



**△ BTS**  
*Catalysts for Profitability and Growth*

Promise Day 2009

Welcome!

James Baker-Duly

# Global provider of discovery based learning

## **Mission:**

**To partner with our clients to accelerate change and improve business results**

## **Vision:**

**The World's No. 1 Learning & Development Consultancy  
- innovating how companies change, learn and improve**



- 300 + Professionals
- 400+ clients in 53 different countries
- 18 offices and delivery in 13 languages
- Over 40 Fortune 100 companies are BTS clients
- Founded in 1985 in Stockholm, Sweden
- Listed on the Stockholm Stock Exchange 2001

# BTSi (E-Learning Division)



## CUSTOM

Business eSims  
Scenario eSims  
eMaps  
Pre / Post

## PRODUCTS

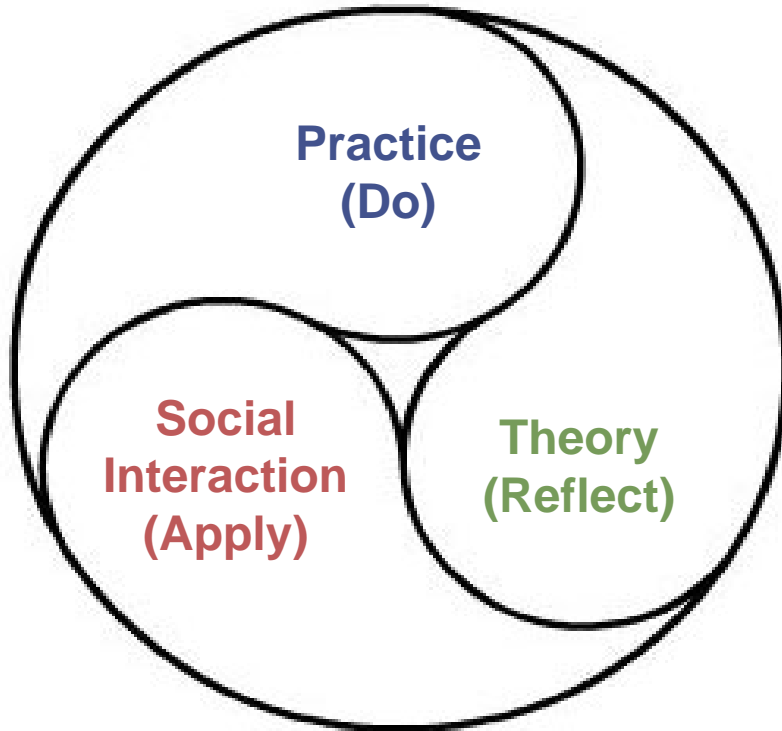
eFinance  
eMBA  
eProject Mngnt  
eSimulations

## TOURNAMENT

Global  
Custom

Innovative & Unique Bundles

# The BTSi Pedagogy



- **Practice** – Try things out, take action and do your decisions in a simulated business environment.
- **Theory** – Learn about key concepts and get the facts along with feedback to enable you to reflect on your actions and decisions.
- **Social Interaction** – Compete, collaborate and share insight with your colleagues as well as facilitators and experts in order to increase learning and help apply everything in your real world business context.

# Global Business Tournament Ericsson



# Ericsson Team

- Senior Project Manager
  - PDU WCDMA Division
- Need:
  - Business Skills, Improved Communication between units, Team work improvement for faster Innovation.
- Challenges:
  - Physical Classroom session too expensive
- What was done?

