ENGINUITY 2019 COMPETITION

PERFORMANCE REVIEW FOR 'Capitol Based'

MANAGEMENT TEAM

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THE CHALLENGE



It is the **beginning of 2019**.

A UK-based **global construction business** that has only been in existence for one year needs a **new management team** to run the company for the foreseeable future.

The company **operates in a number of sectors**, with jobs, clients, rival competitors, and people worldwide.

To grow the business the new management team will need to devise an effective business strategy.

Developing an effective strategy will involve acquiring an understanding of :-

- The economic environment in which the company is operating
- The strengths and weaknesses of the business as it currently stands

To implement the strategy **decisions** will have to be made in a number of key areas :-

- Financial management
- Overhead management
- Procurement
- Job progression



TIMEFRAME

Decisions are made for a **period**, representing 3 months, or a quarter, in the real world.



The new management team were in charge for two different stages.

THE EARLY YEARS (PERIODS 5-12)

During the Early Years the competition for jobs comes from a number of simulated companies. Each one has their own unique profile and bidding history, and a careful assessment of the opposition is required to formulate an effective procurement strategy.

THE LATER YEARS (PERIODS 13-18)

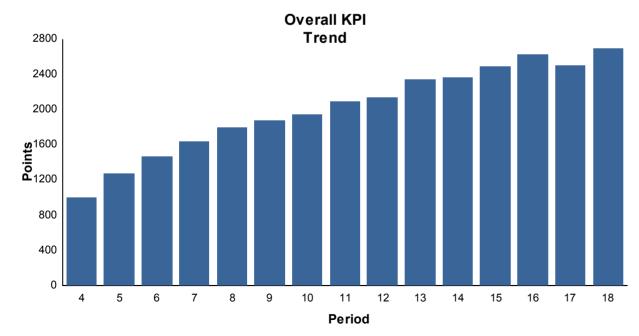
During the Later Years the teams compete 'head to head' against each other for work. This creates an even more uncertain and pressurized environment in which the skills and team dynamics formed in the early years are really put to the test.

OVERALL PERFORMANCE (KPIs)

Performance Indicators were used to measure company progress, weighted at the end of the History to reflect their variability, initially to 1,000 points.

Overall company performance improved from 1,000 to 2,692 points

			Gross	Operating								
End			Profit To	Profit To	Company	Capital	Contract	Forward	Forward	Share	Client	Total
Period Status	Year/qtr	Turnover	Turnover	Turnover	Value	Employed	Completion	Workload	Margin	Price	Satifaction	Rating
4 History	2018 (Q4)	40	170	120	170	130	80	70	100	70	50	1,000
5 Early Years	2019 (Q1)	52	165	108	170	166	105	139	202	85	81	1,273
6 Early Years	2019 (Q2)	71	178	153	180	197	117	145	224	87	114	1,466
7 Early Years	2019 (Q3)	90	197	197	201	220	150	142	209	96	141	1,643
8 Early Years	2019 (Q4)	97	205	207	209	236	150	175	244	102	173	1,798
9 Early Years	2020 (Q1)	109	210	222	226	249	178	159	203	111	211	1,878
10 Early Years	2020 (Q2)	119	208	223	238	258	190	161	187	116	240	1,940
11 Early Years	2020 (Q3)	128	211	232	256	266	224	173	199	131	275	2,095
12 Early Years	2020 (Q4)	135	213	237	273	268	241	152	169	139	314	2,141
13 Later Years	2021 (Q1)	138	216	237	281	273	254	205	240	153	345	2,342
14 Later Years	2021 (Q2)	145	221	246	306	277	283	180	175	162	372	2,367
15 Later Years	2021 (Q3)	149	222	245	323	281	291	210	190	172	404	2,487
16 Later Years	2021 (Q4)	156	225	252	350	286	323	218	190	194	438	2,632
17 Later Years	2022 (Q1)	158	220	240	348	284	323	159	138	172	461	2,503
18 Later Years	2022 (Q2)	161	220	239	363	288	347	259	140	181	494	2,692



TURNOVER

An indication of how much work the company has done

GROSS PROFIT TO TURNOVER

A measure of how profitable the company's jobs have been

OPERATING PROFIT TO TURNOVER

A measure of how profitable the company is after considering all operating factors

COMPANY VALUE

A measure of the asset value of the company

CAPITAL EMPLOYED

A measure of how well the company's infrastructure is being utilised

CONTRACT COMPLETION

An indication of how successful the company is in completing contracts

FORWARD WORKLOAD

The remaining turnover (value) of jobs still in progress

FORWARD MARGIN

The remaining profit of jobs still in progress

SHARE PRICE

A measure of the strength of the company's share price

CLIENT SATISFACTION

An indication of the strength of the relationship build up with the company's clients

