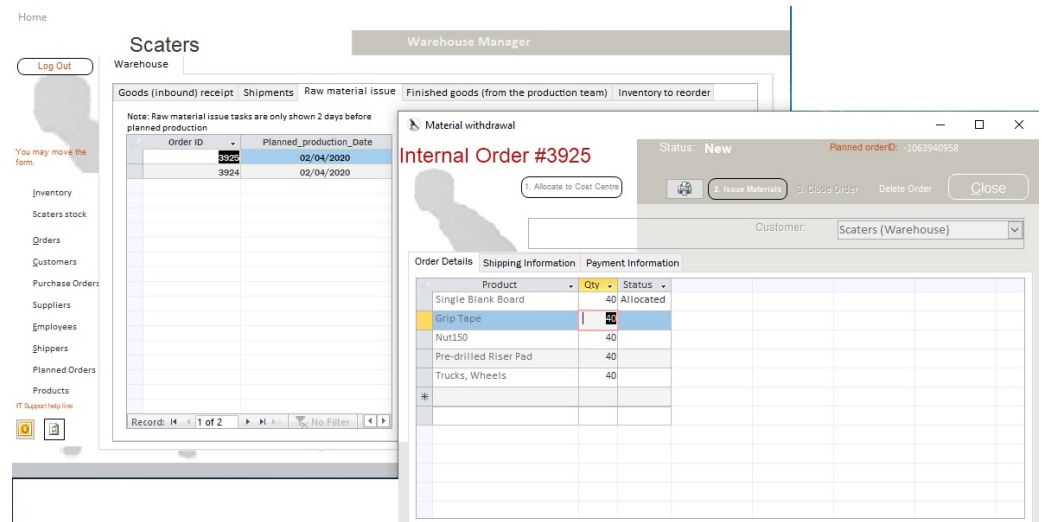


Figure 8 raw material issue tab

A material withdrawal form (see Figure 8) loads, showing the parts to be picked and the respective quantities.

For each item you **must** re-type the required quantity.

In doing so, the system will check if there is sufficient in stock. If there is, it will be allocated. If not, you will be invited to raise a PO to buy the required stock first. The status will change to “On Order” and you will not be able to allocate the parts for production until the supplier delivers the parts required.

When the status of all parts/ product items is “allocated” you must then click “Allocate to Cost Centre” at the head of the form (this is like invoicing but the customer is Scaters – production).

Next, “Issue materials”.



What next.

When you have withdrawn parts for production, they are left in the staging area.

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When the production team has assembled the goods they must be placed back in the warehouse.

The goods will be listed on the “Finished goods” tab of the home form.

Double click a planned order to open it. You will see a form as shown in Figure 9 Finished goods to inventory.

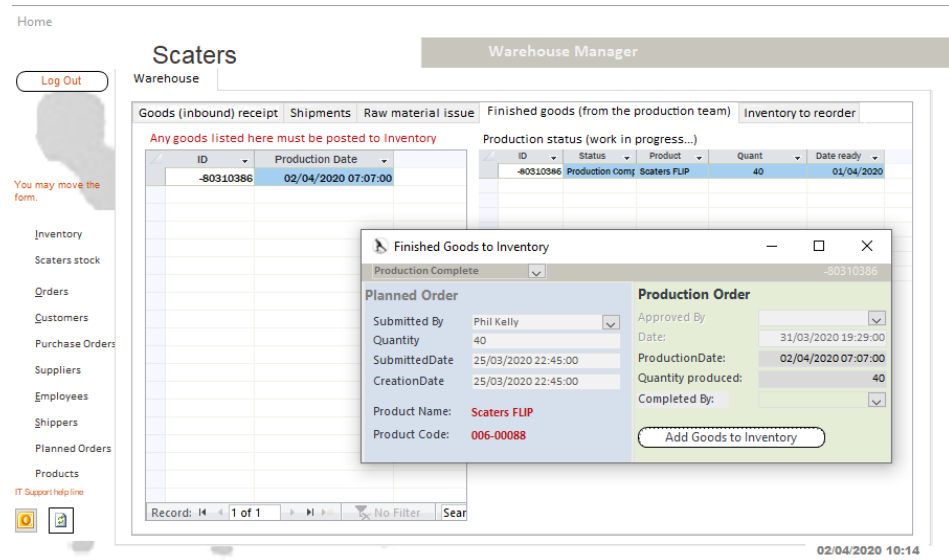


Figure 9 Finished goods to inventory

Check the data on the form and then simply click the “Add Goods to Inventory” button.

