

Strategic Management Games – innovative teaching method for business education**The Teaching Notes Form****Revised Version**

PART I. INTRODUCTION	
Name of the scenario	Chocolate
Authors of the game scenario	
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PART II. GAME SCENARIO DESCRIPTION	
<p>Within the game, players establish and run a virtual company that operates in the chocolate market. The game takes place on 4 markets (Vienna, Bern, Bucharest, Warsaw). The aim of the game is to establish and to run a global company producing and selling chocolates the best tailored to clients needs in the best possible way to win with the competitors. Companies have to make decisions in following areas:</p> <ul style="list-style-type: none"> - Establishing a company – name, rules within the team, aims of the company, strategy of running a business - Production – brands of chocolate tailored to selected clients’ groups, production capacity and production limits, - Selling channels – establishment and development of sales offices - Price strategy - level of prices for each brand and for each location of selling, - Promotion strategy – strategy of advertisement for a company and/ or each brand - Human resource strategy – hiring production and sale staff, wages and additional benefit <p>Virtual companies deliver the chocolate to 4 different target groups with different expectations and needs concerning both price and quality.</p> <p>The game has 10 decision rounds where the level of difficulties goes up with each round. After each decision round players get feedback on the results of their virtual company. These results depend on two factors:</p> <ul style="list-style-type: none"> – Quality of virtual company’s strategy – the level to which products, prices and promotion meet costumers needs, – Quality of competitor strategies – how well competitors meet clients’ needs. 	
PART III. Level of education	
Target audience	<ul style="list-style-type: none"> – Managers – Entrepreneurs

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	<ul style="list-style-type: none"> – Master students
The trainees' prior knowledge	<ul style="list-style-type: none"> – Management fundamentals – Marketing fundamentals
PART IV. Type of course	
The principal subject areas of the game scenario	Management, strategic management, entrepreneurship
Teaching and learning objectives	Simulation of running a company, cooperation, decision making, correlations between various aspects of running a company
Level of game difficulty	medium
PART V. Teaching Plan	
Number of trainees in one team	Max 5
Number of teams in one game	Max 5
Number of decision rounds	10
Time for decision making for one decision round	1 hr.
Rules of collaboration within each team	<ul style="list-style-type: none"> - Team work - Each team should agree their rules of decision making - Each player has a given role to play (CEO, COO, CMO, CTO, CFO) - Each player can make decision within his/ her area of responsibility - Each player can make advices to decisions made by other team members - In case of differences in strategic opinions, player CEO should has the right to make a final decision
Rules of collaboration between team and trainer	<ul style="list-style-type: none"> - Players should make their decisions in their own right without any additional acceptance of the trainer - Trainer is in the position of advisory, who can give comments or tips both on strategy and playing practice but who cannot make any decision - Trainees have the right to ask all questions concerning the game to the trainer - Trainer should answer all questions according to his/her best knowledge

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	<ul style="list-style-type: none"> - Trainer should treat all teams in the same way, no matter the age, gender, race or any other players' feature 	
Rules of making decisions	<ul style="list-style-type: none"> - All teams should make and submit their decisions according to agreed time schedule 	
PART VI. Gaming		
Decision suggestions for each round (decisions required for proper market functioning)	Round 1	<ul style="list-style-type: none"> - Assign roles for players - Establish the name of the company - Open new sales offices - Modify existing or open new production line - Design new chocolate brands - Set up the company's promotion
	Round 2 and next	<p>SALES AND MARKETING</p> <ul style="list-style-type: none"> - Open new sales offices - Develop existing sale offices - Establish global marketing - Establish local marketing - Modify existing chocolate marketing - Choose a price for chocolates - Modify chocolates' prices <p>RESEARCH AND DEVELOPMENT</p> <ul style="list-style-type: none"> - Develop or open a production line - Create a new brand of chocolate - Modify existing chocolate <p>OPERATIONS</p> <ul style="list-style-type: none"> - Production - Choose your supplier - Transport chocolate from production line to sales offices - Transport chocolate between existing sales offices <p>HUMAN RESOURCES</p> <ul style="list-style-type: none"> - Employment of production and sales office workers - Dismissing workers - Establishing training and additional benefits for workers

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	<ul style="list-style-type: none"> - Modifying sales <p>FINANCES</p> <ul style="list-style-type: none"> - Taking a loan - Repaying a loan - Analysis of financial results <p>STRATEGIC MANAGEMENT</p> <ul style="list-style-type: none"> - Setting a company's goal - Planning sales and market share <p>REPORTS</p> <ul style="list-style-type: none"> - Analysis of results <p>AFTER MAKING DECISIONS REMEMBER TO CLICK 'SUBMIT DECISIONS'!</p> <p>Some decisions are related to each other, for example it isn't possible to produce anything unless you employ some production workers.</p> <p>Some decisions have a one-turn delay (You'll have to wait to next turn in order to see the results, for example: establishing a sales office, establishing a production line, creating a new brand, or modifying existing one, or developing your sales offices and production lines).</p> <p>Rest of the decisions are not delayed, so you can see the results during one turn:</p> <ul style="list-style-type: none"> - Production of designed chocolate brands - Choose the supplier - Transfer of produced chocolates from production line to sales offices - Transfer of produced chocolates from one sales office to another one - Set up the company's promotion - Set up products' promotion - Modify products' promotion - Set up the prices of products - Modify products' prices - Hire production workers - Dismiss production workers
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		<ul style="list-style-type: none"> - Set up the salaries and benefits for production workers - Modify salaries and benefits for production workers - Hire sales workers - Dismiss sales workers - Set up the salaries and benefits for sales workers - Modify salaries and benefits for sales workers - Set up the training for production workers - Set up the training for sales workers - Bank loans - Analyze the results of previous decision rounds
Applied optimization parameters description	Financial results are the most important aspect of the evaluation, but sales, market share and production are also very important.	
How to read optimization parameters in gameplay context	The better score, the better company is managed.	
PART VII. Assessment of trainees' activity		
Possible trainees evaluation criteria (e.g. market share, financial situation)	Trainer may assume different evaluation method, depending on current assumptions, for example: market share or financial results.	
Possible trainees evaluation rules (e.g. results of the game, presentation of the company's strategy, participation in the game)	Results, presentation or participation.	