PERFORMANCE SUMMARY

Name		History	Since	Change Basis	Additional information
Agricum Agri	Number of periods	4	14		
there price there price there price there price there price the starting level there price the repetition base twerage capital base twerage capital base twerage capital base twerage capital base utilisation 49 % 93 % Each period of timeframe to profit 47 % 6.2 % During whole timeframe to profit 47 % 6.2 % During whole timeframe to profit 47 % 5.8 % During whole timeframe to profit 47 % 5.8 % The profit of timeframe to profit 47 % 5.8 % During whole timeframe to profit of the price profit 48 % 5.9 % The price profit 48 % 6.2 % During whole timeframe to provad workload 48 % 5.9 % The price profit 49 % The price profit 40 % The price price profit 40 % The price price price profit 40 % The price pri	FINANCIAL MANAGEMENT				
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Norman 19	Share price	1.06	2.74	158 % End of timeframe	
New per unrover of possible of profit of profi	Average capital base	3,937,890	5,541,020	41 % Each period of timeframe	
be profit ob profit	Average capital base utilisation	49 %	93 %	Each period of timeframe	
Nechead costs (2.4 % 2.0 % During whole timeframe to tee operating profit 1.7 % 3.5 % During whole timeframe whole timeframe to the toperating profit 1.7 % 3.5 % During whole timeframe toward workload 13.789.860 50.991.270 End of timeframe toward workload 13.789.860 50.991.270 End of timeframe toward margin 501.657 701.290 End of timeframe toward toward timeframe toward toward timeframe toward timeframe toward timeframe toward timeframe toward toward timeframe toward timef	Average turnover	6,996,588	17,064,170	144 % Each period of timeframe	
See operating profit 1.7 % 3.5 % During whole timeframe As a % of job costs after tax and interest	Job profit	4.7 %	6.2 %	During whole timeframe	As a % of job costs
Dividend paid of corward workload 13,789,860 50,991,270 End of timeframe corward workload 13,789,860 50,991,270 End of timeframe corward margin 501,657 701,290 End of timefra	Overhead costs	2.4 %	2.0 %	During whole timeframe	As a % of job costs
FORCURE MENT Warner of jobs bid for ward manger solding success rate whether of jobs won as a % of jobs bid for word manager weighting repiet manager weighting solding success rate between the manger weighting solding success rate between the mention of shished dark end to misched at the manager weighting solds finished at the mention of the more of D&B jobs, change in build cost due to consultant estigner or D&B jobs, change in build cost due to consultant estigner or D&B jobs, change in build cost due to consultant estigner or D&B jobs, change in build cost due to consultant estigner or process to consultant estigner or processed in the mark of the market identified sold of the market share in the UK and of timeframe bouring whole timeframe to puring whole timeframe shidding success rate and the manager weighting short the mana	Net operating profit	1.7 %	3.5 %	During whole timeframe	As a % of job costs after tax and interest
Solicion	Dividend paid	3.0 %	1.1 %	During whole timeframe	As a % of job costs
DEFINE AD MANAGEMENT Market share Alraket share split (UK) Alraket share durket share to the UK Alraket share out split intel the UK) Alraket share out split intel the U	Forward workload	13,789,860	50,991,270	End of timeframe	
Market share Alarket share split (UK) Alarket	Forward margin	501,657	701,290	End of timeframe	
Market share split (UK) 44 % 30 % During whole timeframe clade office staffing level 100 % 113 % During whole timeframe clade office staffing level 100 % 119 % During whole timeframe clade office staffing level 100 % 119 % During whole timeframe clade office staffing level 100 % 119 % During whole timeframe clade office staffing level 100 % 119 % During whole timeframe clade office staffing level 100 % 119 % During whole timeframe clade office staffing level 100 % 119 % During whole timeframe clade office staffing level 100 % 119 % During whole timeframe clade office staffing level 100 % During whole timeframe clade office staffing level 100 % During whole timeframe clade office staffing level 100 % During whole timeframe clade office staffing level 100 % During whole timeframe clade office staffing level 100 % During whole timeframe clade office staffing level 100 % During whole timeframe clade office staffing level 100 % During whole timeframe clade office staffing level 100 % During whole timeframe clade office staffing level 100 % During whole timeframe clade of timeframe clad	OVERHEAD MANAGEMENT				
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Market share split (OV) 56 % 70 % During whole timeframe during who	Market share split (UK)	44 %	30 %		% of the market share in the UK
