

GROUP DISCUSSION

Instructions

In this exercise, you assume the role of a division manager for Super Fun World™, a theme park in Pigeon Forge, Tennessee. You will take on a key role as part of a decision-making committee devising funding allocation for new attractions, as well as maintenance of existing attractions.

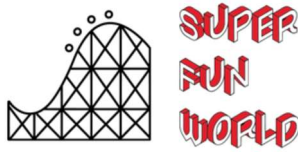
Super Fun World™ employs approximately 250 workers, distributed among the different divisions, with an average attendance of 4,000 people per day. A pioneer of theme park design, Super Fun World™ is best known for encouraging a nostalgic customer experience by precisely maintaining older wooden roller coasters with the aim of safety and historical preservation. Food, Beverage, and Retail is the most profitable division, and the park has long been well-regarded for their enormous smoked turkey legs.

You and the other committee members are to determine how to best spend a \$6,500,000 budget allocation for Winter 2019 off-season maintenance and improvements. Budget allocation for winter off-season improvements is conducted every year, as the park is usually closed for at least several weeks. Decisions from the previous year can be considered as part of the decision-making process.

The committee has collected concise budget allocation proposals from middle-level managers of each division. For a customer to enter a ride in each division, they must purchase a wristband for that group of rides. Therefore, each division's income is individually trackable. All customers may utilize Food, Beverage, and Retail attractions with no additional admission fee. Committee members are encouraged to make recommendations that are in the interest of their respective division but must prioritize the success of Super Fun World™ as a whole.

Because Super Fun World™ is a mature institution, space is limited. There exist two areas which can accommodate up to ten "attraction space units" each. New attractions must be placed in these areas but cannot exceed a total of eight attraction space units per area. The committee should prioritize their decisions based on provided information to optimize use of this space.

Enclosed, you will find a general description of the organization, copies of the proposal summaries, and a proposal evaluation form. You have 30 minutes to familiarize yourself with all the materials and complete the proposal evaluation form before the meeting begins. Once the meeting begins the committee will have 30 minutes to make a final allocation decision. The committee meeting will begin with an approximately 3-minute uninterrupted presentation by each committee member, each followed by an unstructured question - and answer opportunity for the other members. After this, whatever time remains should be utilized to form final decisions.



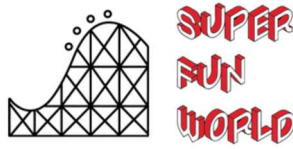
Super Fun World™ Background

Super Fun World™ is an amusement park located in Pigeon Forge, Tennessee. Founded in 1987, Super Fun World™ has been facilitating family-friendly fun for over 32 years. Themed areas within the park include a “Wild Waters” area dedicated to water-based fun, a “Thrills and Chills” area focused on adrenaline-pumping rides, and a “Children’s Fun Zone” which offers the smaller Super Fun World™ guests age appropriate rides and attractions. Super Fun World™ is visited annually by over 2.5 million guests of all ages, and is a huge attraction, but over the past three years attendance has been decreasing by roughly 5% each year. This is likely due to Fun Magic Land™, our neighboring competitor, which opened a new Roller Coaster in the 2017 season.

In preparation for the 2020 Super Fun World™ Park opening next April, the Board of Directors are requesting each of the managers from “Wild Waters”, “Thrills and Chills”, “Children’s Fun Zone”, as well as the manager of the Food, Beverage, and Retail Department to determine the most efficient use of a \$5.5 million investment made by an outside donor. Although the overall park attendance has been growing in recent years, there are several areas of the park that would benefit from updating and maintenance. The cracked parking lots are a source of great concern, as the number of complaints (from both customer and employee) have risen over the past two years. A new ride has not been introduced into the park in the past past three years, and Super Fun World™ guests frequently mention this on their comment cards.

In addition, the Food, Beverage, and Retail Department, one of the companies most lucrative departments, did not receive sufficient funding last year which resulted in a decrease in the overall Super Fun World™ revenue for the 2019 season. The “Tummy Trouble” Roller Coaster within the “Thrills and Chills” and the “Log Roll” in the “Wild Waters” are both top attractions within their respective areas, but require significant repairs. In addition, there are several new ride proposals that the Board of Directors have asked the Manager’s to review, discuss, and decide upon.

All decisions made by the Managers will be final, and supported by the Board of Directors. The goal is to revive Super Fun World™ before the April 2020 season, updating needed maintenance, existing rides, and integrating new rides and food vendors that will increase Super Fun World™ guest satisfaction.

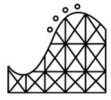


Basic Demographics

Seventy-eight percent of the guests that visit Super Fun World™ are from Tennessee, but an ever-growing portion of guests, currently 15%, come from Kentucky. Super Fun World™ has a goal to receive guests from all 50 states, and just last year the company reached 39 states. Fifty-seven percent of guests are under the age of 9 years old, with the remaining 43% being aged 9 and above.

