



High Performance Banking

Board Member's Guide

Managing information technology, finance, marketing and operations of **TechniCar Autobank**

For internal use only!

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1 Purpose of this guide

Congratulations to your selection as member of the board of TechniCar Autobank. As Chief Information Officer (CIO), Chief Financial Officer (CFO), Chief Marketing Officer (CMO) or Chief Operations Officer (COO) you hold a central leadership position in our Bank. Your decisions will have strategic impact on our success as Motor Bank in a challenging market environment.

This guide will give you a general overview of TechniCar Autobank and its products, information on TechniCar's sales market and your strategic options.

We will give you a briefing on our expectations towards your specific roles in our company.

Finally, we will introduce our new and innovative electronic TechniCar Management Information System (TechniCar MIS) to you. This tool will help you to implement your strategy and evaluate its success.

We expect you to make the challenges our company faces your personal matter and lead your offices with energy, vision and skill of leadership.

2 Our enterprise

2.1 TechniCar Autobank: High Performance Banking

TechniCar Autobank was founded 1993 by “TechniCar: High Performance Cars” as captive to ensure our clients not only get the best cars for their needs but also tailor-made financial solutions along with it.

2.1.1 Organisation Structure

Our company consists of the following departments:

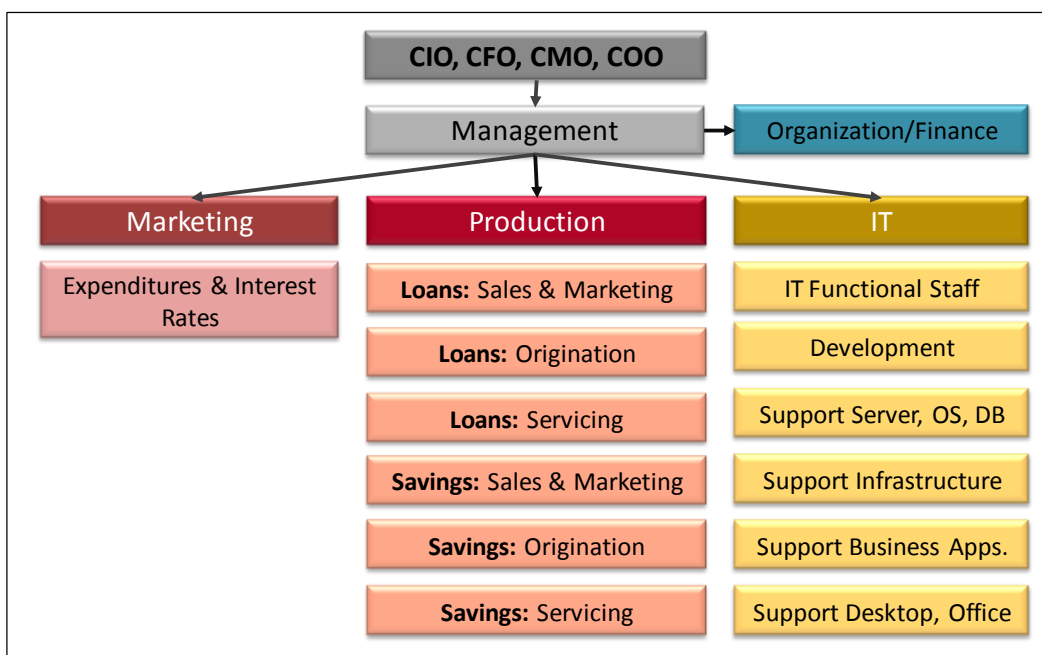


Figure 1: The organisation structure of TechniCar Bank

Business (Non-IT) departments are:

1. (Middle) Management
2. Organization
3. Marketing
4. Production

Because of the **two different products** (see next section) the production department consists of:

1. Product Loans: *Sales & Marketing*: Consulting and preparation of contracts
2. Product Loans: *Origination*: Contract conclusion
3. Product Loans: *Servicing*: Support for existing customers
4. Product Savings: *Sales & Marketing*: Consulting and preparation of contracts
5. Product Savings: *Origination*: Contract conclusion
6. Product Savings: *Servicing*: Support for existing customers

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7. The **IT department** is divided into:

1. IT Functional Staff: Work contracts, business trips
2. Development: Development of new applications
3. Support for Servers, Operating Systems (OS) and Databases (DB)
4. Support for the IT Infrastructure
5. Support for Business Applications
6. Support for Desktop PC's and Office Software

2.1.2 Product Portfolio

Our product portfolio consists of:

- **Car financing:** Loans specifically bound to car purchase
- **Savings account:** Savings of our customers, for which we will pay interest rates. In turn we can use the cash e.g. to grant car financing loans.

Our company employs about **1500 people**; About 100 of these are working at the time being in the IT-department.

During our reorganization in 1999 our **products were divided into three sub-processes**:

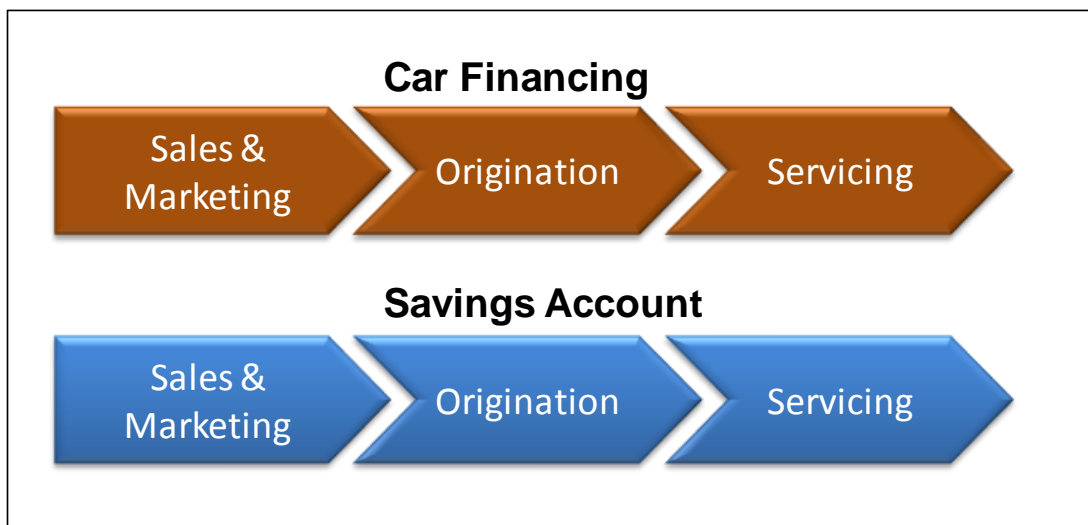


Figure 2: The product processes of TechniCar

Sales & marketing: We are the first point of contact to new customers. We offer detailed information and printed material about the product of interest to different potential customers. We fill out paper based application forms based on the information the customers gives us.

Origination: We transfer the latter named forms into an electronic format and verify specific information given in the form, e.g. the summary of the customer's current debt (in Germany it is called "Schufa"-database). Thereafter we provide a scoring of the customer, which determines the interest rate and fees stated in the offer. We will then hand out the final application forms to the customer for acceptance.

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Servicing: New and current contracts are processed by Servicing. We help our clients with after-sales services and serve as customer contact for resolving problems and questions concerning the financial products. Furthermore, we are handling expected contract termination, unexpected contract termination initiated by an unsatisfied customer or customers' non-ability to pay rates.

2.2 The current situation of our company

TechniCar Autobank's business has been relatively stagnant during previous years. After promising process reorganizations the top-level management has developed various projects but did not implement them. Top-management seemed to be very risk-averse to change. Our income from interest generated by car financing could hardly cover our rising costs for personnel and IT-infrastructure.

2.2.1 Net Income

We even had to report a **negative net-income** last year. Therefore, with approval of the supervisory board, our CEO released you as new member of the top-level management.

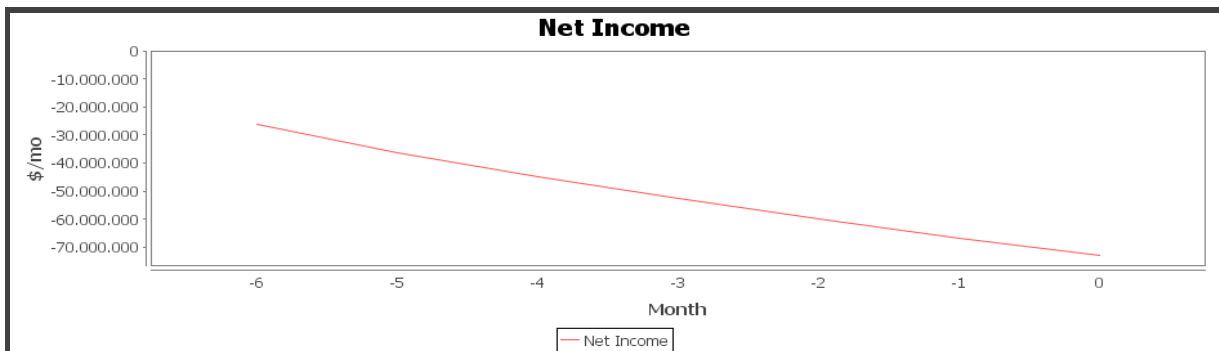


Figure 3: Our current Net Income

Financial Situation: Unlike industrial companies, banks generate their main profit through returns on interest, fees and trading. We are mainly focussed on fee and interest business by selling new loans, generating return on interest through car financing while paying interest on the savings deposits of our customers.

A surplus of cash-flow can be invested, a shortage of cash-flow is compensated in inter-banking transactions by injecting liquidity for a specific price (see below). At the time of writing, key interest rates are:

Retail banking:

- Car financing: 12,00 % pa
- Savings account: 3,00 % pa

Currently, these latter rates are market average.

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Inter-bank financing:

- Central bank advances: 18,00 % pa
- Repurchase agreements: 5,00 % pa
- Reverse repurchase Agreements: 5,00 % pa
- Bank loans (Assets) 6,00 % pa
- Bank loans (Liabilities): 11,00 % pa
- Treasury Bills: 4,00 % pa
- Treasury Bonds: 4,00 % pa

2.2.2 Balance Sheet

See below the current financial status via TechniCar MIS balance sheet:

Management Overview			
Balance Sheet Profit & Loss Statement Process Development Management Report			
Assets (Million \$)		Equity and Liabilities (Million \$)	
Current Assets	2.836,16	Liabilities	2.637,72
Short-/Medium-Term	805,00	Short Term	1.206,19
Cash Reserves	0,00	Central bank Advance	676,19
T-Bill Securities	277,50	Repurchase Agreements	530,00
T-Bond Securities	277,50	Medium Term	1.431,54
Reverse Repurchase Agreements	250,00	Bank Loans Liabilities	403,00
Long-Term	2.031,16	Customer Savings	1.028,54
Bank Loans Assets	360,00	Equity	209,76
Car Financing Loans	1.671,16	Shareholder's Equity	85,00
Fixed Assets	11,32	Retained Earnings	88,92
Other Assets	11,32	Revaluation Reserves	35,84
Sum Assets	2.847,48	Sum Equity and Liabilities	2.847,48

Figure 4: The Balance Sheet

The current inter-bank financing rates are stated for the CFO in **BSC & Resources >> CFO >> Resource Management**

See Figure 5 for inter-bank rates overview.

Balanced Scorecard and Resource Management
[Zurück zur Seite](#)

CIO
CFO
CMO
COO

Balanced Score Card
Performance Measurement
Performance Development
Resource Management

Save changes

Financial Planning					
Value	Actual	+	-	Notes	Forecast
Repos	530.000.000,00 \$	0,00	0,00	Interest Rate Repos 5,00 %/yr	530.000.000
Reverse Repos	250.000.000,00 \$	0,00	0,00	Interest Rate Reverse Repos 5,00 %/yr	250.000.000
Bank Loans Assets	360.000.000,00 \$	0,00	0,00	Interest Rate Bank Loans Assets 6,00 %/yr	360.000.000
Bank Loans Liabilities	403.000.000,00 \$	0,00	0,00	Interest Rate Bank Loans Liabilities 11,00 %/yr	403.000.000
Treasury Bills (T-Bills)	277.500.000,00 \$	0,00	0,00	Interest Rate Treasury Bills 4,00 %/yr	277.500.000
Treasury Bonds (T-Bonds)	277.500.000,00 \$	0,00	0,00	Interest Rate Treasury Bonds 4,00 %/yr	277.500.000

Save changes

Figure 5: Current inter-bank financing rates

2.2.3 Profit and Loss Statement

Our profits and losses during the last six-month period can be seen via TechniCar-MIS through our profit and loss statement.

The presented values are cumulated over the last six months.

See Figure 6.

