



Ferris Final Presentation

BY: JOSEPH MANDARA, DYLAN KILONZO, MATTHEW HUSTI, MILES MITCHEL,
SAMUEL COHEN

Business Structure



**Miles Mitchel – Chief
Production Officer**



**Matthew Husti –
Chief HR Officer**



**Joseph Mandara –
Chief Marketing
Officer**



**Dylan Kilonzo – Chief
Research Officer**



**Samuel Cohen –
Chief Finance Officer**

Table of Contents

- ▶ Business Structure - 2
- ▶ Overview - 4
- ▶ HR Policy - 5
- ▶ Organizational Culture - 6
- ▶ Year over Year Strategy - 7
- ▶ Highlights and Achievements - 15
- ▶ Emergency Loans - 16
- ▶ Industries - 17
- ▶ Competitor Analysis - 18
- ▶ Reflections - 19
- ▶ Lessons Learned - 20
- ▶ References - 21

Overview

- ▶ **Objective:** By using Capsim we have mastered Simulating and refining business strategies over 7 years seeing strong growth and competitive advantages.
- ▶ **Areas of Focus:**
 - ▶ **HR Policy:** How our workforce developed for our customers
 - ▶ **Organizational Culture:** How we unified our efforts to achieve success
 - ▶ **Year to Year Development:** Adapting to yearly market trends and customer needs.
 - ▶ **Competitor Analysis:** Finding opportunities to beat out rivals.
- ▶ **Summary:** We seized opportunity through market insight, financial analysis, operational efficiency in order to maximize our companies' profits

Team Roles. HR/Organizational Policy

TEAM ROLES

(List the different jobs to be done and who will do them; also appoint a team coordinator; members may have more than one role)

NOTE: you may organize by function (R&D, Marketing, Production, Finance) or by product segment (Traditional, Low, High, Performance, Size)

ROLES	JOB DESCRIPTION	TEAM MEMBER ASSIGNED TO ROLE
Marketing	Review marketing data and adjust next period decisions accordingly	Joseph Mandara
R&D	Review R&D data and adjust next period decisions accordingly	Dylan Kilonzo
Production	Review production data and adjust next period decisions accordingly	Miles Mitchell
Finance	Analyze Spending limits, control assets, and raise capital for the firm	Samuel Cohen
Human Resources	Review HR data and adjust next period decisions accordingly	Matthew Husti

HR POLICIES

How will you handle problems within the team? (i.e. if the team is not meeting objectives or finishing work on time)

How will you handle problems or poor performance by single members of the team? At what point might this be brought to the attention of the instructor? How will the single member be informed of the team's decision?

We work as a team and talk as a team. So, if problems occur, we could have meetings with each other to solve problems that occur.

So far this has not been an issue, however, if a single team member stops coming to our weekly meetings, by the second time we will be contacting the instructor. Without any member we will be at a severe disadvantage.

TEAM ORGANIZATION

How are decisions made? (majority vote, by team coordinator)	Individually, pending unanimous approval
When does team meet?	Tuesdays from 2:30-3:15 pm
How does team communicate between meetings?	Teams
What is your Team's code of conduct? (examples: listen respectfully, let all members speak, come on time and prepared to meetings, do individual work on time and to the best of abilities, communicate professionally, majority rules on major decisions)	We all make sure to listen to each other's ideas with an open mind. We have a weekly meeting in which we are all required to attend. If there are any questions about anything we ask each other and work through it.
What other policies would you like your Team to follow?	Be respectful when suggesting decisions from other departments and deliberate respectfully.

Organizational Culture

- ▶ Team Ferris followed a role-based structure where each member worked on a section of the company that best suited their skill set.
- ▶ What stood out:
 - Each group member had clear knowledge of their duties from week to week
 - That lead to tasks being done at an efficient rate and our team being able to send decisions in at a timely manner.
- ▶ Potential improvement point:
 - There could've been room for more flexibility and cross-functional collaboration between roles.
- ▶ Our team didn't suffer challenges as we often had a designated weekly meeting to go over our tasks.
 - All decisions behind individual tasks were talked over and we made sure to look over what we did before sending in our group decisions.
- ▶ At no point did we change our design as it worked the best for everyone and our weekly in person meetings made sure we maximized our time, skills and labor.