DHSE staffing level 100 % 119 % During whole timeframe Optimum level is 100% Optimum lev	Market share split (OV)	56 %	70 %	During whole timeframe	% of market share Overseas (outside the UK)
DHSE staffing level 100 % 119 % During whole timeframe Optimum level is 100% Optimum lev	Head office staffing level	100 %	113 %		
Measurement staffing level 100% 119% During whole timeframe Optimum level is 100% PROCUREMENT Sumber of jobs bid for 7 46 During whole timeframe Aumber of jobs won 3 4 31 During whole timeframe bidding success rate 57% 67% During whole timeframe Dobs won as a % of jobs bid for 3 1 During whole timeframe Dobs won as a % of jobs bid for 3 1 During whole timeframe Dobs won as a % of jobs bid for 3 1 During whole timeframe Dobs won as a % of jobs bid for 3 1 During whole timeframe Double timeframe Dobs finished early 0 1 1 During whole timeframe Obs finished on time 0 1 During whole timeframe Obs finished late 0 0 0 During whole timeframe Obs finished late 0 0 0 During whole timeframe Obs finished Dobs under the deduction in job costs (build) due to targeted investments 0.0% 0.3% During whole timeframe Docts (risk) due to targeted investments 0.0% 0.3% During whole timeframe Docts (risk) due to targeted investments 0.0% 0.3% During whole timeframe Docts (risk) due to targeted investments 0.0% 0.3% During whole timeframe Docts (risk) due to targeted investments 0.0% 0.3% During whole timeframe Docts (risk) due to targeted investments 0.0% 0.3% During whole timeframe Docts (risk) due to targeted investments 0.0% 0.3% During whole timeframe Docts (risk) due to targeted investments 0.0% 0.3% During whole timeframe Docts (risk) due to targeted investments 0.0% 0.3% During whole timeframe Docts (risk) due to targeted investments 0.0% 0.3% During whole timeframe Docts (risk) due to targeted investments 0.0% 0.3% During whole timeframe Docts (risk) due to targeted investments 0.0% 0.3% During whole timeframe Docts (risk) due to targeted investments 0.0% 0.3% During whole timeframe Docts (risk) During who	QHSE staffing level	100 %	119 %		•
Number of jobs bid for Number of jobs won 4 31 During whole timeframe bidding success rate 57% 67% 67% During whole timeframe bidding success rate 57% 67% 67% During whole timeframe bidding success rate 57% 67% 67% 67% During whole timeframe bidding success rate 67% 67% 67% 67% 07% 67% 07% 07% 07% 07% 07% 07% 07% 07% 07% 0	Measurement staffing level		119 %		•
Sumber of jobs won 8 idding success rate 57 % 67 % During whole timeframe Bidding success rate 57 % 67 % During whole timeframe Bidding success rate 57 % 67 % During whole timeframe Bidding success rate 57 % 67 % During whole timeframe Bidding success rate 57 % 67 % During whole timeframe Bidding success rate 57 % 67 % During whole timeframe Bidding success rate 57 % 57 % 57 % 57 % 57 % 57 % 57 % 57	PROCUREMENT				
Sumber of jobs won 8 idding success rate 57 % 67 % During whole timeframe Bidding success rate 57 % 67 % During whole timeframe Bidding success rate 57 % 67 % During whole timeframe Bidding success rate 57 % 67 % During whole timeframe Bidding success rate 57 % 67 % During whole timeframe Bidding success rate 57 % 67 % During whole timeframe Bidding success rate 57 % 57 % 57 % 57 % 57 % 57 % 57 % 57	Number of jobs bid for	7	46	During whole timeframe	
Bidding success rate 57% 67% During whole timeframe Jobs won as a % of jobs bid for COB PROGRESSION Project manager weighting 8.5 9.6 During whole timeframe Project manager resignations 0 0 During whole timeframe obstinished early 0 18 During whole timeframe obstinished arty 0 11 During whole timeframe obstinished late 0 0 11 During whole timeframe obstinished late 0 0 0 0 During whole timeframe obstinished late 0 0 0 0 During whole timeframe obstinished late 0 0 0 0 0 During whole timeframe obstinished late 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	Number of jobs won	4	31		
Project manager weighting Project manager resignations Project inchesting	Bidding success rate	57 %	67 %	During whole timeframe	Jobs won as a % of jobs bid for
Project manager resignations Poly to gain from bonus payments to project managers Poly to gain payment timeframe Poly to gain payment tim	JOB PROGRESSION				
Net gain from bonus payments to project managers 25,518 817,836 During whole timeframe obs finished early 0 18 During whole timeframe obs finished on time obs finished on time obs finished late 0 0 11 During whole timeframe obs finished late 0 0 0 During whole timeframe obs finished late 0 0 0 During whole timeframe obs finished late 0 0 0 During whole timeframe obs contractor labour used on site 0 0 0 0 During whole timeframe obs completion efficiency 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	Project manager weighting	8.5	9.6	During whole timeframe	Out of 10