There is a “Ride-o-Meter” next to all rides that indicates the required height an individual must be to ride the ride. Currently there are four general “levels” within the Super Fun World™ Park. The “Green Level” contains 65% of the rides in the “Children’s Fun Land” as well as 15% of the rides in “Wild Waters”. The second level, “Yellow Level”, comprises the remaining 45% of the rides within “Children’s Fun Land”, 30% of the rides in “Wild Waters”, and 10% of the rides in “Thrills and Chills”. The “Orange Level” includes 35% of the rides in “Wild Waters” and 30% of the rides in “Thrills and Chills”. The final level “Red Level”, contains 20% of the rides in “Wild Waters” and 60% of the rides in “Thrills and Chills”.

Currently, Super Fun World™ has several food vendors within each of the three Themed Areas of the Park. While we offer Pizza, Turkey legs, Cotton Candy, and Soft Drinks, the Board of Directors feels that we are underutilizing this potential large source of revenue. In addition, an increasing proportion of guests have indicated that they are vegetarian, and thus unhappy with the lack of vegetarian and vegan food options within the park.



Proposal #.: **01**

Subject: Parking Lot Repavement

Department: Grounds Maintenance

Funding: \$320,000

Summary: The current 30,000 sq/ft parking lot is in disrepair, with the last full pavement having taken place 14 years ago in 2005. We also have an average of 20% of customers parking in an additional 10,000 sq/ft unpaved overflow lot on weekend days, however this area's usefulness is reducing because of wear and tear - it's an eyesore already.

Currently, we are spending \$35,000 per year on parking attendants to direct parking customers around large potholes, through openings into the unpaved area, and into lines. A full repavement of the total 40,000 sq/ft parking area is recommended for longevity and will allow us to eliminate the parking attendant expenditure. This will cost approximately \$8 per sq/ft, plus leveling costs for the unpaved area.

However, a resurfacing could be an alternative funding decision, allowing us to prolong usage of only the currently paved area. Resurfacing will cost \$1.65 per sq/ft, totaling \$50,000. This will not fix the overflow issue but will allow us to postpone a full repavement for at least 5 years.

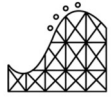
Budget: Full repavement:

Materials	\$200,000
Labor	\$120,000
	= \$320,000

Resurfacing Alternative

Materials	\$30,000
Labor	\$20,000
	= \$50,000

Attraction Space Units Required: 0



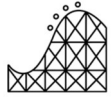
Proposal #.: **02**
Subject: New “Heart Stopper” Roller Coaster
Department: Attractions
Funding: \$1,500,000

Summary: The “Thrills and Chills” division has not received a new roller coaster in more than three years. Our closest neighboring Theme Park, Fun Magic Land™, unveiled a new ride, “Devil’s Backbone” two years ago with resounding success. If Super Fun World™ does not introduce a new ride for the upcoming 2020 season, more guests will defect to Fun Magic Land™, further reducing our annual revenue.

The Roller Coaster we are suggesting, “Heart Stopper,” is taller than any Roller Coaster within 500 miles, including our competitors at Fun Magic Land™. This ride would be listed in the “Ride-o-meter” as “Red Level” attracting daredevils from across the region. This attraction would provide the park with a much-needed boost in tickets, food and beverage purchases, and potentially merchandise. The resources needed for completion of the project include funding for the “Heart Stopper” designer, building materials, and construction funding.

Budget:	Design	\$150,000
	Materials	\$750,000
	Construction	\$600,000

Attraction Space Units Required: 7



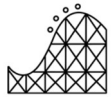
Proposal #.: **03**
Subject: **“Tummy Trouble” Servicing**
Department: **Maintenance**
Funding: **\$600,000**

Summary: “Tummy Trouble,” a long-time family favorite that has been operating for almost 15 years, is in desperate need of several cosmetic and service updates. These updates are critical if we wish for “Tummy Trouble” to continue being a revenue-driving ride. With the increase in “thrilling” and “chilling” rides at most Theme Parks (including Fun Magic Land™), we are in desperate need of not only developing and integrating new Roller Coasters, but also servicing and maintaining our current rides, particularly rides with such a large fan base.

The services and updates needed include new paint and sealant for the entire ride, including the rail system, cars, and entry buildings, as well as an updated track and lift chain for smoother take offs. These adjustments have been desperately needed for the past few years, but due to their not being in violation of our “minimum safety requirements,” they have not been addressed. This has resulted in a steady decrease in riders for “Tummy Trouble,” despite a consistent and steady show of support for the ride on the majority of comment cards collected. The servicing and maintenance require immediate attention, and it is our hope that you will designate appropriate funding so that we can save this landmark.