Management Overview

[Zurück zur Seite](#)

Balance Sheet

Profit & Loss Statement

Process Development

Management Report

Indicator (Cumulated over the last 6 months)	Value (in \$)
Net interest revenues Headline	
Interest revenues	685.827.078,2
Interest expenses	579.328.015,7
Net interest revenues	106.499.062,6
Provision for loan losses	105.763.610,45
Net interest revenues after provisions for loan losses	735.452,15
Noninterest revenues Headline	
Net commissions & fees	41.277.456,15
Net trading revenues	66.600.000
Other revenues	0
Total non interest revenues	107.877.456,15
Noninterest expenses Headline	
Management Staff Expenses	32.099.245,3
Functional Staff Expenses	209.809.849,35
IT Staff Expenses	23.030.318,8
Marketing Expenses	23.760.000
IT Material Expenses	10.907.297,3
Other Expenses	46.640.753,7
Total noninterest expenses	346.247.464,55
Income before income tax expense	-237.634.556,25
Income tax expense	-71.290.366,85
Net income	-166.344.189,35

Figure 6: Profit & Loss Statement

2.3 Market information

Direct financing of cars is a considerably good business area in financial service business due to the enablement of close cooperation of the parties involved in a car purchase, information available (risk-/yield ratio) and valuation possibility of the security (car) involved:

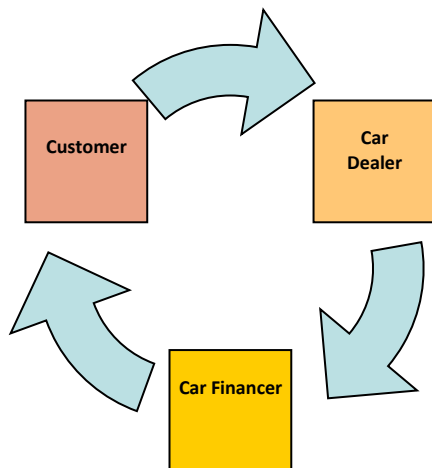


Figure 7: Strategic Alliance in Motor Banks

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TechniCar Autobank, HR Department

The strategic alliance between car dealer and motor bank makes it possible to offer integrated products and services (Figure 7). While this concept has been very successful in the past, adaptations will be necessary to strengthen our position in the competitive market. Especially when considering our losses last year, we need to strive for value creation, which cannot only be done by participating from market growth.

2.3.1 Competitors

In our market segments, we currently face **nineteen competitors**. Among the criteria important for customers' decisions are the interest rates of our two products as well as marketing expenses. (No need to remind that marketing expenses should be spent wisely to achieve the desired goals.)

Another important factor is the quality of servicing which affects customer satisfaction. We measure service quality by dividing the number of transactions actually finished through the number of actual transactions to be finished.

2.3.2 New Cars

The market of new cars financing consists of **270.000 new vehicle** registrations p.a. **30 %** of them are financed by motor banks such as TechniCar.

The latter given new vehicle registrations can be subdivided into the following price segments:

- 40 %: 20.000\$ in average per bank contract
- 50 %: 39.000\$ in average per bank contract
- 10 %: 50.000\$ in average per bank contract

Without the influence of marketing, contracts for these financings will be distributed rather equally among the competitors.

2.3.3 Savings accounts

Motor banking benefits from about **99.169.138.982 \$ per year invested into savings accounts** rising by the same rate per year as the "BIP", namely 3%.

3 Our board members

3.1 General obligations

Many of your decisions will be strategic nature. To help you monitor the success of your decisions and the projects initiated by you, controlling will provide you with a number of performance figures. We use a variation of the “Balanced Scorecard” (BSC) developed by Drs. Robert Kaplan (Harvard Business School) and Robert Norton.

While traditional controlling focuses on financial measures, which reflect past success, the Balanced Scorecard adds three more perspectives to help monitor our progress in implementing company strategy:

- The financial perspective
- The internal business process perspective
- The learning and growth perspective
- The customer perspective

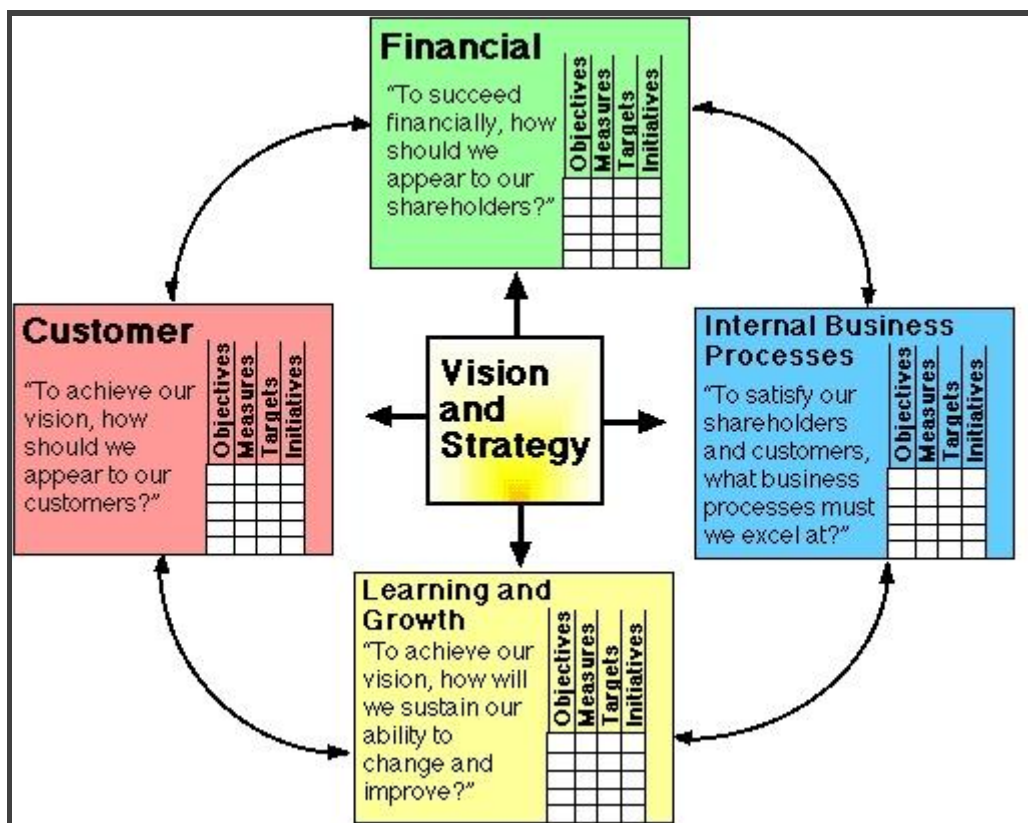


Figure 8: The Balanced Scorecard

The board has to set new BSC target values we want to reach (Figure 9). This is our typical procedure whenever we revise our company strategy.

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Processes		
Value	Target	Actual
Age of IT Server	<input type="text" value="0,00"/>	3,33 yr
Age of IT Storage	<input type="text" value="0,00"/>	4,79 yr
Age of IT Comm. Infrastructure	<input type="text" value="0,00"/>	4,83 yr
Age of IT System SW	<input type="text" value="0,00"/>	4,33 yr
Age of Bus.Apps. Marketing	<input type="text" value="0,00"/>	8,33 yr
Average Age of Desktops	<input type="text" value="0,00"/>	3,54 yr
Average Age of Office-SW	<input type="text" value="0,00"/>	5,30 yr
Variance Server Hardware	<input type="text" value="0,00"/>	8,00 yr ²
Variance of Comm. Infrastructure	<input type="text" value="0,00"/>	6,02 yr ²
Variance of System SW	<input type="text" value="0,00"/>	12,06 yr ²

Figure 9: Setting target values in the Balanced ScoreCard

3.2 Project Management with Work Packages (WP)

Throughout various strategy meetings, the board has prepared a number of subprojects (Work Packages) for accelerated approval procedure. Specifications for these work packages can be accessed via TechniCar MIS. (Human resources specifications are given as monthly values while other resource specifications are totals for the project duration).

This way, whenever situations make applying one of these projects expedient, implementation can be realized quickly and with minimal complications.

Giving an example, you may decide to consolidate our IT landscape in order to reduce the number of business applications, server and storage needed and therefore improve availability of IT, IT support, and process IT security.

Many work packages have already been prepared to achieve this goal. Work packages have duration of six months and total costs as well as detailed resource requirements, which have already been determined.

Please note!

To reach the strategic goals of a specific work package you need to

1. supply the human and technical resources in your company
2. allocate all of the required resources

This makes it easier for you to decide whether you want to pursue a certain work package and how you actually want to allocate personnel, external experts, server and storage capacity or utilization of communication and software application resources.

We measure our demand in workforce by FTE (Full Time Equivalent) where one FTE is equivalent to the workload that can be coped by one full time employee.

3.2.1 Overview of all Work Packages

In the overview of all work packages you can see the following details:

- **Project Status:**
 - Black Rectangle: Selectable
 - Red Rectangle with red cross: Locked, because of missing preconditions.
 - Green with check mark: Selected in the current round
 - Blue with check mark: Selected one of the last rounds
- **Short Name** of the work package
- **Name** of the work package
- **Effect Matrix** (small)
- **Cummulative Success:** The success of the work package cumulated over the rounds when you have activated the work package

Project Management						Zurück zur Seite
1-10	11-20	21-30	31-40	41-50	51-60	
Workpackages 1-10		Add Workpackage				
Status	Short Name	Name	Effect Matrix	Cumulative Success	Details	
<input checked="" type="checkbox"/>	WP001	Optimization of division of work amongst front- and backoffice		0,00%	More...	
<input type="checkbox"/>	WP002	Design of new slim processes		0,00%	More...	
<input checked="" type="checkbox"/>	WP003	Process automation by the use of Workflow Management Systems		0,00%	More...	
<input type="checkbox"/>	WP004	Optimisation of interfaces amongst Front- and Backoffice		0,00%	More...	
<input type="checkbox"/>	WP005	Definition of product standards		0,00%	More...	
<input checked="" type="checkbox"/>	WP006	Cross- und Upselling programme		0,00%	More...	
<input type="checkbox"/>	WP007	Customer retention programme		0,00%	More...	
<input type="checkbox"/>	WP008	CRM-Implementation		0,00%	More...	
<input type="checkbox"/>	WP009	Introduction of enhanced consulting tools		0,00%	More...	
<input type="checkbox"/>	WP010	Trainee programme for sales staff in order to cope with CRM- and consultingtools		0,00%	More...	

Figure 10: Overview of all work packages

3.2.2 Work Package Requirements

Every work package has its own requirements for human resources and IT. You have to allocate available resources for your selected work packages.

Please Note!

If you establish more resources for work packages than you have, the utilization of your resources will exceed 100 %.

The consequence will be that your work package will not reach the normal (full) success. In Figure 11 you see a screenshot of the project details with the resource allocation.

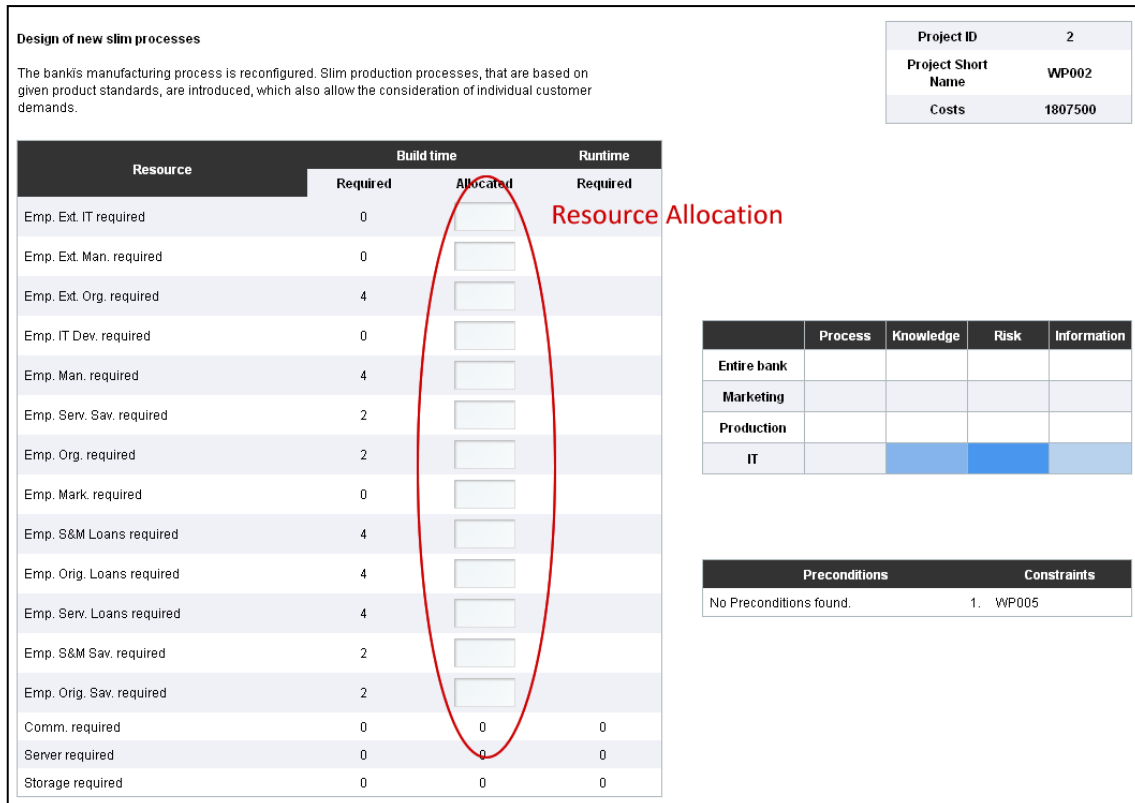


Figure 11: The detailed view of a work package (Section)

Some thorough considerations are necessary when choosing a project. E.g.:

- Are the project goals top priorities or just desirable?
- Can you reach the most important goals of the project by other means using fewer resources?
- Are there redundancies with other projects already selected?
- Which resources will you use? Are they available?

For instance, if you need to employ new personnel you should consider which tasks the new employees can fulfil when the project is finished. If you simply plan to release personnel when the project is finished, keep in mind that this will considerably increase costs in short term. Furthermore, frequent or large cutbacks on personnel will lead to discontent among your workforce and might therefore decrease productivity.

Personnel cutbacks should always be strategic long-term decisions.

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3.2.3 Strategic effects of Work Packages

The effects of a work package are presented in a performance matrix, which represents the different organizational units and the individual impact.