Menu

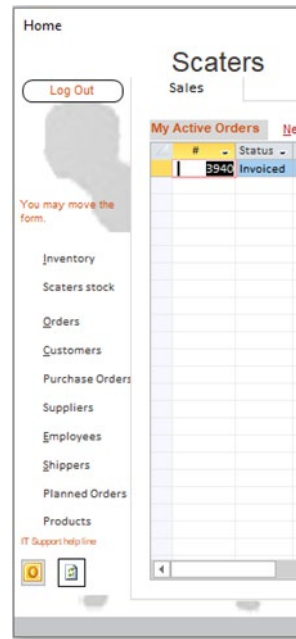


Figure 10 Home form menu

From the menu bar you can:

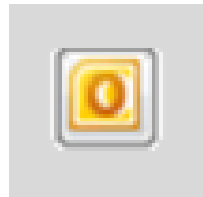
1. Open Scaters **Outlook**

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

2. 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.

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

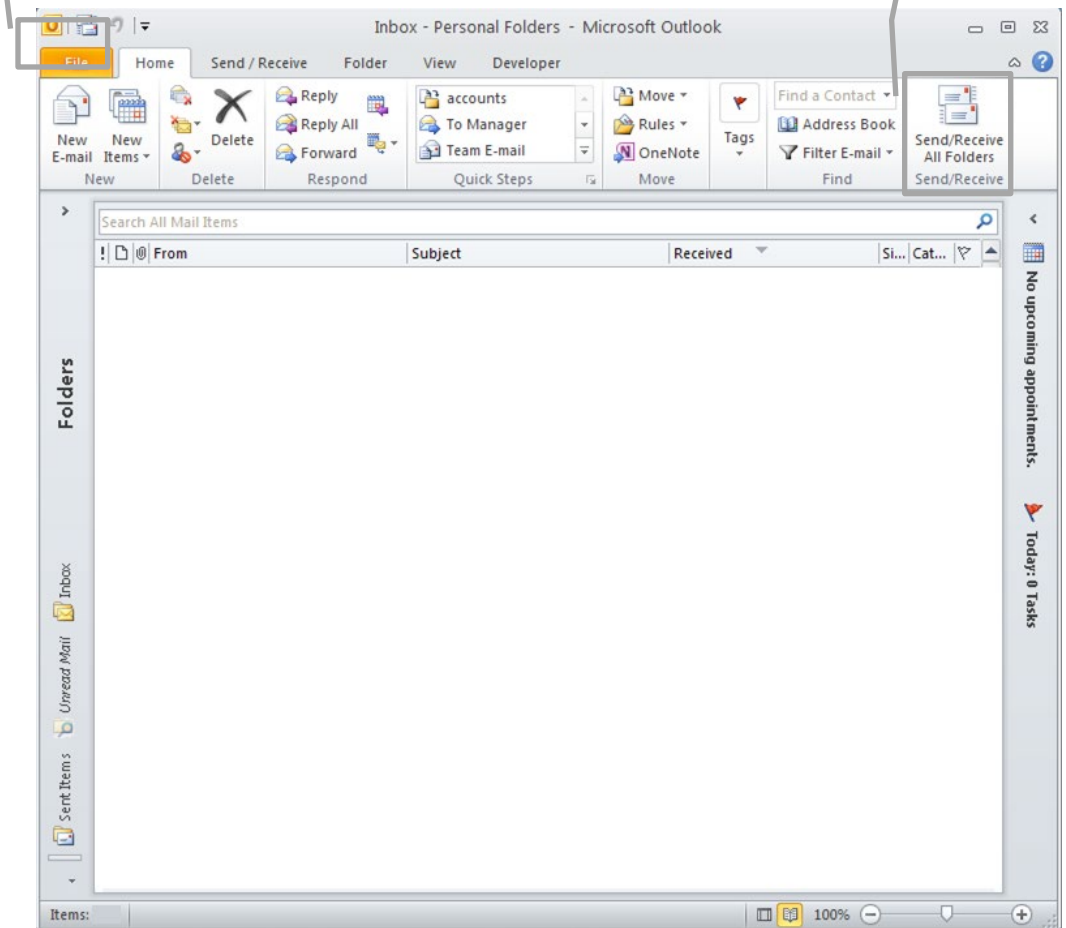


Figure 11 Email inbox

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.

