

ENGINUITY 2022 COMPETITION

PERFORMANCE REVIEW FOR 'ABC-Always Be Constructing'

MANAGEMENT TEAM

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THE CHALLENGE



It is the **beginning of 2022**.

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 :-

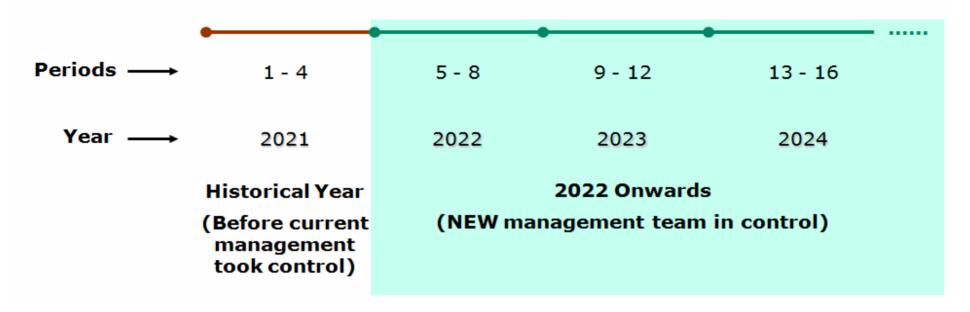
- The economic environment in which the company is operating
- The **strengths and weaknesses** of the business as it currently stands

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)

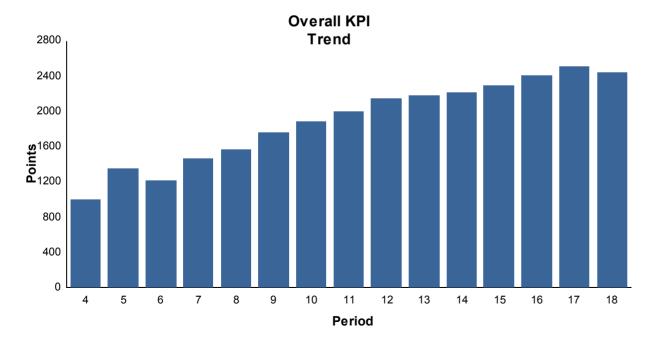
During the Later Years the teams compete 'head to head' against each other for work. This creates an even more uncertain and pressurized environment in which the skills and team dynamics formed in the early years are really put to the test.

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 2,440 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	2021 (Q4)	40	170	120	170	130	80	70	100	70	50	1,000
5 Early Years	2022 (Q1)	55	170	158	175	171	97	150	218	83	77	1,354
6 Early Years	2022 (Q2)	72	120	72	170	193	122	128	187	54	105	1,223
7 Early Years	2022 (Q3)	82	160	159	190	214	122	145	205	67	122	1,466
8 Early Years	2022 (Q4)	98	174	209	214	230	146	120	166	66	148	1,571
9 Early Years	2023 (Q1)	106	182	230	230	243	169	151	203	69	178	1,761
10 Early Years	2023 (Q2)	115	201	274	256	252	181	141	181	82	203	1,886
11 Early Years	2023 (Q3)	127	206	291	282	261	210	136	164	94	231	2,002
12 Early Years	2023 (Q4)	129	208	288	285	267	226	180	213	103	256	2,155
13 Later Years	2024 (Q1)	134	216	305	309	272	238	156	160	115	284	2,189
14 Later Years	2024 (Q2)	140	222	318	331	274	253	143	108	127	304	2,220
15 Later Years	2024 (Q3)	145	216	305	333	277	270	161	132	131	327	2,297
16 Later Years	2024 (Q4)	147	220	309	341	279	285	175	162	145	351	2,414
17 Later Years	2025 (Q1)	150	222	313	349	281	300	173	182	161	377	2,508
18 Later Years	2025 (Q2)	152	225	319	368	277	315	112	115	156	401	2,440