		No Effect		
	Process	Knowledge	Risk	Information
Entire bank				
Marketing				
Production				
IT				
		Medium Effect	Strong Effect	Weak Effect
	Preconditions		Constraints	
	No Preconditions found.		1. WP005	

Figure 12: The Performance Matrix of a work package

3.2.4 Project Dependencies

There are strong dependencies between some of the work packages.

Two different kinds of dependencies exist:

1. Preconditions
2. Constraints

Preconditions

If a work package has one or more preconditions, it can be started **not until** the preconditions have been realized successfully.

Example:

Before you are able to implement an ERP-system, you have to analyse your processes. If your process analysis has been prepared worse, also the dependent work packages will perform badly.

Constraints

Constraints are necessary for the **project success**. If a work package has constraints it can be started every time, but the effects will perform **not until all constraints have been realized** successfully.

Example:

If you have implemented an ERP-system, you need a training workshop for your employees. As long as you do not train your employees in the system, the system will not perform well.

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To get an overview of your strategic project planning, you can elaborate a “dependency tree” structure of your work packages (Figure 13).

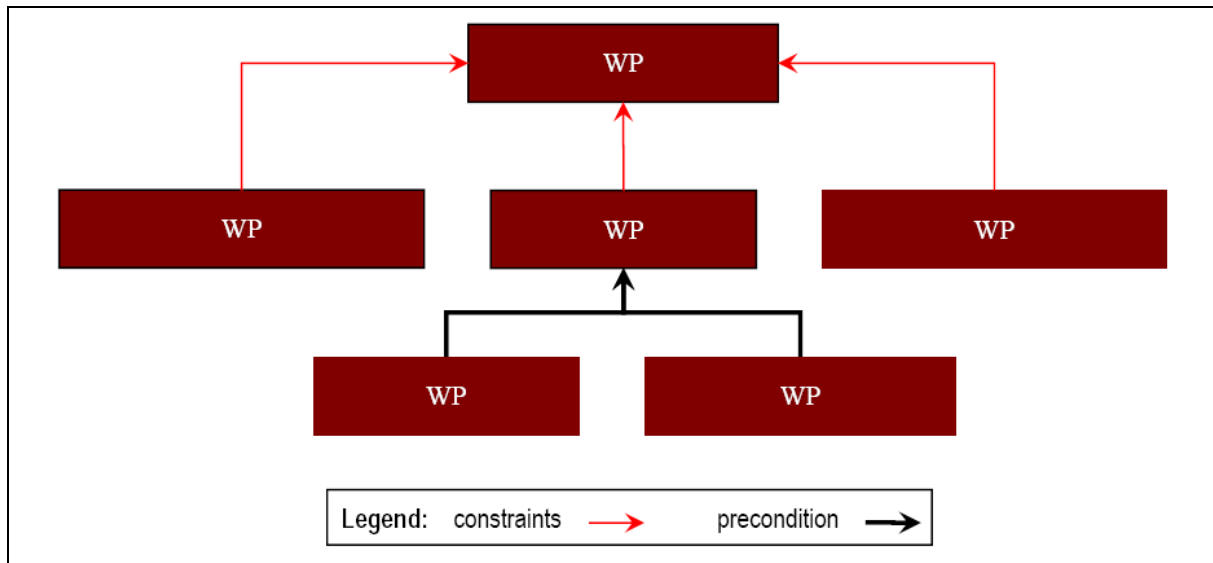


Figure 13: Example of a strategic „dependency tree“ structure

4 Special functions

You are expected to cooperate with each other to maximise company success. We advise you to read the sections concerning your colleague's functions as well as your own.

It is important to understand that maximising success of your own office might conflict with other offices. This could diminish the success of the company as a whole.

We expect you to harmonize your strategies to optimally meet the companies overall goals.

4.1 Our Chief Information Officer (CIO)

4.1.1 General

To help TechniCar Autobank making the most use of information technology, you are responsible for aligning the companies' technology deployment strategy with our overall business strategy.

This alignment-function requires a cross-functional approach understanding our business processes as well as having a superb overview on technology paired with a vision on future prospects in IT.

Your scope of authority comprises:

- IT-infrastructure and architecture
- Sourcing of IT related services (in-house or external)
- Application development
- Training for IT-users and IT-personnel
- IT-HR Management
- Strategic business relationships with IT-suppliers
- Providing technology to enable customers and partners to do business with us

4.1.2 Resources Overview

Business forecasts and projects require you to plan sourcing, reduction and use of various resources (all changes in resource planning take effect in the subsequent month):

- Employees:
 - IT Functional Staff
 - IT Development
 - IT Support: server and system
 - IT Support: infrastructure
 - IT Support: business applications
 - IT Support: desktop and office

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- Hardware and Software
 - Desktop computers and office applications for the various departments
 - Storage, server, communication and system software capacities

You need to take care that our employees are sufficiently equipped with desktop PCs and office applications. Older hard- and software increases failure rates and decreases productivity. It is therefore necessary to discard old hard- and software while obtaining new hard and software. This will decrease the average age of our IT-infrastructure.

On the other hand the variety between hard- and software acquired at different times increases the support-complexity, resulting in higher support demand. This will make proper support and maintenance more expensive.

The same applies to hard- and software in central IT.

4.1.3 IT Hardware and Software

Central IT-components you have to provide (expenses are depreciated in a degressive manner by 30%):

Component	Unit	Price (regular)	Price (short-term)	Costs (Scrap IT)
Server	MIPS (Million Instructions Per Second)	5,00 \$	-	-
Storage	TB (Terabyte)	600,00 \$	1000,00 \$	-
Communication infrastructure	TB/mo (Terabyte per month)	400,00 \$	-	-
Central system software	Licences	600,00 \$	-	-

- Server size is about 4000 MIPS per server
- Each server needs at least 5 licences to function properly

Please note!

The amount of **server-capacity and storage** needed depends on two factors:

- Basic load/storage capacity: Server load and used storage capacity that results from those processes that do not directly work on a single transaction.
- Transactions (TA): Server load and used storage capacity that result from a single transaction are multiplied by the number of transactions.

The same for the **communication infrastructure**:

A **basic transfer volume per month is needed** for processes that are independent of single transactions while each transfer needs additional capacity that makes the total transfer volume dependant on the number of transactions.

As you know, server load is not constant at one value over time, it varies with peak and low times. If you do not supply enough MIPS to keep up reasonable performance under load peaks, the amount of processable transactions will be affected. Transactions that cannot be processed properly, due to performance problems, will have to be reprocessed additionally in the subsequent month thereby reducing performance.

Another possible source of serious performance cuts is neglected maintenance of our IT-components.

If you have not provided enough storage for a six-month period, we must buy the needed amount from an external party with higher short-term prices.

We need business applications of high complexity to process our transactions. Changes on these can therefore only be implemented through thoroughly planned projects.

Decentral IT-components you have to provide (expenses are depreciated degressively by 30%):

Component	Unit	Price	Costs (Scrap IT)
Business applications	MLOC (Million Lines Of Code) per organisation	(Depending on project costs)	-
Desktops	PC	2500,00 \$	250,00 \$
Office software	Licences	300,00 \$	-

Each worker needs at least one PC while every PC needs five office licences to function properly. Otherwise, workers will be less productive because they have to share their desktop or their office applications.

At TechniCar Autobank, we believe that high performance begins in our thoughts. We have raised the efficiency of our storage and server communications capacities through various projects in the past and we are certain that we can do this again.

4.1.4 IT Employees

Our IT-personnel can roughly be classified into:

- Developers (exclusively needed for projects)
- Support staff (operation and maintenance of our IT-infrastructure):
 - Server and system-software
 - Infrastructure
 - Business applications
 - Desktop and office software

Each worker has a certain amount of

- Developer competence (where 100% equals our notion of an ideal developer)
- Support competence (where 100% equals our notion of an ideal support staff member)

Board Members Guide

TechniCar Autobank, HR Department

We need enough **Developers** for the realization of certain projects (only developers can work on IT-centric projects): Costs for Developers (at the time of writing):

- 77.500,00 \$ (annual salary)
- 1.000,00 \$ (costs for hiring)
- 33.800,00 \$ (compensation when we need to release an employee)

IT-support staff member cost (at the time of writing):

- 77.500,00 \$ (annual salary)
- 1.000,00 \$ (costs for hiring)
- 33.800,00 \$ (compensation when we need to release an employee)

External IT experts are available at once for:

- 312.000,00 \$ (annual salary)

4.2 Our Chief Financial Officer (CFO)

4.2.1 General

CFOs have a key role in guaranteeing the success of a company. For us as a bank it applies even more than in other enterprises. Most of the resources our bank needs, can be measured financially and you will have to decide if and how capital resources can be provided.

In addition, a high income is not worth a lot if we cannot manage costs/ expenses adequately.

Your reports about our current and our predicted future financial situation are critical key information needed by your colleagues.

4.2.2 Resources

Taking into consideration economical theories, our main resource is capital. You need to keep the balance between assets and liabilities. To achieve this you can:

- **Arrange repurchase and reverse repurchase agreements:** Repos, e.g. with the Federal Reserve Bank, help us to gain capital for short-term investments. We sell securities (e.g. stock) and agree to repurchase these at a higher price defined by the discount rate. On the other side, we use reverse Repos to gain securities, which helps us getting better conditions for long-term financing.
- **Plan granted and received bank loans:** As bank, we offer loans to help others financing their needs. In return, we receive an interest rate. In order to be able to raise the capital needed we have to receive money ourselves e.g. through bank loans, repurchase agreements or customer savings. The difference in the interest rates we pay and receive is our net income (or net loss, which should be avoided!).

- **Buy Treasury Bonds and Bills:** We also need to make short- and long-term investments. While Treasury Bills (T-Bills), issued by federal reserve banks are short-term investments with variable rates determined through a bidding process, Treasury Bonds (T-Bonds) are long-term investments with a fixed interest rate.
- **Plan cash reserves for car loans:** You need to plan the amount of cash reserves we will need to grant car loans. Keep in mind events like fluctuations in money received through savings accounts etc.

Please Note!

To keep the equation “assets = liabilities” at all times, the simulation automatically balances the difference either on the asset side as “cash” or on the liabilities in needed cash through expensive central bank advances.

Additionally, you need to keep track of our capital status, especially:

- **Shareholder’s equity:** The assets owned by our shareholders.
- **Retained earnings:** The amount of earnings we do not pay out in dividends but keep for investing.
- **Revaluation reserve:** These Reserves are necessary to balance losses caused by mandatory revaluation of our assets.

The TechniCar MIS helps you coping with those tasks. For detailed description, refer to the TechniCar MIS manual.

4.2.3 Budget

In order to be able to plan our budget you need to forecast our income for the next six-month period. You also define the target for our Cost Income Ratio (CIR). You assign the budget for our CIO, CMO and COO. To refine the budget you split several costs (e.g. administration cost for the IT-staff) among these three offices.

4.3 Our Chief Marketing Officer (CMO)

4.3.1 General

TechniCar Autobank is committed to offer High Performance products. That is why our marketing department is committed to 5Ps:

- **Product:** defining our products, product innovation, brand strategy and development.

- **Price:** setting our prices, planning promotional prices and special conditions, e.g. bundles. Especially our interest rates need to be planned carefully. Higher interest rates for savings accounts will increase the attractiveness of that product.
- **Promotion:** communicating the positive aspects of TechniCar Autobank, public relations, advertising strategies. E.g., we need to communicate the advantages of our products to potential customers.
- **Place:** distributing our products, defining and building up of our distribution channels.
- **Performance:** finding the best Marketing Mix. Seeing the interdependencies of the above 4P's and finding the best mix, constantly adjusting it to changing market situations will help us to reach our main goal: High Performance!

4.3.2 Resources

Your overall expenses result from your marketing expenses for car financing and marketing expenses for savings accounts. You can set these via TechniCar MIS.

Each **marketing employee** can only administer a certain budget (Marketing Budget). Therefore, if we raise the overall marketing budget we need to employ more marketing staff. Additionally, we can try to raise efficiency in marketing through adequate projects.

MIS also helps you defining our prices for car financing and customer savings. We may gain or lose customers based on the attractiveness of these interest rates but the more customer-friendly our rates are, the less income per customer we will have. You need to find the optimal rates where the income per customer multiplied with the number of customers is maximised.

The above would be true, if all customers were completely rational and totally informed. However, in reality other influences than rational consideration contribute to the customers decisions; marketing-instruments like promotion and advertisement can help competitors to gain customers even if our offers are better.

Customers do not always like to be confronted with naked numbers. That is why we have to gain their attention and trust.

4.4 Our Chief Operating Officer (COO)

4.4.1 General

It is hard work to make work easy. Our products are service oriented and you are responsible to make our services effective and efficient. You analyse our workflows, find actual and potential weaknesses and adapt or redesign working procedures to smooth out these weaknesses.

In that sense, we have consolidated both our products to be processed in three steps:

Board Members Guide

TechniCar Autobank, HR Department

1. Sales and marketing
2. Origination
3. Servicing

Our performance in processing transactions for our products depends on the interaction between personnel and technical equipment. We need the following resources:

- Process personnel
- IT support personnel
- Management in a reasonable ratio to personnel
- Administration in a reasonable ratio to personnel
- Supporting IT-components

4.4.2 Car financing in detail

Sales and marketing:

- Advise and inform potential customers
- Supplying potential customers with information and brochures

Origination

- Preparation of loan contracts
- Verifying creditworthiness
- Calculation of annuities
- Issuing of the loan-documents
- Contract conclusion

Servicing

- Service for existing customers
- Adminstrating premature contract expiration

4.4.3 Savings account in detail

Sales and marketing:

- Advise and inform potential customers
- Supplying potential customers with information and brochures

Origination

- Preparation of account opening (if necessary)
- Monitoring money transfers

Servicing

- Service for existing customers

4.4.4 Resources

Your main resources are **employees**. Always keep in mind that these are all human individuals that cannot be reduced or increased like other resources.