Budget:	\$50,000	Paint, Primer, Sealant
	\$100,000	Painting Labor
	\$350,000	New Track and Lift Chain
	\$100,000	Track and Chain Installation Labor

Attraction Space Units Required: 0



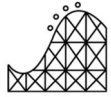
Proposal #.: **04**
Subject: Pretzel Truck chain, PretzCo™
Department: Food, Beverage, and Retail
Funding: \$150,000 - \$250,000

Summary: Pretzel Truck chain PretzCo has proposed a partnership with Super Fun Land, offering us discounted franchises of their pretzel-shaped PretzCo Advanced PretzTrucks. This funding will allow us to purchase and begin operation of two mobile PretzCo Advanced PretzTrucks on Super Fun Land property. Because of Super Fun Land's strong brand and reliable attendance, PretzCo is lowering the franchise fee per Advanced PretzTruck to \$125,000, assuming we commit to a minimum of two locations. Alternatively, they are offering truck-shaped PretzCo Standard PretzTrucks for \$75,000 per, with a minimum of two locations.

PretzCo Advanced PretzTrucks are fully self-contained, and include all food preparation on the truck - baking, salting, packaging, mustard stations, and sales. PretzCo Standard PretzTrucks do not include food preparation facilities, but are equipped to store, mustard, and sell products. Standard trucks have an additional warming oven that will allow the truck to stock twice as many pretzels for sale. Ingredients are supplied and delivered by PretzCo, enabling either of the PretzTrucks to be operated by a skeleton crew of only 4 employees per day.

Budget:	\$125,000	Per location truck and franchise fee - Advanced Model
	Or	
	\$75,000	Per location truck and franchise fee - Standard Model

Attraction Space Units Required: 1 unit per PretzTruck



Proposal #.: **05**
Subject: New children's "Play All Day" area
Department: Attractions
Funding: \$2,000,000

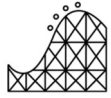
Summary: Parents want to enjoy the Super Fun Land™ attractions without being tethered to their offspring, and they're willing to pay for the freedom to roam. We are proposing a new possible revenue stream - a combination daycare and mini theme-park called "Play All Day" which will be an addition to the "Children's Fun Zone" division. This new service will require a moderate investment but will increase revenue for the entire park.

The "Play All Day" area will be located inside the walls of the park, so only people who have already paid admission will be allowed to utilize it. Parents will purchase the "Play All Day Pass" at the time of admission and drop their children off at the area. The "Play all Day Pass" is an additional 30\$ for one child or 50\$ for more than one child (limit 3 per family). After this, the children will be assigned to a group of children, with each group having two qualified attendants. Children will participate in a rotating menu of pre-scheduled activities and mini-attractions for the duration of their visit. Meals will not be served, so parents will need to return periodically to attend to their children. Parents will be required to provide contact information for emergencies.

Super Fun Land™ will implement an initial training program for new employees of the "Play all Day" area. These employees will go through rigorous safety and first aid training. Along with the training each employee is subject to an intense background check.

Budget:	Design	\$195,000
	Materials	\$800,500
	Construction	\$600,000
	Training Program	\$400,000

Attraction Space Units Required: 5



Proposal #.: **06**
Subject: Service the “Log Roll” water ride
Department: Maintenance
Funding: \$800,000

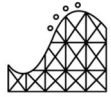
Summary: The “Log Roll” water ride is the ultimate ride of nostalgia. Parents and kids of all ages enjoy this ride with easy and safe excitement. A “Yellow Level” on the “Ride-o-Meter” makes this 6-minute ride an attraction for all families. The “Log Roll” is 1,980-foot long mountain ride with a theme of a 19th-century lumber camp. The ride winds through three different tunnels and finally culminates in a 51-foot free fall. As one of the top 5 visited rides in the park, this ride is in serious need of some updates.

New “log boats” will consist of part of the \$800,000 budget. The number of current boats that are in acceptable condition are much fewer than needed. On our busy days, Friday- Sunday, the number of boats cannot keep up with the number of riders. Currently, only 4 boats are in use. Unfortunately, the wait time on these days consistently reaches 60 minutes. During the busy hours, typically 7 boats is the minimum we need to have running to keep wait times low. At \$40,000 per boat we can invest in 10 new boats.

The second part of the budget will go towards buying two new water pumps. Maintenancing water pumps is imperative to the safety of all Super Fun Land™ “Log Roll” riders. These pumps cost 100,000 each.

