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THE MICRO AT WORK

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Pack 4:
Mail Order

MICRO AT WORK SOFTWARE: PACK 4

MAIL ORDER

Contents

Introduction	2
Running instructions	4
Using the software	16

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INTRODUCTION

'Mini-enterprise' packages have become increasingly popular in schools in recent years. Obviously the idea is that pupils should establish their own business, organise the finance, develop an operating structure, where applicable, manufacture goods, and sell those goods (or services) to an active market. Unfortunately this is not always possible and alternatives must be used. MAIL ORDER is one such alternative and it can be used both as a preparation for a true mini-enterprise package or as a replacement.

The idea is very simple. Pupils are given the opportunity to create mail order catalogues containing leisure goods. The class or year group act as the market (either as themselves or in role-play situations) and goods are bought and sold. Rigorous financial constraints are imposed and the 'winner' is the group which produces the greatest profit (either in absolute or in percentage terms). Everyone taking part in the exercise will be expected to maintain an up-to-date budget but, as in real life, the computer will be doing the same job, keeping checks and preventing over-spending. Add to this the fact that the package includes a simple stock control program and it is clear that the simulation can be made very realistic.

The software comprises two discs. Disc 1 (the Master Disc) is KEY, the general data handling package produced for the ITV Schools service. Disc 2 (the Wholesale Data Disc) contains a wholesale catalogue of some sixty items. This is held in visual form so that the user can view the goods (in colour) in addition to obtaining the more typical data file information, such as catalogue number, size, colour, price. Print options are available at all important stages in the software and this allows catalogue pages to be printed and company accounts to be published. In addition, the goods held in the catalogue are made available on the copy masters included in the booklet. *These are free of all copyright restrictions.*

The software can be used at a variety of levels. At its simplest – when the pupils merely try to assess the market – it is within the reach of most primary school children. At its most sophisticated – when groups operate two competing retail catalogues – MAIL ORDER provides a realistic business simulation which will tax students in the upper secondary school.

Finally, because simulations of this kind can be time consuming, the current situation is automatically stored on disc and can be retrieved for further work.

NOTE: The MAIL ORDER package is based on KEY, a data handling package produced by GSN Educational Software for the ITV Schools service. This is a powerful general data handling package and it is included in its entirety on DISC 1. MAIL ORDER makes use of a limited number of its facilities. Anyone wishing to explore the full power of KEY can obtain a user guide from the following address:

ITCA
6 Paul Street
LONDON
EC2A 4JH

Price £2.50 (payable to ITCA Ltd).

RUNNING INSTRUCTIONS

Loading the software

Insert the disc marked Wholesale Data Disc into drive 0.

Press SHIFT/BREAK to load and run the program.

Please note: If you are using the software to create retail catalogues, a blank formatted disc will be needed for each retail catalogue. These should be labelled Retail Catalogue A and Retail Catalogue B.

Following the title screen, the following menu will be displayed:—

Set-up options
Management options
Customer options

Press SPACE until the arrow points to the option of your choice, then press RETURN.

Set-up options

It is essential that this option is selected when entering the system for the first time. When it is selected the following sub-menu is displayed:—

Set-up simulation
Restock wholesale catalogue
Computer configuration
Return to main menu

i) Set-up simulation

Catalogues and budgets (both for the groups running the retail catalogues and for the customers) can be set-up by the users or generated by the computer. Therefore, when this option is selected, the screen will prompt for the following information:—

Number of catalogues? (1 or 2)
User/computer generated catalogues? (U/C)
User/computer generated budgets? (U/C)
Do you require customer budgets? (Y/N)
How many customers? (1-30)

In each case, enter the relevant response and press RETURN.

Where the computer is required to generate catalogues and budgets this will take place automatically. The procedure may take a few minutes particularly if two catalogues are required.

When the computer has completed the catalogue(s), the screen will prompt for a retail catalogue disc to be inserted into the appropriate drive. (The drive number will depend on whether a single or double

drive system is being used – see **Computer Configuration** for further details).

Note: Full instructions will be displayed on screen for disc changes, and immediately following a disc change SPACE should be pressed to confirm the change.

The catalogues will then be copied onto the disc.

Where the pupils are to create their own catalogues and budgets are to be set by the teacher, the screen will prompt for the budget figure for each management group in turn. (Groups are lettered A and B.) The maximum budget allowed is £25,000. However, this is a very large amount and teachers should use their discretion in limiting this figure according to the time available and the scale of the exercise.

Whether the budgets are allocated by the teacher or are computer generated, each management group will be required to type in its own password. This facility allows only the catalogue management group to modify its own retail catalogue and have access to management options available later in the software. Once this password has been entered (up to 8 characters are permitted) it cannot be changed, and it must be remembered.