Your employees contribute time, work, ideas, competencies and more.

You need to be careful planning in a strategic manner our number of employees very thoroughly. If we do not have enough employees, our product quality will suffer making our services less attractive. Also under the heavy workload, failure rates will likely rise.

If we have too many employees, our costs will increase. In addition, motivation and productivity could decline when workers feel unchallenged.

Nevertheless, our flexibility in finding new or releasing current personnel is limited. Release of personnel raises short-term costs and may result in discontent among the workforce if practiced too often or in high numbers. Our ability to recruit new and adequately qualified employees however depends on the current situation of the personnel market.

Currently whenever we hire new personnel, they are available in the following month.

In many situations, especially for short-term and singular projects external expertise is the best instrument to increase our workforce. External experts are available at once, whenever we decide to rely on their service.

TechniCar MIS (refer to the TechniCar MIS manual) helps you to manage your employees enabling you to:

- Employ or release personnel and external experts
- Reassign employees to different departments wherever possible

Personnel (non-IT) (All costs according to company-average at the time of writing)

Position	Salary (annual)	Hiring costs	Compensation
Middle management:			
Management	120.000,00 \$	2.000,00 \$	60.000,00 \$
External	780.000,00 \$	-	-
Administration:			
Administration	77.500,00 \$	2.000,00 \$	60.000,00 \$
Administration IT	77.500,00 \$	1.000,00 \$	38.750,00 \$
External	520.000,00 \$	-	-
Marketing:			
Marketing	77.500,00 \$	1.000,00 \$	38.750,00 \$
Process workers:			
Sales and marketing (loans)	50.000,00 \$	500,00 \$	25.000,00 \$
Origination (loans)	50.000,00 \$	500,00 \$	25.000,00 \$
Servicing (loans)	50.000,00 \$	500,00 \$	25.000,00 \$
Sales and marketing (savings)	50.000,00 \$	500,00 \$	25.000,00 \$
Origination (savings)	50.000,00 \$	500,00 \$	25.000,00 \$
Servicing (savings)	50.000,00 \$	500,00 \$	25.000,00 \$

Board Members Guide

TechniCar Autobank, HR Department

To be productive we need the right proportion between middle management, administration and process workers.

Our **middle management** is needed to guide our process personnel. You have to estimate the management range for your company.

Our **administration** takes care of internal affairs like personnel administration, business trips, vacation etc.

Each **marketing staff member** can only administer a certain budget. Therefore, if we raise the overall marketing budget we need to employ more marketing staff. We can also try to raise efficiency in marketing through adequate projects.

Process workers can be reassigned (current reassignment costs: 500.00 \$) to other sub processes assuming their new position in the subsequent month.

Each process unit achieves certain efficiency. It is measured by the number of transactions per FTE per month. Projects can raise efficiency.

Additional factors that influence efficiency:

- Skill level
- Management – employee ratio
- Administration – employee ratio
- IT-availability
- IT-performance

Processing time:

Our capability to process transactions is measured by **processing time** in days (da) meaning the number of days we need to process 1 transactions.

Error rate:

The error rate is the percentage of faulty transactions. It depends on employee satisfaction and the quality of the process itself. Projects can raise process quality.

5 The TechniCar management information system (TechniCar-MIS)

5.1 Introduction

Our new electronic management information system (MIS) makes it easier for you to access information, plan your projects and monitor company progress.

5.2 Working with TechniCar-MIS

For making TechniCar-MIS easy-to-use and straightforward, all functions are accessible via a central user interface. You can activate it by opening the domain:

www.go4c.org

Your start screen appears as following:

TechniCar AUTOBANK

Enterprise Information

General information

Current period	0
Current date	19.11.2009

[Click to finish this period](#)

Management information

Management team

Testteam 2009-05-20 III

Team members

Matthias Baume
Hans Baume

CEO

Matthias Baume

Seminar information

Seminar

Seminar FH-Brandenburg SoSe 2009

Seminar start	Seminar end
19.5.2009	19.5.2010

Web Content Anzeige

Welcome to TechniCar MIS

The TechniCar Management Information System (MIS) gives you an overview of the entire company. Your roles are divided into four main decision areas:

CIO	CFO	CMO	COO
IT Budget	Financing	Marketing Control	Process Management
IT Investments	Earning Assets	Customer Consulting	Personnel Decisions
IT Knowledge	Balance Sheet Planning	Competitive Pricing	Knowledge Mgmt.
IT Personnel Decisions	Controlling	Mark. Project Mgmt.	Process Project Mgmt.
External IT Specialists	Ratio System Analysis	Ratio System Analyi	Ratio System Analysis
IT Project Mgmt.			
Ratio System Analysis			

Latest News

Latest News:

+++ NEW YORK (MarketWatch) -- Shares of Citigroup Inc. and Bank of America Corp. fell sharply Tuesday after The Wall Street Journal reported that the government may force the banks to raise capital. +++

Welcome to TechniCar

Figure 14: Start Screen in TechniCar MIS

You can navigate through our MIS using the menu on the top of the interface.



Figure 15: Main Navigation

5.2.1 General information about your management team and the company

To view general information and current time of the company please have a look at the left side of your user interface.

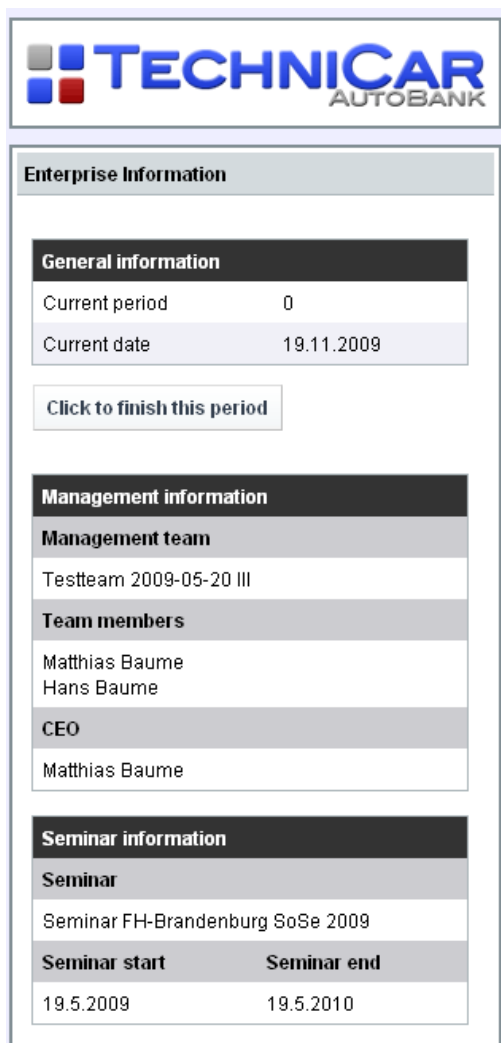


Figure 16. Information about your Management team and period

You also find information about the seminar there.

Seminar information	
Seminar	
Seminar FH-Brandenburg SoSe 2009	
Seminar start	Seminar end
19.5.2009	19.5.2010

Figure 17: Information about your seminar

5.2.2 Retrieving management information

In order to retrieve management information you click the **“Management Overview”**-button. You can view the following reports:

- Balance Sheet
- Profit & Loss Statement
- Management Report
- Process Development

5.2.2.1 Accessing the balance Sheet

After clicking the **“Management Overview”**-button you click the **“Balance Sheet”**-tab:

Management Overview			
<div> <div>Balance Sheet</div> <div>Profit & Loss Statement</div> <div>Process Development</div> <div>Management Report</div> </div>			
Assets (Million \$)		Equity and Liabilities (Million \$)	
Current Assets	2.836,16	Liabilities	2.637,72
Short-/Medium-Term	805,00	Short Term	1.206,19
Cash Reserves	0,00	Central bank Advance	676,19
T-Bill Securities	277,50	Repurchase Agreements	530,00
T-Bond Securities	277,50	Medium Term	1.431,54
Reverse Repurchase Agreements	250,00	Bank Loans Liabilities	403,00
Long-Term	2.031,16	Customer Savings	1.028,54
Bank Loans Assets	360,00	Equity	209,76
Car Financing Loans	1.671,16	Shareholderis Equity	85,00
Fixed Assets	11,32	Retained Earnings	88,92
Other Assets	11,32	Revaluation Reserves	35,84
Sum Assets	2.847,48	Sum Equity and Liabilities	2.847,48

Figure 18: Balance Sheet in TechniCar MIS

The left box shows current and fixed assets while the right box shows equity and liabilities. The balance sheet always shows the current financial situation.

5.2.2.2 Accessing the profit & loss statement

After clicking the “**Management Overview**”-button you click the “**Profit & Loss Statement**”-tab:

Management Overview

[Zurück zur Seite](#)

Balance Sheet

Profit & Loss Statement

Process Development

Management Report

Indicator (Cummulated over the last 6 months)	Value
Net interest revenues Headline	
Interest revenues	1.371.654.156,4 \$/mo
Interest expenses	1.158.656.031,4 \$/mo
Net interest revenues	212.998.125,2 \$/mo
Provision for loan losses	211.527.220,9 \$/mo
Net interest revenues after provisions for loan losses	1.470.904,3 \$/mo
Noninterest revenues Headline	
Net commissions & fees	82.554.912,3 \$/mo
Net trading revenues	133.200.000 \$/mo
Other revenues	0 \$/mo
Total non interest revenues	215.754.912,3 \$/mo
Noninterest expenses Headline	
Management Staff Expenses	64.198.490,6 \$/mo
Functional Staff Expenses	419.619.698,7 \$/mo
IT Staff Expenses	46.060.637,6 \$/mo
Marketing Expenses	47.520.000 \$/mo
IT Material Expenses	21.814.594,6 \$/mo
Other Expenses	93.281.507,4 \$/mo
Total noninterest expenses	692.494.929,1 \$/mo
Income before income tax expense	-475.269.112,5 \$/mo
Income tax expense	-142.580.733,7 \$/mo
Net income	-332.688.378,7 \$/mo

Figure 19: Profit & Loss Statement

The profit and loss statement always shows the cumulated values for the last six-month period. Some of these charts are explained here:

- **Net Commissions and Fees:** Fees customers paying after signing the contract.
- **Net trading revenues:** Profit generated by trading bonds.

5.2.2.3 Accessing the Management report

After clicking the “Management Overview”-button you click the “Management Report”-tab:

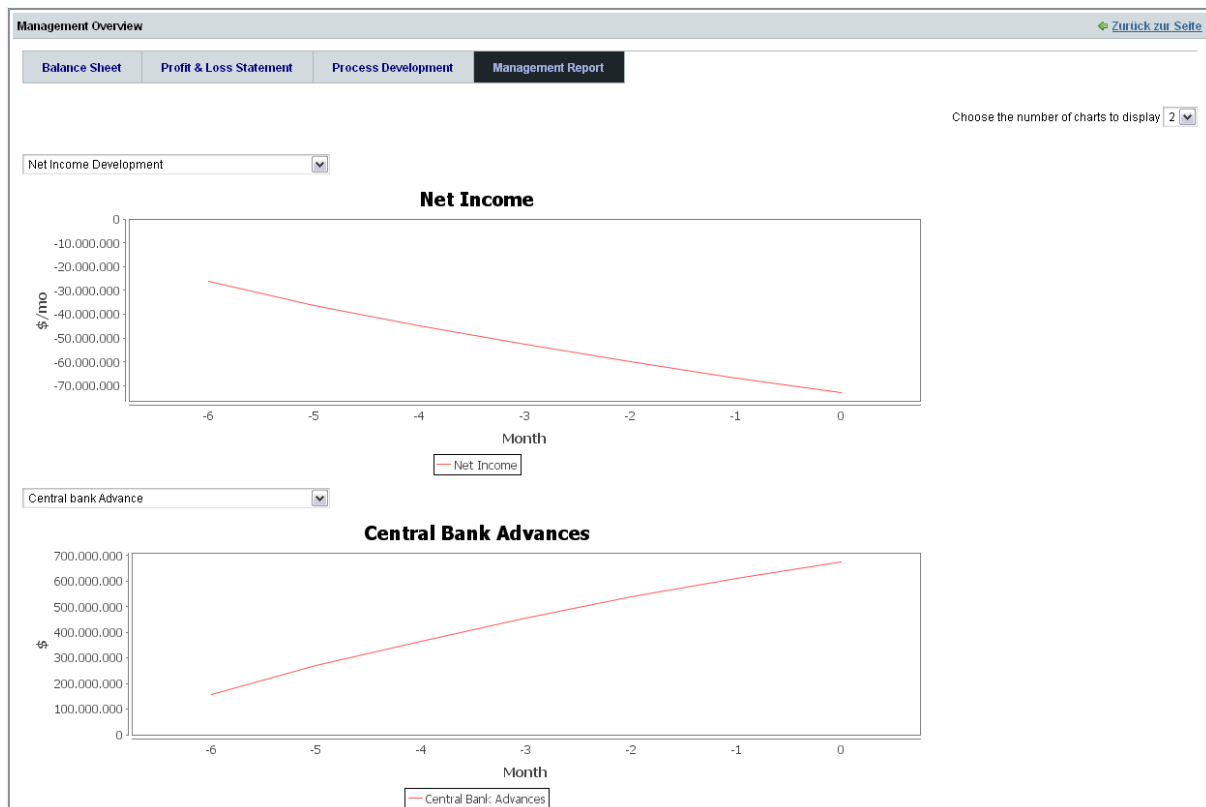


Figure 20: The graphical presentation of business ratios and their history

Please use the drop down menu for business ratios like:

- Net income development
- Cost income ratio (CIR)
- Number of employees
- Skill level
- Satisfaction of employees
- IT cost income ration (IT CIR)
- Availability of IT

5.2.2.4 Accessing the Process Development

Click on the “Process Management” – tab for a detailed overview of the process situation:

Management Overview

[Zurück zur Seite](#)

Balance Sheet

Profit & Loss Statement

Process Development

Management Report

Car Financing

Sales & Marketing		Origination		Servicing	
Value	Current	Value	Current	Value	Current
Requests to be processed LowPriceCars	15.864,4 TA/mo	Contracts to be processed LowPriceCars	14.831,2 TA/mo	Service Transactions to be processed	200.539,8 TA/mo
Requests to be processed MidPriceCars	19.830,5 TA/mo	Contracts to be processed MidPriceCars	18.539,1 TA/mo	Service Transactions succeeded	166.217,5 TA/mo
Requests to be processed HighPriceCars	3.966,1 TA/mo	Contracts to be processed HighPriceCars	3.707,8 TA/mo	Error Rate	0,1 %
Requests succeeded LowPriceCars	14.831,2 TA/mo	Contracts succeeded LowPriceCars	-	Servicing Quality	0,8 %
Requests succeeded MidPriceCars	18.539,1 TA/mo	Contracts succeeded MidPriceCars	-	Empl. in Process Step	212,2 FTE
Requests succeeded HighPriceCars	3.707,8 TA/mo	Contracts succeeded HighPriceCars	-	Employee Utilization	1,0 %
Error Rate	0,1 %	Error Rate	0,1 %	Employee Satisfaction	0,8 %
Sales & Marketing Quality	0,9 %	Origination Quality	0,9 %	Employees leaving	-
Employees in Process Step	174,5 FTE	Employees in Process Step	202,3 FTE	PCs in Department	134,3 PC
Employee Utilization	0,8 %	Employee Utilization	0,5 %	Office Automation in Dept.	690,0 LI
Employee Satisfaction	0,9 %	Employee Satisfaction	0,7 %	Business Apps. used by Dept.	105,2 MLOC
Employees leaving	-	Employees leaving	-		
PCs in Department	97,7 PC	PCs in Department	131,4 PC		
Office Automation in Dept.	500,0 LI	Office Automation in Dept.	675,0 LI		
Business Apps. used by Dept.	97,8 MLOC	Bus. Apps. used by Dept.	111,0 MLOC		

Figure 21: Process overview (section)

5.2.3 Managing projects

Click the **“Project Overview”**-button to manage the banks projects. After clicking the button all projects that are currently pursued by TechniCar Autobank are listed.

You can view project details and start new projects by clicking on the term **“More Details”**.

Project Management					
<div> <div>1-10</div> <div>11-20</div> <div>21-30</div> <div>31-40</div> <div>41-50</div> <div>51-60</div> </div>					
Workpackages 1-10			Add Workpackage		
Status	Short Name	Name	Effect Matrix	Cumulative Success	Details
<input checked="" type="checkbox"/>	WP001	Optimization of division of work amongst front- and backoffice		0,00%	More...
<input type="checkbox"/>	WP002	Design of new slim processes		0,00%	More...
<input checked="" type="checkbox"/>	WP003	Process automation by the use of Workflow Management Systems		0,00%	More...
<input type="checkbox"/>	WP004	Optimisation of interfaces amongst Front- and Backoffice		0,00%	More...
<input type="checkbox"/>	WP005	Definition of product standards		0,00%	More...
<input checked="" type="checkbox"/>	WP006	Cross- und Upselling programme		0,00%	More...
<input type="checkbox"/>	WP007	Customer retention programme		0,00%	More...
<input type="checkbox"/>	WP008	CRM-Implementation		0,00%	More...
<input type="checkbox"/>	WP009	Introduction of enhanced consulting tools		0,00%	More...
<input type="checkbox"/>	WP010	Trainee programme for sales staff in order to cope with CRM- and consultingtools		0,00%	More...

Figure 22: Overview of all Work Packages (Section)

Board Members Guide

TechniCar Autobank, HR Department

Go4C – The Top-Level Business Game

Project Management
[Zurück zur Seite](#)

Process automation by the use of Workflow Management Systems

Assignment of Workflow-supported applications, that perfectly support re-defined and standardized business processes and enable their fast, without any delay procedure.

Project ID	3
Project Short Name	WP003
Costs	1639500

Resource	Build time		Runtime
	Required	Allocated	Required
Emp. Ext. IT required	2		
Emp. Ext. Man. required	0		
Emp. Ext. Org. required	2		
Emp. IT Dev. required	12		
Emp. Man. required	4		
Emp. Serv. Sav. required	0		
Emp. Org. required	2		
Emp. Mark. required	0		
Emp. S&M Loans required	0		
Emp. Orig. Loans required	0		
Emp. Serv. Loans required	0		
Emp. S&M Sav. required	0		
Emp. Orig. Sav. required	0		
Comm. required	100	100	50
Server required	2.000	2.000	0
Storage required	0	0	0

	Process	Knowledge	Risk	Information
Entire bank				
Marketing				
Production				
IT				

Preconditions		Constraints	
1. WP002		1. WP026	
2. WP022			

[Edit](#)
[Delete](#)
[<< Back to Overview of Workpackages](#)

Figure 23: Detailed view of a Work Package

Here you can see project details like:

- Project ID
- Involved Costs
- Required Resources for the build time and run time of the work package
- Positive effects for the company

You can allocate resources for the project in the **“Resources”**-list. The first column describes the resource while the second column shows the resources required optimally.

To change the actual resource allocation, you fill in the numbers in column three.

Note that a minor value of allocated resources decreases the positive project effects.

The effect matrix on the right gives you an insight of the work package’s positive effects in the company.

The darker the colour of the field the stronger is the effect.

To start an approved project, just click on **“Save Allocate Resources and Activate Workpackage”**.

5.2.4 Your office specific tasks (CIO)

You select the CIO-area by clicking on the “BSC & Resources”-button.

5.2.4.1 Viewing your Balanced Score Card

In the CIO-area, click the “Balanced Score Card”-tab.

Balanced Scorecard and Resource Management

[Zurück zur Seite](#)

CIO

CFO

CMO

COO

Balanced Score Card

Performance Measurement

Performance Development

Resource Management

Save changes

Client Management

Value	Target	Actual
No. of Incidents/ Supp. Employees	<input type="text" value="0,00"/>	233,31 INCL(yr*FTE)
Support Service Level Server	<input type="text" value="0,00"/>	100,00 %
Support Service Level Stor.&Com.	<input type="text" value="0,00"/>	100,00 %
Support Service Level Bus.Apps.	<input type="text" value="0,00"/>	100,00 %
Support Service Level Desk.&Off.	<input type="text" value="0,00"/>	100,00 %

People Development

Value	Target	Actual
Skill Level IT Dev. Dev.Know.	<input type="text" value="0,00"/>	78,39 %
Skill Level IT Dev. Supp.Know.	<input type="text" value="0,00"/>	21,80 %
Skill Level IT Ser. + Syst. SW Dev.Know.	<input type="text" value="0,00"/>	9,04 %
Skill Level IT Ser. + Syst. SW Supp.Know.	<input type="text" value="0,00"/>	82,90 %
Skill Level IT Infrastr. Dev.Know.	<input type="text" value="0,00"/>	11,87 %
Skill Level IT Infrastr. Supp.Know.	<input type="text" value="0,00"/>	79,70 %
Skill Level IT Bus. Appl. Dev.Know.	<input type="text" value="0,00"/>	10,90 %
Skill Level IT Bus. Appl. Supp.Know.	<input type="text" value="0,00"/>	86,10 %
Skill Level IT Desk. + Off. Dev.Know.	<input type="text" value="0,00"/>	13,60 %
Skill Level IT Desk. + Off. Supp.Know.	<input type="text" value="0,00"/>	91,30 %

Processes

Value	Target	Actual
Age of IT Server	<input type="text" value="0,00"/>	3,33 yr
Age of IT Storage	<input type="text" value="0,00"/>	4,79 yr
Age of IT Comm.Infrastructure	<input type="text" value="0,00"/>	4,83 yr
Age of IT System SW	<input type="text" value="0,00"/>	4,33 yr
Age of Bus.Apps. Marketing	<input type="text" value="0,00"/>	8,33 yr
Average Age of Desktops	<input type="text" value="0,00"/>	3,54 yr
Average Age of Office-SW	<input type="text" value="0,00"/>	5,30 yr
Variance Server Hardware	<input type="text" value="0,00"/>	8,00 yr^2
Variance of Comm. Infrastructure	<input type="text" value="0,00"/>	6,02 yr^2
Variance of System SW	<input type="text" value="0,00"/>	12,06 yr^2
Variance Bus.Apps. Marketing	<input type="text" value="0,00"/>	14,44 yr^2
Variance PCs Marketing	<input type="text" value="0,00"/>	10,80 yr^2
Variance Office SW Marketing	<input type="text" value="0,00"/>	11,14 yr^2
Utilization Server	<input type="text" value="0,00"/>	46,48 %
Utilization Comm. Infrastruct.	<input type="text" value="0,00"/>	34,43 %
Error Rate of IT Emp Support	<input type="text" value="0,00"/>	3,15 %
Quality of IT Processes Support	<input type="text" value="0,00"/>	96,85 %

Figure 24: Balanced Scorecard of the CIO (Section)

All four dimensions of your BSC will be displayed:

- Client management
- People development
- Process management
- Finance management

Each dimension is shown as a three-column list where column one describes the value, column two lists the target the company wants to reach and column three shows the actual value the company reaches so far.

You can fill in your personal target values into the “target” fields.

Board Members Guide

TechniCar Autobank, HR Department

5.2.4.2 Monitoring your KPI's

In the CIO-area, click the “Performance Measurement”-tab.

If you have set your target values in the Balanced ScoreCard, you can monitor the tolerance of your key performance indicators (KPI) related to the current values.

A hint (klick on “hint”) helps you to set the adequate tolerance for the KPI's if necessary.

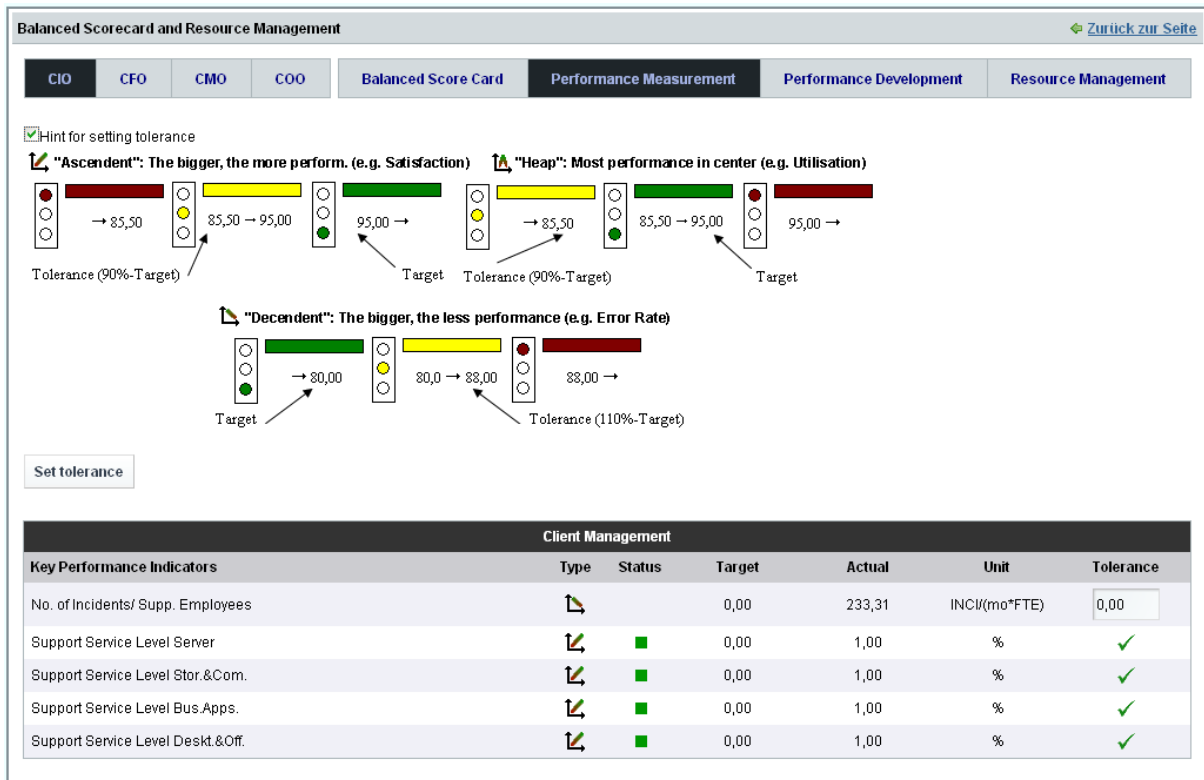


Figure 25: Performance Measurement for the KPI's

5.2.4.3 Monitoring your Performance Development

In the CIO-area, click the “Performance Development”-tab.

You receive the current distribution of your target value tolerance. The values are subdivided into the perspectives of the Balanced ScoreCard.

Pie Chart: Values of the actual game month

Area Diagram: Development (history) of the KPI's.