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

Part		History	Since	Change Basis	Additional information
2.50 2.50	Number of periods	4	14		
Stare price 1 0 7	FINANCIAL MANAGEMENT				
Neeringe capital base with sention (Company value	4,670,589	10,119,340	117 % End of timeframe	
Neerage capital base utilisation Verage quinted (by pour of (976,444) (1,008,310) (1,31%) each period of timeframe ob pour of (976,444) (1,008,310) (1,31%) each period of timeframe ob pour of (976,444) (1,31%) each period of timeframe ob pour of (976,444) (1,31%) each period of timeframe ob pour of (976,444) (1,31%) each period of timeframe ob pour of (976,444) (1,31%) each period of timeframe ob pour of (976,444) (1,31%) each period of timeframe ob pour of (976,444) (1,31%) each of timeframe ob pour of (976,444) each of timeframe ob pour of (976,444) each	Share price	1.07	2.39	123 % End of timeframe	
Norage tumover oblop point	Average capital base	4,087,638	5,367,831	31 % Each period of timeframe	
See Pool	Average capital base utilisation	51 %	93 %	Each period of timeframe	
Decimal costs 3.1 % 1.9 % During whole timeframe As a % of job costs after tax and interest	Average turnover	6,976,444	16,098,310	131 % Each period of timeframe	
Net operating profit	Job profit	4.8 %	6.5 %	During whole timeframe	As a % of job costs
Divided paid 13.3 % 1.2 % During whole timeframe End of timeframe Warket share Split (UK) 55 % 27 % During whole timeframe As a % of job costs in the UK Warket share Split (UK) 55 % 73 % During whole timeframe End of time staffing level 100 % 118 % During whole timeframe End of timeframe End of time staffing level 100 % 118 % During whole timeframe End of timef	Overhead costs	3.1 %	1.9 %	During whole timeframe	As a % of job costs
Forward margin 16,026,520 25,444,400 Find of timeframe For of the overall new work in the market identified wharket share Market share split (DV) 65 % 73 % During whole timeframe Hanket share split (DV) 65 % 73 % During whole timeframe Hanket share split (DV) 65 % 73 % During whole timeframe Hanket share split (DV) 65 % 73 % During whole timeframe Hanket share split (DV) 65 % 73 % During whole timeframe Hanket share split (DV) 65 % 73 % During whole timeframe Hanket share split (DV) 65 % 73 % During whole timeframe Hanket share very share share in the UK 65 % 75 % During whole timeframe Hanket share very share in the UK 65 % 75 % During whole timeframe Hanket share very share in the UK 65 % 75 % During whole timeframe Hanket share very share in the UK 65 % 75 % During whole timeframe Hanket share very share in the UK 65 % 75 % During whole timeframe Hanket share very share in the UK 65 % 75 % During whole timeframe Hanket share very share in the UK 65 % 75 % During whole timeframe Hanket share very share in the UK 65 % 75 % During whole timeframe Hanket share very share in the UK 66 % 8 % During whole timeframe Hanket share very share in the UK 67 % 18 % During whole timeframe Hanket share very share in the UK 67 % 18 % During whole timeframe Hanket share very share in the UK 67 % 18 % During whole timeframe Hanket share very share in the UK 67 % 18 % During whole timeframe Hanket share very share in the UK 67 % 18 % During whole timeframe Hanket share very share in the UK 67 % 18 % 10 % During whole timeframe Hanket share very share in the UK 68 % 10 % 10 % 10 % 10 % 10 % 10 % 10 Minume level is 100% 67 % 18 % 10 % 10 % 10 Minume level is 100% 67 % 10 % 10 % 10 Minume level is 100% 67 % 10 % 10 % 10 Minume level is 100% 67 % 10 % 10 % 10 Minume level is 100% 67 % 10 % 10 % 10 Minume level is 100% 67 % 10 % 10 % 10 Minume level is 100% 67 % 10 % 10 Minume level is 100% 68 % 10 % 10 % 10 Minume level is 100% 69 % 10 % 10 Minume level is 100% 69 % 10 % 10 Minume level is 100%	Net operating profit	1.4 %	3.8 %	During whole timeframe	As a % of job costs after tax and interest