obs finished early obs finished on time obs finished on time obs finished on time obs finished on time obs finished late obs finished on time obs finished early obs finished early obs finished early obs finished on time obs finished late in time frame obs finished late obs finished late in time frame obs finished late obs finished late in time frame obs of total labour	Project manager resignations	0	0	During whole timeframe	Due to insufficient bonus levels or being headhunted
obs finished on time obs finished late interfame obs for late	Net gain from bonus payments to project managers	25,518	817,836	During whole timeframe	
obs finished late neffective labour on site neffective labour on site neffective labour on site neffective labour on site neffective labour used on site nob completion efficiency nob completion efficiency nob costs (build) due to targeted investments nob costs (risk) due to targeted investments nob nob	Jobs finished early	0	18	During whole timeframe	
neffective labour on site 0 % 1 % During whole timeframe Subcontractor labour used on site 0 % 1 % During whole timeframe Ob completion efficiency 0 to 1, where 1 is the optimum level 0 to 1, where 1 is the optimum level 0 to 1, where 1 is the optimum level 0 to 1, where 1 is the optimum level 0 to 1, where 1 is the optimum level 0 to 1, where 1 is the optimum level 0 to 1, where 1 is the optimum level 0 to 1, where 1 is the optimum level 0 to 1, where 1 is the optimum level 0 to 1, where 1 is the optimum level 0 to 2, where 1 is the optimum level 0 to 3 where 1 is the optimum level 0 to 3 where 1 is the optimum level 0 to 3 where 1 is the optimum level 0 to 2 where 1 is the optimum level 0 to 3 where 1 is the optimum level 0 to 2 where 1 is the optimum level 0 to 3 where 1 is the optimum level 0 to 3 where 1 is the optimum level 0 to 2 where 1 is the optimum level 0 to 3 where 1 is the optimum level 0 to 3 where 1 is the optimum level 0 to 3 where 1 is the optimum level 0 to 1 where 1 is the optimum level	Jobs finished on time	0	11	During whole timeframe	
Subcontractor labour used on site 0 % 1 % During whole timeframe As a % of total labour 0 to 1, where 1 is the optimum level 0 to 1, where 1 is	Jobs finished late	0	0	During whole timeframe	
ob completion efficiency Reduction in job costs (build) due to targeted investments Reduction in job costs (risk) due to targeted investments O.0 % O.3 % During whole timeframe During whole timeframe During whole timeframe During whole timeframe Pour D&B jobs, change in build cost due to consultant designer OEAB jobs, change in build cost due to consulta	Ineffective labour on site	0 %	1 %	During whole timeframe	
ob completion efficiency Reduction in job costs (build) due to targeted investments Reduction in job costs (risk) due to targeted investments O.0 % O.3 % During whole timeframe During whole timeframe During whole timeframe Or D&B jobs, change in build cost due to consultant designer Measure of risk contingency included in bids During whole timeframe O to 1, where 1 is the optimum level During whole timeframe O=No contingency, 1=sensible level, 2=full risk cost	Subcontractor labour used on site	0 %	1 %	During whole timeframe	As a % of total labour
Reduction in job costs (build) due to targeted investments 0.0 % 0.4 % During whole timeframe	Job completion efficiency	n/a	0.93		0 to 1, where 1 is the optimum level
Reduction in job costs (risk) due to targeted investments 0.0 % 0.3 % During whole timeframe Ouring whole timeframe During whole timeframe	Reduction in job costs (build) due to targeted investments	0.0 %	0.4 %		
Measure of risk contingency included in bids 1.0 During whole timeframe 0=No contingency, 1=sensible level, 2=full risk cost	Reduction in job costs (risk) due to targeted investments	0.0 %	0.3 %		
Measure of risk contingency included in bids 1.0 During whole timeframe 0=No contingency, 1=sensible level, 2=full risk cost	For D&B jobs, change in build cost due to consultant designer	-0.7 %	-1.1 %	During whole timeframe	
	Measure of risk contingency included in bids	1.0	1.0	During whole timeframe	0=No contingency, 1=sensible level, 2=full risk cost
Risk cost incurred before mitigating factors 45 % 52 % During whole timeframe As a % of the contingency in the bid	Risk cost incurred before mitigating factors	45 %	52 %	During whole timeframe	As a % of the contingency in the bid
	Change in risk cost incurred due to mitigating factors	-36.0 %		During whole timeframe	
	Risk cost incurred after mitigating factors		31 %		As a % of the contingency in the bid