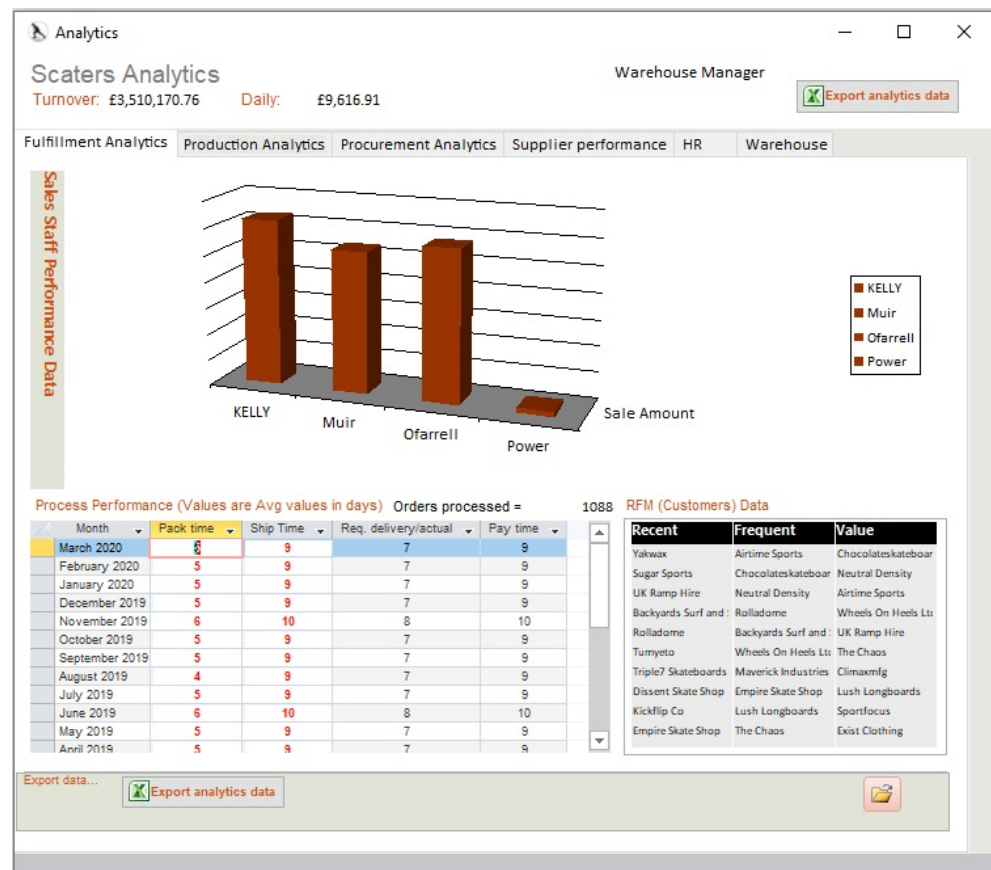


Figure 12 Analytics form

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.
4. You may then view and edit the spreadsheets. Consider applying statistical functions to summarize/ analyze the data; compare with benchmark data (see <http://www.Scaters.com/about-1/benchmarks/>) etc.

Aside from the data on the various analytics tabs, the information on the warehouse tab will be of particular interest to the warehouse manager seeking efficiency gains in the picking process.

Order picking is often the most costly activity within warehouses. Consequently, productivity improvements in this area can make a significant difference to overall costs. When considering the warehouse layout and location of products/ bays it is worth noting that the efficient assignments of products to bays (most efficient location) can result in a 10-30% cost decrease in picker travel time (and distance!).

Recall Figure 2 Warehouse floor plan and Figure 3 Product location list – and ask yourself – are the right products in the right bays to make picking efficient?