Budget	10 New Boats	\$400,000
	Transportation & Delivery	\$100,000
	Water Pumps	\$200,000
	Installation	\$100,000

Attraction Space Units Required: 0



Proposal #.: 07
Subject: Ice Cream and Snack Shop, Ice Cream (And Hummus)Dreams™
Department: Food, Beverage, and Retail
Funding: \$395,000

Summary: Ice Cream (And Hummus) Dreams™ is a new and quickly expanding restaurant chain that is trending in New York City and San Francisco. This “scoop something into a shell and serve it” themed restaurant offers both vegetarian and vegan dining options. Coastal Yelp reviews and Instagram posts show that even meat-eaters enjoy the available fare.

Food offered includes 6 flavors of “Cool Coco” cow-free coconut-based ice cream, paired with optional sugar cones or pretzel cones. Traditional vegetable-based food is available at the chain as well, with the most popular offering being the “Yum Yum Hum Hum” hummus-pita sandwich platter. The restaurant would also include a highly profitable, locally sourced, “Bubbly Billy Bob” brand soda fountain.

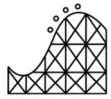
A branch opened last year in nearby Knoxville, TN. While that location has had a slow start, our captive crowds of non-carnivorous customers could create a commercial cacophony! All food items would arrive pre-prepared from the Knoxville branch, allowing us to benefit from low operating costs and quick training of new employees.

Our implementation of this plan includes placement of a prefabricated restaurant structure, which will only require utility hook-ups and staffing. Super Fun Land™ has a ton of hungry vegans to feed, and this could be the solution we’ve been looking for.

Budget:

Building	\$260,000
Utility installation	\$135,000

Attraction Space Units Required: 2



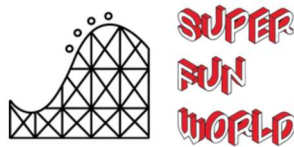
Proposal #.: **08**
Subject: New “Raging Rapids” water ride
Department: Attractions
Funding: \$2,200,000

Summary: Our “Wild Waters” area has consistently been a driver for ticket sales, with children and adults of all ages coming through the water park. In fact, at least 50% of our visitors come through and ride at least one Water ride during their visit to Super Fun World™. This suggests that investing in the “Wild Waters” area of the park, namely, by installing the new ride “Raging Rapids,” will be a boon for ticket sales. Due to the close proximity of the Games and Things, this will likely increase tickets and participation for the Game Booths as well.

“Wild Waters” has not installed a new ride in over seven years, and the existing rides are in a sorry state. Pigeon Forge gets very hot in the Summer. Offering a new ride here in the “Wild Waters” will take advantage of the intense heat waves Pigeon Forge can have during the summer months. With a new ride in this park area we can start promoting the “Wild Waters” Theme area within Super Fun World™ well before the summer season hits.

Budget:	Design	\$300,000
	Materials	\$1,000,000
	Construction	\$900,000

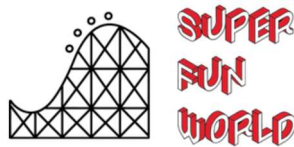
Attraction Space Units Required: 6



Proposal Evaluation Form*
Super Fun World™

Proposal	Title	Budget	Rating	Rank
01	Parking Lot Repavement	\$320,000	_____	_____
02	New “Heart Stopper” Roller Coaster	\$1,500,000	_____	_____
03	Service “Tummy Trouble” Roller Coaster	\$600,000	_____	_____
04	Install PretzCo™ Truck Chain	\$250,000	_____	_____
05	New “Play All Day” Children’s area	\$2,000,000	_____	_____
06	Service “Log Roll” Water ride	\$800,000	_____	_____
07	Open Ice Cream Dreams™ shop	\$395,000	_____	_____
08	New “Raging Rapids” Water ride	\$2,200,000	_____	_____

*Rate each proposal on a scale of 1 (low priority) to 8 (high priority). Then rank order each proposal from 1 to 8 with 1 being your favorite proposal and 8 being your least favorite.



Super Fun World™ 2018 Budget Allocation

Description	Cost
Service and Maintenance	\$194,000
Service to “Free Fall” Ride	\$75,000
Service to “Carousel” Ride	\$28,000
Service to Game Booths	\$37,000
Service to “Tilt’ a whirl” Ride	\$18,500
Update to emergency call system	\$12,000
Painting of Park Entryway	\$3,500
Painting of “Hippy Dippy” Ride	\$6,500
New trash and recycling bins	\$2,000
New park signs and maps	\$11,500
New Park Attractions/Development	\$750,000
New “Pretzel” Ride	\$450,000
New “Bouncy Bumble Bee” Ride	\$105,000
New Haunted House	\$125,000
New Miniature Petting Zoo	\$75,000
Labor Costs	\$6,360,000
Super Fun World™ Employees	\$5,350,000
External Contractors	\$1,010,000