FORMAR MANAGEMENT Warket share split (UK) 35 % 27 % During whole timeframe warket share split (UK) 35 % 27 % During whole timeframe was plit (UK) 36 % 73 % During whole timeframe was plit (UK) 36 % 73 % During whole timeframe was plit (UK) 36 % 73 % During whole timeframe was plit (UK) 36 % 73 % During whole timeframe was plit (UK) 36 % 73 % During whole timeframe was plit (UK) 37 % During whole timeframe was plit (UK) 38 % During whole timeframe was plit (UK) 39 During whole timeframe was plit (UK) 40 During wh	Dividend paid	3.3 %	1.2 %	During whole timeframe	As a % of job costs
Market share Market share Market share spit (UK) 65 % 73 % During whole timeframe Market share spit (UK) 65 % 73 % During whole timeframe PUSHS: staffing level 100 % 113 % During whole timeframe Measurement staffing level 100 % 118 % During whole timeframe Measurement staffing level 100 % 118 % During whole timeframe Measurement staffing level 100 % 118 % During whole timeframe Measurement staffing level 100 % 118 % During whole timeframe Measurement staffing level 100 % 118 % During whole timeframe Measurement staffing level 100 % 118 % During whole timeframe Measurement staffing level 100 % 118 % During whole timeframe Measurement staffing level 100 % 118 % During whole timeframe Measurement staffing level 100 % 118 % During whole timeframe Measure of risk contingency included in bids 10 % 0 10 During whole timeframe Measure of risk contingency included in bids 10 % 0 0 Maring whole timeframe Market share in the UK % of the overall new work in the market identified work in the market identified with the market identified with the market identif	Forward workload	16,026,520	25,544,400	End of timeframe	
Market share Market share split (UK) 35 % 27 % During whole timeframe Market share split (UV) 66 % 73 % During whole timeframe PORTICE STATING	Forward margin	586,224	675,106	End of timeframe	
Market share split (UK) 65 % 73 % During whole timeframe clade office staffing level 100 % 118 % During whole timeframe clade office staffing level 100 % 118 % During whole timeframe clade office staffing level 100 % 118 % During whole timeframe clade office staffing level 100 % 118 % During whole timeframe clade to make staffing level in 100 % 118 % During whole timeframe clade to make staffing level in 100 % 118 % During whole timeframe clade to make staffing level in 100 % 118 % During whole timeframe clade to make staffing level in 100 % During whole timeframe clade timef	OVERHEAD MANAGEMENT				
Market share split (UK) Market share split (UV) 65 % 73 % During whole timeframe clead office staffing level 100 % 118 % During whole timeframe clead office staffing level 100 % 118 % During whole timeframe clease the test of the market share in the UK 90 primum level is 100% 90 primum lev	Market share	11 %	31 %	During whole timeframe	% of the overall new work in the market identified
Head office staffing level 100 % 113 % During whole timeframe Optimum level is 100% Opti	Market share split (UK)	35 %	27 %	During whole timeframe	% of the market share in the UK
PROCUEMENT Number of jobs bid for 12 39 During whole timeframe 70 During whole timeframe 8 During whole timeframe 9 During whole timeframe 8 During whole timeframe 9 During 9 Dur	Market share split (OV)	65 %	73 %	During whole timeframe	% of market share Overseas (outside the UK)
PROCUREMENT Number of jobs bid for 12 39 During whole timeframe Number of jobs won 5 20 During whole timeframe Number of jobs won 5 5 20 During whole timeframe Number of jobs won 5 5 20 During whole timeframe Number of jobs won 5 5 20 During whole timeframe Number of jobs won 5 5 20 During whole timeframe Number of jobs won 5 5 20 During whole timeframe Number of jobs won 5 5 80 During whole timeframe Number of jobs won 8 a % of jobs bid for N	Head office staffing level	100 %	113 %	During whole timeframe	Optimum level is 100%