# Global Business Tournament

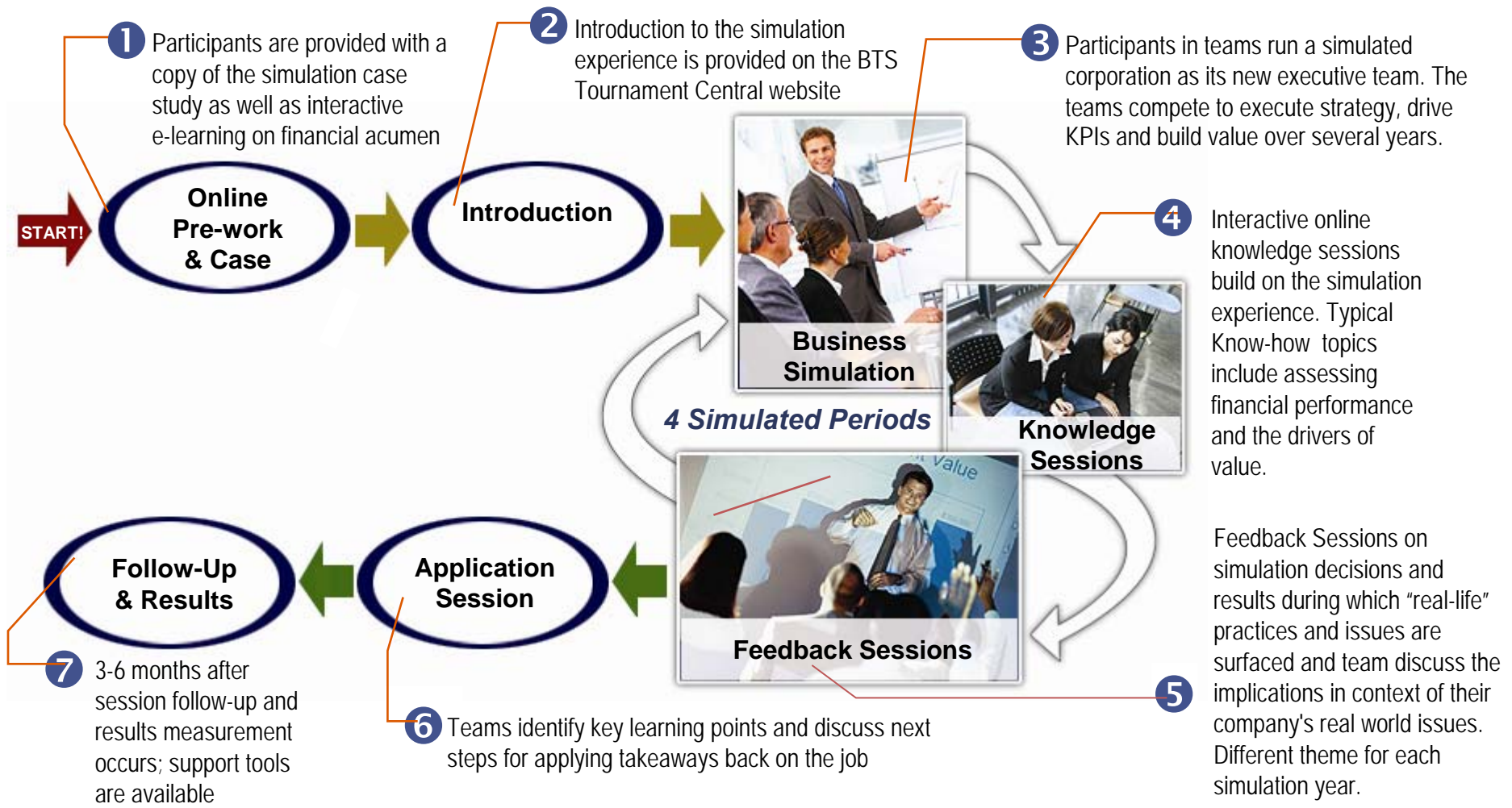
- Why?
  - Proven success with Ericsson & International Companies
  - Develop Key Business Skills
  - Time Flexibility
  - Cost Effective (No travelling required)
  - Virtual & Physical Team Building
  - Cross functional learning
  - Global Reach
  - Full service package (Live Support)

