ASSESSMENT DAY PREP

E-TRAY EXERCISE
SECTION 1: Example Exercise Outcomes
SECTION 2: Competencies and Behavioural Indicators

E-Tray Exercise 1
Bannon & Loew Consulting - Questions

Instructions

Please read the instructions on this page, then turn over the page to begin the exercise.

There are 10 e-mails requiring your response, each appear just as you would use in an office environment. Some of these items may appear to describe isolated issues, while others link to one or more of the other items. Some of the e-mails could require information found on certain documents, these have been provided in the documents section, or they might refer to attachments which are provided alongside the corresponding e-mail.

Your task is to respond to as many of the emails as you can within the time limit of 60 minutes. You must read the background information which gives you useful information about the role you are being asked to assume and the company you are working for. When replying to the emails try to imagine yourself in a work environment. You will not receive replies to any of your emails during the exercise, so reply to the best of your ability.

The exercise begins on the next page.
Background Information

Bannon & Loew Consulting is a firm of business strategists, originally founded by brothers Robert and Gregory Bannon in Chicago under the moniker “Bannon & Bannon”. Following the rising success of the consultancy during the 80s, Cynthia Loew partnered with the firm in 1989 resulting in Bannon & Loew Consulting as the company is now known. The firm currently has three locations, each overseen by one of the partners. Gregory Bannon is the acting senior executive of the Chicago office, with Robert Bannon running the New York office and Cynthia Loew based in London. Each office has Financial, Operations and Risk consultancy divisions that work independently, with the option of establishing a symbiotic relationship if required for a particular client. The Chicago, New York and London locations also have Human Resources, Marketing, Information Technology and Administrative departments, which are required for internal purposes only and do not contribute to the client consultation process itself.

Consultancy

The consultancy side of the business is the largest part of the company structure and consists of separate divisions: Financial Management, Operations Management and Risk Management consulting. Each consulting division deals with clients relevant to its respective unit, collaborating on occasion if a project produces significant overlap with one or more of the other consultancy sectors.

Financial Management Consulting – Typically concerned with the effective management of funds, capital raising, debt and deal financing. Financial management meets client objectives through acquisition and allocation of capital, assessment of profit margins, identification of causality regarding revenue, assigning short term resources and producing budgeting frameworks. This allows a business to run as economically as possible, balancing investments, future ventures, debt, cash, debtors and creditors.

Projects usually entail:
- Establishing financial frameworks to guide clients towards goal acquisition, while maintaining economic boundaries.
- Alleviating client concerns through assessment of resources and provision of actionable reports.

Operations Management Consulting – This area of consulting is concerned with assessing the internal structure of a company and implementing strategies to utilise production potential. Although operations consultancy is traditionally applied to product based companies or manufacturing plants, the core elements of its principal can largely be applied to service-based businesses and various organisational structures.

Projects usually entail:
- Identifying areas of improvement within existing procedures and providing agendas for strategic development.
- Examining workflow and aiding clients to enhance companywide efficiency.
Risk Management Consulting – Generally focuses on the assessment of insurable and un-insurable risks to a company, whether in relation to undertaking new projects, unforeseen expenditures, due diligence, written contacts or allocation of capital and revenue growth. Risk assessment consultants identify potential threats to corporate achievement and aim to circumvent matters that could jeopardise objectives.

Projects usually entail:
- **Diagnosing potential threats to business development and ensuring the client has full awareness of prospective setbacks.**
- **Implementation of insurance policies to safeguard the client against undesirable circumstances.**

Situation

Following a recent office dispute leading to the sudden departure of a staff member from the London office, you have been asked to transfer from your current position at the Chicago site to replace a much-needed consultant within the Financial Management division of the London office. Due to the urgency of projects being handled at the somewhat understaffed UK base, a meeting among the Senior Consultants concluded that this will be the best way to utilise current resources. It is likely that your services will be required in London over the next couple of weeks, while a suitable candidate is selected to take up the position in the long term. Although you have been working for Bannon & Loew Consulting for the past six months and are familiar with the company’s client work, you have always been located in Chicago and are unfamiliar with the London set-up. You have been informed that staff should be available upon arrival to bring you up to speed on the current situation and status of the impending projects, however it is required that you handle the transition as efficiently as possible in order to actively assist the staff in meeting deadlines.
E-mails: E-mail 1

From: Anne Matheson  
To: _____  
Subject: Welcome to London  
Sent: 17:32 Sunday 6th October

Hello _____,

Just a quick e-mail to thank you for joining us during this hectic time, Cynthia is thrilled that you were willing to assist on the current projects given Ron’s recent departure. I’ve included some information about the people you will be working with over the next couple of weeks, in the hope that it will help you to settle into our finance department and ease the transition period.

As you know we are going to require efficiency and initiative in order to complete the tasks at hand, so it would be greatly valued if you could use your professional judgement when responding to your new colleagues. I’m not sure which company model you have been following in the Chicago branch, but our office adheres to the “Perpetual Improvement Wheel” which you can access in your documents. If you are ever unsure of the procedures we would like you to follow while working with us, or the standards we work to, we recommend that you have a look through it.

If you have any queries, or are unsure of who could provide valid input on certain matters, feel free to refer to the organogram and familiarise yourself with the personnel structure. I have also attached some useful background information on the London team.

Kind regards,

Anne Matheson

Employee Profiles London

Bannon & Loew Consulting - London Office

Financial Management Consultancy

Director – Alison Lambert

Alison is highly respected among the London staff, as she has been working with us over the last 30 years. Originally employed as a Consultant, she has risen up the corporate ranks becoming CIMA qualified and completing an MBA on her way.
Senior Consultant – Mark Robinson

Mark has been working with us for 7 years and has hopes of becoming Director in the future. He too is CIMA qualified and is currently working towards completion of an MBA. Mark always has a diplomatic approach towards any disputes, whether internal or client related, and seeks to provide the most effective solution in every instance.

Consultants

Julia Rafferty – Julia has recently been employed here and shows great promise. Although her conscientiousness is often a real asset, she may have the tendency to get a little bogged down in specifics and appears somewhat prone to worrying. Nonetheless, she is an excellent contribution to the workforce.

Simon O’Neil – Originally from Scotland, Simon moved to London about 3 years ago and joined the Bannon & Loew Consulting workforce. He is a keen member of staff with great attention to detail, however he is probably the most likely to become confrontational if the accuracy of his work is questioned and does not respond well to pressure.

George Kalimisarkis – George is a real character and is very popular among the staff, he has worked with us for 9 years and appears to be quite content with his position. Although he has a wealth of experience, as well as being CIMA qualified, George opted to remain at consultant level when offered the senior position a few years back. He often jokes that he will never retire, and at the age 72, we are starting to believe him!

Junior Consultants

Lee Hussein – Recent graduate Lee joined the company last year and is proving to be a tremendous employee, always quick to take initiative and is extremely organised in his work. Lee tends to keep to himself, remaining focussed on the tasks at hand and always meets deadlines.

Peter Harlow – An ambitious young man, eager to establish himself within the company despite being employed within the last 9 months. Peter has a brilliant mind for business, but tends to overstep his boundaries on occasion, a characteristic which has been noted a few times by his seniors.

Jessica Campbell – A fairly balanced employee, Jessica usually fulfils that which is required of her but always seems unwilling to go the extra mile in regard to her work. Originally considered to be a real up and comer, she has failed to meet expectations during her time in our employ.
E-Tray Exercise 1

Bannon & Loew Consulting - Solutions

Instructions

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**Situation**

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Anne Matheson

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Bannon & Loew Consulting - London Office

Financial Management Consultancy

Director – Alison Lambert

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Peter Harlow – An ambitious young man, eager to establish himself within the company despite being employed within the last 9 months. Peter has a brilliant mind for business, but tends to overstep his boundaries on occasion, a characteristic which has been noted a few times by his seniors.

Jessica Campbell – A fairly balanced employee, Jessica usually fulfils that which is required of her but always seems unwilling to go the extra mile in regard to her work. Originally considered to be a real up and comer, she has failed to meet expectations during her time in our employ.

Scoring Criteria: E-mail 1

Competency: Comprehension and Communication.

Urgency: Low (Does not require a quick response)

Importance: High (Contains vital information)
E-Tray Exercise 2

Cannon Carlisle - Questions

Instructions

Please read the instructions on this page, then turn over the page to begin the exercise.

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You need to review each item and then need to select the “Most Effective” and “Least Effective” responses from the options provided.

Your task is to respond to as many of the emails as you can within the time limit of **45 minutes**. You must read the background information which gives you useful information about the role you are being asked to assume and the company you are working for. When responding to the emails try to imagine yourself in a work environment. You will **NOT** receive replies to any of your emails or actions during the exercise, so reply to the best of your ability with the information you are given.

The exercise begins on the next page.
Background Information

Cannon Carlisle is a reputable consultancy firm based in the UK, having been established in 1982 by Senior Executive and acting CEO, David Cannon. The company is based at a single location, although there are plans to expand in the near future, provided that the success of the business continues at its current pace. At present, the structure of Cannon Carlisle is split into three main divisions, Corporate, Consultancy and New Business. The corporate division houses the Information Technology, Human Resources and Administrative departments, all of which are concerned with the internal workings of the corporation and do not contribute to the consultancy process or to individual client accounts. The Consultancy division is comprised of the main management consultancy departments, Operational, Strategic and Financial Consulting. New Business, which also has subdivisions for Marketing and Press Release; deals with the procurement of new accounts, acquisition of projects and their assignment to the most appropriate department within the company, so that they can be handled by those most qualified.

Company Direction

Cannon Carlisle expect to increase their clientele base through implementation of a venture support scheme called Entrepreneur Fast-Track, a programme which aims to provide resources and operational support to business-minded individuals embarking upon independent ventures. Through Entrepreneur Fast-Track, Cannon Carlisle also offer consultancy to projects within the programme for a discounted fee, enabling clients to access valuable expertise while establishing a start-up company. Through the venture support scheme, Cannon Carlisle will be entitled to a portion of all endeavours established under the programme, in return for financial support and consultancy.

Plans for structural realignment throughout the Consultancy division are in place for the launch of Entrepreneur Fast-Track during the next month, having reassigned some of the existing consultants from Operational, Strategic and Financial Consulting to a new department for Entrepreneur Fast-Track. With this addition to current company structure, the Consultancy division will be split into four departments; Entrepreneur Fast-Track, and separate departments for the original consultancy types; Operations, Strategic and Finance. New Business will still work symbiotically with Consultancy, while maintaining its status as a separate division.

Entrepreneur Fast-Track General Duties

Formative assessment of successful projects, resulting in the assignment of personnel most equipped to meet the client's precise needs.

Collaborating effectively in order to deliver cohesive consultations; formulated specifically to provide a combination of Operational, Strategic and Financial Consulting.

Allowing the client access to pooled expertise in the case of any query; including emergency consultations if deemed beneficial.

Overseeing the individual progress of the projects selected and ensuring that they are supported at all times.
Maintaining up to date knowledge of effective methods and procedures adopted in consultancy through personal experience or attendance to relevant conferences.

Using professional judgement and knowing when to support or step-back during the developmental stages of the projects, ensuring the client is supported while remaining an independent business.

Performing duties at a standard equal to or above that required to maintain client satisfaction and uphold company policy.

Providing a pleasant and helpful service to all clients participating in the Entrepreneur Fast-Track scheme.

**Situation**

Following the role reassignments advocated for structural realignment, some existing members of staff are displeased with their new position within the company. It would appear that there are concerns regarding the Entrepreneur Fast-Track programme and its success, with some individuals expressing trepidations that in the light of failure and abandonment of the project, the team might not be reintegrated into the company after such vast structural changes, thus requiring them to seek alternative employment. These apprehensions have resulted in one employee’s decision to part with the company, which comes at an extremely delicate time, as this employee had been allocated a position within the new Entrepreneur Fast-Track team. As the other Consultancy departments have already lost members of their staff, Cannon Carlisle have opted to employ a new recruit in order to fill the position.

**The Task**

You have recently accepted a Consulting position at Cannon Carlisle, following the unexpected resignation of Odette Lawson, whom you will be replacing in the Entrepreneur Fast-Track programme. As it is a critical period for the company, you have helpfully agreed to take up your position early, by coming in to the office on the afternoon of Friday 24th January 2014. You must respond to as many of the e-mails in your inbox as possible during the assigned time limit, keeping in mind that you will not be able to make or receive any further contact once the task is over. Helpful information has been provided within the Documents section of the inbox, which you will be able to refer to throughout the exercise.
E-mails: E-mail 1

From: Sally Hayes
To: _____
Subject: Welcome
Sent: 21:07 Thursday 23rd January

Hello _____,

Just wanted to send a quick message to welcome you to the company and let you know that we really appreciate your willingness to start so promptly. In order to ease your transition into the company, I’ve attached some useful employee profiles to help you get to know the team, and in your documents folder there should be the minutes from the launch party meeting. This will help you get up to speed on the arrangements so far. As you are joining us during a large change to company structure, things may appear a little hectic. So if you have any queries please refer to the documents folder in your inbox, as this should provide you with all the information you’ll need. You may notice that your predecessor, Odette Lawson, is still listed on the departmental and structural information, this will be updated and replaced with your name over the next few weeks.

On behalf of David Cannon and all of the staff, we look forward to working with you.

