

# Business Plan

The business plan describes the strategy the team company will use to compete, how the goals are set and how strategy is to be implemented. A well-made business plan will also help teams in securing additional venture capital in the game.

The business plan should contain **the name of your team/company** and approximately follow the structure below:

1. Cover page (company name, player names and student numbers and roles) (1 A4)
2. Executive summary (1 A4 in its own page)
3. Management team introduction and division of labor
4. Vision (what do we want to be), mission (why do we exist) and values (what do we believe in)
5. Strategic analyses (environment, competition, etc.)
6. Strategic choices
  1. Competitive strategy (cost leadership, differentiation, focus, ...)
  2. Specific strategies, for example:
    1. Marketing strategy (target market, positioning)
    2. Technology strategy (for example, technology leadership)
    3. Personnel strategy
    4. Business environment strategy
    5. Internationalization strategy, etc.
7. Strategic objectives, how to measure them, and target levels
  1. Customer
  2. Financial
  3. Internal business processes
  4. Learning and growth
8. Implementation of strategic choices
9. Risks (e.g. identified risks, risk scenarios)

**Compulsory** appendices (these must be a part of the plan)

1. Budgeted profit and loss account for 6 seasons (can also be longer)
2. Budgeted cash flow statement for 6 seasons (can also be longer)
3. Investment analysis and financing plans. **Always include** although you decide not to do. Either one small facility in Domestica or Externa or large facility in Terra Nova.

Business plan maximum length is 12 A4 pages (including cover page) with 12 point font and single spacing:

- Cover page **including your names and the name of your team** (1 page),
- Executive summary (1 page),
- Table of contents (1 page),
- Content (Max 5 pages),
- Appendix 1: Budgeted profit and loss account (max 1 page),
- Appendix 2: Budgeted cash flow statement (max 1 page),
- Appendix 3: Investment analyses and financing plan (max 2 pages).

Appendices must be referred to in the content text!

Maximum total length: 12 pages! Overlong business plans will be penalized at 10% per page!

**Return in one PDF document! All additional files such as excel files will be ignored!**

# End Report

After playing the game, the team will write an End report. The End report will analyze the events of the game and reflect on the decisions made by the players: Why did things turn out how they did? How were you able to implement your business plan, and why? How did the competition affect your performance? What should have done differently?

**The report must be written so that people who did participate some other game session could understand it.** Use graphs over heavy numerical data, but explain the significance of all illustrations used. If you use calculations beyond the game system, present the formulas and calculations in your text.

## Part A: Analysis of the game performance (35%)

Part A is the team's report about their game performance. It details the development of the company, decision-making of the team and their consequences. **A special attention should be placed on strategic choices and their results.** At least the following areas should be covered by part A:

- How were the goals set in the business plan achieved?
- How were problems that arose during the game solved?
- What mistakes were made and why?
- How did the strategy develop during the game?
- What was the basis for central decisions and choices, and what were their outcomes?
- What should have been done otherwise?

Game reports, graphs and performance indicators provide a lot of information about the performance of the company. Therefore, the focus of part A is on the critical business analysis. **Merely copying a lot of data and graphs from the game system is not fruitful in itself.**

## Part B: outlook about the industry and the player company (35%)

Part B is an anticipatory view about **the future of the company and the industry** (advice for the company leadership, perspectives on the company, competition, competitive environment and industry). If the player company is bankrupt or it does not have conditions for survival, the team can focus on analyzing the industry as a whole and what are the characteristics of a company that would thrive on the market.

## Part C: valuation of the player company including sensitivity analysis (30%)

In part C the team establishes the value of the company upon sale. It is up to the players how such valuation is calculated, but **an analytical and scientific perspective will be rewarded.** If the player company is near to or already bankrupt, the team can make a valuation about the leading company on the market. Maximum grade requires the application of at least three methods of valuation and a sensitivity analysis. Valuation has to be in line with the development of the market and the company. **The valuation methods are to be summarized compactly with their strengths and flaws as an appendix.**

### Maximum length

- Cover page (1 page),
- executive summary (1 page),
- table of contents (1 page),
- parts A, B and C + possible appendices (max 15 pages).

= Total max 18 pages! Appendices **must** be referred to and explained in the text!

**Return as one PDF document, no attached Excel files. Same late penalties apply as for the business plan.**