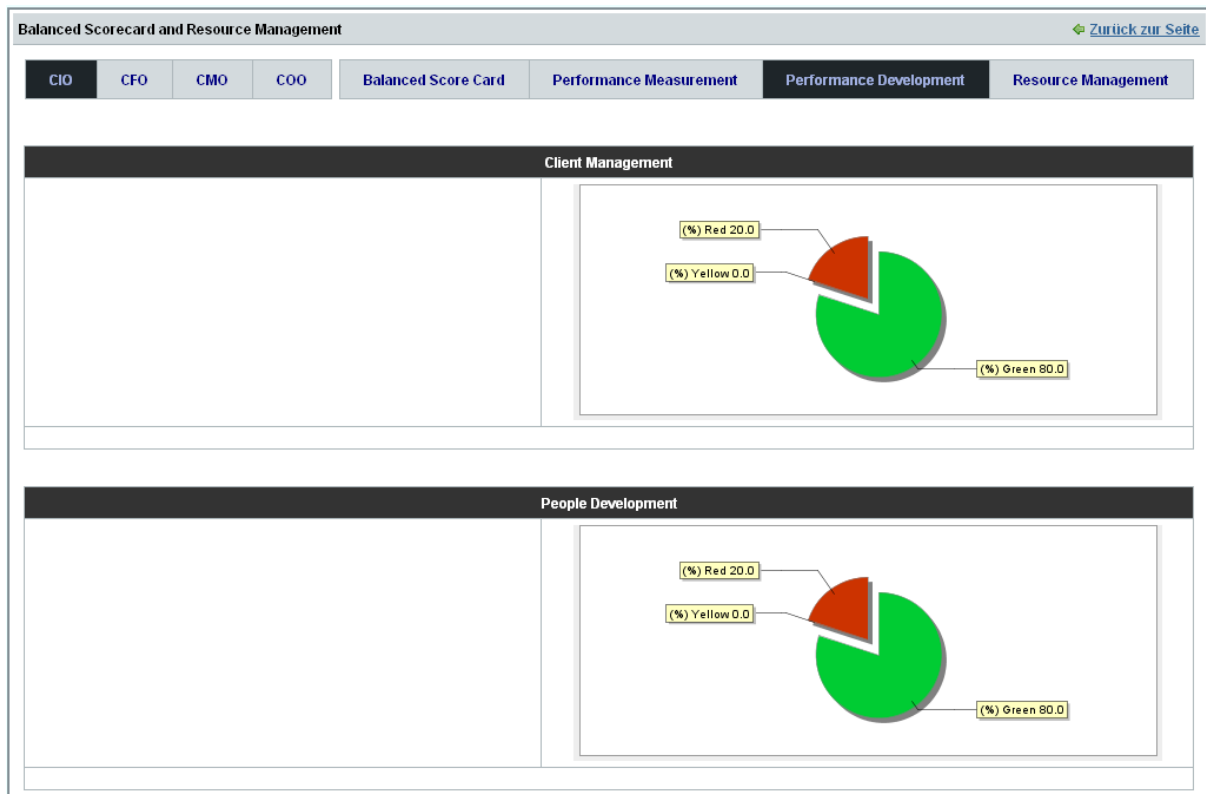


Figure 26: Performance Development

5.2.4.4 Managing your resources

In the CIO-area, click the “**Resource Management**”-tab to manage your resources.

You can allocate following resources:

- IT employees
 - Reallocate IT-employees
 - Employ and release IT-employees
- Central IT
 - Obtain new and dispose old storage hardware
 - Obtain new and dispose old server hardware
 - Obtain new and dispose old communication hardware
 - Obtain new and cancel old system software licenses
- Decentral IT
 - Obtain new and dispose old PCs
 - Obtain new and cancel old software licenses

Go4C – The Top-Level Business Game

Balanced Scorecard and Resource Management [Zurück zur Seite](#)

CIO

CFO

CMO

COO

Balanced Score Card

Performance Measurement

Performance Development

Resource Management

Save changes

Internal Employees IT

Value	Actual	+	-	Notes	Forecast
Employees IT Development	11,84 FTE	<input type="text" value="0,00"/>	<input type="text" value="0,00"/>	Salary Employee per Year 77.500,00 \$/FTE	11,84
Employees IT Supp. Serv. + OS + DB	13,83 FTE	<input type="text" value="0,00"/>	<input type="text" value="0,00"/>	Salary Employee per Year 77.500,00 \$/FTE	13,83
Employees IT Supp. Comm. Infrastruct.	13,82 FTE	<input type="text" value="0,00"/>	<input type="text" value="0,00"/>	Salary Employee per Year 77.500,00 \$/FTE	13,82
Employees IT Supp. Bus.Apps	37,53 FTE	<input type="text" value="0,00"/>	<input type="text" value="0,00"/>	Salary Employee per Year 77.500,00 \$/FTE	37,53
Employees IT Supp. PCs + Office	21,73 FTE	<input type="text" value="0,00"/>	<input type="text" value="0,00"/>	Salary Employee per Year 77.500,00 \$/FTE	21,73

Central IT

Value	Actual	+	-	Notes	Forecast
Server Hardware	59.095,76 MIPS	<input type="text" value="0,00"/>	<input type="text" value="0,00"/>	Price Server per MIPS 5,00 \$	59.095,76
Storage Hardware	46,30 TB	<input type="text" value="0,00"/>	<input type="text" value="0,00"/>	Price Storage per TB 600,00 \$	46,3
Communication Infrastructure	8.742,15 TBmo	<input type="text" value="0,00"/>	<input type="text" value="0,00"/>	Price Comm. Infrastructure per TB/mo 400,00 \$	8.742,15
System Software	89,00 LI	<input type="text" value="0,00"/>	<input type="text" value="0,00"/>	Price System Software per License 600,00 \$	89

Decentral IT

Value	Actual	+	-	Notes	Forecast
PCs Management	49,03 PC	<input type="text" value="0,00"/>	<input type="text" value="0,00"/>	Price per Desktop PC 2.500,00 \$	49,03
PCs Servicing Savings	112,34 PC	<input type="text" value="0,00"/>	<input type="text" value="0,00"/>	Price per Desktop PC 2.500,00 \$	112,34

Figure 27: Resource Management of the CIO

5.2.5 Your office specific tasks (CFO)

You select the CFO-area by clicking on the “BSC & Resources”-button.

5.2.5.1 Viewing your Balanced Score Card

In the CFO-area, click the “Balanced Score Card”-tab.

Balanced Scorecard and Resource Management

Zurück zur Seite

CIO

CFO

CMO

COO

Balanced Score Card

Performance Measurement

Performance Development

Resource Management

Save changes

Client Management

Value	Target	Actual
Indicators are not defined for this role		

Processes

Value	Target	Actual
Indicators are not defined for this role		

People Development

Value	Target	Actual
Indicators are not defined for this role		

Finance

Value	Target	Actual
Net Interest Inc./ Tot. Income	0,00	24,01 %
Net Trading Result/ Tot. Income	0,00	47,43 %
Net Comm. Fees / Tot. Inc.	0,00	28,56 %
Other Oper. Result/ Tot. Inc.	0,00	0,00 %
Operating Inc./ Thsd. Employees	0,00	7.083.799,36 \$/yr
Total Costs/Inc. Ratio	0,00	100,00 %

Save changes

Figure 28: Balanced ScoreCard of the CFO

All dimensions of your BSC concerning your office will be displayed:

- Finance management

Each dimension is shown as a three-column list where column one describes the value, column two lists the target the company wants to reach and column three shows the actual value the company reaches so far.

5.2.5.2 Monitoring your KPI's

In the CFO-area, click the “Performance Measurement”-tab.

If you have set your target values in the Balanced ScoreCard, you can monitor the tolerance of your key performance indicators (KPI) related to the current values.

A hint (klick on “hint”) helps you to set the adequate tolerance for the KPI's if necessary.

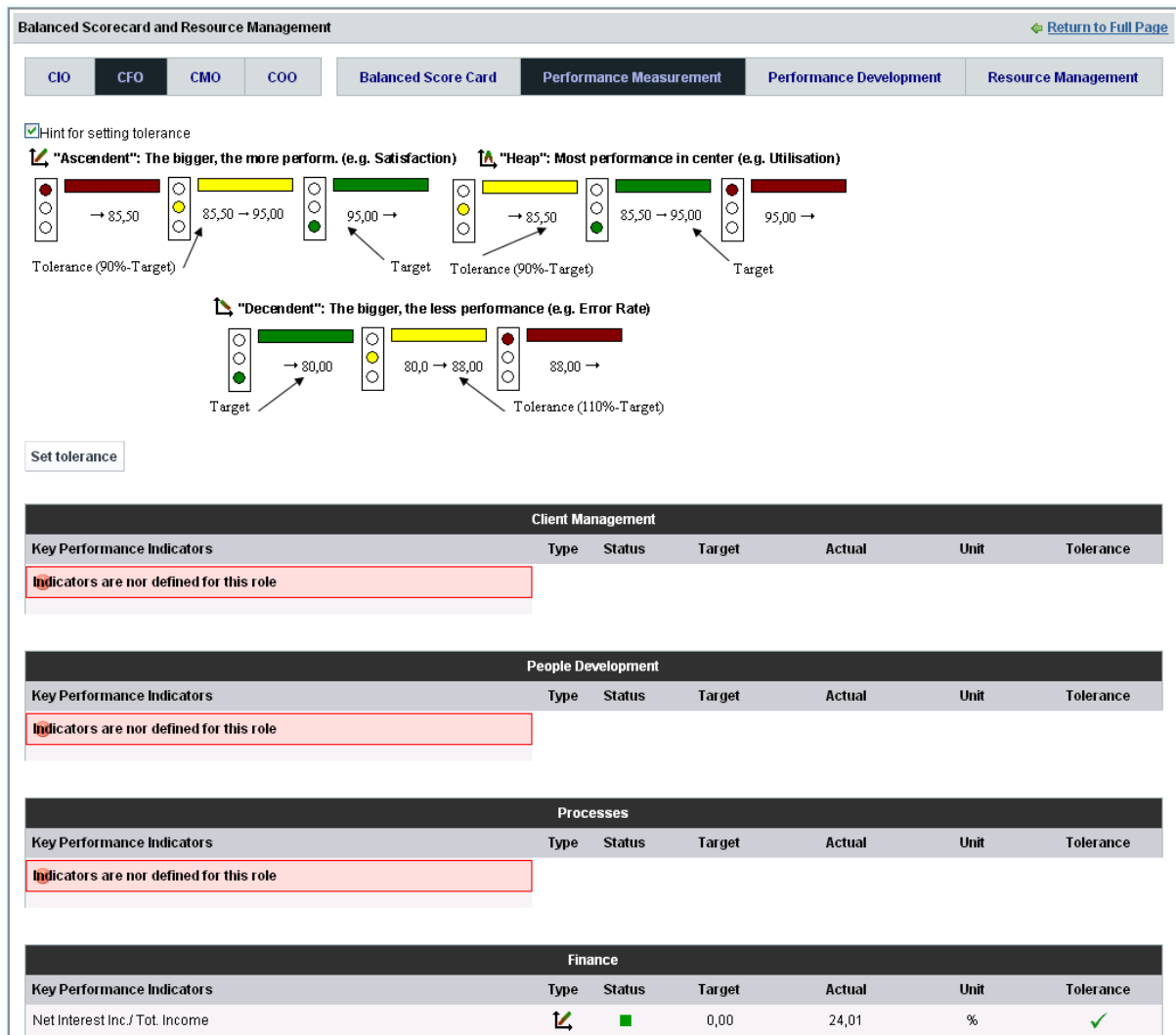


Figure 29: Performance Measurement for the KPI's

5.2.5.3 Monitoring your Performance Development

In the CFO-area, click the **"Performance Development"**-tab.

You receive the current distribution of your target value tolerance. The values are subdivided into the perspectives of the Balanced ScoreCard.

Pie Chart: Values of the actual game month

Area Diagram: Development (history) of the KPI's.

Go4C – The Top-Level Business Game

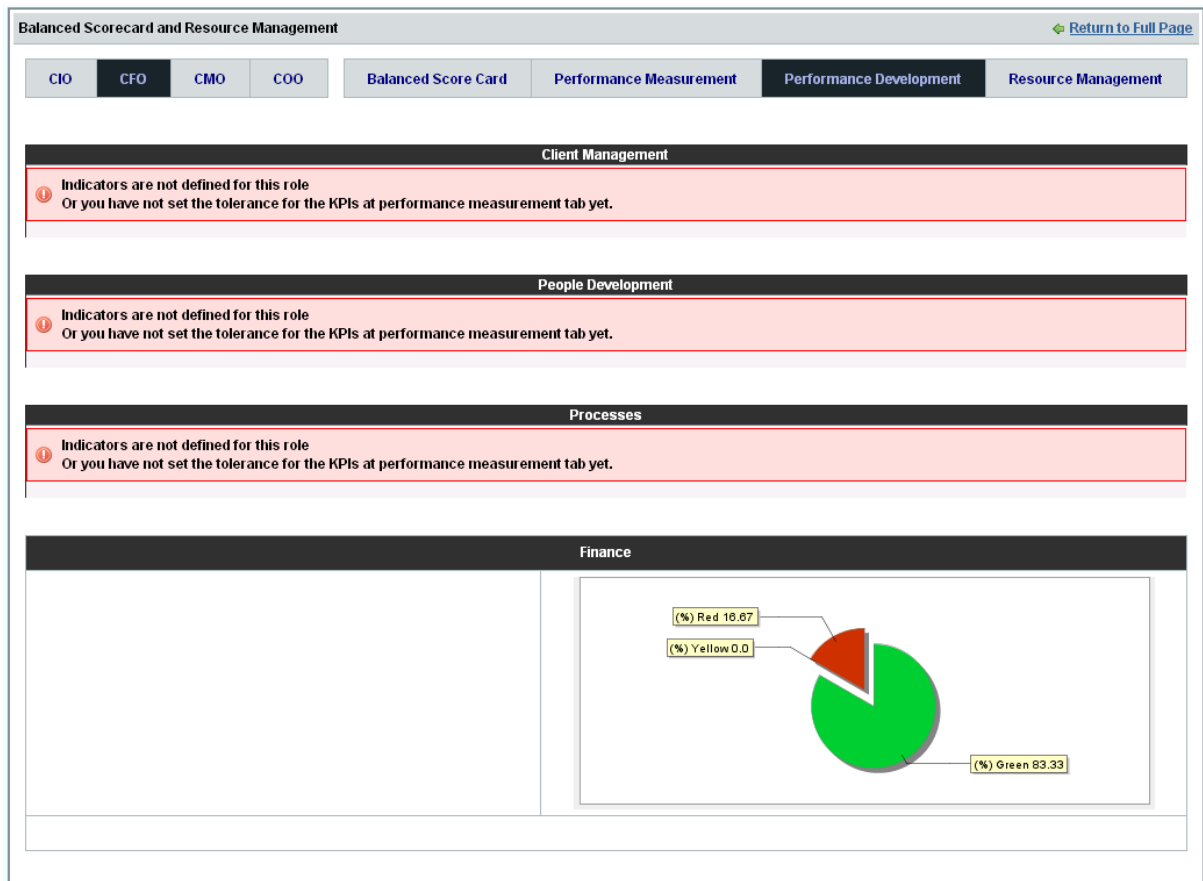


Figure 30: Performance Development

5.2.5.4 Managing your resources

In the CFO-area, click the **“Resource Management”**-tab to manage your resources.

