CESIM Cheat Sheet

Disclaimer: This cheat sheet is based off the author’s experience with the project and aims to provide students a structure for every round. The author does not guarantee results, though she has achieved an A and has helped many students improve their scores with this process.

It is highly encouraged that students review the professor’s notes on the CESIM program for more detailed information on how the program and specific mechanism works.

1. Review Competitive Stance

After every round, look at how your team is doing under the Results tab.

How is your market share in the different markets? Is your team performing well in relative to the strategy laid out?

Check your pricing against other team under Results > Market Report. Are you priced competitively in the different markets? Should you invest in features, and in which tech? This is also where you find out the reasons behind your team’s performance for the round.

Take down notes after your discussion with your team. The analysis will aid in guiding your decisions.

Now, it is time to align your decisions with your analysis. Starting with....

2. Set Market Demands

Go under Decisions > Demand. In CESIM, your sales will be determined by the demand you set. Other than reviewing your team’s analysis of the situation, look at the network coverage. Does the tech you’re planning to sell have coverage in all the markets? If not, should you still sell? How much?

Another measurement you should look at is your market share from the last round. Is it realistic to increase market share? By how much?

3. Production

After you’ve set your demands, it’s time to adjust your production! First, go to Investments. Make sure your numbers are updated. Then, go back to Production. Play around with both in-house and contract manufacturing to achieve the lowest cost of production per unit. In-house manufacturing does not necessarily lead to the cheapest manufacturing cost, and minimizing cost is one of the good ways in increasing your profit!

When it comes to building new plants, remember that you will need 2 rounds before the factories are available. Hence, do it ASAP and early in the project/semester! This is under Investments.
4. **Invest in R&D**

This is one of the most important aspects of the project. Having more features in a tech can help you gain a competitive advantage = more sales! This is the *R&D* section of *Decisions*.

You should have decisions on tech and features as part of your analysis in Step 1. Now, you and your team have another decision to make: Do you want the feature now, or can you wait? If you can wait till the next round, it will be cheaper to develop it in-house. If your team needs it this round to gain a competitive edge, then you’d have to spend more to license it.

5. **Marketing**

After you have decided on your tech and features, go on to *Marketing*. A good habit to have is to update all the features you are selling in every market. Make sure that the features you are selling *matches the features available*.

Then, set the prices according to your team’s analysis. Your promotion price should change accordingly to Professor’s notes.

6. **Logistics**

As part of minimizing costs, go on to *Logistics* to adjust the direction in which your products ship in case of maximum capacity. Depending on your strategy for the game, ie. What tech are you selling, where did you make them, and which markets are you targeting, you might want to make adjustments to the direction of your goods. You can only have factories in USA and Asia, so your origin is always from those points. Setting an efficient direction of product flow can help in reducing the shipment costs and fulfil demand.

7. **Other Advice**

Based on the author’s experience, it is best for the team members to each go through and make individual decisions before coming together and then discuss. Look at who’s profit is the highest, where their decision differ from the rest of the team, and then decide if your team wants to adopt the member’s decision wholly, or adapt it into a different list of decisions that reap the most benefits.

Remember: Your grade is not based on which team has the highest profit, but your individual shareholder return under *Results > Ratio*. Hence, your focus should not be whether other teams are doing better or worse than yours but if your shareholder return is high. The only competition comes in terms of gaining more market share and not outselling the others. Refer to your professor’s grading criteria for more details.