Initial Strategy

- ▶ With the practice round we had been very successful using a strategy of investing heavily in Marketing and the community early so for year 0 we decided to mimic that strategy.
- ▶ We decided to invest more in marketing early on as we already expected to be negative in our first year, so we wanted to gain as much notoriety as possible early on
- ▶ We wanted to save producing more, more expensive HR policies, and more funding for R&D for when we were already established as a brand and could afford to have a lower marketing budget.

Year 1 Strategy

- ▶ R&D
 - ▶ We decreased size and performance slightly to allow for higher reliability so our products would last longer
- ▶ Marketing
 - ▶ As it worked before, we decided to increase the sales and promo budgets further to gain traction early on
- ▶ Production
 - ▶ As we sold out before we decided to increase production incrementally
- ▶ Finance
 - ▶ We decided to issue a small dividend and donate 1% of the profit to work towards a better community score
- ▶ HR
 - ▶ We heavily invested in training, compensation and benefit packages, recruitment and retention, and did all the community programs to further push for a better community score

Year 2 Strategy

- ▶ R&D
 - ▶ Improved the Performance and Size for some products, specifically our top sellers Feat and Foam
- ▶ Marketing
 - As our biggest strength, we decided to decrease our spending to reallocate to other areas such as production and Human Resources
- ▶ Production
 - Increased production on all 5 goods, but invested heavily in our top sellers Fast and Feat. No change in capacity
- ▶ Finance
 - Issued \$5.5 million in stock to cover operating costs for the year, allowed for increases in production and improving employee score. Donated 1% of profits to charity as well as issuing a dividend of \$1.29
- ▶ HR
 - Kept heavy investment in training with a \$1,000 investment, while trying to increase our community score, completing all 5 community events

Year 3 Strategy

- ▶ R&D
 - ▶ Keeping the focus on making sure we match what customers want for different buying criteria with slight changes in some of the products' P, S and R.
- ▶ Marketing
 - ▶ Still being our biggest strength, we continued to lower spending and use it to relocate to other areas.
- ▶ Production
 - ▶ increased production in Fast one of our top sellers to closely match the investment made into Feat our top seller.
- ▶ Finance
 - ▶ Issued another \$5,500 in stock to cover operating costs for the year, allowed for increases in production and improving employee score. No dividends issued
- ▶ HR
 - ▶ Using year 2 results, we continued investments in training while trying to rise our community and employee score.

Year 4 Strategy

- ▶ R&D
 - ▶ Continuing the effort to match customer expectations by shifts in required important needs for all the products.
- ▶ Marketing
 - ▶ Due to its continued success, the budget would be adjusted for company allocation
- ▶ Production
 - ▶ Increasing production in all products as we saw that customers would buy out our products showing high demand
- ▶ Finance
 - ▶ Issued more stock with the same intentions as the previous year.
- ▶ HR
 - ▶ Raising recruitment & retention and training investments to increase employee score.

Year 5 Strategy

- ▶ **R&D:** Upgraded **Fast** and **Foam** for stronger reliability and performance, targeting Traditional and Low-End segments.
- ▶ **Marketing:** Increased promotions for **Fast** to acquire a stronger hold on the market share in the Traditional segment.
- ▶ **Production:** increased capacity for **Fast** to combat sell outs to meet rising demand.
- ▶ **Finance:** Issued \$20.1M in stock to fund plant improvements, ending with \$93.7M in cash.
- ▶ **HR:** Trained workforce to handle increased production efficiently

Year 6 Strategy

- ▶ **R&D:** Improved **Fast** and **Foam** reliability by adjusting size and performance to meet Traditional and Low-End customer needs.
- ▶ **Marketing:** Increased promotion for **Fast** and **Foam** to capitalize on high demand in core segments.
- ▶ **Production:** Expanded capacity for **Foam** and **Fast** to avoid stockouts and meet growing demand.
- ▶ **Finance:** Issued around \$20,000 in stock to fund plant investments; paid small dividends to reassure investors.
- ▶ **HR:** Launched training programs to upskill workers for automated production lines, ensuring consistent quality.