All the best,

Sally Hayes

Employee Profiles

Cannon Carlisle – Useful Profiles

CEO

David Cannon – Having always had a brilliant mind for business consulting, David Cannon successfully established Cannon Carlisle in 1982, after being awarded CMC status from the Institute of Consulting. David is revered by his employees for his management style and “hands on” approach to corporate well-being. His diplomatic approach to problem resolution has led him to be considered “firm but fair” and he never hesitates to do what is necessary during difficult situations.

Secretary – Sally Hayes
Entrepreneur Fast-Track

Director

Alan Walker – Previously a Senior Consultant within the Finance department, CIMA qualified Alan Walker recently accepted a promotion, becoming Director of the newly established Entrepreneur Fast-Track scheme. He is a self-confessed advocate for the importance of group cohesion is eager to strengthen team mentality among his staff. Under his leadership we are confident the programme will be an enormous success.

Secretary – Amanda Dunn

Senior Consultants

Laura Clarke – A former Senior Consultant within the Operations department, Laura Clarke has a wealth of experience having been with us for the past 12 years and completing an MBA a few years back. She is extremely pleased to have been selected as part of the Entrepreneur Fast-Track team, seeing it as an exciting opportunity to take Cannon Carlisle to new heights.

Anthony Arkin – Anthony was one of the Senior Consultants in our Strategy department and although he was originally considered for the role of Director within Entrepreneur Fast-Track, he is also renowned for his quick temper. This ultimately cost him the promotion. However he remains a valued asset to Cannon Carlisle and has an MBA along with his years of experience.

Consultants

Robert Murrell – Originally from the operations department, Robert was allocated to Entrepreneur Fast-Track in the hope that he might improve his performance. It would appear from his time with the Company that he has a tendency to miss certain details, although he works hard. Having been associated with a number of disagreements among his former team, it was suggested that he might get along better in a new department.

Sam Prescott – A real up and comer with a great attention to detail, Robert was previously a part of the Strategy team where he performed exceptionally, securing a number of projects and building a vast portfolio. Having been with the Company for just over 7 months, he is already proving to be “one to watch” and is on his way to completing an MBA.

Odette Lawson – Odette has been with us for just over a year now, having come to us from a rival consultancy. She was selected to join Entrepreneur Fast-Track as a financial consultant, due to her original position as part of our main Finance department. Although she was apprehensive at first, Miss Lawson is a resilient member of staff and sure to meet any structural changes head on.
SECTION 1: Example Exercise Outcomes
SECTION 2: Competencies and Behavioural Indicators

E-Tray Exercise 2
Cannon Carlisle - Solutions

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You need to review each item and then need to select the “Most Effective” and “Least Effective” responses from the options provided.

Your task is to respond to as many of the emails as you can within the time limit of 45 minutes. You must read the background information which gives you useful information about the role you are being asked to assume and the company you are working for. When responding to the emails try to imagine yourself in a work environment. You will NOT receive replies to any of your emails or actions during the exercise, so reply to the best of your ability with the information you are given.

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Company Direction

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Providing a pleasant and helpful service to all clients participating in the Entrepreneur Fast-Track scheme.

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Following the role reassignments advocated for structural realignment, some existing members of staff are displeased with their new position within the company. It would appear that there are concerns regarding the Entrepreneur Fast-Track programme and its success, with some individuals expressing trepidations that in the light of failure and abandonment of the project, the team might not be reintegrated into the company after such vast structural changes, thus requiring them to seek alternative employment. These apprehensions have resulted in one employee's decision to part with the company, which comes at an extremely delicate time, as this employee had been allocated a position within the new Entrepreneur Fast-Track team. As the other Consultancy departments have already lost members of their staff, Cannon Carlisle have opted to employ a new recruit in order to fill the position.

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Consultants

Robert Murrell – Originally from the operations department, Robert was allocated to Entrepreneur Fast-Track in the hope that he might improve his performance. It would appear from his time with the Company that he has a tendency to miss certain details, although he works hard. Having been associated with a number of disagreements among his former team, it was suggested that he might get along better in a new department.

Sam Prescott – A real up and comer with a great attention to detail, Robert was previously a part of the Strategy team where he performed exceptionally, securing a number of projects and building a vast portfolio. Having been with the Company for just over 7 months, he is already proving to be “one to watch” and is on his way to completing an MBA.

Odette Lawson – Odette has been with us for just over a year now, having come to us from a rival consultancy. She was selected to join Entrepreneur Fast-Track as a financial consultant, due to her original position as part of our main Finance department. Although she was apprehensive at first, Miss Lawson is a resilient member of staff and sure to meet any structural changes head on.
Instructions

Please read the instructions on this page, then turn over the page to begin the exercise.

Your assistant has left 13 items (documents) on your desk marked for your attention. These appear in a variety of formats including emails, letters, reports and web pages, just as you would use in an office environment. Some of these items may appear to describe isolated issues, while others link to one or more of the other items. A summary listing each item is provided for you on a subsequent page.

You need to review each item and then need to provide the following:

- A list of actions, written in brief, which include your analysis of the key issues in each of the 13 items.

- The priority that you would assign for dealing with each item. Please use these 3 categories: *high priority*, *medium priority*, and *low priority*. When determining these, a balance needs to be struck between *urgent* tasks (that need to be completed as soon as possible) and *important* tasks (that have a high impact on the business).

- Please include who should be involved. For example, if you want to forward an item to a colleague, or if you want to call a meeting.

You have **90 minutes** in which to complete this task. You are strongly advised to spend the first 5-10 minutes reviewing the documents as a whole before considering actions pertaining to each item. There is a template at the end of this file for you to enter your Actions and Priority Ratings.

The exercise begins on the next page.
Background Information

Role

Your name is Pat Rawlings and you joined Rest Well Lodges through its Graduate Trainee Programme. As the company’s top-performing Graduate Trainee you were appointed to an Assistant Manager position in London at one of the chain’s flagship hotels. Your rapid ascent has continued and you have just been appointed as General Manager of a struggling Rest Well Lodges outlet in Watlington. The outlet has been given 6 months to increase its profitability or it faces closure.

Rest Well Lodges is a chain of mid-range hotels that has suffered over recent years due to the proliferation of value hotel chains and the high levels of competition at both the high and low ends of the hospitality industry. Furthermore, the rise of the “gastro pub” has affected profits from external customers using hotel restaurant facilities.

Rest Well Lodges has been slow to pick-up on trends in hospitality, such as outsourcing and online check-in. This is particularly true of the smaller Rest Well Lodges outlets. Each outlet is run relatively independently from Head Office although each is expected to adhere to brand values.

Your immediate team consists of the Restaurant Manager and the Hotel Manager; each of whom supervises three Team Leaders. You have overall responsibility for all hotel functions, including reception, housekeeping, and the restaurant’s front of house and back of house functions. You and your colleagues also deal with a range of external suppliers.

Managing the Watlington outlet is just the opportunity that you have been waiting for. This is your chance to hone your leadership and problem-solving skills and to put your managerial training and experience into practice. You have the Area Manager’s authority to take whatever decisions you feel are necessary. She has asked for regular updates, so you are advised not to defer any important issues.

Today is the 26th July 2010 – your first day as General Manager of the Watlington hotel.
<table>
<thead>
<tr>
<th>Doc</th>
<th>Document Title</th>
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<tbody>
<tr>
<td>1</td>
<td>Organisation chart</td>
</tr>
<tr>
<td>2</td>
<td>Area Manager introduction</td>
</tr>
<tr>
<td>3</td>
<td>Rest Well Lodges website pages</td>
</tr>
<tr>
<td>4</td>
<td>Customer complaint</td>
</tr>
<tr>
<td>5</td>
<td>Email chain between Chef and Restaurant Manager</td>
</tr>
<tr>
<td>6</td>
<td>Excerpts from half-yearly Financial Report</td>
</tr>
<tr>
<td>7</td>
<td>Business articles</td>
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<tr>
<td>8</td>
<td>Appraisal data</td>
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<tr>
<td>9</td>
<td>Hotel Customer Satisfaction Survey results</td>
</tr>
<tr>
<td>10</td>
<td>Meeting minutes</td>
</tr>
<tr>
<td>11</td>
<td>Email chain between Team Leaders</td>
</tr>
<tr>
<td>12</td>
<td>Reception staff rota</td>
</tr>
<tr>
<td>13</td>
<td>Performance statistics from Operations Director</td>
</tr>
</tbody>
</table>
Watlington – Rest Well Lodges

Chris Mayfield
Area Manager

You,
General Manager

Susie Desai,
Hotel Manager

Justin Seales,
Reception Team Leader & team of 8
Kasia Nowak,
Housekeeping Team Leader & team of 12
Linda Peters,
Room Service Team Leader & team of 4

Brian Parker,
Restaurant Manager

Nikki Phillips,
Front of House Team Leader & team of 12
Paolo Diaz,
Chef
Adam Adeyemi,
Back of House Team Leader & team of 8 waiters

Marie Kelly,
Sous Chef

Kasia Nowak, Housekeeping Team Leader & team of 12
Nikki Phillips, Front of House Team Leader & team of 12
Linda Peters, Room Service Team Leader & team of 4
Paolo Diaz, Chef
Adam Adeyemi, Back of House Team Leader & team of 8 waiters
Marie Kelly, Sous Chef
SECTION 1: Example Exercise Outcomes

SECTION 2: Competencies and Behavioural Indicators

In-Tray Exercise 1

Rest Well Lodges

Answers and Candidate Guidance Booklet
Answers and Candidate Guidance

There follows an item-by-item account of the in-tray’s main themes and some of the recommended actions/ideas for addressing them. This aims to demonstrate how providing a broad range of informed ideas and effective actions could address the key issues identified from individual and linked items. This answer models an effective approach for answering the in-tray. This is not intended to be the only correct answer. The length of the answers given are not intended to reflect an ideal answer length – that will very much depend on the number of items and amount of time given.

You can answer in bullet-points or paragraphs – the important thing is what you say, as assessors will be looking to see whether you correctly identified the pertinent issues and overriding themes. Also whether you have provided action plans that are clear and follow-on from the information provided.

Whilst the actual scenario for each in-tray can vary greatly, the overarching task remains the same – to show an understanding of the issues and to come up with realistic solutions to the range of problems outlined in the exercise. Some of the solutions are specific to this in-tray, but some are more generic solutions. For example, those relating to managing others and customer service which may well be relevant to other in-tray answers.

Typically, competencies are used as the underlying measures to score an in-tray. A competency is a set of knowledge, skills and behaviours, such as Managing Other People. Assessors marking an in-tray look for evidence in your answer that you are addressing one or more competencies. In the case of this practice in-tray, the following competencies would be relevant across the set of 13 items:

- Financial Management
- Planning and Organising
- Analysis and Problem-Solving
- Leadership potential
- Customer Service Focus

This model answer tackles each item in the order in which it has been presented. An equally effective approach would be to tackle the highest priority items first – since under strictly timed conditions it would then be the lowest priority issues that were left till last (and potentially uncompleted). Themes across the items are described. In fact, responding to several items at once – grouped together into a theme – is another possible approach to answering an in-tray.

Please note that each “hand-written” answer is followed by a Note section highlighted in yellow. These are not part of the model answers – they provide additional explanation(s) of particular issues, alongside any other useful pointers.
<table>
<thead>
<tr>
<th>Item No.</th>
<th>Key Issues and Recommended Actions</th>
<th>Priority</th>
</tr>
</thead>
</table>
| 1       | - Send group email to my new team explaining my background at Rest Well Lodges, stating how excited I am about starting and working with the excellent team here. Make clear that my remit is to turn hotel performance around within the next 6 months. I will be setting up a meet and greet session, inviting ideas. Need to make an impact and to demonstrate my enthusiasm/commitment to all staff. Emphasise my confidence in individual staff having the best ideas for improving their own working environment.  
- From reading the other items it is apparent that extra marketing, especially to business customers, could benefit the hotel's profitability. However from the organisational chart there doesn't seem to be anyone responsible for marketing. Consider assigning this task to someone or even, in the long term, recruit someone for this role.                                                                                         | Low      |
| Note:   | The organisational chart tells you who your new colleagues are and the managerial responsibilities of the five team leaders and the two managers. This makes the organisational chart a very useful document to refer to throughout the in-tray exercise. Keep it on one side to refer to later.                                                                                           |          |
| 2       | - Call Area Manager (Chris) to say thanks for the useful note and to confirm that I look forward to catching-up next Wednesday. Advise Chris that I am committed to turning the hotel performance around and am focussing on improving profitability from the outset. Reassure Chris that I’ve made it a priority to meet with Susie Desai and to discuss how we can most effectively work together. I will keep Chris fully informed over the next few weeks as our working relationship develops.  
- Request copy of last month’s Food Hygiene inspection report. Speak to Brian (Restaurant Manager) about how to improve hygiene.   
- Meet the Restaurant Manager and Hotel Manager this morning and set-up an introductory meeting as soon as possible. Ask them to bring to the meeting notes on where they see there are current issues to resolve.  
- Note that internet marketing could be one area to improve given that it had been neglected to date.                                                                                                           | High     |
Note: This "scene-setting" item follows on from the exercise instructions. Once you read the other items, you have these overall aims/objectives:

- Watlington Hotel is a struggling hotel outlet, whose income has declined in recent years. It has been granted a 6 month grace period in which to turn its performance around. You need to suggest ways to reduce staff costs and increase profits.