Analysis of the following can be used to optimize product locations within the warehouse:

1. The goods that generate the highest sales revenues (Sales%) & (Sales rnk)
2. Goods sold (therefore picked) most frequently (order (Freq) Rk)
3. Products normally ordered in large quantities (Qty p/order Rk)

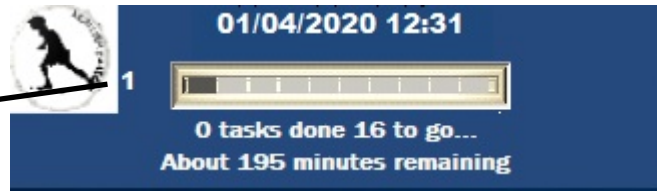
Based on Pareto's law, companies often classify products using an "ABC" system. In this case, category 'A' products are more important and should normally be located closer to the picker/ packing area. The column "ABC" in the data table on the Analytics/ warehouse tab indicates the ABC category by Frequency of pick and then by quantity of a product within an order. Thus a category 'AA' product is both ordered frequently and in a higher quantity and should therefore be located nearer to the packing area. However, there are other factors to consider when designing the warehouse and locating products within it. Such as product weight (heavier items nearer the dispatch bay; and slotting i.e. co locating products typically ordered together.

The data on the warehouse tab may also support decisions about ordering strategies, picking strategies and equipment.

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 14).

Help



Performance score – lower the better (aim for <40 by the end of stage 1)

Figure 13 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.

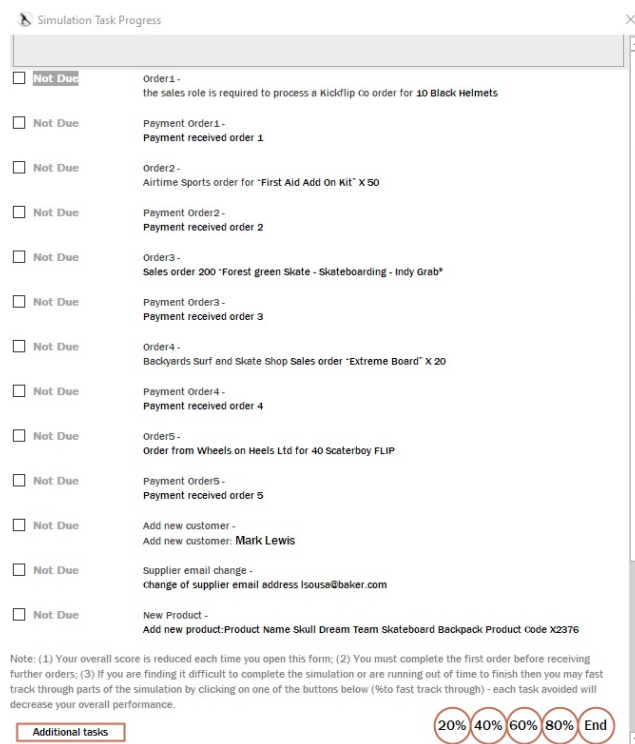


Figure 14 Simulation task progress form

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

A1

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 15 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 **Error! Reference source not found.**) by clicking the button 'Start Simulation'





Stage Two (Management)

Stage 2

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.

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:

1. 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 £3M. The second year of simulation witnesses growth and a turnover of around £5M. Consequently, at the end of stage 1 the system must generate orders to reflect the next year (£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 16 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 17.

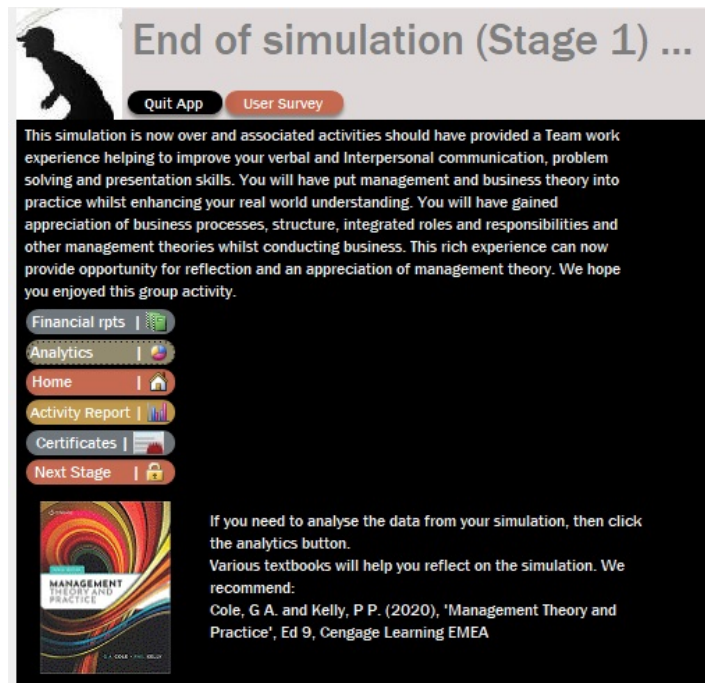


Figure 17 Stage (1) end screen/ form

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 **Error! Reference source not found.**). YOU SHOULD THEN ONLY CLICK THE ‘NEXT STAGE’ BUTTON IF TOLD TO DO SO BY YOUR TUTOR.