Year 7 Strategy

- ▶ R&D
 - ▶ Increase in Performance in Fast, Feat, Fist, and Foam
 - ▶ Lowered Size for Fast, Feat, Fist, and Foam
- ▶ Marketing
 - ▶ Increase in Price for Fast, Fist, Foam, and Fume
- ▶ Production
 - ▶ Production Order Decrease from Feat
- ▶ Finance
 - ▶ Issued \$3,300 worth of Stock
 - ▶ Gave a \$1.00 Dividend
- ▶ HR
 - ▶ Increase Training per Employee
 - ▶ Increase Recruitment and Retention

Highlights and Achievements



Achieving the highest Profits during the third and fourth fiscal year among competitors



Finished with the second highest stock price

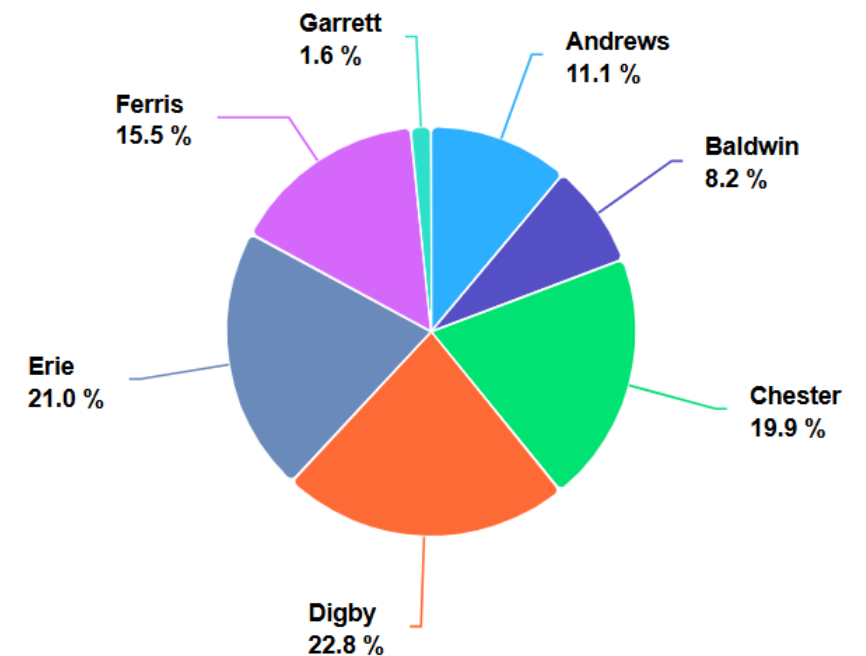
Emergency Loans

- ▶ We did not have to take out an emergency loan at any time during the simulation

Industries

- ▶ Round 0- 14.3% total MS
- ▶ Round 1- 15% total MS
- ▶ Round 2- 14.2% total MS
- ▶ Round 3- 14.3% total MS
- ▶ Round 4- 15.7% total MS
- ▶ Round 5- 17.1% total MS
- ▶ Round 6- 16.2% total MS
- ▶ Round 7- 15.5% total MS