- As a mid-range hotel chain Rest Well Lodges is being squeezed by high- and low-range chains. One of the possible reasons given is that it has been slow to pick up on trends in hospitality such as outsourcing and online check-in.

- Some of the Watlington staff are demoralised – in particular the Hotel Manager Susie Desai. You will be expected to demonstrate in the exercise how you would motivate others, particularly your two immediate managerial reports.

You are expected to adhere to the brand values – so make a mental note to look out for these when they appear later in the exercise. For example, Item 2 mentions compliance with health and safety regulations and providing a satisfying customer experience.

The Watlington outlet has just struggled through its Food Hygiene Inspection. Make a mental note to look out for any other references in the in-tray items relating to the same issue.

Start to keep a list of your ideas for local or regional/national initiatives that could attract more income.
<table>
<thead>
<tr>
<th>Item No.</th>
<th>Key Issues and Recommended Actions</th>
<th>Priority</th>
</tr>
</thead>
</table>
| 3       | - Contact the Website Manager and ask for changes to the second page – at the moment it is too family-focussed, which will exclude valuable business customers.  
         - Speak to Susie to find out about the function room with a view to hurrying along any repairs. | Low      |

Note: This Website item provides a lot of background information for you to take in, including corporate brand values – you would be expected to spot any deviations from these in the other items.

The first Website page provides a list of the qualities that Rest Well Lodges looks for in its Graduate Trainees. This indicates the type of competencies that the exercise is assessing i.e. leadership potential, ability to motivate others, customer service orientation, being innovative. At interview you must have displayed these qualities but have them in the back of your mind as qualities seen by Rest Well as being desirable.

Based upon the Welcome text and the second Webpage of Room/Hotel Facilities, it’s clear that the hotel has been family focussed - rather than say business customer focussed. Note those facilities that are not offered in case reference is made to these later in the in-tray: concierge, early check-in, late check-in, swimming pool. Also, there are a number of facilities that you would expect to be offered if the hotel wanted to attract business customers: conference rooms, business centre, trouser press, Wi-Fi, newspaper. Another important point to note is that the Function Room is closed pending essential repairs.

The "extensive renovation programme" is mentioned again in Item 10.
SECTION 1: Example Exercise Outcomes
SECTION 2: Competencies and Behavioural Indicators

In-Tray Exercise 2

Newton Telecom
Instructions

Below you will find background information relating to a company. That is followed by the contents of your in-tray and your diary, which already has a number of entries. There is also a blank ‘Actions’ sheet and a blank ‘To do today’ list.

You must review each item and then:

- Briefly describe the actions you would take to deal with each item.
- Add entries to the diary
- Add important actions to the ‘To do today’ list.

Make sure you justify all actions you take. Where you recognise that items tie in together, be sure to make a note of it.

We strongly encourage you to read all of the in-tray items before deciding how to respond to them. Make notes as you go as to how you might respond, but be aware that items that appear later in the in-tray may affect how you respond to earlier items.

You should print out this entire exercise and find a quiet place free of distractions or interruptions to complete it. Make as many notes on the in-tray items as you can think of. In a real in-tray exercise you usually have to talk through your responses with an assessor, or sometimes you simply submit your responses for them to read. If your thoughts and observations are not articulated or are not on the page, you will not get the marks for them!

The scoring matrix at the end of this exercise is a guide only; in real exercises, the assessor will apply a degree of flexibility to these in order to recognise how well you understood and dealt with each in-tray item. There may well be things you think of which are not in the scoring matrix, but that are equally valid if you justify them to the assessor.

The exercise begins on the next page. You should start timing from when you start to read the instructions. You will have 75 minutes in which to complete the exercise, after which we would suggest you take a short break before returning to look at the answers. Scoring your answer sheet and, arguably more importantly, reviewing your performance and reflecting on what you have learned, is likely to take an additional 20-30 minutes.

- The exercise begins on the next page-
Background Information: Company

You are Chris Carpenter, the Customer Services Manager for Newtown Telecom.

You have just returned to work after a two and a half day unplanned absence prompted by a family situation. Today is Thursday 4th June. It is 9am. In your in-tray are a number of things you had expected to have dealt with by now, plus some new arrivals.

Newtown Telecom is a mid-sized mobile telephone network operator. It has 400 staff, 2 million customers and an annual turnover of £250 million. Newtown Telecom was established ten years ago by local entrepreneur John Dobson, and grew substantially four years ago when the company bought Vista Mobile. Whilst John Dobson is still at the helm, some of Vista's staff remain within the organisation, including Avril Atkins, the Operations Manager and your immediate boss.

Your mantra at the company is ‘Customers come first’. That is one of the reasons why you and the company have been so successful. Whilst Newtown Telecom is competitive, it cannot take on the likes of Vodafone and Orange in a price war. Consequently the main market differentiation strategy revolves around providing excellent customer care – and having all calls answered personally, not by a machine.

Background Information: Appraisal Procedure

Newtown Telecom holds staff appraisals twice a year, in June and in December. Here’s how the system works:

1. Both the person being appraised (the appraisee) and the person conducting the appraisal (the appraiser) complete the section of the form relating to past performance prior to the meeting.

2. At the appraisal interview, the two views on the standard of past performance are compared and – where they differ – consensus is achieved through discussion.

3. Future objectives are set and training needs discussed and incorporated into the objectives.

4. Following the meeting, the appraiser completes the form and adds his or her comments, then passes it to the appraisee. The appraisee verifies that it is an accurate record of what was agreed at the meeting, adds his or her comments, and signs it, after which it goes to the HR department.

You have three appraisals to conduct, for the supervisors who report to you. (You have completed the paperwork for their appraisals, but not yet for your own.) The supervisors will appraise the team leaders who report to them, and the team leaders will appraise the members of their team. If anyone has a query or a complaint (on any issue, not just appraisals) they should first approach the person to whom they report directly. If an issue fails to be resolved, then it may be escalated beyond that.
Background Information: Meetings

On the first working day of every month, the Operations Manager holds a meeting of all Operations Department Managers. The departments included are Marketing, Sales, Credit Checking, Credit Control and Customer Services.

The Operations Manager issues an irregular ‘Operations Update’ to all Operations staff when she feels she has something to tell the team. There are usually four or five of these a year.

Every Friday afternoon you hold a meeting with your supervisors to catch up on what has happened over the past week and what is planned for the next one. If something is urgent, you pass the information on immediately, if not, it waits until the Friday meeting for dissemination. As a general rule, you compile an agenda for the meeting as the week unfolds. If you are unable to be present your Senior Supervisor leads the meeting. If a Supervisor cannot attend, they nominate a Team Leader.

The QIF, or Quality Improvement Forum, meets every other Tuesday. You like to attend personally, but will send a deputy if you can’t make it. The QIF is a responsibility you took on when you were Senior Supervisor and you have continued with it even after your promotion.
SECTION 1: Example Exercise Outcomes
SECTION 2: Competencies and Behavioural Indicators

In-Tray Exercise 2

Newton Telec

Answers and Candidate Guidance Booklet
Answers and Candidate Guidance

There follows an item-by-item account of the in-tray’s main themes and some of the recommended actions/ideas for addressing them. This aims to demonstrate how providing a broad range of informed ideas and effective actions could address the key issues identified from individual and linked items. This answer models an effective approach for answering the in-tray. This is not intended to be the only correct answer. The length of the answers given are not intended to reflect an ideal answer length – that will very much depend on the number of items and amount of time given.

Similarly, the points awarded at the end are just a guide and different companies will have different scoring systems favouring their particular recruitment aspirations.

You can answer in bullet-points or paragraphs – the important thing is what you say, as assessors will be looking to see whether you correctly identified the pertinent issues and overriding themes. Also whether you have provided action plans that are clear and follow-on from the information provided.

Whilst the actual scenario for each in-tray can vary greatly, the overarching task remains the same – to show an understanding of the issues and to come up with realistic solutions to the range of problems outlined in the exercise. Some of the solutions are specific to this in-tray, but some are more generic solutions. For example, those relating to managing others and customer service which may well be relevant to other in-tray answers.

Typically, competencies are used as the underlying measures to score an in-tray. A competency is a set of knowledge, skills and behaviours, such as Managing Other People. Assessors marking an in-tray look for evidence in your answer that you are addressing one or more competencies. By having an idea of the type of company to which you are applying you will have an idea of the sort of competencies they might be looking for. Company websites and job postings often describe what qualities they are looking for in new recruits. Try to have these competencies in the back of your mind when deciding how to respond to items in an in-tray.

This model answer tackles each item in the order in which it has been presented. An equally effective approach would be to tackle the highest priority items first – since under strictly timed conditions it would then be the lowest priority issues that were left till last (and potentially uncompleted). Themes across the items are described. In fact, responding to several items at once – grouped together into a theme – is another possible approach to answering an in-tray.
Item 1 – Operations Update bulletin

**Action:**
Note both Charlie Green's leaving do and Melanie Young's start date in the diary.

**Scoring:**
1 point for each diary entry

Item 2 – Jenny Brown's letter of resignation

**Action:**
You know from the letter and the organisation chart that Jenny Brown is on Elaine Smith's team and that Elaine is one of Ruth Roberts' team leaders. Judging by Item 11, Jenny is an asset to the team.

Ask Ruth and Elaine for their opinions and to check previous appraisals to see if she's consistently good. If she is, then check with Avril Atkins to see if she would consider matching or beating the salary offer. Good staff are worth hanging on to.

**Scoring:**
1 point for linking to Item 11.
2 points for speaking to the team leader and supervisor.
1 point for asking them to check previous appraisals for Jenny Brown's history.

**Bonus:**
2 points for encouraging Jenny to stay, possibly with the incentive of more money.
1 point for discussing with Jenny if salary is just an excuse and in fact there is another underlying reason for her resignation; it is often not as simple as pay.

Item 3 – Quality audit notification

**Action:**
The supervisors need to be briefed about the quality audit in time for them to cascade the information to their staff. You know from the background notes that you compile an agenda for the regular Friday meeting you have with your supervisors. You should add this to the agenda and also put it in your diary. The supervisors also need to confirm that the paperwork is up to scratch, as per Item 8, point 8.

It would be a good idea to ask for a volunteer (or to appoint one!) to deal with the auditors during the visit. As you have a supervisor on holiday, a team leader might be a more appropriate choice. The audit is important. You will undoubtedly spend some time with the auditors and should make sure you are available in the department in case you are needed, but your time is too valuable for you to be tied up with it all day.

Prior to the audit, email the contact name to Bob Norris so his people know who to report to.
Scoring:
1 point for linking to Item 8.
1 point for adding the subject to the Friday meeting agenda.
1 point for adding it to your diary and keeping the day clear of other appointments.
2 points for confirming that the paperwork is up to scratch.

Bonus:
2 points for appointing a contact.
2 points for emailing information to the Quality Manager prior to the audit.

Item 4 – Your appraisal form and notification

Action:
Your appraisal is tomorrow and you still have your appraisal form to complete. (You know this from the background notes.) You have many other things that need attending to as well. You could ask for a postponement, but bearing in mind the tone of Item 1, the Operations Update bulletin, and Item 8, Point 9, from the Operations Managers’ Monthly Meeting, it would be best not to.

As this matter is now both important and urgent, you must complete the form before tomorrow morning. By all means try to fit it in this afternoon, but resign yourself to the fact that you might have to take the form home with you and complete it in your own time.

Scoring:
2 points for realising you have the form to complete.
1 point each for picking up on the link to Item 1 and item 8 and recognising the implications.

Bonus:
2 points for scheduling the work later in the day/accepting it has to be done no matter what.

Item 5 – Your supervisors’ appraisal forms and interview schedule

Action:
One of your first priorities is to reschedule your supervisors’ appraisal interviews, two of which you missed whilst absent. While rescheduling, you must keep an eye on holidays, deadlines and other events. Note that you will have to arrange appraisals before the 19th which is the deadline for holding appraisal interviews (as per Item 1).

Bearing in mind Steph Gardner’s appraisal is scheduled for 10 o’clock today, you will have to make an early decision as to whether you will postpone it or go ahead. Under the circumstances, it would be best to postpone it, or at the very least move it to later in the day, not least because you need time to prepare by reading over the form and any other notes you have made. You must be able to focus your full attention on an appraisal and you are currently in catch-up mode. Looking at your diary, it will be difficult to fit it in before Thursday 11th.
You must conduct Ruth Roberts’ appraisal early next week so that there is time to write up the form and get it signed before she goes on holiday. Paul Coulson will have to wait until after his week’s holiday, but that is still within deadline. Avoid Monday the 15th: Paul will need to catch up with his team leaders and attend to any matters arising. Alternatively ask him when suits him to conduct the appraisal, to find a mutually convenient time.

**Scoring:**
1 point for noticing all appraisals have to be held before 19th June.
2 points for spotting that Steph’s appraisal is at 10am and postponing/delaying it. (0 points for going ahead with it at 10:00 – unlike other matters on your desk, it is important but not yet urgent.)
2 points for rescheduling Ruth’s appraisal for early next week.
2 points for rescheduling Paul’s appraisal for w/c 15/6 due to his holiday.

