

## Microsoft®

Recognized by Chris Liddell, Microsoft's CFO in his October, 2009 Newsletter, three Microsoft Finance teams took part in a TRI Corporation Virtual Business Simulation. The teams were tasked with taking a simulated company from struggling to profitability in just six quarters.

Under the simulation, the original management team had:

- Cumulative losses of \$16 million
- Drained the available cash
- Failed to meet growth expectations
- Waffled on business initiatives
- Missed commitments; were behind plan for 2010

The new virtual team was:

- Responsible for turning this business around, building profitable growth, and positioning for 2012 and beyond
- Expected to be decisive and to meet commitments
- Responsible for top management operational reviews at end of 2010 and 2011

Teams were given decisions to make about material orders, production, labor, leases, purchases, selling price, marketing and a several other key factors. The results were determined by the decisions and actions of the team members, and those of their competing teams. To help decision making, teams could role play with a variety of internal and external stakeholders like customers, key suppliers, the simulated company CEO and CFO, quality engineers and HR representatives among others.

Winning was determined by who created the most value for 2011, taking into account top and bottom line growth, asset management and the meeting of commitments or variances to plan, as well as the positioning of the company for 2012 and beyond.

One team ultimately was the winner, but the real win was for Microsoft's Finance and Online Distance Learning within their Finance Academy. These three virtual teams produced better results than any of the 409 traditional classroom teams that have used these exercises over the past ten years.

As Microsoft Team Mentor, George McKeefry, states, "This group spent **MANY, MANY** hours in Q1 working on this project, well above the hours that were initially estimated. The dedication this group showed was amazing, we had conference calls where team members were calling in from vacations, airports and rough time zones. There was a lot of hard work and a huge time commitment involved."

With results like the ones shown here, and companies ever mindful of their travel budgets, TRI Corporation expects the demand for virtual simulations to keep growing in the coming years.

