CIMA Business
Game Sessions

Helping students build their communication and presentation skills
A CIMA business game is a session delivered by a CIMA representative. The content has been developed from the CIMA qualification and gives students a taster of what it is to be a management accountant within a variety of business roles and scenarios. The session has a strong focus on employability, and encourages students to develop their soft skills, working within teams to develop their communication and presentation skills, by participating in a practical task.

In essence it is a case study, so the use and structure of the business games are very flexible to meet your needs, the number of students and the time available. It can be used to demonstrate a typical assessment centre activity, to complement teaching, or even integrated into a module.

The following pages detail the industry scenarios along with the question requirement for the case studies. If you would like to organise a session, see a particular case study in full or discuss our business games in more detail, please contact your CIMA representative.

**Aedis-Homes**

**Scenario**

Aedis-Homes plc is one of the UK’s top ten house-builders, originally established by Don Roby in 1969. It has gradually grown by acquisition of other small house-building businesses and is now quoted on the London Stock Exchange. Aedis-Homes’s primary objective is to remain as one of the leading national house-builders. It currently builds houses in the UK only, using traditional designs and construction techniques which compare well with its competitors in terms of quality and service, but lags behind in the use of MMC.

**Question**

The students will be asked by the CIMA representative to present to the board (their fellow students and academic staff) a list of suggestions relating to how Aedis-Homes can improve the performance of the company and increase its profitability. There are four proposed activities in the case study and students will be asked which they believe, if any, should be undertaken and in priority order.

“Aedis-Homes’s primary objective is to remain as one of the leading national house-builders.”
JOT Toy Company

Scenario
The JOT brand was established in 1998; they initially designed a small range of toys which were manufactured in their home European country. By 2003, within five years of starting JOT, the founders were encouraged to see JOT’s products ordered by many large toy retailers across Europe. By this stage the company had grown considerably, and had annual sales of almost €2 million. In 2004, JOT started outsourcing all of its manufacturing to a range of manufacturers in China. By the end of 2014 sales revenue exceeded €8 million and the company had achieved substantial sales revenue growth each year.

*There is a choice of either a communication or ethical dilemma focused question for the session:

Question
Communication
Students are required to draft an email to JOT’s Finance Director covering the following:
- Explain the difference between profit and cash
- Identify JOT’s forecast cash flow problems
- Discuss the 2 ways currently being considered to speed up cash collection
- Recommend how to overcome JOT’s forecast cash deficit
- Justify why you have made this recommendation

Ethical Dilemma
Students are required to draft an email to JOT’s Finance and IT Director explaining:
- What the ethical dilemmas are
- Why you consider these to have ethical dimensions
- Your recommendations on what actions should be taken to address the ethical dilemmas
- Your justification of why you have made these recommendations

Kadgee Clothing

Scenario
Kadgee was formed in post-World War Two in a European country and has remained unlisted, although its shares are now held by others outside of the founding family. Kadgee quickly established itself as a high quality manufacturer of both men’s and ladies clothes. It had no difficulty selling its products to retailers in the 1950s and 1960s; the demand for ready-to-wear clothing was very high during this period.

By the 1960s Kadgee had a turnover equivalent to €25 million, and had nine factories operating in two European countries. The founder of Kadgee, Bruno Burnak, wanted to expand the manufacturing base and introduce new machinery, but the then Sales Director had considered that the company should continue to establish a stronger customer base before Kadgee expanded and invested further.

Question
Students will be told that they have already prepared a proposal for the Kadgee Board to review for survival long-term and become more successful financially by undergoing transformational change. However, in order to allow the Kadgee Board time to agree on what direction it should take, students will be asked to make suggestions on short term measures to cut costs and present these to the board (their fellow students and academic staff).

*By the 1960s Kadgee had a turnover equivalent to €25 million.*
Mackintosh-Grant

Scenario
Mackintosh-Grant, located in the United Kingdom, was formed by the merger of two companies in 2008. It's a listed company which designs, manufactures, markets and distributes a large range of high tech leisurewear and footwear products through Europe and the USA. Mackintosh-Grant employs approximately 700 people across its three sites in Eastern Europe and supplies products to over 6 million customers in 20 countries. Mackintosh-Grant hold stocks of approximately 100,000 different components and product elements that are used in the shoes, trim, materials, in-shoe technology and specialist smart clothing range.

“Mackintosh-Grant employs approximately 700 people across its three sites in Eastern Europe.”

Question
Students will be asked at the end of the session to present as many suggestions as they can on how Mackintosh-Grant can accelerate the growth of the company and increase its profitability.

Paradise Park
(Suitable business game to use during induction week)

Scenario
Situated on the French Riviera, ‘Paradise Park’ is one of Europe’s biggest theme parks. As a Management Accountant, you have been appointed to the park’s decision-making panel to agree the design and build of a new ride.

Question
Students will be asked, as well as the design of the ride, they must also agree:
- How much to invest in the new ride and any implications for ticket prices
- Desired specifications for queuing time, ride capacity etc
- Long term implications for the Paradise Park business overall
NHS trust: South Ceeland Trust (SCT)

Scenario
South Ceeland Trust (SCT) is the NHS trust for the fictitious local geographical area of South Ceeland in the UK. SCT is responsible for the provision of all health facilities in the geographical area of South Ceeland. SCT manages 3 hospitals as well as local doctors’ surgeries and other health service facilities. SCT covers several cities and towns as well as rural areas, which has a total population of around 300,000 people. SCT employs 2,300 people including doctors, nurses, technicians and administrative support staff in a variety of locations.