# Tournament allows teams to compete virtually



# The Experience

•••• *Fast-paced, experiential “do-reflect-apply” format*



# The Tournament Process



The Tournament Experience Runs Over 10 Weeks  
Teams Spend 2-4 Hours Every Two Weeks on Their Decisions

# The Office



# Planning Steps

**Team 2**

Revenues 10,889T€ [10,892T€]    Net Profit 1,007T€ [608T€]    Profit Margin 9.3% [5.5%]    ROIC 23.5% [15.7%]

SAVE & EXIT  
Piet2 (BTS) Kreyma  
Year 1

Planning Steps    Guide

### GUIDE

click and drag to move

#### Your Office

The flow diagram below represents the decision process you will follow over the period of 4 years.

**Click on each section of the flow diagram, then roll your cursor over the #s for more information. To close Guide, click on X.**

```
graph LR; A[Your Office] --> B[Planning Tool]; B --> C[Feedback]; C --> D[High Score];
```

#### Your Office

Welcome. This Guide is designed to illustrate the various components of the decision-making process you will follow.

Your Office will be your home base. From here, you will interact with colleagues and access information, resources and tools that will help you make important decisions.

**Note: Make sure to roll your cursor over the #s for more information.**

Audio

COMPANY NAME

9

7

5

4

6

8

1

2

3

Year 1

Year 2

Year 3

Year 4

△ BTS

# Sales Forecasting Tool



# Marketing & Production

**Team 2**      Revenues 13,251 [1,745]      Net Profit 1,925 [1,212]      Profit Margin 14.5% [10.3%]      ROIC 34.9% [25.3%]      **SAVE & EXIT**  
 Test2 (BTS) User Practice Year

Planning Steps      Guide

## Planning Tool

Note: this is a practice year!

**Marketing & Prd Dev**      All monetary values in (1,000)

DEVICES      INFRASTRUCTURE      SERVICES

Calculate Decisions

	Marketing ?	Business Development ?	R&D General ?	R&D Design ?
Basic	400000	100000	90000	50000
Media	175000	45000	120000	50000
Business	200000	50000	140000	50000
Applications	110000	30000	25000	40000
<b>Average</b>	<b>Marketing Average ?</b>	<b>Business Dev. Average ?</b>	<b>R&amp;D General Average ?</b>	<b>R&amp;D Design Average ?</b>
Basic	400,000	100,000	90,000	50,000
Media	175,000	45,000	120,000	50,000
Business	200,000	50,000	140,000	50,000
Applications	110,000	30,000	25,000	40,000

### Marketing and R&D Summary

	This Year	Last Year
Total Marketing and Business Dev	1,405,000	1,405,000
Total R&D	845,000	845,000

Basic      Media      Business      Apps

Voice of the Customer

### Operating Profit Summary

Total Operating Profit

Operating Profit Per Segment

YEAR 1      YEAR 2      YEAR 3      YEAR 4      **BTS**

# Production and Service Screen



# Corporate Screen

Team 2

Revenues 13,251 [11,745] ↑

Net Profit 1,925 [1,212] ↑

Profit Margin 14.5% [10.3%] ↑

ROIC 34.9% [25.3%] ↑

SAVE & EXIT

Test2 (BTS) User

Practice Year

**Planning Tool**

Note: this is a practice year!

- Tips for This Year
- Sales Forecasting
- Marketing & Prd Dev
- Product Sourcing
- Production & Service
- Corporate**
- Reports
- Return to Office

**Corporate**

All monetary values in (1,000)

Calculate Decisions

Planning Steps

Guide

Investment Level ?

? Brand

← 75000 →

? Supply Network

← 75000 →

? Long-Term Debt

← 0 →

? Customer Rel.