**Bonus:**
2 points for rescheduling Steph’s appraisal for after the Quality audit.

**Item 6 – Note re Intranet project and meeting**

**Action:**
You need to brief your supervisors about the planned Intranet project and make sure you all have the meeting date in your diaries. Add it to the agenda for Friday’s meeting. It would be a good idea for them to sound out their teams for ideas and suggestions. You might give them a deadline of Friday 19th, so you can discuss the outcome at the regular meeting and decide what should go forward to the Intranet project meeting.

You could offer the chance to lead on the project to Steph Gardner, in the light of **Item 10**. Make a note to raise the issue in the ‘looking forward’ part of her appraisal(assuming you didn’t go ahead with it at 10am).

**Scoring:**
1 point for delegating attendance to someone else. This workshop doesn’t require your presence.
1 point for adding the subject to the Friday meeting agenda.
2 points for asking the supervisors to consult their teams and get their ideas, too.
2 points for linking to Item 10.

**Bonus:**
1 point for planning to let Steph lead on the project in the light of Item 10.
ASSESSMENT
DAY PREP

GROUP EXERCISE
This exercise has been designed to simulate the type of group exercises which are typically used by employers. We recommend you work through this group exercise with at least three other people in order to create a realistic exercise preview. In this group exercise each candidate is deliberately given the same instructions. Sometimes however candidates will be assigned a role which they will have to adopt during the exercise.

After you have completed this exercise, you can review our Candidate Guidance Booklet to see what behaviours assessors would typically look for in this exercise, what sort of ideas might get suggested during the exercise, and tips for how you should conduct yourself during a group exercise.

The exercise will begin on the next page.
Introduction

This exercise has been developed to predict your behaviour in the workplace and assess your effectiveness at working within a team. This group exercise will require you to address a number of issues and provide practical solutions as a group.

Exercise Scenario

You will undertake the role of a management trainee at Imugen PLC, a global biotechnology firm specialising in genetic engineering, applied immunology and green biotechnology. Imugen has risen to fame over the past decade, enjoying rapid growth and a steadily expanding market share in numerous life science niches. Imugen is renowned for its collaboration with world-leading universities and public research institutes, strategically positioning itself at the forefront of the international biotech R&D scene. The corporation has headquarters in New York, London, Johannesburg, Beijing and New Delhi. With recent economic advances in the developing world, particularly in BRICS countries (Brazil, Russia, India, China and South Africa), Imugen is looking to expand and enforce a greater presence in these emerging markets.

However Imugen’s emergence as a global player has come at a cost; the company’s reputation has been shook by accusations of various ruthless and illegal tactics, including asset stripping, price fixing and bio piracy. Similarly as a front runner on the R&D scene, bioethics groups have frequently targeted Imugen’s operations, accusing the organisation and their products of “playing God”. To remedy the situation, a new CEO and senior management team has been brought in and various organisational culture changes are being implemented, with mixed results.

As part of a new distributed leadership strategy to make the company seem less hierarchical, your line manager has requested a list of recommendations regarding important strategic issues. These recommendations must be as specific as possible, outlining potential implications, offering an in-depth rationale and identifying any potential side effects that may occur. With your colleagues, these issues must be discussed and you will need to agree on each recommendation and implication via voting.

The group will have **45 minutes** for this exercise.
**Management Issues**

1. Since the departure of the previous CEO, the company’s strategy has largely been focused on improving the company’s credibility and reputation within the industry. As part of this change in strategy and culture, the new CEO has decided to undertake various environmental initiatives to decrease the company’s environmental footprint, and enhance the company’s perceived environmental friendliness. Imugen has a pending lawsuit from the Brazilian government representing various indigenous peoples of Brazil claiming Imugen committed “bio piracy” on their land by stealing flora samples and causing serious damage to the local ecosystem.

   Although it is generally agreed amongst the board and senior management that Imugen’s environmental record has been historically poor and changes need to be introduced, new initiatives may be seen as “green washing”. The company’s PR director has expressed concern that the corporation’s attempts at improving environmental practices will be met with scepticism by the media, and may be seen as a shameless attempt at manipulating public opinion rather than a genuine concern for the planet.

   These new initiatives may include decreasing the carbon footprint of Imugen’s operations, informing and requesting permission from indigenous peoples when research is undertaken in their local areas and launching various environmental charities.

   Your manager has asked your team to identify potential environmentally friendly initiatives and give recommendations to increase their likeliness of success, both with regards to the environment and on the public relations front. You are also required to generate a list of potential positive and negative implications of these initiatives.

2. Imugen’s flagship product, genetically modified Soybeans, is a major source of income for the company. Throughout the developing world, thousands of farmers purchase the company’s soybean seeds due to their genetically enhanced herbicidal and insecticidal capabilities, saving farmers money. Historically, Imugen’s relationships with local farmers in developing countries has been mutually beneficial, and has been a significant boost to the company’s reputation, as well as being a key source of revenue. However recent changes in commercial law have presented an interesting opportunity.

   So called “suicide seed” technology, genetically modified seeds which are unable to produce a second generation of crops, has become legally marketable. Suicide seed technology would allow Imugen to prevent farmers growing a second generation of seeds through inducing sterility in the genetically recombinant plant. This would mean that the farmers would be required to purchase the seeds on a repeat basis after each harvest, vastly increasing the amount of revenue generated by the GM soybean sales. After a lengthy legal battle between bioethics groups, governmental regulatory agencies and lobbying groups, industry heavyweights have been given the right to market suicide seeds.

   This puts Imugen in an awkward and precarious position; it would significantly harm relations with local farmers, and consequently governments of those countries. Similarly, with Imugen’s change in corporate leadership, and an emphasis on transparency and social responsibility, this may seem like a significant misstep on the road to an improved
reputation.

On the other hand other competitors ranging from global to local biotech firms have expressed significant interests in this technology, and have invested billions of dollars in seeing this legislation passed, legalising its use. If Imugen’s competitors are heavily involved in this technology, and reaping the subsequent benefits, can Imugen afford to segregate itself from this potentially lucrative technology?

You have been asked to compile a list of pros and cons to aid the decision making process, identifying potential benefits/disadvantages of introducing this technology. You are also tasked with coming to a decision within your group as to which decision you believe the company should take, along with a rationale of why you have decided upon that course of action.

3. With the introduction of new environmental practices, the costs of numerous on-going lawsuits and a newly revamped marketing push for the company’s agricultural products, funding for Imugen’s applied immunology departments has been relatively low. With few products available on the immunology front and high R&D costs associated with developing and introducing new products in this area, the immunology function of the corporation feels very much neglected. The research and development teams feel that the change in leadership and subsequent changes in organisational structure are negatively impacting the R&D department at Imugen. The head of research at the immunology department believes that the CEO and new senior management team are too inexperienced in the world of biotechnology, and their desired changes do not suit the goals of the organisation. When discussing this issue with the board of directors, the head of research managed to arrange a meeting between senior executives and the immunology R&D team to discuss funding.

Imugen has a number of exciting new products in the pipeline which could become key products for the company, including new antihistamines, anti-viral drugs and possibly ground breaking vaccinations for diseases such as flu, chicken pox and even the common cold. However clinical trials are notoriously expensive, and frequently trials are postponed indefinitely due to financial, political and administrative problems. If the product passes clinical trials and is deemed fit for human use, patenting the product and introducing it to the market is also an extremely lengthy and expensive process. Due to the high risk involved in this endeavour, and the new management’s interest in public relations issues over product development, pitching increased funding for the immunology department will be difficult.

You and your colleges have been asked to aid the R&D department’s efforts in securing funding by coming up with a list of advantages and positive implications of increasing immunology funding. Be as specific as possible when discussing these potential advantages.

4. With the use of recombinant DNA technology on the tobacco plant, Imugen has found a way of successfully lowering the levels of tar and other carcinogenic compounds in the tobacco leaf, without compromising nicotine content. This could lead to a significantly reduced risk of cancers and respiratory diseases associated with the recreational use of cigarettes, cigars and other tobacco products. Such technologies have previously ended in failure for rival
companies attempting the same feat, but now Imugen has identified the key to reduced risk tobacco. Research into this new strand of tobacco indicated that substituting traditional tobacco for the genetically modified strain could decrease the risk of lung cancer, emphysema and bronchitis by over 30%.

However anti-smoking and bioethics groups suggest that marketing “healthier” cigarettes is a plot to increase the social acceptability of smoking, and to increase profits by encouraging new customers to take up the habit. Although the new strain of tobacco is less harmful per cigarette, it may encourage smokers to increase the number of cigarettes smoked per day, negating the benefits.

On the other hand representatives from the tobacco industry say that harm reduction can only be a good thing. They state that tobacco remains an extremely popular commodity and whether people like it or not, it is here to stay. Therefore if harm reduction technology is made available it will help improve the quality of life of smokers that are not interested in quitting, but would like to reduce their risk of illness.

Imugen’s management is highly divided over this issue, with the new CEO undecided on what course of action to take. Some of the more hard line profit orientated managers are very keen to expand into this area, citing the huge advantage Imugen would have as the only provider of this technology. However the new senior management team is very keen to continue improving Imugen’s reputation, fearing that entering the tobacco market could damage the perceived integrity of the company.

You are required to compile a list of implications and side effects, both positive and negative, of introducing this product to help aid in the decision of whether to go ahead with marketing this product. You will need to be as specific as possible, and identify any and all possible implications that may occur.
SECTION 1: Example Exercise Outcomes

SECTION 2: Competencies and Behavioural Indicators

Group Exercise 1
Candidate Guidance Booklet

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SECTION 1: Example Exercise Discussion Points

In this section we present some example discussion points which could come up during this group exercise. These points are designed to get you thinking about your own responses and how you might react to other people’s ideas. This section should not be considered a ‘model’ answer as there will be numerous other suggestions and outcomes from the same group exercise which are equally appropriate. Indeed, group exercises are designed not to have one right answer, but to promote the discussion of ideas and resolution of differing viewpoints. You may well come up with other ideas to ours, but much more important than the ideas themselves are how you come up with them and how you interact with the group to reach agreement.

1.1 Imugen’s environmental record

**Positive Implications:**
- Decreasing Imugen’s carbon footprint will help improve the company’s environmental record and may save money through more efficient energy use. **Recommendation:** Ensure that Imugen facilities are well insulated, preventing unnecessary heat loss and energy expenditure, lowering carbon footprint.
- Cooperation with indigenous peoples may improve the company’s image, help avoid legal action from indigenous peoples and may also enable dialogue in order to gather intelligence on the local area. **Recommendations:** Send a corporate representative fluent in the local language to request permission and engage in a dialogue with the local and indigenous people, and only begin research with their consent.
- Launching environmental charities will help improve Imugen’s environmental record, may provide an avenue for tax relief and may improve public relations status/image. **Recommendations:** Bring in experts in the field of environmentalism/sustainability to aid in the formation of new charities and allot a budget to begin the charities operations.
- Environmental initiatives and indigenous/local people’s friendly practices will have a positive effect on the environment and the lives of many people. **Recommendation:** Commit to these practices on a long term basis to maximise the positive effect on stakeholders.

**Negative Implications**
- High profile environmental practices may give the impression of green-washing, making the media cynical towards the intentions of the new initiatives. **Recommendations:** Avoid intentionally seeking high publicity for new environmental initiatives, instead subtly raise awareness of these initiatives, letting the media discover these actions independently.
- Relying on the consent and cooperation of indigenous and local peoples would mean more red tape in research processes. Similarly, the indigenous population would have the right to stop research programs from happening at all. **Recommendations:** Compensate local and indigenous people for their cooperation and maintain regular dialogue to ensure a relationship is built between Imugen and the local people, gaining mutual trust.
- Starting environmental charities is a time consuming process and Imugen may not have the required knowledge of environmentalism and sustainability to successfully run such a charity. **Recommendation:** Seek the help of experts in the field and once the charity is set up, fund the charity’s operations through donations both from Imugen and other organisations/individuals as
well, helping to make the charities less expensive for Imugen.

Additional environmentally friendly practices:
- Implementing a paperless office model by limiting the amounts of paper used throughout Imugen’s departments. This will help combat deforestation, lower Imugen’s carbon footprint, decrease waste and save Imugen money on paper/printer/photocopying expenses.
- Hold “walk/cycle to work days” in which staff are encouraged to avoid using personal or public transport, encouraging more environmentally friendly methods of travel.
- Offer subsidised bicycles as part of employee’s compensation plans, encouraging the use of environmentally friendly transport.
- Ensure that company cars offered to employees are environmentally friendly, i.e. only offer hybrid cars.
- Hold telephone conferences and virtual meetings online instead of international/national level meetings in order to limit the use of air travel, car travel and public transport.

### 1.2 The pros and cons of selling “suicide seeds”

**Pros:**
- The use of suicide seeds would lead to a large increase in revenue due to regular repeat business.
- If other competitors (or indeed all of them) begin selling suicide seeds then Imugen will be on equal footing and not at a disadvantage.
- Due to the need for repeat business from farmers, suicide seeds could be sold at lower prices than non-suicide seeds, attracting more customers and establishing more relationships.
- Suicide seed plants would be unable to encroach into natural environments, preventing the spread of transgenic plant material into the wilderness.
- Increased profits from suicide seeds could be used to fuel research, leading to improved quality crops.
- “Suicide plants” will only last as long as the first generation, so with regards to crop rotation the farmers will know exactly how long the plants will last, saving them the effort of destroying the plants manually when rotating crops.