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.

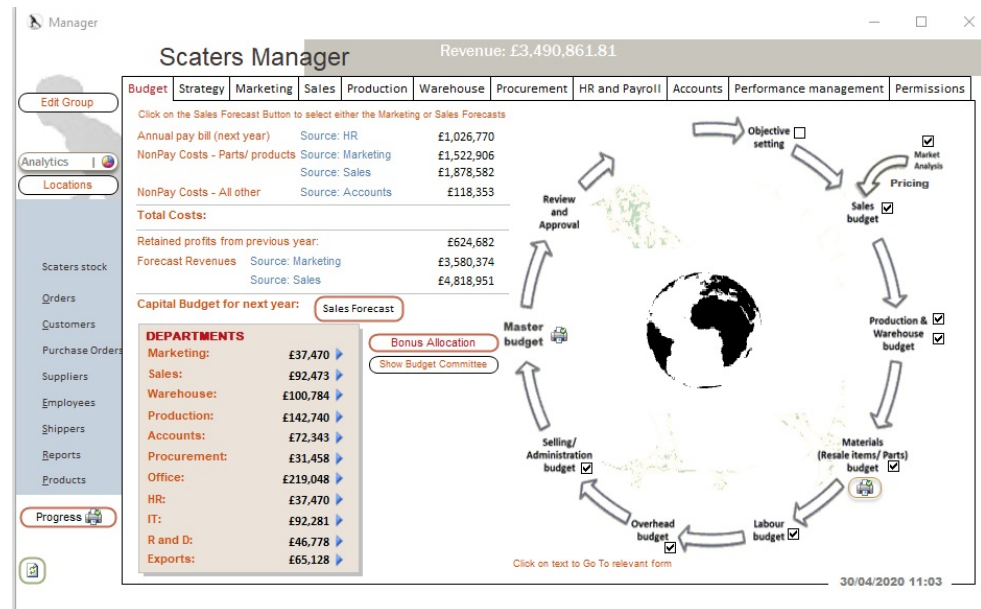


Figure 18 Manager form (stage 2)

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.

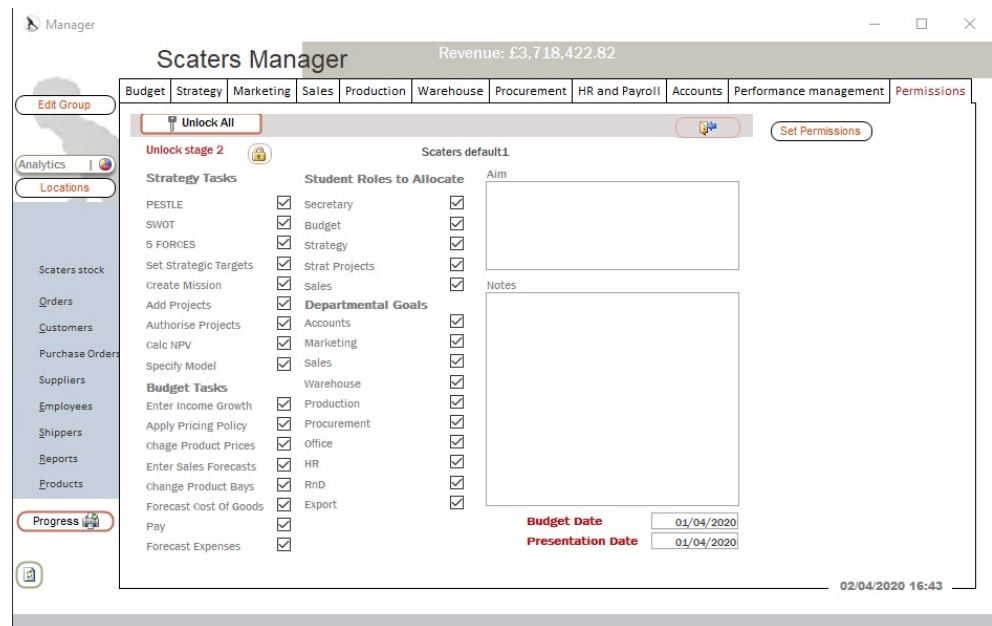


Figure 19 Manager privileges

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).

