



IOL (UK) Limited & Northgate Training
EXERCISES, GAMES & SIMULATIONS FOR MANAGEMENT DEVELOPMENT



The Gym

Business simulations don't need to be complicated! This brand-new activity allows teams to run a sports and leisure club over a 'three year' period. While challenging, it can be used at any level in a variety of applications.

Business Simulation

USE *The Gym* as a teamwork activity to give teams a 'business head' and test their commercial acumen, or use it to stress the importance of consensus decision-making and good planning. Other Trainers use it to get across the basics of financial accounts in a highly-motivating and subtle fashion! Others use it purely as a highly competitive, team activity – with a winning team at the end.

Learning Benefits

The lessons in *The Gym* apply to all businesses. Here are just some of them:

- keeping up appearances is important to business
- a sound financial base is crucial
- it is important to listen to your customers
- organisations cannot stand still
- innovation is crucial
- people are central to any business
- you have to speculate to accumulate

Trainers' Comments

Terrific simulation! Brought out peoples' hidden business skills and really tested their teamwork – at times putting the unity of the team under great pressure.

M. Tyndall, GA Training.

An excellent vehicle for sorting the 'management accountants' from the 'entrepreneurs'.

**P. Harlington ANSA
Business Development**

Timing	3-5 hours
Teams	2, 3 or 4 teams of 3 to 6 participants per team
Cost	£695 plus delivery and VAT

About the Activity

The Team Folder

Teams receive a **Team Folder** containing all the information required at the start. It describes a slightly run-down sports & leisure club including current membership levels, membership fees, staffing levels, salaries and customer comments.

The Gym Business Simulation

There are 14 pages in the Team Folder:

1 introduction	6 your task	11 analysis of accounts
2 fees	7 the winning team	12 balance sheet explained
3 the facilities	8 refurbishment	13 current profit & loss
4 the staff	9 outlook 1	14 current balance sheet
5 marketing	10 outlook 2	

Each period of the simulation the membership levels fall (members leave to join another club, or they get bored or they move away from the area). The teams' objective is to halt this exodus and to build membership levels by attracting new members. They must address a range of issues in order to develop an up-to-date facility that can offer the very best to their customers. The simulated period, in which to turn the business around, is 'three years' consisting of six rounds.

The First Set of Decisions

After teams have got to grips with the Team Folder they complete a **Decision Form** for Round 1 making decisions on:

- Members' fees
- Marketing spend
- Staff salaries
- Staffing levels
- Staff training budget
- Competitor information
- Refurbishment

The Trainer feeds team decisions into a single computer and printer to gain a report on business activity over the first six month period. The results for each team are printed out as follows:

- Profit & Loss Account
- Balance Sheet (optional)
- Feedback from members (to be ignored at the teams' peril!)
- Staff issues to address.

Team decisions are made for a further five rounds to cover the full three-year business period.

Developing the Business

Teams can also make decisions on the addition of new facilities such as tennis courts, squash courts, a drinks bar, a crèche. As their Bank Manager you, the Trainer, have the details of all the possible facilities, on sets of **Datacards**. You supply these to teams if they ask the right questions. No questions, no Datacards! Although these opportunities do emerge later from the computer it may be too late by then to steal a march on the competition. So *active* information-seeking is essential and evidence of entrepreneurial spirit.

It is you, as Bank Manager, who decides whether or not to loan teams money for business development. You may want to see a well thought-out business plan to be convinced!

Running a Session

1 Introduce the session using the PowerPoint. Issue teams with **Team Folder** and allow 1.5 hours for teams to study and discuss the contents and fill in a **Decision Form 1**.

2 Enter decisions into computer and print financial results and other messages – as well as the next Decision Form.

3 Teams study results and complete Decision Form 2. As teams are now familiar with their brief, this and further decision-making periods, should be no more than 30 minutes.

4 Hand out **Datacards** as required on possible new facilities, act as Bank Manager as required and input team decisions. Repeat this process for each period up to the sixth and last period.

5 Conduct a Debrief to hear how teams developed their business, draw out learning points (full **Trainer's Notes** supplied) and announce the winning team.

If you like *Going for Profit* and *The Wine Bar Game* then you'll love *The Gym*.

TO ORDER please contact

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