**Cons:**
- The use of suicide seeds would put significant financial pressure on farmers, particularly in poorer countries.
- This increased cost to farmers could lead to increased food prices, and even lead to food shortages in poorer countries.
- Selling suicide seeds could negatively impact Imugen’s reputation and public relations improvement efforts, particularly in light of the recent corporate social responsibility and environmental initiatives. As well as appearing uncaring towards poor farmers, Imugen’s other efforts may seem insincere as a result.
- The negative effect on farmers may have international consequences, harming relations with legal, regional and even national level governments.
- Companies which do not sell suicide seeds may be considered preferable to farmers, decreasing Imugen’s number of customers if some companies do not embrace the technology.
- Should suicide seeds become accidently mixed with natural/non suicide GM seeds, large portions of a farmer’s crop may be unintentionally sterile, lowering crop yields.
- Although the development of this technology is now legal, many countries may ban the import or export of this technology, barring Imugen from potentially lucrative markets.
Recommendations:
-Avoid developing/selling suicide seeds as the public relations ramifications could be catastrophic, with the potential for the media, farmers and governments to view Imugen in a negative light. The technology itself may prove unpopular, with farmers avoiding its use due to excessive costs. The risks and the cons outweigh the benefits and the pros, therefore Imugen should not utilise suicide seed technology
-Imugen should highlight the fact that it has rejected the use of suicide seed technology, denouncing its use and re-iterating its commitment to corporate social responsibility and the ethical use of biotechnology and genetic engineering.
-Should competitors introduce this technology, Imugen could lobby governments and attempt to have the use of this technology banned or restricted.

1.3 Convincing senior management on Immunology funding
-Increasing immunology funding would help diversify the interest of Imugen. Although agricultural products are the focus at present, market conditions could change at any time. Having more immunology based products could hedge the company’s position, leaving Imugen less vulnerable to changes in market conditions.
-The new senior management team and CEO have so far focused mostly on public relations issues such as environmental record and social responsibility. Researching and introducing a new line of immunological products could strengthen the senior management team’s credentials within the Biotechnology R&D field.
-To decrease the risk involved in large R&D projects, outside investors could be brought in, spreading the risk among multiple parties rather than solely on Imugen.
-Once the clinical trial stage is over, and a new product has been patented, production costs would be relatively low, and profit margins would be highly lucrative.
-Due to the politically sensitive nature of other possible ventures and of current criminal accusations i.e. suicide seeds and bio-piracy etc., politically neutral technologies could help avoid any more public relations issues.
-Vaccines for the common cold and other widespread viruses would have an enormous target market, being applicable to every human being on the planet.
-Successfully developing vaccines for common diseases could make Imugen the leading figure in the biotech field, gaining significant recognition throughout business, government and academia.
-Successfully introducing vaccines for the common cold and other widespread illnesses would significantly boost Imugen’s public relations status, and would be one of the greatest discoveries of modern times.
-Developing vaccines, and offering them pro bono to individuals in poorer countries, while still selling the vaccines for profit in wealthier countries could provide an avenue to gain substantial publicity as a socially responsible entity, while still generating a significant return on investment.

1.4 Decreased risk tobacco
Positive implications:
-Lower risk tobacco could replace/compete with regular risk tobacco, lowering the risk of illness associated with smoking.
-Should lower risk tobacco become popular, it may become a lucrative source of revenue for Imugen.
- The research could prove valuable academically, and pave the way for future technologies to further reduce the risk of illness associated with tobacco smoking, possibly even making the activity “safe”.
- Lower levels of carcinogenic compounds in tobacco would also decrease the risk of illness from passive smoke, helping to protect second hand smokers, particularly in children.
- A significant proportion of smokers use unfiltered cigarettes. Lower risk tobacco would help ensure that some safety measures are in place, regardless of whether individuals choose not to use filters.
- If other biotechnology companies engage in this research and introduce similar products to the market, Imugen will be in a position to compete. If Imugen does not proceed with this product, this will mean a greater market share for competitors in this market.
- If cigarettes and tobacco products become continually safer, governments may reduce the so-called “sin taxes” on such products, which are often considered regressive taxes towards poorer and lower income individuals.
- Nicotine has been found to have neuro-protectant properties, helping protect against diseases such as Alzheimer’s. Lowering the carcinogenic potential of tobacco would shift the risk-benefit ratio in a positive way.

**Negative implications:**
- Lower risk tobacco product users may be lulled into a false sense of security, and begin smoking more often, negating the benefits or even increasing the risk.
- Entering the tobacco industry may lead to negative public relations effects. Imugen has tasked itself with focusing on social responsibility, and has traditionally produced products to improve health, not put people at risk of illness. Entering the tobacco industry would undermine the public relations work which has been done.
- Lower risk tobacco could make smoking more socially acceptable, increasing the number of smokers and therefore increasing the incidence of smoking-related illnesses around the world.
- Bioethics groups and anti-smoking groups could target Imugen and Imugen’s operations, launching smear campaigns and negatively impact Imugen’s reputation.
- As with other major companies in the tobacco industry, individuals may attempt to launch lawsuits against Imugen demanding compensation for illness developed as a result of smoking. Although these individuals are unlikely to win such a lawsuit, this will result in lengthy legal processes and substantial legal fees.
- Many anti-smoking laws inhibit the advertisement of tobacco products, making the product difficult to introduce into the market.
- Production of genetically modified lower risk tobacco would be more expensive than traditional tobacco due to the cost of recombinant DNA technology, possibly putting off consumers.
- With laws limiting tobacco use being implemented in increasing numbers, the tobacco industry may be facing significant future problems, which Imugen would be subject to if they choose to enter the market.
- In certain jurisdictions, laws limiting advertising for tobacco products may affect Imugen’s ability to advertise non-tobacco-based products, due to being a company that produces tobacco products.
SECTION 1: Example Exercise Outcomes

SECTION 2: Competencies and Behavioural Indicators

This exercise has been designed to simulate the type of group exercises which are typically used by employers. We recommend you work through this group exercise with at least three other people in order to create a realistic exercise preview. In this group exercise each candidate is deliberately given the same instructions. Sometimes however candidates will be assigned a role which they will have to adopt during the exercise.

After you have completed this exercise, you can review our Candidate Guidance Booklet to see what behaviours assessors would typically look for in this exercise, what sort of ideas might get suggested during the exercise, and tips for how you should conduct yourself during a group exercise.

The exercise will begin on the next page.
Introduction

This exercise has been developed to predict your behaviour in the workplace and assess your effectiveness at working within a team. This group exercise will require you to address a number of issues and provide practical solutions as a group.

Exercise Scenario

You are undertaking the role of a recently-hired trainee manager at the oil and gas exploration company, GeoSource. Geo Source is a medium sized oil and gas exploration firm headquartered in London and conducts operations in Africa, Latin America and the Middle East. GeoSource is an experienced player within the petrochemical industry, and has generated a regular and healthy profit since the company’s inception in 1993.

However due to the relative size of the company when compared to the enormously influential oil super majors, national oil companies and larger exploration firms, management at GeoSource increasingly feel at the mercy of forces beyond their control. Similarly, fluctuation in the oil market often puts GeoSource in a precarious position, decreasing perceived control of the situation by GeoSource leaders. Nevertheless, GeoSource is a respected name in petrochemical circles and boasts a respectable list of clients ranging from large well known oil corporations, sovereign governments and international finance houses.

The Chief Operating Officer (COO) has requested that you and a number of your colleagues discuss various important strategic issues regarding the organisation. During this discussion, you will be required to identify key solutions to the issues presented along with a list of potential implications and in-depth rationale. You will need to be as specific as possible when providing information and identify any potential side effects arising from your chosen course of action, along with any recommendations to remedy those if necessary.

The group will have 45 minutes for this exercise.
Management Issues

1. One of GeoSource’s most regular clients is the Government of Qatar, a sovereign Arab state surrounded by the Persian Gulf. Qatar has one of the world’s largest proven oil reserves and the Persian Gulf is believed to harbour significant probable oil reserves which are as yet untapped. Qatar Petroleum, the state-owned oil and gas company and the third largest oil company in the world by oil and gas reserves, has awarded a contract to GeoSource to explore the Persian Gulf in more detail. This contract will be one of the largest contracts GeoSource has undertaken since it started operating and may serve as the most profitable deal to date. Although offshore drilling is a notoriously expensive endeavour, Qatar Petroleum is happy to fully finance the exploration on favourable terms. The Persian Gulf is a well-known hydrocarbon hot spot, and exploration in this region is considered to be as low risk as it gets with regards to exploration. However difficulties would exist with this particular contract.

The Persian Gulf is home to numerous fishing groups, extensive coral reefs and abundant pearl oysters which are integral to the economies and ecosystems of surrounding countries. The region which is to be explored is known to be in close proximity to local wildlife and an accidental spill would be catastrophic. What’s more the sea floor in the area designated for exploration has been avoided by other companies in the past due to its fragility and thus the high risk of an oil spill or leakage. Some of the more sceptical executives at GeoSource believe that the reason that Qatar outsourced this task in the first place is to avoid responsibility for any accidents which may occur during exploration. Should GeoSource fail, it could mean drastic legal, ecological, social and political problems in the local area and a black mark on GeoSource’s name forever.

New advances in technology, combined with GeoSource’s significant expertise, means that GeoSource is the company most likely to pull off a successful exploration in the region, however do the risks outweigh the rewards?

The COO has requested a risk assessment of the area to aid in the decision making process. As a result you and your colleagues have been asked to identify all potential implications that may occur due to the undertaking and subsequent failure of this task.

2. GeoSource has a significant interest in African markets and Nigeria has been a common destination for oil and gas exploration. Gravitational, magnetic and seismic reflection surveys indicate the possibility of potentially large onshore oil and gas reserves 5 miles out from the state capital of Minna. Nigeria is known to hold extensive oil reserves and petrochemicals make up a significant portion of the country’s gross domestic product. The results of the surveys offer only hints as to whether oil is present and in significant enough quantities to make a project financially viable. Official permission from the Nigerian state of Niger has been given to begin onshore exploratory drilling, but funding difficulties may be putting this project on hold for GeoSource.

The main financier behind this exploration, Anacott & Steel Partners (A&SP) a global asset management and private equity firm are unconvinced as to the potential returns of the project. Having been presented with the survey data, A&SP were sceptical about whether oil was present and/or if it would provide a return on their capital. A&SP are a new partner of
GeoSource and are inexperienced in the realm of oil and gas exploration financing. Although admittedly this type of investment is high risk, being an onshore operation A&SP would only be required to provide 1-1.25 million pounds, a relatively small investment compared to A&SP’s other ventures. The potential returns could be considerably lucrative, and provide a very healthy return for any investors, should the team strike oil.

Should the deal with A&SP not be reached, it would mean the money and time spent on preliminary exploration, surveys and data collection would be wasted, at the expense of GeoSource. If the deal goes through but the team do not find a financially viable amount of oil/gas, the deal is structured in such a way that GeoSource absorbs the exploration costs, while A&SP bear the brunt of the losses.

To help present a case for continued exploration to A&SP, you and your team have been asked to provide a list of advantages in which A&SP stand to gain from, should funding continue.

3. GeoSource’s latest operation is currently a potential oil field in the Pastaza province of eastern Ecuador, an area historically focused on agricultural exports. Oil makes up 40% of Ecuador’s exports; however the Pastaza province has yet to provide any proven reserves of gas or oil. Preliminary surveys showed promising results, with seismic and magnetic surveys indicating potential for financially exploitable oil and gas. The Ecuadorian government promised to pay for GeoSource’s preliminary surveys, physical exploration, and have offered a lucrative deal should exploitable hydrocarbons be identified.

Unfortunately, the physical exploration has shown itself to be less fruitful. Although it is still in the early stages of drilling and the operation is by no means a write off yet, the team of petroleum geologists and engineers had expected to find something by now. There is no guarantee that hydrocarbon deposits are present in the region and, if they are found, that they are present in a quantity worthy of exploitation. As a result, every day that passes in which the team fails to find oil or gas is at the expense of the local government. This puts GeoSource in a difficult position with the Ecuadorian government. Although they supposedly understood and accepted the risk associated with this type of investment, the Pastaza government are inexperienced with the oil industry and may take personal offence. Should negotiations break down between GeoSource and the local authorities, the worst possible scenario would be that the Pastaza government renge on their offer, leaving GeoSource to foot the bill for the operation.

However if the drilling continues and is ultimately successful, which the surveys predicted they would be, GeoSource would have exclusive rights to the region. This could mean an extremely lucrative arrangement with the inexperienced local government, which has expressed an interest at starting production with low royalty payments and generous tax breaks. Having friendly contacts in the Ecuadorian government may also lead to future contracts to explore other regions of the country, particularly the oil rich province of Sucumbíos. The question is, should GeoSource pay up and leave, preventing further expense to the Ecuadorian government, or should exploration continue in hope of striking oil?

To help inform senior management on the best course of action, identify the pros and cons of continuing exploration activities in the region.
4. As a side venture, GeoSource operates a small consulting business in which the firm’s top geophysicist, petroleum geologists and engineers offer consulting services to corporations and government organisations for a premium fee. Consulting is considered a very low risk venture, which in this high risk industry makes for a reliable and dependable source of revenue in a turbulent, fluctuant industry. However it does mean that many of GeoSource’s most valuable employees will be away on client work instead of working on the core business from time to time.