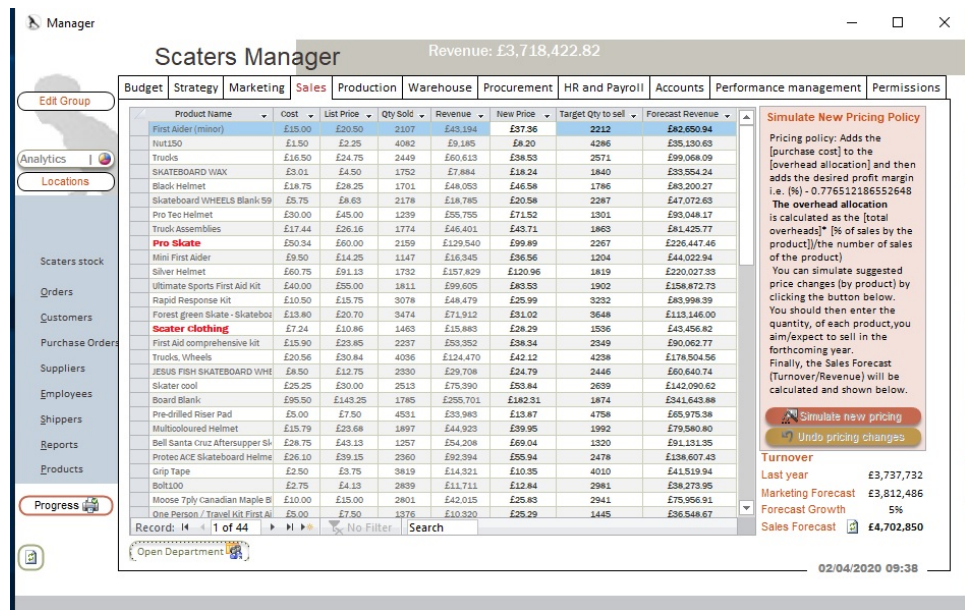


Figure 20 Manager form: Sales tab

The sales forecast data is entered on the manager form sales tab as shown in Figure 20.

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 21.



Figure 21 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 22.