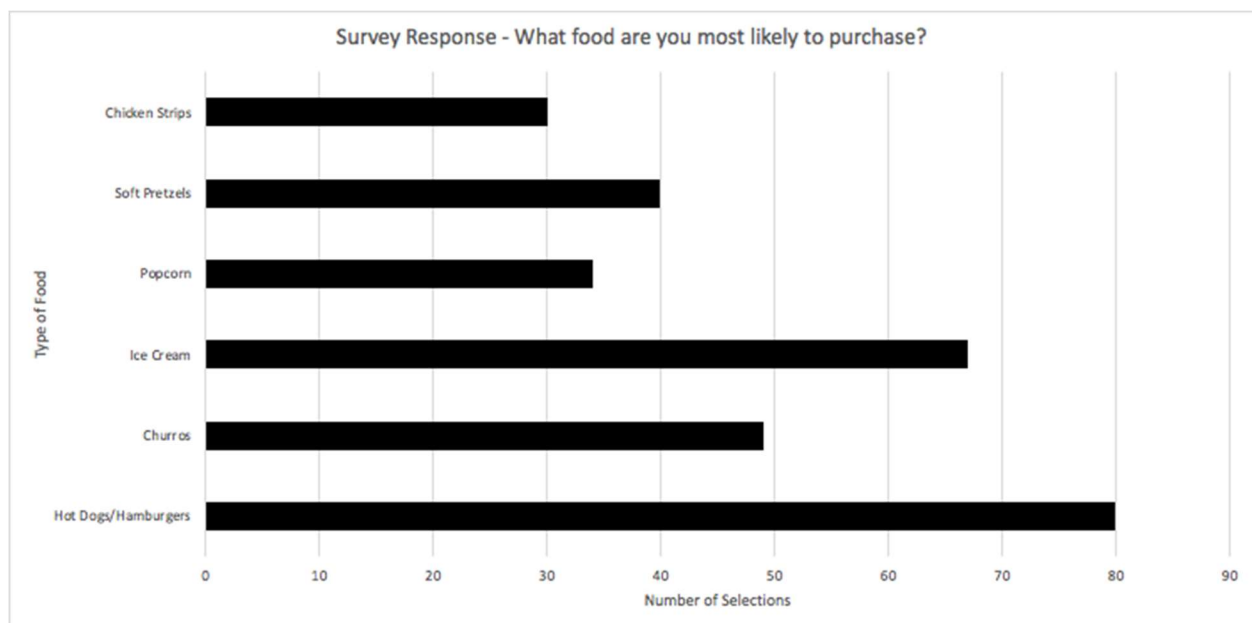
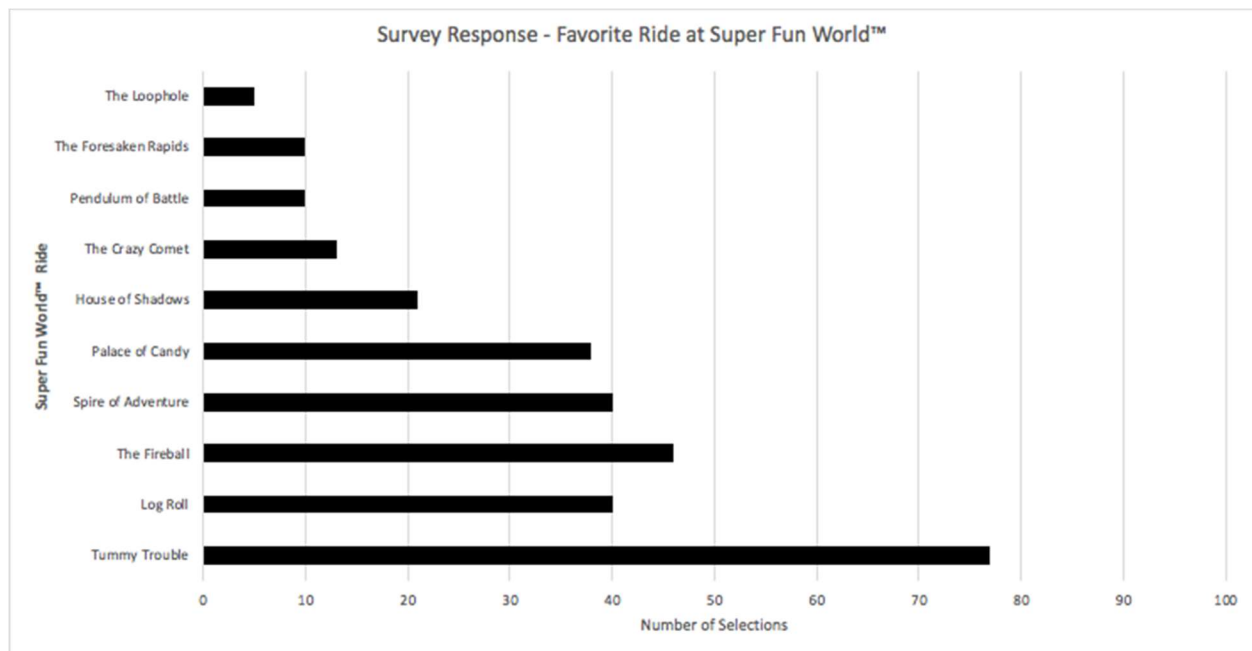
Super Fun World™ Current Ride Metrics

