

SO

funny

BUSINESS SIMULATION

**DIGI
TOL**

IMMERSIVE LEARNING



ASK FOR THE *program!*

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**There's something worse in life
than not having succeeded. It's
not having tried.**

”

THEODORE ROOSEVELT
26th President of the USA



EDITO

WRITTEN BY DIGITOL TEAM

SOFUNNY! is called a Business Game. It was designed by DIGITOL, a partner training organization of your school.

DIGITOL brings together several consultant-trainers, all business leaders.

Our observation is as follows: an airplane pilot trains not to crash his(her) aircraft on simulator. Why wouldn't an entrepreneur have his(her) simulator to test different strategies and avoid bankruptcy?

We spent many months developing a software capable of simulating the life of a virtual company of which you will be the leader.

Competing against other teams, your goal will be to make the best strategic decisions to lead your firm to final victory! The software integrates all the major poles of a company: HR, marketing, finance, sales...

Although realistic, the model cannot 100% reflect the complexity of reality. And that is not its goal! The idea is that you can understand the main mechanisms of running a business in a competitive world.

You will decide everything: how many people you want to recruit, the selling of your services, the budget allocated to advertising etc. Only one element escapes you: your sales. The software analyzes your strategy and compares it to your competitors, to give you the sales you deserve.

You will have 3 direct competitors, who will offer the same types of services on the same catchment area.

The winning team will find the best compromise between sales and cost control. In other words, the company that will accumulate the best profits!

Read this participant booklet very carefully, it contains all the information about your company. Good reading!

YOUR MARKET

THE STAND-UP ACADEMY

Radio, TV, internet... Comedians are everywhere and are a sure value of live entertainment. In France, there would be between 18,000 and 20,000 performances each year. Comedy festivals are multiplying and comic phenomena have become daily thanks to social networks.

Jamel Debbouze is a pioneer of the "stand-up" movement in France, with the opening of the Jamel Comedy Club in 2006 and the organization of the Marrakech Laugh Festival in 2011. Since then, many artists and producers have followed and the "comedy club" venues have flourished all over Paris, then in the big cities of France.

The comedy market - and more particularly stand up - is booming. Hundreds or even thousands of young comedians are trying to break into the profession. Another business has naturally emerged: stand-up schools.

The concept is simple: just like the famous Cours Florent, which has been training theatre and film actors since 1967, schools are popping up all over the country to teach aspiring stand-uppers the keys to success. You will be the head of one of these stand-up schools, based in Paris.





ASSETS

As new business leaders, one of your first tasks will be to find the right institutions to receive your future stand-uppers students.

On this kind of real estate transactions, the network is a key factor. Luck seems to be on your side! Indeed, one of your childhood friends runs a reputable Parisian real estate agency. You have therefore signed a partnership contract with her, which entrusts her with the research and development of all your future properties.

Your friend is in charge of finding the perfect premises in privileged locations in Paris. The entrance fee + the layout and renovation of the room will always cost you the same price: **600 000 €**, to which you will have to **add a rent of 72 000 € per year.**

This €600,000 is considered an investment, and is amortized over 10 years using a linear method.

On the other hand, your friend is committed to two key points:

The properties she selects must be steep she selects must be steeped in history (old theaters or cinemas to be renovated, for example).

The renovation and layout must meet the **highest standards of respect for the environment:** insulation, sustainable or recycled materials...

Each performance hall will be arranged in the same way, namely common relaxation areas, a reception, work rooms and a large stage to rehearse or even welcome the public punctually.

The capacity is still the same: 160 stand-uppers per property per year. per year.



STAFF

The goal of profitability should not make you forget that in business, **the first source of value is your staff**. Not only employees, but also all the people who gravitate around your business: freelancers, subcontractors etc.

You will choose the number of "coaches" (teachers) to be recruited each year as well as their remuneration. The higher this remuneration is, the more experienced your coaches will be and their motivation boosted. This will therefore have a direct influence on your sales, decided by the simulator software.