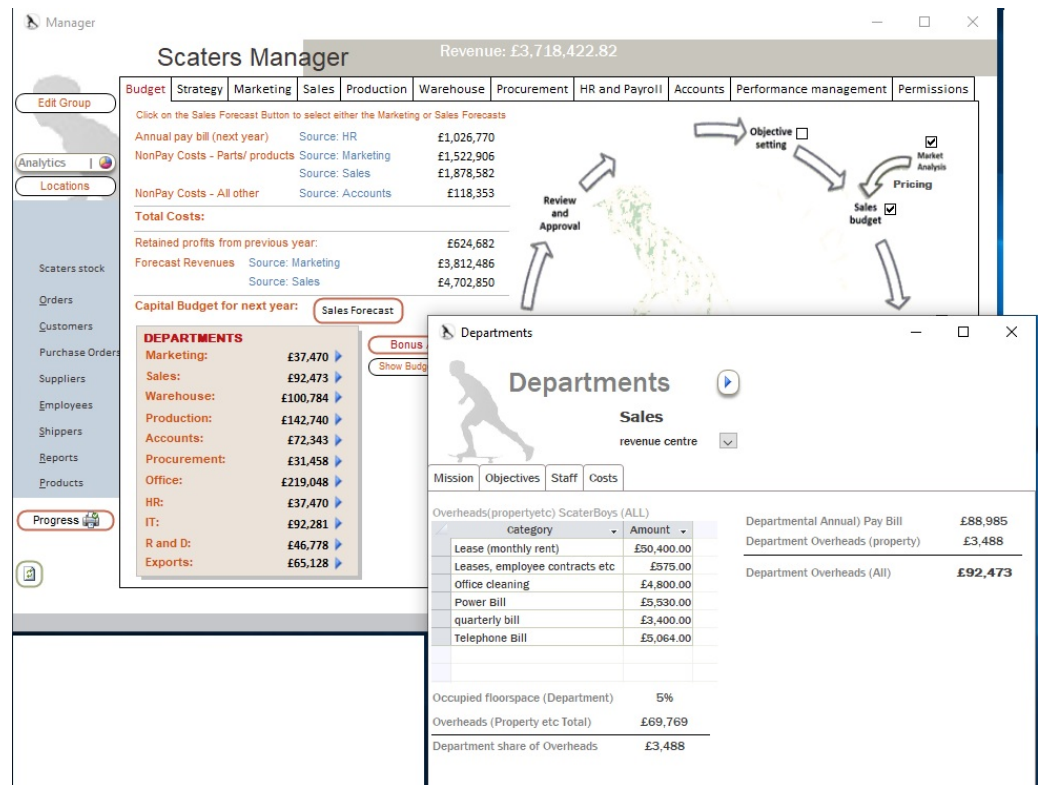


Figure 22 Departmental data

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.

The screenshot shows a web application window titled 'StrategicProjects'. On the left is a silhouette of a person on a skateboard. The main area contains a form with the following elements:

- Project Details** tab selected, with sub-tabs for **Project Plan** and **Deliverables**.
- ProjectName**: A text input field.
- ProjectDescription**: A large text area.
- Estimated hours**, **Budget**, and **Benefit (£)**: Three text input fields.
- NPV**: A button with a grid icon and a copy icon.
- Business Objectives**, **Project Objectives**, **Benefits**, **Constraints**, and **Risk Analysis Outline**: Five text areas.
- BudgetHolder** and **ProjectManager**: Two dropdown menus.
- ProjectBeginDate**: 01/04/2020
- ProjectEndDate**: 01/04/2021
- Project status**: Under Consideration (dropdown menu)
- Delete Record**, **Save Record**, and **Close**: Three buttons at the bottom right.

Figure 23 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 24.

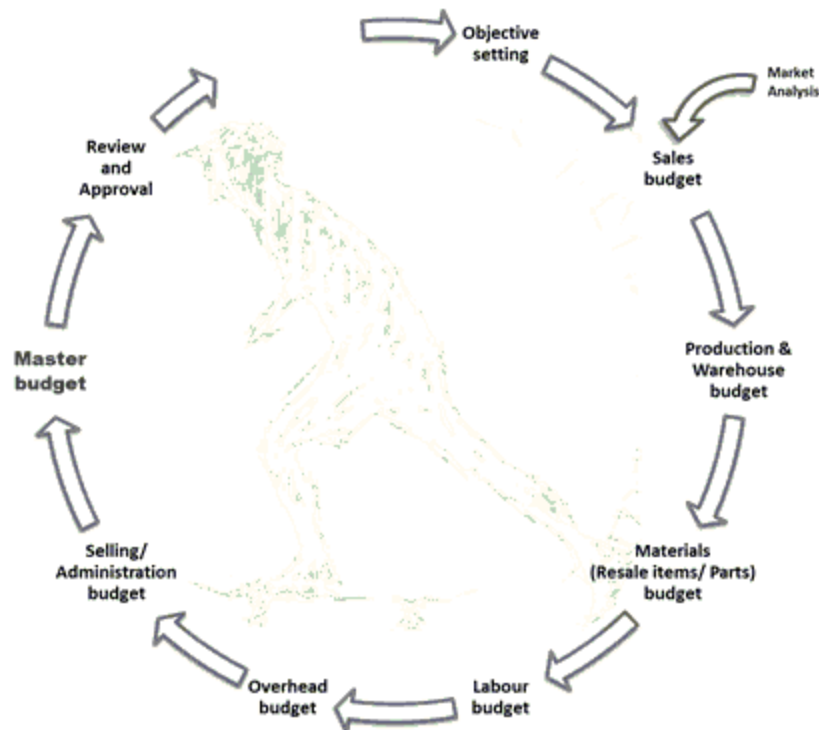


Figure 24 Scaters Budget Process

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 25.