Balanced Scorecard and Resource Management [Zurück zur Seite](#)

CIO CFO CMO COO Balanced Score Card Performance Measurement Performance Development Resource Management

Save changes

Financial Planning						
Value	Actual	+	-	Notes	Forecast	
Repos	530.000.000,00 \$	0,00	0,00	Interest Rate Repos 5,00 %/yr	530.000.000	
Reverse Repos	250.000.000,00 \$	0,00	0,00	Interest Rate Reverse Repos 5,00 %/yr	250.000.000	
Bank Loans Assets	360.000.000,00 \$	0,00	0,00	Interest Rate Bank Loans Assets 6,00 %/yr	360.000.000	
Bank Loans Liabilities	403.000.000,00 \$	0,00	0,00	Interest Rate Bank Loans Liabilities 11,00 %/yr	403.000.000	
Treasury Bills (T-Bills)	277.500.000,00 \$	0,00	0,00	Interest Rate Treasury Bills 4,00 %/yr	277.500.000	
Treasury Bonds (T-Bonds)	277.500.000,00 \$	0,00	0,00	Interest Rate Treasury Bonds 4,00 %/yr	277.500.000	

Save changes

Figure 31: Resource Management of the CFO

Board Members Guide

TechniCar Autobank, HR Department

You can allocate following resources:

- Financial planning
 - Repurchase and reverse repurchase agreements
 - Bank loans (assets and liabilities)
 - Discretionary cash reserves planned
 - Treasury-Bills and Treasury-Bonds
- Capital planning
 - Increase or decrease in capital

5.2.6 Your office specific tasks (CMO)

You select the CMO-area by clicking on the “BSC & Resources”-button.

5.2.6.1 Viewing your Balanced Score Card

In the CMO-area, click the “Balanced Score Card”-tab.

Balanced Scorecard and Resource Management

[Zurück zur Seite](#)

CIO

CFO

CMO

COO

Balanced Score Card

Performance Measurement

Performance Development

Resource Management

Save changes

Client Management		
Value	Target	Actual
Customer Satisfaction	0,00	83,21 %
Market Share - New Loans Volume	0,00	3,53 %
Market Share - New Sav. Volume	0,00	0,00 %

Processes		
Value	Target	Actual
Marketing Efficiency for product Car Financing Loans	0,00	72,95 %
Marketing Efficiency for product Savings Account	0,00	69,15 %
Error Rate of Mark. Employees	0,00	0,99 %
Quality of Marketing Processes	0,00	99,99 %

People Development		
Value	Target	Actual
Satisf. of Marketing Employees	0,00	79,60 %
Utilization Marketing Employees	0,00	63,73 %
Skill Level Marketing	0,00	84,00 %

Finance		
Value	Target	Actual
Marketing Expenditures Loans/Total Mark. Exp. Loans Competitors	0,00	7,79 %
Marketing Expenditures Global/Total Mark. Exp. Global Competitors	0,00	5,26 %
Marketing Expenditures Savings/Total Mark. Exp. Savings Competitors	0,00	4,21 %

Save changes

Figure 32: Balanced Scorecard of the CMO

All dimensions of your BSC concerning your office will be displayed:

- Client management
- People development
- Process management

- Finance management

Each dimension is shown as a three column list where column one describes the value, column two lists the target the company wants to reach and column three shows the actual value the company reaches so far.

5.2.6.2 Monitoring your KPI's

In the CMO-area, click the **"Performance Measurement"**-tab.

If you have set your target values in the Balanced ScoreCard, you can monitor the tolerance of your key performance indicators (KPI) related to the current values.

A hint (klick on "hint") helps you to set the adequate tolerance for the KPI's if necessary.

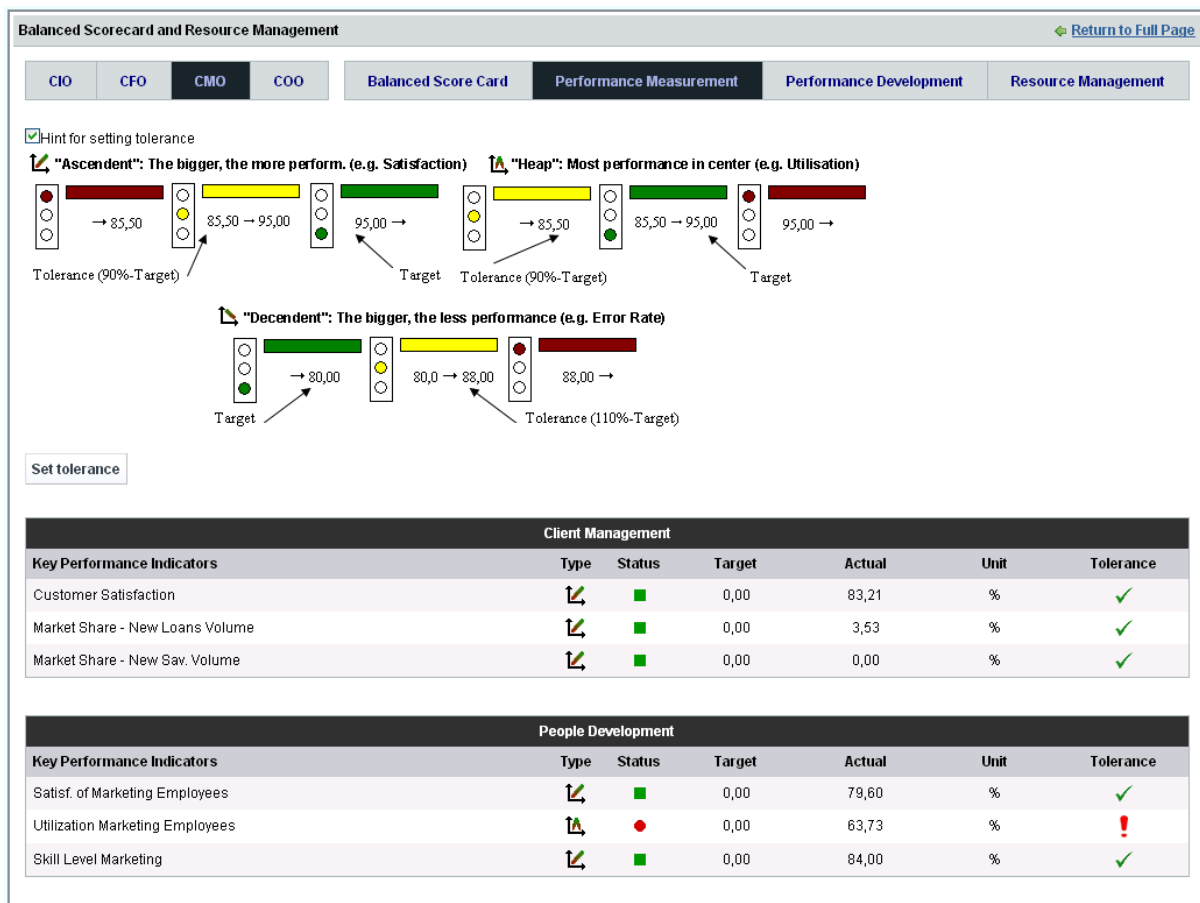


Figure 33: Performance Measurement for the KPI's

5.2.6.3 Monitoring your Performance Development

In the CMO-area, click the **"Performance Development"**-tab.

You receive the current distribution of your target value tolerance. The values are subdivided into the perspectives of the Balanced ScoreCard.

Pie Chart: Values of the actual game month

Area Diagram: Development (history) of the KPI's.

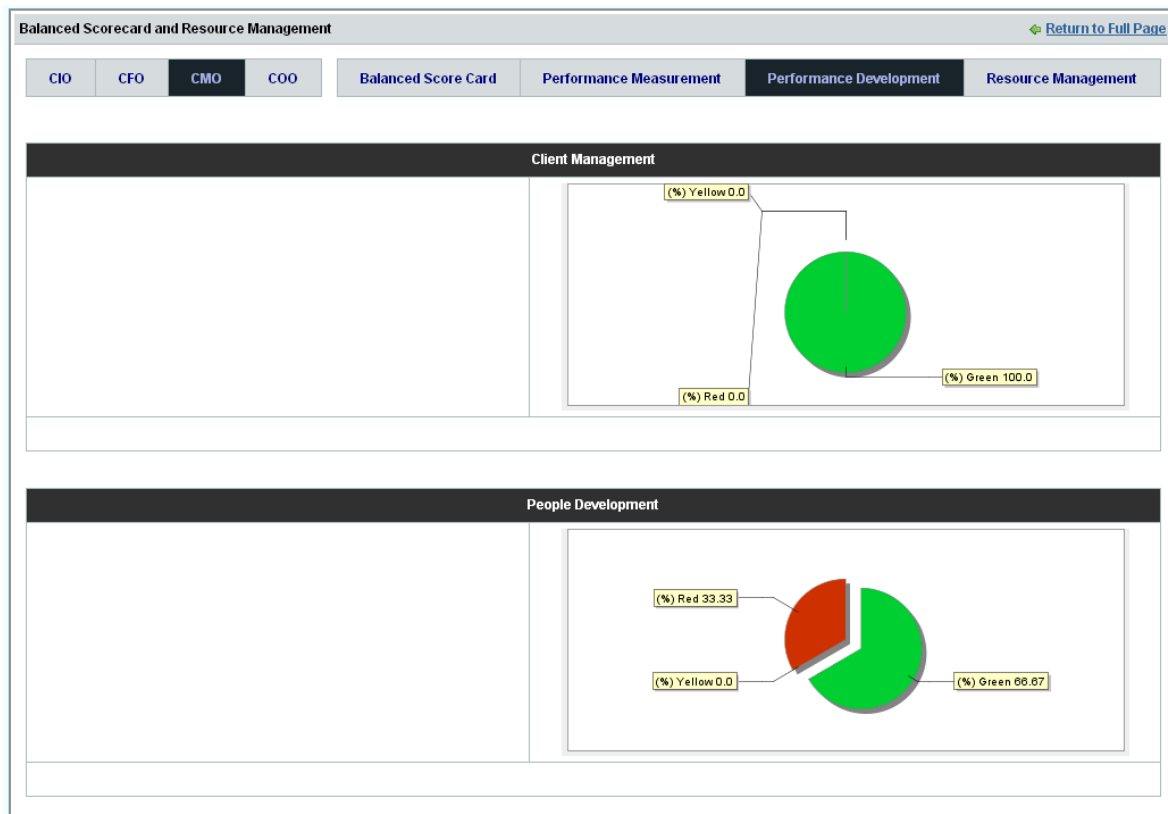


Figure 34: Performance Development

5.2.6.4 Managing your resources

In the CMO-area, click the “Resource Management”-tab to manage your resources.

Balanced Scorecard and Resource Management [Zurück zur Seite](#)

CIO CFO **CMO** COO Balanced Score Card Performance Measurement Performance Development **Resource Management**

Save changes

Marketing Expenses					
Value	Actual	+	-	Notes	Forecast
Marketing Expenditures Global	4.500.000,00 \$/yr	<input type="text" value="0,00"/>	<input type="text" value="0,00"/>	Marketing Efficiency entire Bank 76,40 %	4.500.000
Marketing Expenditures Product Loans	2.220.000,00 \$/yr	<input type="text" value="0,00"/>	<input type="text" value="0,00"/>	Marketing Efficiency for product Car Financing Loans 72,95 %	2.220.000
Marketing Expenditures Product Savings	1.200.000,00 \$/yr	<input type="text" value="0,00"/>	<input type="text" value="0,00"/>	Marketing Efficiency for product Savings Account 69,15 %	1.200.000

Product Interest Rates					
Value	Actual	+	-	Notes	Forecast
Interest Rate Car Financing Loans	12,00 %/yr	<input type="text" value="0,00"/>	<input type="text" value="0,00"/>	Average Interest Rate Loans of Competitors 12,00 %/yr	12
Interest Rate Customer Savings	3,00 %/yr	<input type="text" value="0,00"/>	<input type="text" value="0,00"/>	Average Interest Rate Customer Savings of Competitors 3,00 %/yr	3

Save changes

Figure 35: Resource Management of the CMO

Board Members Guide

TechniCar Autobank, HR Department

You can allocate following resources:

- Marketing expenses:
 - Global marketing
 - Marketing for the product: car financing
 - Marketing for the product: savings account
- Product conditions:
 - Interest rates: car financing
 - Interest rates: savings account

5.2.7 Your office specific tasks (COO)

You select the COO-area by clicking on the “BSC & Resources”-button.