One of the oil super majors has recently requested a significant amount of consulting work from GeoSource, offering very attractive fees. The super major has begun an oil mega project in the Atlantic and wishes to gain an objective outside opinion on their operations. They are requesting a large number of consultants to provide advice on operational and strategic issues, which could also lead to future partnerships with one of the world’s biggest name in the hydrocarbon industry, not to mention a handsome fee for their services. Due to the possibility of failure at exploration sites and market difficulties in the oil business in general, this influx of consulting fees is just what Geo Source needs to stay in the black for this year and keep the shareholders happy. Similarly getting an inside look at how oil super majors function would provide qualitative benefits to the consultants undertaking the contract, gaining useful insight into how the major players operate.

Some executives at GeoSource are sceptical however, suggesting that there are ulterior motives for this sudden interest in consultancy from the super major. Those most vocally opposing this deal suggest that it is a ploy to limit GeoSource’s operations by lowering the number of staff available for exploration. Although the size difference between the oil super major and GeoSource is huge, it is possible that GeoSource has shown up on their radar and may be considered a threat in certain niche geographical areas in which GeoSource is very active. An even larger number of senior management suggest that the real reason for the consulting interest is for recruitment. Seeing that GeoSource offers their top employees as consultants, the super major may be using this to scope out top talent and offer them a position at their company. Such ruthless headhunting techniques are not unheard of in this industry and GeoSource’s reputation as experts in the field would make them prime targets for such attacks.

Due to the mixed reception of this consulting offer, the senior management team as asked for your input on the matter. With your colleagues, assess the potential implications of accepting this offer of consulting work, make a decision on which course should be taken and provide a rationale for your decision.
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SECTION 1: Example Exercise Discussion Points

In this section we present some example discussion points which could come up during this group exercise. These points are designed to get you thinking about your own responses and how you might react to other people’s ideas. This section should not be considered a ‘model’ answer as there will be numerous other suggestions and outcomes from the same group exercise which are equally appropriate. Indeed, group exercises are designed not to have one right answer, but to promote the discussion of ideas and resolution of differing viewpoints. You may well come up with other ideas to ours, but much more important than the ideas themselves are how you come up with them and how you interact with the group to reach agreement.

1.1 Exploration in the Persian gulf

Implications of failure:
- An oil spill near a coral reef could drastically impact the local ecosystem, which relies heavily on the presence of coral.
- An oil spill could negatively affect all marine life in the Persian gulf, including birds, fish, reptiles and mammals, affecting bio diversity in the gulf.
- An oil spill could also affect human health, with oil washing up on shore and possibly contaminating sources of drinking water and/or food. Effects of exposure to oil could include skin irritation and respiratory problems.
- Failure of this magnitude may sour relations with the Qatari government, lowering the chances of repeat business and ruining the existing positive relationship. This tarnished record could also work against GeoSource when bidding for other international work or drilling permits.
- Other gulf states such as Iraq, Kuwait and Saudi Arabia may launch legal cases against GeoSource, which could be very costly and damaging to relations with these nations.
- Environmental groups and even eco-terrorists may target GeoSource for this failure, negatively impacting the company’s public relations status and even putting GeoSource employees at physical risk.
- An oil slick may negatively impact local economies, particularly those involved in fishing and pearling. Affected fisherman and other workers may demand compensation.
- The cost of an oil clean-up operation could be substantial, and may take many years in order to return the area to its previous state.
- The company may be charged with criminal offenses as a result of an oil slick, should the company be found guilty of negligence or malpractice.
- GeoSource could also be held accountable for the loss of oil from an oil spill, which could potentially be in the hundreds of thousands of barrels region.
- An oil spill of a large magnitude could potentially affect global oil prices, having negative effects world-wide.
- The Persian gulf is home to many popular tourist destinations, particularly along the coast. An oil spill could prevent tourists attending the beaches, negatively impacting on gulf countries tourist industry.
- An oil spill could force individuals living near the coast to relocate in order to escape any environmental effects of an oil spill. This will have serious effects on local economies and employment.
1.2 Anacott & Steel Partners Nigerian deal

Advantages
- Being inexperienced in the world of oil and gas, Anacott & Steel could add significant legitimacy as an investor, showing the financial world they are capable of expanding into multiple markets.
- Diversifying investments is a well-known strategy to hedge one’s position and help prevent negative effects of market forces. Most large portfolios have on average 5% oil and gas commodities or related stocks.
- Should oil be discovered or not, this would serve as a low cost opportunity to build a potential long term relationship between Anacott & Steel and GeoSource. Being a relatively low cost venture, if a strong relationship can be built, it may pave the way for higher cost/profit ventures such as offshore drilling.
- Due to the location of the drilling site, A&SP could gain contacts and access to Nigerian public sector executives and government officials, undoubtedly useful contacts for future endeavours.
- Depending on the size of the oil reserves, A&SP could be provided with a long term source of income.
- Being a low cost oil and gas venture, it is an ideal opportunity for A&SP to try their hand in oil and gas exploration. Other ventures such as offshore drilling are significantly more expensive and risky.
- Anacott and Steel’s inexperience in this field is offset by GeoSource’s extensive experience in the field, as GeoSource is a veteran of petrochemical exploration, limiting the perceived risk in the operation.
- Oil and gas exploration has various tax advantages, such as depletion allowance and intangible drilling costs, which can be written off by an investor to help shield that investor from significant losses, particularly in the event of a non-producing well.
- Having developed a relationship with GeoSource and potentially Nigerian officials, A&SP would have an inroad into other prospects in Nigeria, which is becoming an important centre for oil and gas.
- Once the oil well begins to produce, A&SP have the option of keeping the well and its subsequent profits, or selling their stake in the well to another party, providing a potential exit option for the company.
- Backing out of the deal at this stage may make other companies requiring investment, both inside and outside the petrochemical industry, sceptical about A&SP’s commitment to their investments. Other companies may avoid seeking A&SP investment in favour of other, more reliable finance houses.

1.3 Continuing exploration in Ecuador

Pros
- Continuing exploration in the region is the only way of ascertaining for certain if exploitable oil and gas reserves are present. Even if the search is a failure, valuable information will be gained.
- Developing a long term relationship with the Ecuadorian government could prove to be mutually beneficial. Ceasing exploration prematurely could hamper the formation of such a relationship, and finding oil would instead strengthen such a relationship.
- Having been offered the prospect of tax breaks and low royalty payments, the Ecuadorian government may take it as a personal insult if GeoSource back out of the deal early after such interest was initially shown on behalf of the Ecuadorian government.
- Should the Pastaza government breach their promise, they may be committing breach of contract and GeoSource would be in a position to launch a lawsuit, gaining compensation for this breach.
- Due to the positioning of Ecuador, with access to the pacific ocean and close proximity to Panama, offering access to the Atlantic ocean, Ecuador would make a good candidate for oil exportation.
- Gaining friendly contacts in Ecuador could mean GeoSource would have an influential foothold in the region, which may provide useful in gaining contracts inside and outside of Ecuador.
- Backing out of a deal prematurely may reflect badly on GeoSource, and may put off clients and finance houses by making GeoSource appear indecisive or unconfident in the decisions that it makes.
- The data does suggest that an exploitable source of petrochemicals is in the area; even if later this is found not to be the case, GeoSource would be acting correctly based on the evidence at hand by continuing exploration.
- The oil rich province of Sucumbios is a key oil producing region in Ecuador, building friends and contacts in Pastaza could help secure a foothold in Sucumbios.

**Cons**

- The longer GeoSource waits to back out of the operation, the greater the expense to the Ecuadorian government, and the greater the chances of political, legal or financial backlash from the Ecuadorian government.
- Wasted time in Ecuador could mean that other contracts, which may prove more successful, are put on hold. This means a loss to both the Ecuadorian government and to GeoSource.
- Continuing exploration after the point in which it has become clear that no exploitable oil or gas is present would be an embarrassment, negatively impacting GeoSource’s image in the petrochemical industry. It may make GeoSource appear unable to assess risk, at the expense of their clients.
- If the Pastaza government does breach its contract and refuse to pay for the expenses associated with the oil exploration, and GeoSource launches a lawsuit, it will permanently sour relations between the two parties, preventing further work in Ecuador.
- Should it come to a lawsuit against the Ecuadorian government, and GeoSource loses, this will leave GeoSource to foot the bill for a substantial sum, which GeoSource may not recover from, financially or politically.
- As with other South American countries in the region, such as Venezuela, the government may move to nationalise the oil industry, either in part or in its entirety. Even if the oil exploration proves fruitful, there is no guarantee that GeoSource will remain in control of it.

### 1.4 Consulting services

**Positive implications**

- GeoSource would receive a handsome fee for their consulting services at minimal risk, which makes a welcome change to GeoSource’s usual high risk exploration activities.
- GeoSource’s consultants would gain a great deal of professional experience during the project, helping develop the consultants personally and professionally and transferring any skills learned back to GeoSource.
- Similarly, the consultants would gain useful information regarding the oil super-major’s activities, operations and techniques. This information would certainly be of value to GeoSource.
- This consulting venture may be an avenue for dialogue between GeoSource and the super-major, perhaps even partnerships in future endeavour or a strategic relationship.
- Having a large prestigious client on the company’s’ client list adds legitimacy to GeoSource’s consultancy arm, highlighting their status as experts in the field.
- If the super-major is impressed with the work of GeoSource’s employees, and after the formation
of a mutually beneficial relationship, the super-major may express interest in acquiring the company, providing investors with an exit option and decreasing the vulnerability to market forces associated with medium sized business.

**Negative implications**
- The oil super-major could use the opportunity to assess the consultants, and offer them job opportunities, poaching GeoSource’s top talent.
- Offering consulting services to a company that could be considered a competitor would be counterproductive from a competition standpoint.
- Offering consulting services may risk a conflict of interest, which could leave either GeoSource or the oil super-major at risk of legal disputes. Careful consideration (and legal advice) would be needed to review any appointment contract.
- Sending GeoSource’s top talent to consult rather than conduct operations may put GeoSource’s operations at risk, and since oil and gas exploration is a risky venture in the first place, it could be argued that it requires the best to ensure its success.
- The oil super-major may suspect that the consultants will relay sensitive information back to GeoSource, and if hired, may not be given the freedom or resources to properly complete the project.
- The oil super-major may preen competitive intelligence from the consultants, or indirectly learn sensitive information from the consultants regarding GeoSource’s operations, activities and strategies, putting GeoSource at a disadvantage.
- It is possible that upon returning from the consulting project, the oil super-major could launch a legal case, claiming that GeoSource consultants were relaying insider knowledge or trade secrets.

**Decision**
- Decline the request for consulting services from the oil super-major.
- The potential risks of a conflict of interest would leave GeoSource vulnerable from a legal standpoint.
- It is possible that the consulting project may go over schedule, and therefore the client will require the consultants for a longer period of time, further keeping them away from the core business at GeoSource.
- The risk of losing top talent to a competitor is an unacceptable and unnecessary risk.
- GeoSource’s top talent need to be handling GeoSource’s operations, consulting services should only be offered sparingly, to non-competitors and not at the expense of GeoSource’s current operations.
SECTION 1: Example Exercise Outcomes

SECTION 2: Competencies and Behavioural Indicators

Group Exercise 3
Candidate Instructions Booklet

This exercise has been designed to simulate the type of group exercises which are typically used by employers. We recommend you work through this group exercise with at least three other people in order to create a realistic exercise preview. In this group exercise each candidate is deliberately given the same instructions. Sometimes however candidates will be assigned a role which they will have to adopt during the exercise.

After you have completed this exercise, you can review our Candidate Guidance Booklet to see what behaviours assessors would typically look for in this exercise, what sort of ideas might get suggested during the exercise, and tips for how you should conduct yourself during a group exercise.

The exercise will begin on the next page.
Introduction

This exercise has been developed to predict your behaviour in the workplace and assess your effectiveness at working within a team. This group exercise will require you to address a number of issues and provide practical solutions as a group.

Exercise Scenario

You will play the role of commercial management trainee at the multinational fashion retailer Joshua-Rodriguez (JR), positioned in a newly opened store in London. JR is a middle market clothing and accessories retailer which has gained significant market share throughout mainland Europe. JR prides itself on its ability to develop and introduce a new project, and have it available for sale within 1 month, compared to the industry standard of 6 months. Similarly, JR has an industry leading track record of corporate social responsibility initiatives, mostly through its policy of boycotting the use of sweatshop labour.

Although initially a Spanish company, headquartered in Madrid, JR has recently merged with the large UK retailer Heron & Spade (H&S), headquartered in London, UK. The merger has allowed JR to enter the UK clothing market, of which previous attempts had been unsuccessful. Although officially a merger of equals, the significantly larger H&S is the dominant partner, and has the power to drastically change JR’s direction as it sees fit.

The operations director of the newly formed JR UK arm has asked you and your colleagues to sit on a committee to discuss various strategic and organisational issues. As a group, you must discuss these pressing issues and provide clear recommendations and a detailed course of action. Similarly, you must identify any potential implications, externalities or side effects which may arise as a result. With your colleagues, you must agree on each recommendation and its effects as a group through voting.