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

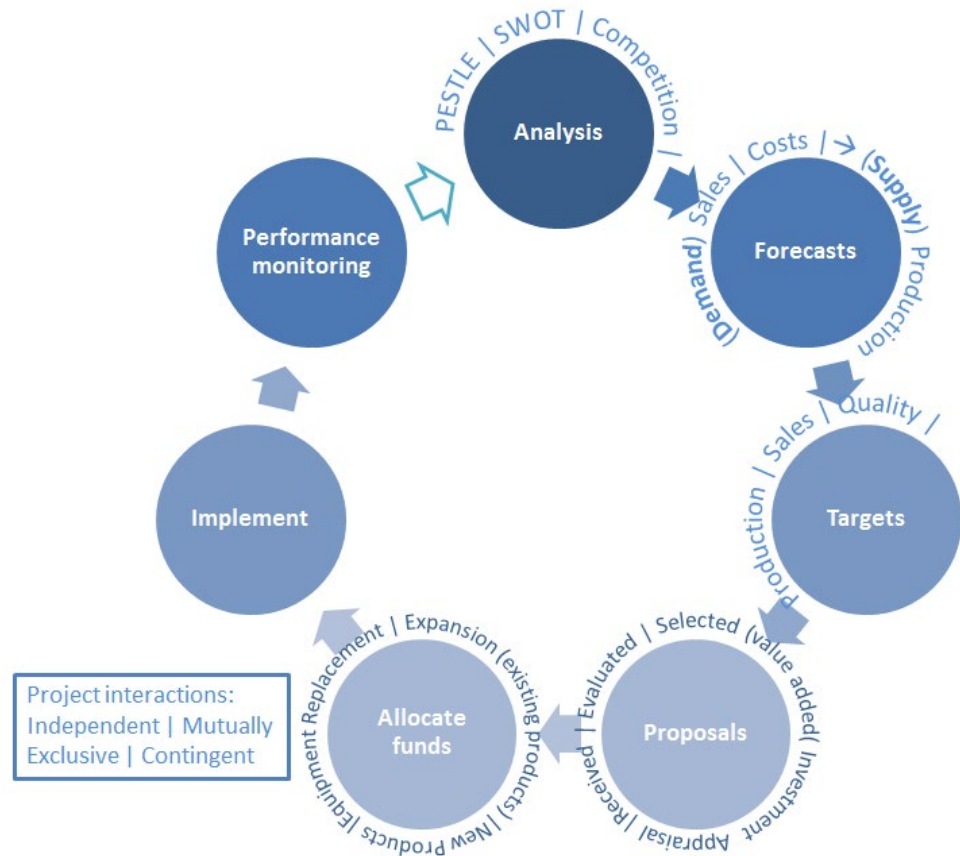
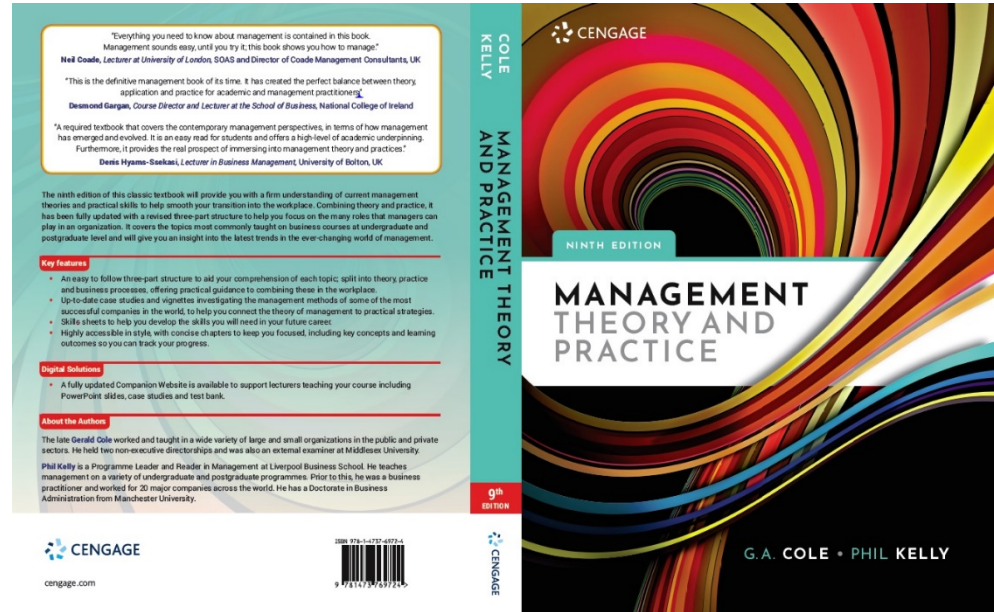


Figure 25 Capital investment

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

<https://www.scaterboys.com/simulation/learning-from-the-simulation/>

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