5.2.7.1 Viewing your Balanced Score Card

In the COO-area, click the “Balanced Scorecard”-tab.

Balanced Scorecard and Resource Management				Zurück zur Seite			
CIO	CFO	CMO	COO	Balanced Score Card	Performance Measurement	Performance Development	Resource Management
Save changes							
Client Management				Processes			
Value	Target	Actual		Value	Target	Actual	
S&M Quality Loans	0,00	93,49 %		Processing Time per Contract S&M Loans	0,00	0,00 yr/TA	
Quality of Origination Loans	0,00	92,44 %		Processing Time per Contract Origination Loans	0,00	0,00 yr/TA	
Servicing Quality Loans	0,00	82,89 %		Processing Time per Contract Servicing Loans	0,00	0,00 yr/TA	
S&M Quality Savings	0,00	0,00 %		Processing Time per Contract S&M Savings	0,00	0,00 yr/TA	
Quality of Origination Savings	0,00	92,44 %		Processing Time per Contract Origination Savings	0,00	0,00 yr/TA	
Servicing Quality Savings	0,00	91,39 %		Processing Time per Contract Servicing Savings	0,00	0,00 yr/TA	
People Development				Average Effectiveness Empl. S&M Loans	0,00	59,00 TAFTE	
Value	Target	Actual		Average Effectiveness Empl. Origination Loans	0,00	67,20 TAFTE	
Satisf. of S&M Loans Employees	0,00	90,02 %		Average Effectiveness Empl. Servicing Loans	0,00	131,77 TAFTE	
Satisf. of Orig. Loans Employees	0,00	67,20 %		Average Effectiveness Empl. S&M Savings	0,00	106,01 TAFTE	
Satisf. of Servicing Loans Employees	0,00	82,34 %		Average Effectiveness Empl. Origination Sav.	0,00	132,44 TAFTE	
Satisf. of S&M Sav. Employees	0,00	77,50 %		Average Effectiveness Empl. Servicing Sav.	0,00	160,49 TAFTE	
Satisf. of Orig. Sav. Employees	0,00	78,72 %		Error Rate S&M Loans	0,00	6,51 %	
Satisf. of Servicing Savings Employees	0,00	78,27 %		Error Rate Orig. Loans	0,00	7,56 %	
Emp. Utilization S&M Loans	0,00	79,12 %		Error Rate Servicing Loans	0,00	7,10 %	
Emp. Utilization Orig. Loans	0,00	46,57 %		Error Rate S&M Savings	0,00	5,72 %	
Emp. Utilization Serv. Loans	0,00	100,00 %		Error Rate Orig. Savings	0,00	5,44 %	
Emp. Utilization S&M Savings	0,00	100,00 %		Error Rate Servicing Savings	0,00	8,61 %	

Figure 36: Balanced ScoreCard of the COO (Section)

All dimensions of your BSC concerning your office will be displayed:

- Client management
- People development
- Process management
- Finance management

Each dimension is shown as a three-column list where column one describes the value, column two lists the target the company wants to reach and column three shows the actual value the company reaches so far.

5.2.7.2 Monitoring your KPI's

In the CIO-area, click the **"Performance Measurement"**-tab.

If you have set your target values in the Balanced ScoreCard, you can monitor the tolerance of your key performance indicators (KPI) related to the current values.

A hint (klick on "hint") helps you to set the adequate tolerance for the KPI's if necessary.

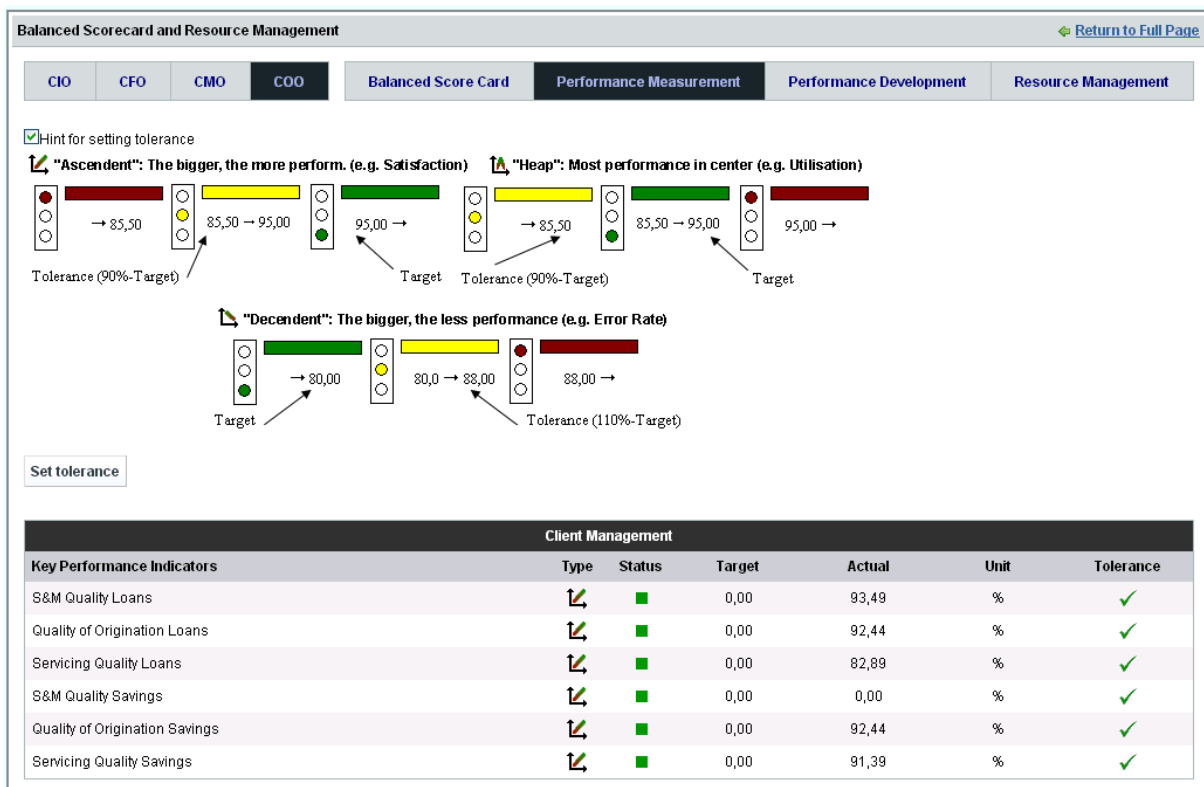


Figure 37: Performance Measurement for the KPI's

5.2.7.3 Monitoring your Performance Development

In the CIO-area, click the **"Performance Development"**-tab.

You receive the current distribution of your target value tolerance. The values are subdivided into the perspectives of the Balanced ScoreCard.

Pie Chart: Values of the actual game month

Area Diagram: Development (history) of the KPI's.

Go4C – The Top-Level Business Game

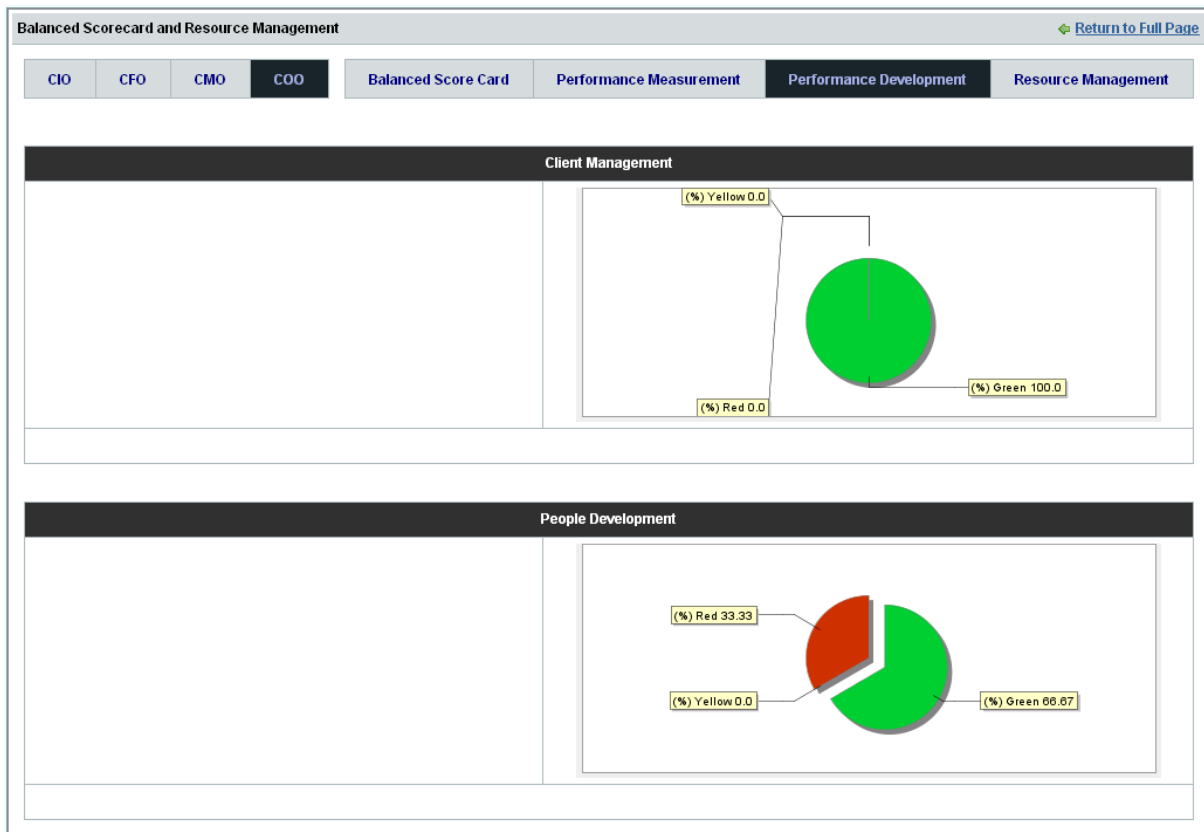


Figure 38: Performance Development

5.2.7.4 Managing your resources

In the CIO-area, click the “Resource Management”-tab to manage your resources.

Balanced Scorecard and Resource Management [Zurück zur Seite](#)

CIO CFO CMO **COO** Balanced Score Card Performance Measurement Performance Development **Resource Management**

Save changes

Internal Employees					
Value	Actual	+	-	Notes	Forecast
Employees Management	88,94 FTE	<input type="text" value="0,00"/>	<input type="text" value="0,00"/>	Salary Employee per Year 120.000,00 \$/FTE	88,94
Employees Organization	67,10 FTE	<input type="text" value="0,00"/>	<input type="text" value="0,00"/>	Salary Employee per Year 77.500,00 \$/FTE	67,1
Employees IT Functional Staff	9,44 FTE	<input type="text" value="0,00"/>	<input type="text" value="0,00"/>	Salary Employee per Year 77.500,00 \$/FTE	9,44
Employees Marketing	34,52 FTE	<input type="text" value="0,00"/>	<input type="text" value="0,00"/>	Salary Employee per Year 77.500,00 \$/FTE	34,52
Employees S&M Loans	174,51 FTE	<input type="text" value="0,00"/>	<input type="text" value="0,00"/>	Salary Employee per Year 50.000,00 \$/FTE	174,51
Employees Orig. Loans	202,25 FTE	<input type="text" value="0,00"/>	<input type="text" value="0,00"/>	Salary Employee per Year 50.000,00 \$/FTE	202,25
Employees Serv. Loans	212,24 FTE	<input type="text" value="0,00"/>	<input type="text" value="0,00"/>	Salary Employee per Year 50.000,00 \$/FTE	212,24
Employees S&M Savings	163,35 FTE	<input type="text" value="0,00"/>	<input type="text" value="0,00"/>	Salary Employee per Year 50.000,00 \$/FTE	163,35
Employees Orig. Savings	281,76 FTE	<input type="text" value="0,00"/>	<input type="text" value="0,00"/>	Salary Employee per Year 50.000,00 \$/FTE	281,76
Employees Servicing Savings	184,62 FTE	<input type="text" value="0,00"/>	<input type="text" value="0,00"/>	Salary Employee per Year 50.000,00 \$/FTE	184,62

Figure 39: Resource Management of the COO

Board Members Guide

TechniCar Autobank, HR Department

You can allocate following resources:

- Internal employees:
 - Reallocate employees
 - Employ and release employees
- External employees
 - Purchase services from external experts

6 Information and Forum for the entire seminar

With the menu on the upper right, you are in the area for the entire seminar:



Figure 40: Area menu to change between team and seminar

There you will find a forum and a calendar for fixed dates.

The interface features a top navigation bar with links: Seminar Home, Admin Area, and Eventing. The main content area is divided into several sections:

- Seminar List:** A list of seminars, including 'Seminar FH-Brandenburg SoSe 2009' and 'Testteam 2009-05-19 I'.
- Calendar:** A calendar view for June 3, 2009, showing a large '3' for Wednesday. It includes a table of dates and a list of events (currently empty).
- Bookmarks:** A section with tabs for 'Folders', 'My Entries', and 'Recent Entries'. It shows a table with columns for 'Folder', '# of Folders', and '# of Entries'.
- Document Library:** A section with tabs for 'Folders', 'My Documents', and 'Recent Documents'. It shows a table with columns for 'Folder', '# of Folders', '# of Documents', and 'Action'.

A vertical sidebar on the right contains a 'Seminar Overview' image.

Figure 41: Collaboration and coordination tools for the entire seminar

Board Members Guide

TechniCar Autobank, HR Department

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TechniCar Autobank, HR Department