If budgets are required for individual customers, a prompt will appear for the maximum budget. This can be any figure between £20 and £200 according to the type of exercise you wish to carry out. Type in the number and press RETURN. Budgets will then be allocated for up to thirty groups of pupils. The budget will be a random amount between the amount specified and 40% of the upper limit e.g. if you set a budget of £100, money will be allocated to each group in the range £40 – £100. Where no budgets are set, purchases will not be restricted.

Where applicable, management groups may now start to create their retail catalogues. To do this select **Management Options** from the Main Menu.

ii) **Restock Wholesale catalogue**

During the creation of the retail catalogue, stocks held in the wholesale catalogue will be reduced. Purchases will, therefore, become increasingly difficult – as is often the case in real life. This problem can be removed by restocking the catalogue. Once the option has been selected restocking will take place automatically. When two retail catalogues are being created this option can be used to give equality of opportunity.

iii) **Computer configuration**

This option allows a range of different disc drive and printer configurations to be used. It should, therefore, be selected when the

software is used for the first time.

The screen will display the following:—

- * Single disc drive
- Double disc drive
- Serial printer
- * Parallel printer
- No printer
- Line feed
- * No line feed

The asterisks denote the current selections.

If these describe your system, press ESCAPE. Otherwise, press SPACE until the arrow points to a correct selection and press RETURN. The asterisk will then be displayed next to your selection. Continue this process until all the correct selections have been made. Press ESCAPE to return to the menu.

Note: Where a serial printer is selected, the screen will clear and display a list of baud rates. Use SPACE to select the appropriate baud rate and RETURN to confirm. The screen will redisplay the configuration menu for further selection. Press ESCAPE for menu.

Management options

The groups creating retail catalogues (the management groups) will have access to a range of special options. Having selected **Management Options**, the screen will prompt for the group code (A or B) followed by the password. On entry of a correct password the following menu will be displayed:—

- View wholesale catalogue
- Order goods
- Create retail disc
- Search
- Accounts
- Amend prices
- Add to retail catalogue

Select the appropriate option using SPACE and RETURN.

i) **View wholesale catalogue**

This option allows pupils to look at the wholesale catalogue; to view the on-screen pictures of the goods in colour; and, where appropriate, to order goods.

When the option is selected, the screen will display details of the first item. To look at the picture of this item, press f3. This will then be

displayed, together with the descriptive details and, where appropriate, a list of colours.

Press SPACE to change the colour of the item displayed.

At this point, there are several options.

RETURN takes you back to the complete record of the item.

f2 allows you to print out the picture and its details.

f4 allows you to purchase this item for your retail catalogue.

If f4 is selected, the description of the goods is displayed, and the pupils may choose the colour and size required by pressing SPACE and RETURN as prompted. The screen will then prompt for quantity to be purchased and this should be entered. Both the quantity in stock and the budget will be reduced accordingly. If the number requested either exceeds the quantity in stock, or is outside the range of the budget, the computer will not allow the purchase to be made.

A recommended retail price is displayed on the screen, but pupils will be given the option to enter their own price. Type in the appropriate price and press RETURN. Where the r.r.p. is to be used, simply press RETURN when prompted for the price. The r.r.p. will be inserted automatically.

Having confirmed the purchase, the screen will again display the item details.

Press SPACE to see the next item.

The function keys which may be used whilst the item details are displayed are as follows:—

- f0 – Next record
- f1 – Previous record
- f2 – Print record
- f3 – Display picture
- f4 – Purchase item
- f5 – Return to menu
- f6 – Print complete catalogue
- f7 – Move to a record
- f9 – Help

When viewing of the catalogue is complete, or sufficient items have been ordered, press f5 to return to the menu.

ii) **Order goods**

In some instances, (e.g. where a wholesale catalogue is available in the classroom or where pupils have previously studied the on-screen catalogue) pupils may know the exact catalogue number, colour and size required.

When **Order Goods** is selected, the screen will prompt for the input of the catalogue number. When this has been entered, the screen will display the colours and sizes from which the pupils may select (as described previously).

After an item has been ordered, the screen will prompt for the next catalogue number. Press ESCAPE at this point when all items have been selected.

iii) **Create retail disc**

This option should be selected when all goods have been ordered from the wholesale catalogue. Follow the screen prompts and the retail catalogue will be created on a separate disc.

Selections for the catalogue may be made over a period of time during which other pupils may use the computer, or the computer may be switched off. Each time an item is purchased for a retail catalogue, it is added to a special file which is stored on the Wholesale Disc. When the option to create the retail catalogue is chosen, this simply transfers the data from the Wholesale Disc to a separate retail disc.

Note: Although items can be purchased at a later date, using the **Add to Retail Catalogue** option, it is easier to make purchases now.

When the **Create Retail Disc** option has been selected, the screen will prompt for the following information:

Company name : enter up to 20 characters and press RETURN.

Address : this allows four address lines, each of up to 20 characters. Press RETURN at the end of each line.