The group will have 45 minutes for this exercise.
Management Issues

1. The senior management team at H&S has been discussing the implementation of cost saving measures, throughout both their brand and JR. Leading figures within H&S have suggested that JR outsource its production to a manufacturer in São Paulo, Brazil and disband its factories in Spain and Portugal. H&S have used this manufacturer previously and cite extremely cheap production costs, and very low labour costs, potentially halving the cost of production for JR. This manufacturer has had a track record of poor work practices, including underpaying staff, neglecting health and safety regulations and occasionally utilising forced labour. However H&S assured JR executives that the manufacturer has since cleaned up its act, and is acting within Brazilian trading standards.

Historically JR has been against the use of outsourcing to developing countries and the use of sweatshop labour, receiving significant recognition for its fair labour practices. Similarly a widely read fashion magazine, read by millions of avid followers worldwide, published an article praising JR’s policy of boycottng sweatshop labour. This article read:

“With almost all big name brands using cheap, often illegal labour across the developing world, can we still look good guilt free? The answer is most certainly YES! Not everyone in fashion is using these disgusting work practices, companies like Joshua-Rodriguez are spearheading a movement to boycott the abject misery caused by sweatshop labour, while still offering fantastic products at reasonable prices. Joshua-Rodriguez manufactures all its clothes in-house, employing local workers throughout Spain and Portugal, providing much needed work and a respectable wage. Being a slave to fashion is one thing, but wage slavery in poor countries is tearing the world apart. Don’t let the suffering of millions continue, do your bit for world peace and check where your clothes and accessories were made before you buy, and feel as good as you look! ”

On the other hand however, JR’s profit margins have been hit significantly by economic crises throughout Europe. Avoiding outsourced labour has negatively impacted profit consistently, and financial troubles throughout Europe have exasperated the problem. Although the brand itself has been performing consistently well, and has remained profitable throughout these crises, JR’s profit margins are well below those of rival companies offering similarly priced products, making the brand seem less competitive. The new shareholders from H&S are calling for increased profitability, and if this is not achieved, share-holder activists are likely to sack existing senior management, and replace them with a more compliant management team.

With your group, discuss the potential benefits and disadvantages of outsourcing production to the manufacturing company in Brazil, and decide what decision JR should make.

2. To ensure the smooth running of the newly incepted JR UK wing of the organisation, a number of senior managers, commercial managers and shop floor staff from JR in mainland Europe have transferred to the UK. As a result, numerous Spanish, Portuguese and other EU nationals have visited the UK to work in UK stores, helping design an organisational culture similar to that of JR stores in the mainland, and to train newly hired staff. Although this is not believed to be a permanent measure, various issues are predicted to arise from this particular initiative.
Language barriers are expected to be a potential obstacle to be overcome. Although JR requires a working understanding of English in order to qualify for a transfer to the UK, employees are not required to be fluent. Similarly, due to the variety of languages spoken by staff transferred to the UK, should English fluency become a communications issue, employees may not be able to rely on their first language to communicate with other transferred employees, let alone UK employees or customers.

The issue of training is another obstacle to the success of JR UK. Only a small minority of the staff are experienced JR employees, therefore the majority of the workforce is made up of fresh employees requiring training and onboarding. Although JR has made its initial expansion into the UK, JR plans to open many new stores, and hire additional staff to its current stores. Such a huge recruitment program requires a highly efficient training program in order to ensure these stores become operational as soon as possible. This training program is putting significant strain on the transferred staff, which is tasked with simultaneously running the stores, and training the new staff.

You and your team are required to generate a list of practical recommendations to minimise the effect language barriers may have on JR UK. Similarly you and your team will be required to generate a list of practical recommendations to ensure that the organisation wide recruitment and training program succeeds.

3. Although JR is a well-known brand throughout mainland Europe, it is a relatively unknown brand throughout the UK. Previous attempts to introduce the brand to the UK were met with failure, due to the competitiveness of more established UK brands. However the merger with H&S has allowed JR’s entrance into the UK fashion scene, without needing to compete against H&S for market share. However the issue of raising public awareness regarding the JR brand is still a top priority and its success is pivotal to the performance of the new JR UK brand.

The advertising strategy throughout mainland Europe has largely relied on word of mouth, focusing more on product development and quality than on actively pursuing publicity. Rather than directly spending money on advertisement, JR has found much success by investing would-be advertising costs into opening new stores. However, JR had the luxury of being one of the first Spanish retailers to offer moderately priced “fast-fashion” that appeals to all demographics, cementing its position as a top industry leader. This trend has since, however, caught on in the UK, and JR does not have the same advantage it has in mainland Europe.

JR has allotted a large budget for a nationwide branding push to improve UK public awareness and attract a large customer base. Having avoided official advertising campaigns in the past, JR executives are relatively inexperienced in this field of marketing and brand management.

The head of marketing has requested your input on how to deliver an effective marketing strategy throughout the UK, aimed at raising brand awareness. As a team you will be required to develop an advertising strategy, as well as practical advice on how to improve the strategies chances of success, along with potential issues which may arise from your recommendations.
4. It was recently determined by JR’s finance and legal team, that JR is required by UK law to pay a significantly lower rate of tax than other companies of similar size and function through the use of offshore tax havens. It was calculated that through the use of legal tax avoidance measures, JR’s tax liability in the UK could be halved. Although the use of legal tax avoidance measures including the use of offshore tax havens is legal in the UK, it is becoming increasingly looked down upon, and may lead to a media scandal should the newspapers highlight the issue. Naturally, halving the company’s tax liability would be a significant boon for the company, allowing JR UK to invest a greater percentage of profit back into the company, or distribute to the shareholders. If JR was able to implement this tax avoidance program, without any bad press, this would provide JR UK with a significant advantage over competitors. With JR’s fragile position in the UK markets, combined with JR’s reputation as a champion of corporate social responsibility causes, JR is in a precarious position.

The opinion of the senior executive team is mixed, with some executives keen to limit the company’s tax liabilities, and others deeply worried about the potential public relations ramifications. This leaves JR with two choices, go through with the plan to limit JR’s tax liability as much as legally possible, or opt to pay standard UK tax rates voluntarily.

You and your team have been tasked with presenting a case against the utilisation of tax avoidance measures at JR UK, which is to be presented to the board of directors in order to help the board come to a decision. You must identify both positive and negative implications of this course of action.
SECTION 1: Example Exercise Outcomes

SECTION 2: Competencies and Behavioural Indicators

Group Exercise 3
Candidate Guidance Booklet

Contents

SECTION 1: Example Exercise Discussion Points ................................................................. 2
SECTION 2: Competencies and Behavioural Indicators .......................................................... 6
SECTION 1: Example Exercise Discussion Points

In this section we present some example discussion points which could come up during this group exercise. These points are designed to get you thinking about your own responses and how you might react to other people’s ideas. This section should not be considered a ‘model’ answer as there will be numerous other suggestions and outcomes from the same group exercise which are equally appropriate. Indeed, group exercises are designed not to have one right answer, but to promote the discussion of ideas and resolution of differing viewpoints. You may well come up with other ideas to ours, but much more important than the ideas themselves are how you come up with them and how you interact with the group to reach agreement.

### 1.1 Outsourcing manufacturing to Brazil

#### Benefits
- Outsourcing production to Brazil will be significantly cheaper than maintaining an in-house manufacturing plant in the EU. The money saved could be spent on a large number of initiatives and departments, making the company more competitive.
- Outsourcing manufacturing to countries such as Brazil, India or China are very common practice, this would remove any competitive edge which competitors would have over JR from using cheaper outsourced labour.
- Outsourcing requires less administration and human resources upkeep than traditional employees, putting less strain on the company’s human resources department.
- In the event of accidents at work, or other events that would allow regular employees the right to compensation from JR, the outsourced company would be required to pay damages/compensation, not JR.
- Changing manufacturers would be relatively easy compared to changing the locations of in-house manufacturing, requiring only that JR hires another company, rather than disband and relocate an in-house manufacturing plant.
- Outsourcing manufacturing would allow JR to focus on other aspects of the business, without having to spend time on managing manufacturing.
- Higher profits and decreased expenses would satisfy the H&S executives and shareholders, which are the dominant partners in the merger. If H&S shareholders are not kept on side, they make take a bigger hand in the activities at JR.
- There may be tax advantages of outsourcing over hiring traditional employees, as JR would not be required to pay taxes such as employer national insurance for the outsourced workers.
- Due to less stringent labour laws, workers in Brazil may be able to work longer hours and complete production in less time than workers in Europe.

#### Disadvantages
- Outsourcing to a company in Brazil may leave JR open to accusations of using Sweat shop labour in their manufacturing process, which would be a harmful accusation due to JR’s history of using in-house manufacturing and denouncing sweatshop labour.
- Outsourcing to another company would mean JR loses a degree of control over the manufacturing process.
- Outsourcing often has many hidden costs, which may add up over time making the use of outsourcing appear less attractive financially.
- Giving in to the influence of H&S may indirectly send a message that JR’s policy can be directly controlled by H&S, even to the extent of changing JR’s values.
- The workers at the Brazilian manufacturing plant may be less well trained, and may produce a lower quality product than in-house workers in mainland Europe.
- When outsourcing, there is always a risk of exposing confidential data and competitive intelligence which competitors may be able to use to their advantage. It is also possible that the company could take a competitor on as a client after JR, posing a possible conflict of interest.

**Decision**
- Decline to employ the use of outsourced manufacturing from the Brazilian manufacturer.
- Reiterate to the media JR’s commitment to avoiding sweatshop labour and providing jobs to employees in the European mainland.
- Make a case to H&S to convince them not to use their influence to dictate JR policy, and convince them that maintaining the current manufacturing strategy is in the best interests of both companies.

### 1.2 Recruitment and training program

**Recommendations:**
- Make it company policy that a designated number of managers and supervisors at JR UK stores can speak fluent English to help prevent language barrier issues.
- Provide all new staff whose first language is not English with official and on-going training in English as a second language. This should include both employees with fluent and working knowledge of English.
- JR should hire supervisory level staff from the UK workforce to help train the entry level staff and act on behalf of the current JR employees from mainland Europe.
- JR and H&S could set up an employee transfer program; in order to allow fully trained staff to transfer over to JR should they request it. This will mean that JR will have access to more fully trained staff, lessening the burden of training fresh inexperienced entry level staff and training supervisors.
- As well as offering transfer services, H&S managers and supervisors could be asked to work at JR stores for a few shifts as part of their regular duties in order to help oversee training and operations.
- The training program for new staff should include cultural awareness training in order to help prevent culture clashes, preventing feelings of tension between the experienced JR staff and the UK fresh employees.
- New stores could be supplied with language dictionaries, such as English to Spanish, and English to Portuguese dictionaries. This will help overcome language barriers and help avoid confusion over the meanings of words.
- Supervisory, management and above level UK employees could be sponsored to undertake language training in Spanish and/or other mainland European languages in order to help communicate with head office and other headquarters in Europe.
- When recruiting new UK staff, particularly at senior levels, preference should be given to staff that have working knowledge of Spanish, Portuguese or another European second language.
- Once the initial start-up phase is complete, the new UK staff has been trained and is operational, as many European transfer workers should be invited to stay in the UK as possible, helping communication between the JR UK stores and the JR Europe stores.
1.3 Marketing and advertising strategy

Strategy
- JR UK could introduce a series of radio advertisements in order to raise public awareness and familiarise the UK market to JR’s presence.
- JR UK could introduce television advertisements to inform potential customers of the products available, their prices and raise consumer awareness of the new JR UK brand.
- Internet advertisements could also be utilised, linking to a newly incepted JR UK website offering products for sale and information regarding JR and JR UK.
- Similarly, social networking such as Facebook and twitter could be utilised in order to build a following, and to help market the JR UK brand.
- Popular models/celebrities could be contacted to endorse the JR UK brand, helping add legitimacy to the brand and to highlight JR UK to the UK customer base.
- Fashion shows could be held around the UK, advertising JR UK’s fashion line to the big names in fashion throughout the country.
- Articles could be written and/or advertisements placed in popular fashion/gossip magazines, helping reach many target customers.
- JR UK could launch a bus advertisement campaign, sporting JR UK clothing advertisement on buses, taxis and other modes of transport.
- Billboard advertisement space could be purchased, placing advertisements alongside roads, on motorways and along pedestrian walk ways.
- JR could initially hold a sale, lowering prices in order to attract an initial following. Freebie marketing could also be used, offering various products for free in order to raise public awareness.
- During the first stages of the venture, H&S could aid JR’s advertising campaign by referencing them in social media, through their website and in/near their stores.