SCT is funded principally from central government but it also receives some funding from charitable organisations. SCT received funding from central government last financial year for operational costs of around £200 million. In addition, it was successful in receiving funding from central government for specific capital expenditure projects, covering building new medical facilities as well as the refurbishment of existing medical facilities.

In the last 10 years, there has been pressure on the funding available for operational costs. All NHS trusts have had to make difficult decisions on how to reduce their costs without significantly affecting the quality of services provided.

Question
Students will be given the scenario that they are the Management Accountant for SCT. Your Finance manager has asked for your advice on the following, using the information provided in the scenario:

1. Recommend 4 ways in which the Kotter and Schlesinger change management model could be used to assist SCT in bringing about the changes required, in order to deliver operational cost savings for the next 3 years
2. Recommend whether the new treatment machines should be introduced in SCT or not and give 2 justifications for your recommendation
3. Recommend 3 ways in which SCT could help deliver the required operational cost savings over the next 3 years

Zurich-Noch

Scenario
Zurich-Noch Airport is situated in Switzerland within Europe but which is outside the Euro zone. The local currency is the Swiss Franc (SFr). It began life in the 1930s as a flying club and was extended in 1947, providing scheduled services within central Europe.

By 1989 the airport was handling 500,000 passengers per year. It is forecast to increase to 3.5 million for both incoming and outgoing passengers in the current financial year to 30 June 2011. The airport mainly serves holidaymakers flying to destinations within Europe and only 5% of the passengers who use the airport are business travellers.

“...The airport mainly serves holidaymakers flying to destinations within Europe...”

Question
Students will be asked to present suggestions to the Management team of Zurich Noch on how they can improve the overall performance of the airport.
Scenario

“X-Max Systems” is an IT consultancy that has grown rapidly in the UK, since it was established 9 years ago. X-Max Systems has been successful in winning new business from both small businesses as well as some medium sized companies. It is an unlisted company that has 3 founders, one of which is the Managing Director and two hold other director roles within the company. The 3 directors each hold 200,000 in shares and there are currently a total of 600,000 shares in issue. X-Max Systems is also financed by a loan of £5 million from a private business investor who does not own any shares in the company.

When X-Max Systems was formed, the 3 directors decided that they wanted to attract the best talented young IT specialists who could be innovative and creative. To encourage this creative spirit, X-Max Systems’ offices are spacious and comfortable, with fun décor; the company’s catering facilities are also provided free of charge for all its employees.

Question

Students will be given the scenario that they are a consultant working for the management consultancy company – AMIC.

From the information provided in the scenario about X-Max Systems, you are required to:

1. Recommend 4 management actions that will be required in order for X-Max Systems to grow its revenue streams
2. Recommend 3 management actions that will be required if X-Max Systems is successful in winning the contract for IT work from TN based on its tender
3. Recommend 3 ways in which X-Max Systems’ employees could be motivated to stay with the company now and in the future when the company is listed on the AIM market

Scenario

Oil is a naturally formed liquid found in the Earth’s crust, preserved there for millions of years. Oil is being extracted in increasing volumes and it is vital to many industries for transportation and maintaining industrial growth. Natural gas is used in a wide variety of industrial processes, for electricity generation, as well as for domestic heating. Natural gas is described as the “cleanest” of all fossil fuels, as it generates the lowest levels of carbon emissions of all of the fossil fuels. Almost all off-shore oil fields also contain reserves of natural gas. Therefore, drilling and production of oil also provides the opportunity to produce and sell natural gas from these reserves.

This case study material concerns only the “upstream operations” which is defined as the exploration, drilling of exploratory wells, subsequent drilling and production of crude oil and natural gas. This is referred to as the “exploration and production” (E & P) business sector.

*There is a choice of either a communication (two available) or ethical dilemma focused question for the session:

Question

Communication

Students are required to draft an email in their groups to the YJ Board to help persuade the CEO and the rest of YJ’s Board on:

- The merits of farm-out agreements for YJ
- Which of the 2 farm-out proposals from either N or P is best suited to YJ’s cash requirements
- Your email should include comments on the financial analysis of the farm-out proposals
- Your recommendation on which farm-out proposal from N or P should be chosen and for how many of the 3 newly licensed fields
- Your justification of why you have made this recommendation

Ethical Dilemma

Students are required to draft an email in their groups to YJ’s Finance Director explaining:

- What the ethical dilemmas are
- Why you consider there to be ethical dimensions
- Your recommendations on what actions should be taken to address the ethical dilemmas
- Your justification of why you have made these recommendations

Communication

Students are required to draft an email in their groups to the YJ Board on the following:

- Explain the differences between profit and cash flow
- Explain the significance of cash flow in the oil and gas exploration industry
- Merits of the farm-out proposal with Company Q
- Your recommendation of whether YJ should accept the farm-out proposal with Company Q
- Your justification of why you have made this recommendation
As agreed with the lecturer/organiser of the business game, winning team certificates or attendance certificates will be awarded and signed by Andrew Harding CEO, CIMA. These certificates are great for the student's portfolios.