

Narrow Margins

Problem Identification, Solution Finding and Process Improvement



NOTES FOR TEACHERS

Using Narrow Margins to build the skills of logic, analysis and the presentation of structured arguments. An advanced exercise in 'business thinking'.

Narrow Margins is a complex task that replicates a realistic business scenario and asks the learners to use the information provided, along with their own judgment, to prepare and present a business strategy. It is an excellent way of introducing a wide variety of 'business' concepts and raising awareness of the type of decision-making and risk taking that is necessary in an entrepreneurial business environment.

The nature of the exercise, and the resources provided, are based upon British maps and a high level of understanding of the English language. However, for an able, English-speaking group of any nationality this presents a realistic experience of working in complex markets where uncertainty and ambiguity are being dealt with on a daily basis.

The recommendation is that this exercise is only used with students who are capable of doing a high level of academic work in the English language and who are comfortable with complexity.

Follow the instructions and run the activity exactly as described in the accompanying notes for adult use.

The exercise requires skills in a number of technical areas including the interpretation of technical language, logic and mathematics, finance and budgeting, geography and map reading. In addition, it requires analytical and evaluative thinking skills, an ability to consider and assess risk, an ability to integrate dispersed information into a coherent business plan and then the persuasive communication and influencing skills required to 'sell' the solution.

You need to make no changes to the activity process, although you will need to allow considerably more time for groups to work on this activity. In fact, it is recommended that this be treated as an extended 'application' project, tackled over a number of consecutive sessions, depending upon the time available. Judge this upon their levels of concentration and focus and build in breaks/progress reviews as required.

Narrow Margins offers an opportunity to assess student performance in a range of intellectual, behavioural and practical skills. It should not be undertaken lightly but the team approach, the competitiveness built into the activity and the range of skills it demands make it a rich environment for individual and group learning.

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A suggested process for building the skills required to complete Narrow Margins

1. An introduction to the exercise, outlining the task and explaining the nature of the different types of information that is available. Time spent on explaining complex terminology and specific references that will be unfamiliar to the groups.

Measurement (eg. use of tons rather than kilogrammes)
Specific vocabulary (junction, launch, berth, crane etc)

2. The use of Grid References and the map measuring tool: small group teaching sessions to ensure familiarity with the equipment
3. Practical workshop 1: integrating the information from different sources and exploring different route options
4. Practical workshop 2: evaluation of different potential routes and selection of preferred route
5. Building the business case, pricing decisions and tender preparation
6. Presentation preparation and rehearsal
7. Presentation and feedback of judge's decision

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REVIEW

Suggested questions to use when reviewing Narrow Margins.

1. How did you feel at the start of this task? Did you think you would be able to work it out? What were your main concerns?
2. How did you divide up the jobs in order to manage the task? How successful was this in helping you to manage the complex task?
3. What did you learn about managing a high volume of information? What did you do to make sure that the most important information was shared and understood?
4. What were the most difficult aspects of this task? What did you do to overcome the problems you faced?
5. How did you make decisions in the group eg. about the choice of routes and the pricing of the job?
6. What were the things you took into consideration in preparing your business case? What did you learn from this process?
7. What were the things you took into consideration in preparing your presentation? What did you learn from this process?
8. How might you be able to use this own experience when you have to tackle a new and difficult challenge in the future?

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LEARNING SUMMARY

When summarising the learning from the exercise, reinforce the following learning points.

1. In the world of work, especially in international businesses, you will be faced with complex challenges and lots of things you haven't dealt with before.
2. Make sure you know exactly what you are trying to achieve. Set realistic goals and break challenges down into smaller tasks.
3. Ask lots of questions. If language, terminology or processes are new to you, ask people who do know (or do your own research) to find out what you need to know.
4. Pay attention to detail to make sure you are working with relevant information and not missing things that might be very important.
5. When you have to make decisions, establish clearly what your criteria for making those decisions are.
6. Check your work carefully – don't commit yourself to delivering something that might cost more or take much longer than you planned or you will lose all your profit.
7. When you have to present to an audience, put yourself in their shoes. Think about what they want to hear and tailor your presentation to your audience.
8. In complex situations and tasks it is good to work with others who think differently: look for other people who will challenge your thinking and see things you might have overlooked.