← 50000 →

? HR

← 75000 →

? Dividend

← 600000 →

? Processes

← 75000 →

	This Year ?	Last Year ?	Average ?	Index ?
Brand	75,000	75,000	75,000	100.0
Customer Relations	50,000	50,000	50,000	100.0
Processes	75,000	75,000	75,000	100.0
Supply Network	75,000	75,000	75,000	100.0
HR	75,000	75,000	75,000	100.0
Long-Term Debt	0	0		
Dividend	600,000	600,000		

**? Finance Summary**

Long-Term Debt & Equity

**? Investment Summary**

Business Development Mix

YEAR 1
YEAR 2
YEAR 3
YEAR 4

# Financial Reports

**Team 2**      Revenues 10,889T€ [10,992T€]      Net Profit 1,007T€ [608T€]      Profit Margin 9.3% [5.5%]      ROIC 23.5% [15.7%]      **SAVE & EXIT**  
 Piet2 (BTS) Kreym's Year 1

Planning Steps      Guide      [Icons]

**Planning Tool**      **Reports**      All monetary values in (TEUR)

? INCOME STATEMENT      ? BALANCE SHEET      ? CASH FLOW      ? DECISION SUMMARY

INCOME STATEMENT	BUDGET	PREVIOUS	CHANGE (%)
<b>NET SALES (TEUR)</b>	<b>10,888,750</b>	<b>10,991,871</b>	<b>-0.94%</b>
Variable expenses			
Components	4,147,480	4,275,941	-3.00%
Outsourcing	547,484	391,683	39.78%
Inventory value erosion	0	0	0.00%
Change in inventories	29,657	720,806	-95.89%
<b>Variable expenses total</b>	<b>4,724,621</b>	<b>5,388,429</b>	<b>-12.32%</b>
<b>SALES MARGIN</b>	<b>1</b>	<b>1</b>	<b>0.06</b>
Fixed expenses			
Administration	544,512	549,669	-0.94%
Marketing	1,075,000	1,075,000	0.00%
R&D general	655,000	655,000	0.00%
R&D design	190,000	190,000	0.00%
Business development, divisions	330,000	330,000	0.00%
Business development, group	350,000	350,000	0.00%
Production facilities	945,000	910,000	3.85%
Service personnel	354,050	354,050	0.00%
Inventory holding	77,817	77,621	0.25%
Depreciation	148,396	168,631	-12.00%
<b>Fixed expenses total</b>	<b>4,669,775</b>	<b>4,659,971</b>	<b>0.21%</b>
<b>OPERATING PROFIT (EBIT)</b>	<b>1,494,354</b>	<b>943,471</b>	<b>58.39%</b>
Financing income and expenses			
Interest income	41,064	20,577	99.57%
Interest expenses on long debt	96,405	94,875	1.61%

YEAR 1      YEAR 2      YEAR 3      YEAR 4      **BTS**

# Year close decisions

**Team 2**

Metric	Value	Change
Revenues	10,808T€ [10,992T€]	↓
Net Profit	950T€ [608T€]	↑
Profit Margin	8.8% [5.5%]	↑
ROIC	22.5% [15.7%]	↑

**SAVE & EXIT**  
Piet2 (BTS) Kreyns  
Year 1

Planning Steps | Guide

Year 1 | Team 2

**CLICK HERE TO SUBMIT (DECISIONS ARE FINAL)**

**CANCEL**

*Submit your Decisions*

*Pause*

*Business Intelligence*

YEAR 1 | YEAR 2 | YEAR 3 | YEAR 4

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## Ericsson Team - Achieved Results

- Improved team collaboration between units
- Understanding the Business Value Chain
  - \*Correlations between R&D, Sales Forecasting, Market & Competition Analysis, Financial reporting
- Motivated Learning by Real Competition
- Would like to participate again and recommend to other parts of organization
- Experience and Learning Results published on Ericsson Intranet

# E-Learning Tomorrow?

- Economical Climate
- E-Solutions for communicating strategic goals
- E-Solutions for own business understanding
- E-Solutions for aided facilitation Pre/Post training



Global Reach and Scalable Roll out