NUMBER OF COACHES RECRUITED

Each coach can follow up to 40 students per year.

Since the capacity of your institutions is set at 160 students per year, you will not be able to recruit more than 4 coaches per institution. Beyond 4, it will therefore be necessary to invest in a new property...

COACHES COMPENSATION

Each coach will receive from the company **a salary between 40,000 and 80,000 €** (including social security contributions).

At this salary, you will **add an interest in the company's results**. At the beginning of the year, you will pay each of your coaches **1% of the annual turnover** of the company of the previous year.

No incentive paid in year 1, the first payment will be made at the beginning of year 2 based on the turnover of year 1.

ADMINISTRATIVE STAFF

Your company includes administrative staff: marketing, HR, sales etc. All this staff is part of your salaried workforce, and represents an annual charge of **€ 160,000** (including social security contributions) regardless of the number of properties...

A man with dark hair, wearing a brown zip-up sweater and blue jeans, is sitting and speaking into a microphone. He is smiling and looking towards the camera. The background is dark and out of focus.

PROVIDERS

CLEANING COMPANY

Each property is carefully maintained by Green Cleaners, a start-up partner of your company. The contract with the young leaders of Green Cleaners is as follows: **€ 30,000 per year per property blishment** including daily housekeeping of the premises. Beyond prices considered attractive, you appreciate the commitment of this provider to the environment, including the use of natural care products.

ACCOUNTING FIRM

A firm is mandated to take care of all the accounting of the company. Beyond entering accounting transactions, the firm provides you with an annual summary of the main financial indicators: turnover, margin, result...

Annual cost: 6000 € whatever the number of properties.

SUPPLIES

Each property needs equipment to work on a daily basis: paper, ink, coffee, snacks, postal charges... All these small daily expenses represent **3000€ per year per property..**

ELECTRICITY & WATER

Annual contract of 7200€ per year and per property.

INTERNET & PHONE

Annual contract of 2400€ per year and per property.

ADVERTISING

At the creation of the company, you decided to trust the advertising agency Whatsup, with a "quirky" or even provocative reputation.

This agency offers 2 budgets:

The **OFFLINE advertising budget**, covering the press, the display (street + bars + metro), the lounges and the events. Minimum bet 20,000 € per year, maximum 300,000 €.

The **ONLINE advertising budget**, covering the company showcase site + social networks and influencers. Minimum bet 20,000 € per year, max 300,000 €.

TAXES

The registered office of your company is based in Paris. It is a French company subject to corporate tax.

The principle is as follows: the company is taxed on its profits. At the beginning of year Y+1, the French State asks you the amount of your EBT (for Earning Before Taxes).

If it is positive (=profit), then the company will pay in Y+1: 15% on the first 42500 € of profit, then 25% on everything that exceeds.

If it is negative (=loss), you do not pay any tax and benefit from a tax credit in case of a positive result the following year.





BANK LOANS

Your company has negotiated particularly advantageous terms with its bank. Indeed, you will be allowed to **borrow up to 2 times the amount of your equity** at the **annual rate of 5%**, including borrower insurance.

Equity = share capital + profit or loss.

It's a **constant amortization loan**. So the annuity and the interest go down as you repay.

SHARE CAPITAL

At the launch of the company, you deposited the amount of the share capital in the checkin account of the company, namely **300K€**.

So you start today with 300K € on the account, and the possibility to borrow 2 times this amount (since you do not yet have a result, so equity = share capital for now).



THE BANK

BANK OVERDRAFTS

In "real life", a banker charges fees fortnightly. In other words, your account is checked twice a month, and penalized by overdraft if its amount is negative.

As part of this simulation – for reasons of simplification – your bank will **only look at the status of your account at the end of the year**. And that's great news!

Indeed, you will be able to live uncovered part of the year without suffering penalties. During the year, you will receive sales revenues that may be enough to cover your annual expenses...

In case of bank overdraft at the end of the year, you will therefore have to pay your bank the following year. The rate is **10%**

IT'S UP 2
you!