Measurement staffing level 100% 118% During whole timeframe Number of jobs bid for 12 39 During whole timeframe Number of jobs won sa a % of jobs bid for 12 39 During whole timeframe Number of jobs won sa a % of jobs bid for 142% 51% During whole timeframe During whole timeframe Number of jobs won sa a % of jobs bid for 100 During whole timeframe Number of jobs won sa a % of jobs bid for 100 During whole timeframe Number of jobs won as a % of jobs bid for 100 During whole timeframe Number of jobs manager weighting 100 Number of jobs won as a % of jobs bid for 100 During whole timeframe Number of jobs manager seignations 100 Number of jobs manager seignations 100 Number of jobs finished early 100 Number of jobs finished late 100 Number of jobs finished late 100 Number of jobs finished late 100 Number of jobs manager	QHSE staffing level	100 %	118 %	During whole timeframe	Optimum level is 100%
Number of jobs bid for Number of jobs won 5 20 During whole timeframe Bidding success rate 42 % 51 % During whole timeframe Bidding success rate 42 % 51 % During whole timeframe Bidding success rate 42 % 51 % During whole timeframe Bidding success rate 42 % 51 % During whole timeframe Bidding success rate 42 % 51 % During whole timeframe Bidding success rate 42 % 51 % During whole timeframe Bidding success rate 42 % 51 % During whole timeframe Bidding success rate 42 % 51 % During whole timeframe Bidding success rate 42 % 721,369 During whole timeframe Bidding success rate 42 % 721,369 During whole timeframe Bidding success rate 42 % 21 % During whole timeframe Bidding success rate 42 % 22 % During whole timeframe Bidding success rate 42 % 22 % During whole timeframe Bidding success rate 42 % 22 % During whole timeframe Bidding success rate 42 % 22 % During whole timeframe Bidding success rate 42 % 22 % During whole timeframe Bidding success rate 42 % 22 % During whole timeframe Bidding success rate 42 % 24 % During whole timeframe Bidding success rate 42 % 24 % During whole timeframe Bidding success rate 42 % 24 % During whole timeframe Bidding success rate 42 % 24 % During whole timeframe Bidding success rate 42 % 24 % During whole timeframe Bidding success rate 42 % 24 % During whole timeframe Bidding success rate 42 % 24 % During whole timeframe Bidding success rate 42 % 24 % During whole timeframe Bidding success rate 42 % 24 % During whole timeframe Bidding success rate 42 % 24 % During whole timeframe Bidding success rate 42 % 24 % During whole timeframe Bidding success rate 42 % 24 % During whole timeframe Bidding success rate 42 % 24 % During whole timeframe Bidding success rate 42 % 24 % During whole timeframe Bidding success rate 42 % 24 % During whole timeframe Bidding success rate 42 % 24 % Bidding success rate 42 %	Measurement staffing level	100 %	118 %		Optimum level is 100%
Number of jobs won 2 didding success rate 42% 51% During whole timeframe 2 Jobs won as a % of jobs bid for 51	PROCUREMENT				
Bidding success rate 42 % 51 % During whole timeframe Jobs won as a % of jobs bid for Project manager weighting 8.0 9.3 During whole timeframe Project manager resignations 0 0 0 During whole timeframe lobs finished early 0 17 During whole timeframe lobs finished on time 0 5 During whole timeframe lobs finished ate neffective labour on site 0 2 % 2 % During whole timeframe lob completion efficiency 0 % 8 % During whole timeframe lobs constructor labour used on site 0 0 % 8 % During whole timeframe lob completion efficiency 0 0 % 0.7 % During whole timeframe lob constitution in job costs (build) due to targeted investments 0.0 % 0.4 % During whole timeframe Reduction in job costs (risk) due to targeted investments 0.0 % 0.4 % During whole timeframe Reduction in job costs (risk) due to targeted investments 0.0 % 0.4 % During whole timeframe Reduction in job costs (risk) due to targeted investments 0.0 % 0.4 % During whole timeframe Reduction in job costs (risk) due to targeted investments 0.0 % 0.4 % During whole timeframe Reduction in job costs (risk) due to targeted investments 0.0 % 0.4 % During whole timeframe Reduction in job costs (risk) due to targeted investments 0.0 % 0.4 % During whole timeframe Reduction in job costs (risk) due to targeted investments 0.0 % 0.4 % During whole timeframe Reduction in job costs (risk) due to targeted investments 0.0 % 0.4 % During whole timeframe Reduction in job costs (risk) due to targeted investments 0.0 % 0.4 % During whole timeframe Reduction in job costs (risk) due to targeted investments 0.0 % 0.4 % During whole timeframe Reduction in job costs (risk) due to targeted investments 0.0 % 0.4 % During whole timeframe Reduction in job costs (risk) due to targeted investments 0.0 % 0.4 % During whole timeframe Reduction in job costs (risk) due to targeted investments 0.0 % 0.4 % During whole timeframe Reduction in job costs (risk) due to targeted investments 0.0 % 0.4 % During whole timeframe Reduction in job costs (risk) due to targeted investments 0.0 % 0.4 % During who	Number of jobs bid for	12	39	During whole timeframe	
Project manager weighting Project manager resignations Net gain from bonus payments to project managers Substinished early Substinished and time Substinished late Substinishe	Number of jobs won	5	20	During whole timeframe	
Project manager weighting Project manager resignations puring whole timeframe Project manager resignations	Bidding success rate	42 %	51 %	During whole timeframe	Jobs won as a % of jobs bid for
Project manager resignations Or open definished project managers Or open designations Or open	JOB PROGRESSION				
Net gain from bonus payments to project managers 21,485 721,369 During whole timeframe lobs finished early 0 17 During whole timeframe lobs finished on time lobs finished late 0 0 0 During whole timeframe lobs finished late 0 0 0 During whole timeframe lobs finished late 0 0 0 During whole timeframe lobs considerated labour on site Subcontractor labour used on site O 0 8 8 W During whole timeframe lobs completion efficiency Reduction in job costs (build) due to targeted investments Reduction in job costs (build) due to targeted investments O 0 W O 4 W During whole timeframe Reduction in job costs (risk) due to targeted investments O 0 W O 4 W During whole timeframe Reduction in job costs (risk) due to targeted investments O 0 W O 4 W During whole timeframe Reduction in job costs (risk) due to targeted investments O 0 W O 1.1 W During whole timeframe Reduction in job costs (risk) due to targeted investments O 0 W O 1.1 W During whole timeframe Reduction in job costs (risk) due to targeted investments O 0 W O 1.1 W During whole timeframe Reduction in job costs (risk) due to targeted investments O 0 W O 1.1 W During whole timeframe O No contingency, 1=sensible level, 2=full risk cost As a W of the contingency in the bid Change in risk cost incurred due to mitigating factors 14.9 W O 14.7 W During whole timeframe O No contingency in the bid As a W of the contingency in the bid	Project manager weighting	8.0	9.3	During whole timeframe	Out of 10
Tobs finished early Tobs finished early Tobs finished early Tobs finished on time Tobs finished on time Tobs finished late Tobs finished early Tobs finished early Tobs finished early Tobs finished early Tobs finished either fining whole timeframe Tobs finished either finished late finished late finished late Tobs finished either finished late fi	Project manager resignations	0	0	During whole timeframe	Due to insufficient bonus levels or being headhunted
Tobs finished on time Tobs finished on time Tobs finished late Tobs finished on time Tobs finished late Tobs finished late Tobs finished on time Tobs finished late Tobs finished	Net gain from bonus payments to project managers	21,485	721,369	During whole timeframe	
To be finished late 0 0 0 0 During whole timeframe of the fective labour on site 2 % 2 % During whole timeframe of the following site 2 % 2 % During whole timeframe of the following whole timeframe	Jobs finished early	0	17	During whole timeframe	
