MIST 5620
Planners Lab Software Project

Planners Lab is a software product used for modeling and data visualization. It is an example of software for developing model-based DSS. Planners Lab allows you to create equations to simulate future conditions. Many of the possible applications are financial in nature, such as forecasting the profitability of a new product. Once the model is created, you can run the model and perform additional analyses, such as "what if" and goal seeking. These later analyses are facilitated by data visualization capabilities.

To get started, you need to go to the Teradata University Network and click on Software and then Planners Lab. This takes you to a page that describes Planners Lab. At the bottom of the page, there is a link that takes you to the Planners Lab homepage. Once there, click on Sign In and then register. Once you register, click on Download and download the software to your PC. As was the case with Tableau, the software does not run on Macs.

Once the software is installed, you next need to learn how to use it. Click on Teaching and you will be taken to a list of resources, including videos. Play the Video Lecture (Planners Lab Intro) and several of the Flash Demos (there is no audio with the Flash Demos), especially the first five or six. After doing this, you should be ready to do the Parrot Club case below, which was originally developed by Dr. Majid Tavana at Las Salle University.

Parrot Club

Gilbert Monzon wants to open a new restaurant. In order to do so, he needs to convince Banco Popular that his up-scale restaurant will be profitable. Gilbert wants to use Planners Lab to model the profit and loss for the next six months. He will use this information in the business plan he plans to present to the CFO of the bank. Gilbert has decided to name his restaurant "Parrot Club" and he has located the perfect building in San Juan. Rent is $3000 and utilities are $1000 per month. Gilbert estimates that on average the restaurant will be open 20 days each month. The building has capacity for 20 tables with 4 chairs per table. Advertising should cost about $500 per month. The average dollar spent by each patron in the first month is estimated to be $15. Gilbert believes this figure should increase by $1 each month. He estimates traffic to be 65%, 70%, 75%, 80%, 85%, 90% of capacity over the next six months. From his experience he believes miscellaneous expenses (linen, menus, etc.) will add up to $1000 per month, cost of goods sold (food, liquor, etc.) 35% of revenue and payroll 20% of revenue. Finally, he assumes that the tables will turn over (i.e., the number of seatings per day) twice a day during the first month, three times during the second and third months and four times per day during the fourth, fifth and sixth months.

Below are questions that Gilbert wants answers to. For each question, perform the analysis and take a screen capture. In your screen capture, make sure that the specific numerical values are shown.

Questions

1. What are his estimated profits for the next six months? Include the model that you created.
2. What are the estimated profits if traffic is 10 percent less than expected each month? (show the effect on profits visually and the actual numbers)
3. What are the estimated profits if traffic is not only down 10 percent a month, but rent is $3,500 starting in month four? (show the effects on profits visually and the actual numbers)
4. If the goal is to breakeven in month six (profits=0) what table turn is needed in that month (assuming that everything else in the case remains the same)? (show the findings visually and the actual numbers)