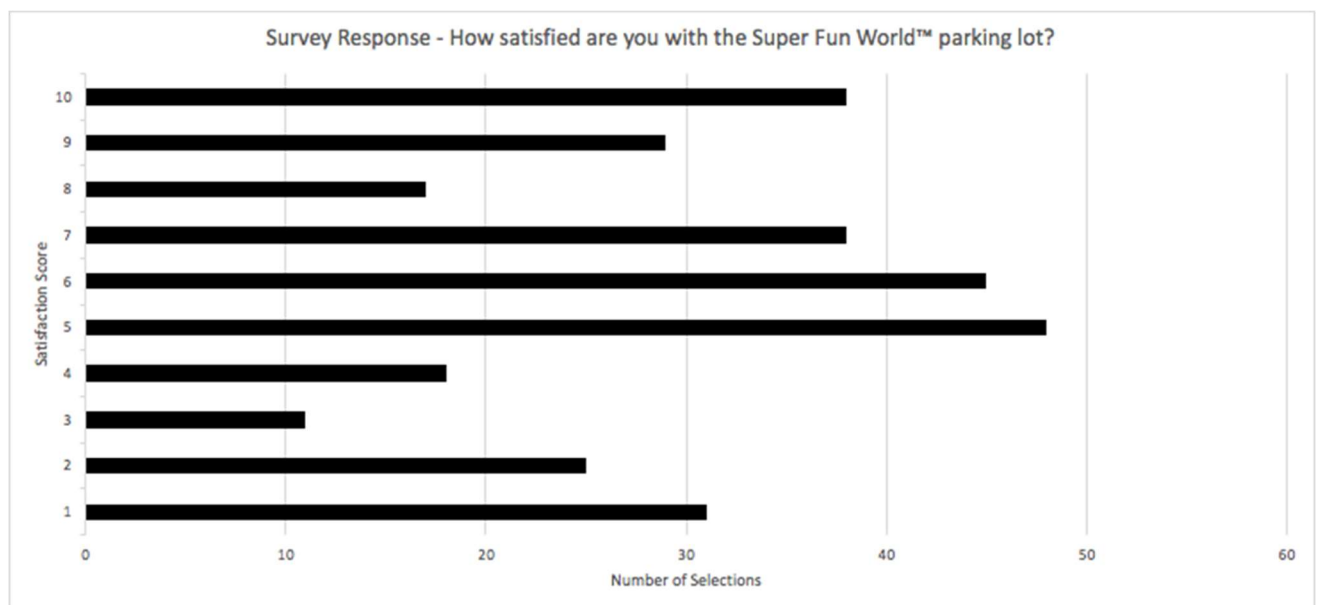
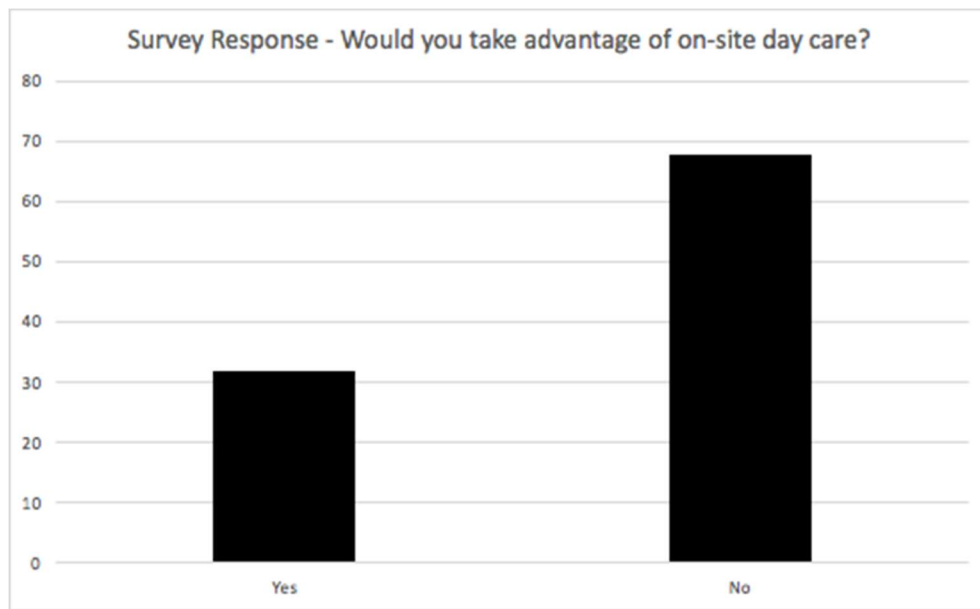
Ride	Ride-o-Meter Level	Average Daily # of Riders
Tummy Trouble	Green	7,898
Log Roll	Green	6,589
The Fireball	Red	6,378
Spire of Adventure	Orange	6,031
Palace of Candy	Green	5,890
House of Shadows	Orange	5,578
The Crazy Comet	Orange	5,490
Pendulum of Battle	Red	5,208
The Forsaken Rapids	Orange	5,167
The Loophole	Yellow	5,098
The Broken Bungee	Orange	4,987
The Beguiled Beast	Orange	4,887
The Jazzy Giant	Green	4,814
ElectroThunder	Yellow	4,796
The Baby Berzerker	Green	4,753
Splish-Splash	Green	4,545
The Wacky Wizard	Green	4,431
Poseidon's Revenge	Yellow	4,209
Mermaid Mountain	Green	4,156
Tsunami Surfer	Yellow	4,081
Spin Cycle	Orange	3,891