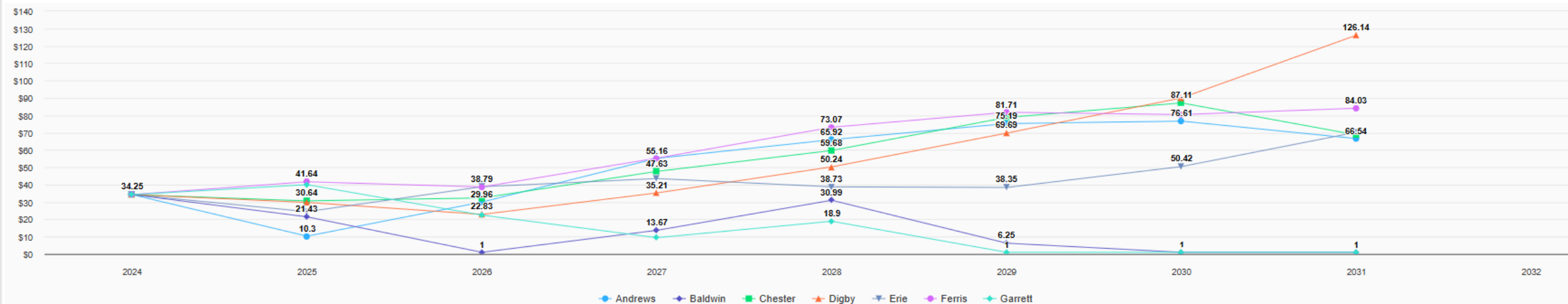
Market Share



Industries Pt.2

- ▶ Best Year was Year 5
 - ▶ Fast owned 21.2% of the Traditional Market Share
 - ▶ Feat owned 15.1% of the Low End Market
 - ▶ Once again, Ferris owned 17.1% of the total Market Share in Year 7

Stock Price



Competitor Analysis

- ▶ At the end of the simulation the market leader for both sales and profit per product category were calculated to be the same in each category, and are as follows:
 - Traditional – Daze
 - Low-end - Ebb
 - High-End - Duck
 - Performance - Edge
 - Size - Dune

Reflections

- ▶ Challenges:
 - ▶ Avoiding debt
 - ▶ Balancing production
 - ▶ Ability to Increase capacity
 - ▶ Keeping Contribution Margin in the 30% range
- ▶ Coordination:
 - ▶ Adjusting marketing budget to focus on production
 - ▶ Reducing areas such as HR, Marketing, and Production to avoid debt

Lessons Learned



How to manage production within a company



Balancing focus in multiple areas



Using R&D to fit our products to consumer needs



Managing current and long-term goals

References

- Capsim Reporting. (2024). *Capstone 2.0 courier report round 0*. Capsim.com.
<https://ww5.capsim.com/capsimplatform/report?simKey=626963&round=0&historyKey=0&teamName=Ferris&token=AFC144C8C76B737CA17B136BFB5C5AFA>
- Capsim Reporting. (2024). *Capstone 2.0 courier report round 1*. Capsim.com.
<https://ww5.capsim.com/capsimplatform/report?simKey=626963&round=0&historyKey=1&teamName=Ferris&token=AFC144C8C76B737CA17B136BFB5C5AFA>
- Capsim Reporting. (2024). *Capstone 2.0 courier report round 2*. Capsim.com.
<https://ww5.capsim.com/capsimplatform/report?simKey=626963&round=2&historyKey=0&teamName=Ferris&token=AFC144C8C76B737CA17B136BFB5C5AFA>
- Capsim Reporting. (2024). *Capstone 2.0 courier report round 3*. Capsim.com.
<https://ww5.capsim.com/capsimplatform/report?simKey=626963&round=3&historyKey=0&teamName=Ferris&token=AFC144C8C76B737CA17B136BFB5C5AFA>

References cont.

- Capsim Reporting. (2024). *Capstone 2.0 courier report round 4*. Capsim.com.
<https://ww5.capsim.com/capsimplatform/report?simKey=626963&round=4&historyKey=0&teamName=Ferris&token=AFC144C8C76B737CA17B136BFB5C5AFA>
- Capsim Reporting. (2024). *Capstone 2.0 courier report round 5*. Capsim.com.
<https://ww5.capsim.com/capsimplatform/report?simKey=626963&round=5&historyKey=1&teamName=Ferris&token=AFC144C8C76B737CA17B136BFB5C5AFA>
- Capsim Reporting. (2024). *Capstone 2.0 courier report round 6*. Capsim.com.
<https://ww5.capsim.com/capsimplatform/report?simKey=626963&round=6&historyKey=0&teamName=Ferris&token=AFC144C8C76B737CA17B136BFB5C5AFA>
- Capsim Reporting. (2024). *Capstone 2.0 courier report round 7*. Capsim.com.
<https://ww5.capsim.com/capsimplatform/report?simKey=626963&round=7&historyKey=0&teamName=Ferris&token=AFC144C8C76B737CA17B136BFB5C5AFA>

The background is a dark purple gradient. It features several light purple circles of different sizes. A small red rectangle is located in the top right corner. The text "Thank you!" is written in white on a light purple circular shape in the bottom left.

Thank you!