Issues and recommendations
- Radio advertisements can be very hit-and-miss, requiring the target audience to be listening at the right radio station at the right time. **Recommendation:** radio advertisements should be purchased on stations which would appeal to the target audiences.
- Television advertisements are expensive and are often ignored by those watching television. **Recommendation:** Ensure that the advert is designed to attract the target audience and use celebrity branding to further draw interest to the advertisement.
- Internet advertising is frequently ignored and is even considered to be annoying by those viewing it. **Recommendation:** Avoid the use of popups and loud video advertisements. Instead purchase advertising space on top quality websites, displaying good quality products at competitive prices.
- Developing a website and managing social media requires IT skilled employees. **Recommendation:** Build a JR UK IT function, designed to develop and manage the website and to handle the social media side of the marketing push.
- Billboards and bus advertisements need to be in areas with a high a proportion of the target audience. **Recommendations:** Purchase billboards and bus advertisements in urban areas, particularly in areas near universities, clubs and shopping districts where the target audience are present.
## 1.4 Case against tax avoidance

### Positive implications
- Paying the standard UK tax rates will ensure that the media does not highlight JR as a company which avoids tax, helping prevent a drop in the company’s public relations status.
- JR has a history of focusing on corporate social responsibility through avoiding sweatshop labour; avoiding tax could destroy the company’s reputation as a champion of social responsibility.
- Not using tax avoidance schemes could give JR the moral upper hand it needs to attract the more socially aware customers from other brands which use sweatshop labour, low cost outsourced labour and tax avoidance.
- Ensuring that legal tax avoidance does not become legal tax evasion, JR would need to hire a large legal team in order to push through a tax avoidance plan, which would be a significant expense. Tax compliance would require fewer resources from a legal team.
- When designing a tax plan which heavily avoids tax, there is always the risk of inadvertently evading tax, putting JR at risk for tax evasion charges. Tax compliance would help avoid any tax evasion accusations.
- Tax avoidance protest groups would not have a reason to protest against JR, helping JR build a positive public image.
- Socially responsible investors may avoid investing in JR due to a policy of tax avoidance. Tax compliance would therefore prevent putting off this type of investor.

### Negative implications
- A larger tax liability will mean lower profits for JR.
- Lower profits will ultimately lead to lower retained earnings, which lowers the dividends available to shareholders and lowers the capital for reinvestment into the company’s operations.
- Other competitors in the market may use tax avoidance schemes, giving them a distinct competitive advantage over JR.
- JR may be liable to pay double tax rates in certain jurisdictions, therefore being taxed by two countries instead of being taxed by one.
- JR UK is effectively a start-up venture, with significant risks associated with its launch. Maximising the company’s tax liability may decrease the capital available for JR UK’s functions, lowering the overall success of the venture.
- H&S executives may disapprove of this move to maximise JR’s tax liability, and may intervene, lowering the amount of control JR has on the company.
- Public attention may eventually stray from tax avoidance, protest groups may disband and the acceptability of tax evasion may increase. Therefore JR may not get negative press, or get negative press in the future due to utilising tax avoidance. As a result of this JR would have cost itself a significant amount of money for no benefit.
This exercise has been designed to simulate the type of group exercises which are typically used by employers. We recommend you work through this group exercise with at least three other people in order to create a realistic exercise preview. In this group exercise each candidate is deliberately given the same instructions. Sometimes however candidates will be assigned a role which they will have to adopt during the exercise.

After you have completed this exercise, you can review our Candidate Guidance Booklet to see what behaviours assessors would typically look for in this exercise, what sort of ideas might get suggested during the exercise, and tips for how you should conduct yourself during a group exercise.

The exercise will begin on the next page.
Introduction

This exercise has been developed to assess your behaviour in the workplace and your effectiveness at working within a team. This exercise will require you to address a number of issues and provide practical solutions. Each candidate will be provided with a set of objectives they will need to achieve during this exercise.

Exercise Scenario

You and your team members are graduate fast track management employees at the large UK based telecoms provider Kurzon Group Ltd. Kurzon has been a staple provider of landline and broadband internet services for many years, and has positioned itself as one of the top providers in the country. The company’s strategy has historically been to offer the best possible service and products at higher end prices, catering mostly to large families with moderate to high incomes. Senior executives at Kurzon have decided to launch several new regional level subsidiary brands, offering economy priced telecoms services and products, under a different brand name. These new brands will target smaller families, lower income households and light users of internet and telephone services. This move will allow Kurzon to enter this area of the market without diluting the already strong Kurzon brand name.

The group will have 45 minutes for this exercise.
The issue

You and your colleagues have opted to join one of the newly incepted Kurzon subsidiary brands, Data-net. Data-net will be headquartered in the south east of England, a short distance away from the original Kurzon office which you and your colleagues at Kurzon were previously based. The staff of Data-net will be formed of high-flying graduate fast track employees and highly experienced professionals from Kurzon in order to ensure the effectiveness of the new brand. Kurzon has allotted £6 million (£6,000,000) towards Data-nets annual budget, to be divided among the company’s separate functions.

Your task

You and your colleagues have been asked to attend a 45 minute meeting in order to decide amongst yourselves what proportion of the £6 Million budget each function should receive. You have been chosen by your respective function to represent them at this meeting, and ensure that your function receives the necessary funding, while still acting in the best interests of the company as a whole. Each team member has been provided with a list of expenses, and will need to prioritise their expenses, identifying which expenses are high priority, medium priority and low priority. You have been informed by senior executives that:

1. Receiving the maximum amount for an expense would provide the optimum quality service/product and receiving the minimum amount for an expense would provide the least effective quality service/product.
2. Each expense can receive funding anywhere between the stated minimum and maximum cost.
3. At the same time, you are obliged to do what is in the best interests of your company, and ensure that the budget is fairly allotted to meet the essential costs of all functions.
4. You are required to provide funding for each expense.
5. You are required to allot the entire £6 million.
6. You will all need to reach an agreement on the budget allocation by the end of the 45 minute meeting; otherwise senior management will make the decision without your input.

Each group member has been randomly allotted a specific role within the company, along with a list of expenses related to that specific department. Your role and expense list can be seen on the following page.
# Lead Human Resources Advisor

## Staff salary

About: The staff salary cost accounts for the basic salary of the staff in the HR department at Data-net. It will also include employer national insurance payments, employer pension contributions, sick leave payments, redundancy payments, maternity/paternity leave payments and paid leave for jury service. Staff below the rank of Human Resources Advisor are paid by the hour, and staff above the rank of Human Resources Advisor are paid a fixed monthly salary.

Costs:
- Minimum - £250,000
- Maximum – £375,000

## Fringe benefits

About: The fringe benefits costs are the regular, discretionary and optional bonuses offered to employees as part of their remuneration or as a reward for performance. These benefits may include childcare vouchers, subsidised gym memberships, performance related bonuses, Christmas bonuses, profit share schemes, company car programs and employee health insurance. An employee’s entitlement to fringe benefits increases with seniority.

Costs:
- Minimum - £45,000
- Maximum – £67,500

## CIPD memberships, subscriptions and training:

About: The chartered institute of personnel and development (CIPD) is the professional association for human resources management professionals. It is company policy that all HR professionals above the rank of Human Resources Advisor are at least part CIPD qualified, with CIPD memberships, subscriptions and continuing professional development (CPD) courses paid for by the employing organisation. HR professionals at Data-net are sponsored to attend CIPD conferences, undertake certificates, diplomas and if requested, degree level CIPD education as part of their personal and professional development.

Costs:
- Minimum - £35,000
- Maximum – £55,000

## Change management consultant fees

About: The services of an organisational change management practitioner are to be employed in order to help the employees previously employed by Kurzon adjust to the change of employment. Organisational change initiatives and new business ventures typically have a low chance of long term success, promoting the HR department to bring in an outside consultant to help oversee the change from an outside, objective perspective.

Costs:
- Minimum - £50,000
- Maximum – £75,000
Travel expenses
About: Human resources professionals at Data-net are required to attend meetings, hearings and investigations across the local region. As a Kurzon subsidiary brand, Data-net must report workforce intelligence, HR management issues and employment legal issues to head office in a regular fashion. It is the legal obligation of Data-net to reimburse employees required to travel as part of their professional responsibilities.

Costs:
- Minimum -£4,000
- Maximum -£6,000
SECTION 1: Example Exercise Outcomes

SECTION 2: Competencies and Behavioural Indicators

Assigned Role Group Exercise

Candidate Guidance Booklet

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SECTION 1: Priorities list and team performance indicators

In this section we provide a table of team performance indicators, a list of suggested expense priorities, and a list of detailed explanations for the reasoning behind the priorities. This section should not be considered a ‘model’ answer as there will be numerous other suggestions and outcomes from the same group exercise which are equally appropriate. Indeed, group exercises are designed not to have one right answer, but to promote the discussion of ideas and resolution of differing viewpoints. You may well come up with other ideas to ours, but much more important than the ideas themselves are how you come up with them and how you interact with the group to reach agreement.

Rough guide for prioritisation of expenses

<table>
<thead>
<tr>
<th>Priority</th>
<th>Ideal % of possible funding*</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>75%-100%</td>
</tr>
<tr>
<td>Medium-high</td>
<td>50-75%</td>
</tr>
<tr>
<td>Medium</td>
<td>35-65%</td>
</tr>
<tr>
<td>Medium-low</td>
<td>25-50%</td>
</tr>
<tr>
<td>Low</td>
<td>0-25%</td>
</tr>
</tbody>
</table>

*Receiving the maximum funding is expressed as 100%, receiving the minimum funding is expressed as 0% and receiving half way between minimum and maximum funding is expressed as 50%.

Team performance

<table>
<thead>
<tr>
<th>POSITIVE INDICATORS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allocated funding in line with the correct priorities (see above and pages 4-13)</td>
</tr>
</tbody>
</table>

*The amount of funding allotted should follow a pattern similar to the ideal funding recommendations suggested in the table above. Generally speaking, the highest priority expenses should receive the most funding, and the lowest priority expenses should receive the lowest funding. The amount of funding does not need to be exactly within the recommended levels, these are a rough guide for allocating expenses.*

<table>
<thead>
<tr>
<th>Allotted 100% of the £6 million</th>
</tr>
</thead>
</table>

*The instruction stated that the team is required to allot the full £6 million as part of the requirements of the exercise.*
### Provided funding for every expense

*The instruction stated that the team is required to provide funding for every expense as part of the requirements of the exercise.*

### Reached an agreement on the budget plan before the end of the meeting

*The instructions stated that the team is required to agree on the budget plan before the end of the meeting.*

## Team performance

### NEGATIVE INDICATORS

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provides funding out of line with the priorities of the expenses</td>
<td><em>For example you may have provided a higher percentage of possible funding to low priority expenses than to higher priority expenses.</em></td>
</tr>
<tr>
<td>Does not allot the full £6 million</td>
<td><em>The instruction stated that the team is required to allot the full £6 million as part of the requirements of the exercise.</em></td>
</tr>
<tr>
<td>Does not provide funding for all expenses</td>
<td><em>The instruction stated that the team is required to provide funding for every expense as part of the requirements of the exercise.</em></td>
</tr>
<tr>
<td>Does not reach an agreement before the end of the meeting</td>
<td><em>The instructions stated that the team is required to agree on the budget plan before the end of the meeting.</em></td>
</tr>
<tr>
<td>Expense Type</td>
<td>Priority</td>
</tr>
<tr>
<td>--------------</td>
<td>----------</td>
</tr>
<tr>
<td><strong>Staff salary</strong></td>
<td>High</td>
</tr>
<tr>
<td><strong>Explanation:</strong> Salary costs are listed as high priority as the department cannot function without adequate staff. Similarly, larger funds available for salary costs means a larger number of HR staff, better remunerated staff members and more money available for employee related expenses. Data-net is also legally obliged to pay employer related taxes, employees on maternity/paternity leave, redundancy payments and paid leave to employees on jury service. Without an adequate staff salary budget, existing employees would leave data-net in search of better paid work, and prospective employees would be scared off by the low salaries on offer at data-net, making this expense high priority.</td>
<td></td>
</tr>
</tbody>
</table>

| **Fringe benefits** | Medium |
| **Explanation:** Fringe benefits are likely to have a positive impact on employee retention, talent acquisition and staff satisfaction. A higher Fringe benefit budget would ensure that the staff in the department feel valued, and may also improve performance through the use of discretionary and performance related bonuses. Similarly, health insurance and subsidised gym membership may improve the health of the workforce and help lower sickness absence rates. However fringe benefits are not essential to the functioning of the department, and with a high enough salary, staff are likely to remain at data-net regardless of fringe benefits, making this expense medium priority. |

| **CIPD memberships, subscriptions and training** | Medium-high |
| **Explanation:** CIPD memberships, subscriptions and training are a requirement for all Human Resources staff above the rank of Human Resources Advisor, and it is company policy to pay for this membership. Similarly it is in the interest of Data-net to ensure that the Human Resources staff are well trained and kept up to date with regular training courses and subscriptions to HR related materials. Similarly, it is good practice to offer official training courses leading to certificates, diplomas and degrees when requested, as part of the employee’s development program. However not all the HR staff will require CIPD membership/subscriptions, as lower level staff will require promotion before receiving CIPD related funding, making this expense Medium-high. |

| **Change management consultant fees** | Low |
| **Explanation:** Change management consultants can help facilitate change throughout an organisation, and help overcome employee resistance to change. Due to the high stakes nature of start-up companies, and the radical change of environment caused by moving from Kurzon to Data-net, a change management consultant may help increase the success of this initiative. However change management consultants are frequently criticised for being too expensive, and with limited budgets, this may upset employees. Similarly the effectiveness of change management consultants is questionable, and proving the success of a change management consultant is notoriously difficult. A change management consultant is not an essential expense and data-net could carry out its operation without one, making this expense low priority. |
Travel expenses

Priority: Medium

Explanation: It is a requirement for Data-net to reimburse its staff for travel expenses which have been undertaken as part of their duties at work. Data-net is therefore required to have a travel expenses budget by law in order to reimburse its employees. However the human resources function does not require a large travel expenses budget, as data-net is a small venture without multiple offices and only a small workforce. The Human Resources staff would not be required to travel often, making this a medium priority expense.