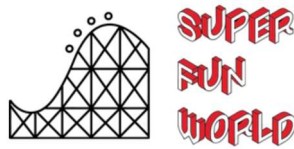
Super Fun World™ 2019 Survey Responses from Current Season Pass Holders

Survey

1. What was your favorite ride during your most recent trip to Super Fun World™ ?
2. What food type are you most likely to purchase the next time you visit Super Fun World™ ?
3. If you have young children, would you take advantage of a day-care facility at Super Fun World™ ?
4. On a scale of 1 – 10, how satisfied are you with the current Super Fun World™ parking lot?



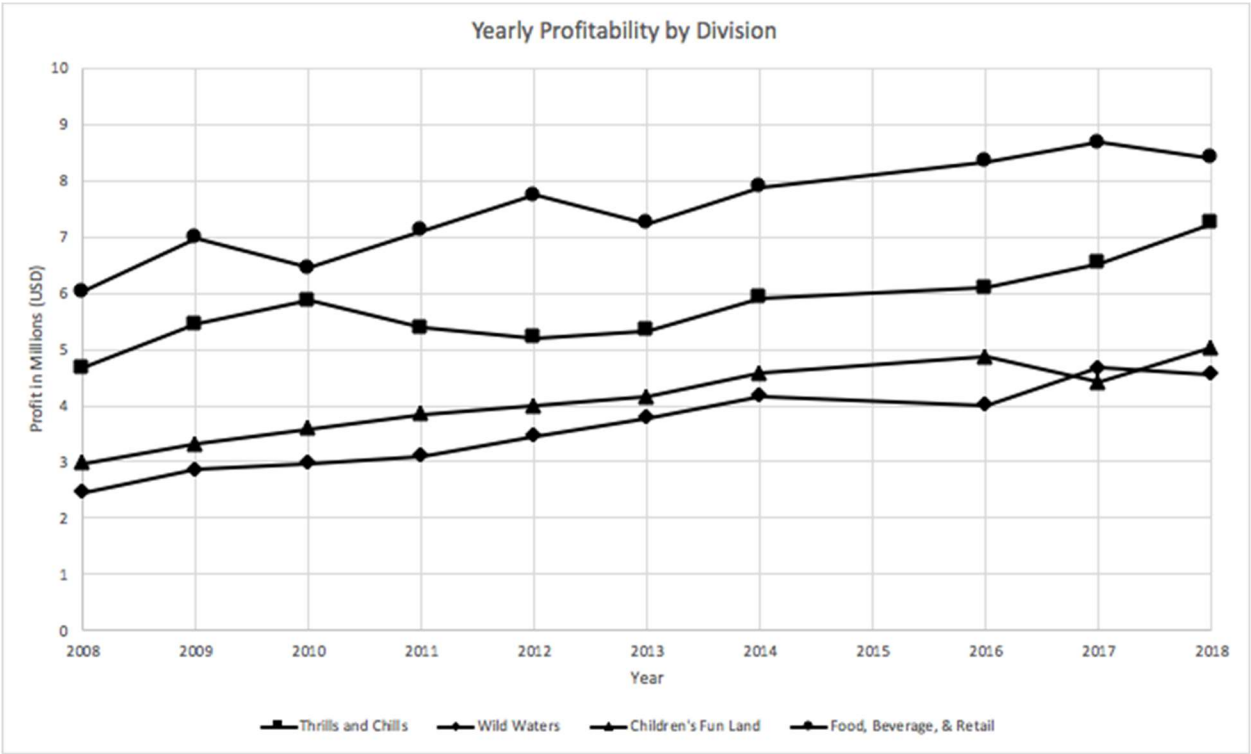




Super Fun World™ 2018 Food, Beverage, and Retail Revenue

Attraction	Type	Proximity to Closest Ride	Revenue
Chico's Chicken	Food & Beverage	41ft	\$79,560
Tony's T-shirt Stand	Retail	13ft	\$138,890
Cathy's Convenience Stand	Retail	38ft	\$95,680
Carl's Cotton Candy	Food & Beverage	79ft	\$48,900
Ida's Ice Cream Shop	Food & Beverage	65ft	\$78,470
Peppa's Popcorn	Food & Beverage	105ft	\$51,730
Cha Cha's Churros	Food & Beverage	20ft	\$39,980
Gary's Gifts	Retail	310ft	\$205,610
Total			\$844,750

Super Fun World™ Yearly Profitability by Divison



William Eddy, Beatrice DeMott, Ellen McAdams, Natalie French

To: “Thrills and Chills” Department Manager
From: Sally Seashell, Supervisor, Games and Things Division
RE: Funding Allocation Suggestion

Hello,

I wanted to thank you for meeting with me last week and agreeing to advocate for the new “Heart Stopper” Roller Coaster. It is my belief, as we discussed, that this new attraction will increase ticket sales, also increasing the number of guests that might stop by our Games and Things Booths throughout the park. The new Roller Coaster would serve as a beacon for our Midway, which is located right next to the “Thrills and Chills” area and contains a majority of our Booths. In addition, servicing “Tummy Trouble,” the classic family-favorite, would be enthusiastically supported by our customers, as feedback has shown. I believe that the new Roller Coaster, and the servicing of “Tummy Trouble,” will increase interest and attendance within the “Thrills and Chills” area, and thus, will increase sales within the Midway.

Thanks again!

-Sally

Assessment Center Note: You are the only Departmental Manager who has received this memo.

William Eddy, Beatrice DeMott, Ellen McAdams, Natalie French

To: “Food, Beverage, and Retail” Department Manager
From: Phillip Frenchly, Supervisor, Food and Beverage
RE: Funding Allocation Suggestion

Greetings,