Interfective labour on site 2 % 2 % During whole timeframe Subcontractor labour used on site 0 % 8 % During whole timeframe Subcontractor labour used on site 0 % 8 % During whole timeframe Subcontractor labour used on site 0 % 8 % During whole timeframe Subcontractor labour used on site 0 % 8 % During whole timeframe Subcontractor labour used on site 0 % 0.94 During whole timeframe Subcontractor labour used on site 0 % 0.7 % During whole timeframe Subcontractor labour used on site 0 % 0.7 % During whole timeframe Subcontractor labour used on site 0 % 0.7 % During whole timeframe Subcontractor labour used on site 0 % 0.7 % During whole timeframe Subcontractor labour used on site 0 % 0.7 % During whole timeframe Subcontractor labour used on site 0 % 0.7 % During whole timeframe 0 = No contingency, 1 = sensible level, 2 = full risk cost 1 % During whole timeframe 1 % 0 = No contingency in the bid 1 % Ouring whole timeframe 1 % O = No contingency in the bid 1 % Ouring whole timeframe 1 % O = No contingency in the bid 1 % Ouring whole timeframe 1 % O = No contingency in the bid 1 % Ouring whole timeframe 1 % O = No contingency in the bid 1 % Ouring whole timeframe 1 % O = No contingency in the bid 1 % O = No contingency in the bid	Jobs finished on time	0	5	During whole timeframe	
Subcontractor labour used on site 0 % 8 % During whole timeframe Subcompletion efficiency Subco	Jobs finished late	0	0	During whole timeframe	
To be completion efficiency Reduction in job costs (build) due to targeted investments Reduction in job costs (fisk) due to targeted investments Reduction in job costs (risk) due to targeted investments During whole timeframe D=No contingency, 1=sensible level, 2=full risk cost As a % of the contingency in the bid Puring whole timeframe D=No contingency in the bid Puring whole timeframe D=No contingency in the bid Puring whole timeframe D=No contingency in the bid	Ineffective labour on site	2 %	2 %	During whole timeframe	
Reduction in job costs (build) due to targeted investments 0.0 % 0.4 % During whole timeframe Reduction in job costs (risk) due to targeted investments 0.0 % 0.4 % During whole timeframe	Subcontractor labour used on site	0 %	8 %		As a % of total labour
Reduction in job costs (risk) due to targeted investments 0.0 % 0.4 % During whole timeframe For D&B jobs, change in build cost due to consultant designer 0.0 % 0.1 % During whole timeframe During whole timeframe 0=No contingency, 1=sensible level, 2=full risk cost During whole timeframe O=No contingency in the bid	Job completion efficiency	n/a	0.94	During whole timeframe	0 to 1, where 1 is the optimum level
Reduction in job costs (risk) due to targeted investments 0.0 % 0.4 % During whole timeframe For D&B jobs, change in build cost due to consultant designer 0.0 % 0.1 % During whole timeframe During whole timeframe 0=No contingency, 1=sensible level, 2=full risk cost During whole timeframe O=No contingency in the bid	Reduction in job costs (build) due to targeted investments	0.0 %	0.7 %	During whole timeframe	
Measure of risk contingency included in bids 1.0 During whole timeframe 0=No contingency, 1=sensible level, 2=full risk cost During whole timeframe 1.0 During whole timeframe O=No contingency, 1=sensible level, 2=full risk cost During whole timeframe O=No contingency, 1=sensible level, 2=full risk cost During whole timeframe	Reduction in job costs (risk) due to targeted investments	0.0 %	0.4 %	During whole timeframe	
Risk cost incurred before mitigating factors 53 % 71 % During whole timeframe As a % of the contingency in the bid 14.9 % -40.7 % During whole timeframe	For D&B jobs, change in build cost due to consultant designer	0.0 %	-1.1 %	During whole timeframe	
Change in risk cost incurred due to mitigating factors -14.9 % -40.7 % During whole timeframe	Measure of risk contingency included in bids	1.0	1.0		0=No contingency, 1=sensible level, 2=full risk cost
Change in risk cost incurred due to mitigating factors -14.9 % -40.7 % During whole timeframe	Risk cost incurred before mitigating factors	53 %	71 %	During whole timeframe	As a % of the contingency in the bid
	Change in risk cost incurred due to mitigating factors		-40.7 %		
	Risk cost incurred after mitigating factors		42 %	During whole timeframe	As a % of the contingency in the bid