I appreciated our discussion last week about the critical importance of Food, Beverage, and Retail sales to the Park’s overall revenue. It is my opinion, as we discussed, that we should have *more* food and beverage options, especially considering the increasing number of customers with dietary restrictions. I hope that you can advocate for the inclusion of as many new Food and Beverage additions as possible. As the Food, Beverage, and Retail department contribute to a substantial portion of the Park’s overall revenue, investing in new Food and Beverage options will increase revenue *and* customer satisfaction.

Best,

Phil

Assessment Center Note: You are the only Departmental Manager who has received this memo.

William Eddy, Beatrice DeMott, Ellen McAdams, Natalie French

To: “Wild Waters” Department Manager
From: Crystal Smith, Head of Design
RE: Funding Allocation Suggestion

Good afternoon,

I wanted to reach out and thank you for meeting with me last week. After our discussion, I believe we can make the necessary improvements happen within the “Wild Waters” park. This park attracts a majority of our customers between the months of June to September. As we discussed, both the addition of the new “Raging Rapids” water ride and the maintenance on the “Log Roll” water ride will boost ticket sales and attract people away from our competitors and across state lines.

As you know, the maintenance on the “Log Roll” requires new boats and updated water pumps. Once this gets underway the maintenance can happen within a month. However, the implementation of the new “Raging Rapids” ride will require more time. Because of this, it’s imperative we get the go ahead as soon as possible!

Best,
Crystal

Assessment Center Note: You are the only Departmental Manager who has received this memo.

William Eddy, Beatrice DeMott, Ellen McAdams, Natalie French

To: “Children’s Fun Zone” Department Manager
From: Rachel Ramos, Supervisor, Young Learners.
RE: Funding Allocation Suggestion

It was such a pleasure to speak with you last week regarding the importance of child-centered activities within Super Fun World™. As we discussed, I am thrilled that you will be advocating for the new Children’s “Play All Day” area which offers parents the opportunity to enjoy some of the “scarier” rides, while their young children enjoy fun games, rides, and educational activities. I am so excited about the flexibility this would provide our guests and am certain it will result in a significant boost to Super Fun World™ revenue.

Best,

Rachel

Assessment Center Note: You are the only Departmental Manager who has received this memo.