Instructions will be given on screen to insert the relevant retail disc into the appropriate drive. When the disc has been inserted, press SPACE. The software checks the disc to ensure that it is a blank formatted disc. If any files exist on the disc, the program will not proceed. Full instructions will be given on screen should any disc changes be necessary.

All information will be stored on the Retail Data Disc, and the screen will return to the main menu to permit further groups to complete their catalogues.

iv) **Search**

An option exists in the software which enables pupils to use the powerful search facilities of **KEY**. (Further descriptions of the use of **KEY** are given later in this guide.)

For example: A management group may decide that they wish to stock **jogging suits** in **lemon**. The following procedure should be used:—

Select **Search** from the menu.

The screen will prompt for the KEY Master Disc to be inserted in the relevant drive and, where appropriate, the Wholesale Data Disc in the other drive. Press SPACE to confirm. KEY will be loaded, and pupils may select **Search** followed by **Simple Search**.

At this point, the screen will display a list of the “fields” (i.e. the catalogue number, description etc.). A selection should be made from this list using SPACE and RETURN (e.g. colour).

The following message will then be displayed:—

Include all records where Colour

Press RETURN at this point.

A list of colours will then be displayed. Press SPACE to select the colour you wish to search for (in this case LEMON). Press RETURN. An asterisk will be displayed next to LEMON. Press ESCAPE and the software will search the data for all items in lemon in the catalogue.

The screen will display the number of matches found. Press SPACE to continue.

A further menu will be displayed and the option should be selected to **Display Records**. Press RETURN and the first catalogue item which is stocked in lemon will be displayed. Press SPACE to look at the next item. If any items are of interest, their record number should be noted for use within the main program.

More complex searches can also be executed by setting up a series of fields to search on. For example, it may be necessary to look for all **track suits** in **medium size**. Select the **Complex Search** option, and when prompted, select the field **Description**. Once again the screen will display:—

Include all records where Description

Press RETURN.

The following list of options will be displayed:—

Is the same as
Begins with
Ends with
Comes after
Comes before
Contains

Using SPACE to move the arrow and RETURN to confirm, select **Is the same as**, and at the prompt, type in **Track suit** and press RETURN. The screen will then offer the following options:—

AND
OR
EOR
Display command line
Begin search

Select **AND** and press RETURN.

A list of fields will be displayed again. This time select **Size**. Select **Medium** from the list of sizes. From the resulting menu select the **Begin Search** option. As previously the screen will indicate the number of matches found, and the details of these can be displayed.

Note 1:

Pictures of the individual items are not available from this option.

Note 2:

Immediately following a search, only those records which fulfil the search will be available. If you wish to perform further searches on the whole file, select **Other Display Options** from the **Display Menu**, and from the sub-menu produced, select **Use all Records**. Press ESCAPE from this menu until the **Search** option is re-displayed.

When all searches have been concluded, press ESCAPE to move back through the menus. The screen will give full instructions regarding the changing of discs. However, it should be noted that when **KEY** refers to the **Program Disc**, this is the **KEY Master Disc**, and the **Data Disc** is either the **Wholesale Data Disc** or either of the **Retail Data Discs**, as appropriate.

v) **Accounts**

These accounts are available only to the management groups, and on selection, pupils will be asked to insert the relevant Retail Data Disc. Press SPACE to confirm the disc change, and the resulting menu will offer the following options:—

Sales Analysis
Stock Analysis
Trading Accounts
Exit

With all options, a sub-menu offers the choice of output, i.e.

- Output to screen
- Output to printer
- Output to printer and screen

If pupils are just using this as a quick check on how sales are progressing, Option 1, **Output to Screen**, may be chosen. However, if they wish to analyse sales or stock, or to produce figures showing their trading position, one of the printer options should be selected. The third option simply allows the figures to be checked on screen while the printout is being produced.

If either printer option is selected, you should be sure that the printer has been set up correctly. To do this use the **Computer Configuration** option.

a) **Sales Analysis**

The sales analysis figures should be used by pupils to check how many individual items have been sold and how much has been received in sales income during the current period. This should indicate to them which lines are popular.

If a large number of purchases have been made, it may not be possible to display them all on one screen. When the screen displays 'Press SPACE to continue' this will either produce the next screen of sales figures, or will return you to the menu, if the output is complete.

Sample output

SALES ANALYSIS							
Code	Colour	Size	Units Sold	Wholesale Price	Retail Price	Total Sales Value	Total Profit
JS001	Lemon	Small	3	21.75	32.75	98.25	33.00
JS003	Pink	Large	5	12.50	18.99	94.95	32.45
SS014	Navy	Medium	2	3.60	5.49	10.98	3.78
RS019	Grey	5	3	26.10	39.99	119.97	41.67
FB034	Grey	Large	11	18.10	27.75	305.25	106.15
Totals			24			629.40	217.05

b) **Stock Analysis**

As previously, pupils may select this option to look at the current situation, but in this instance they will be able to judge the movement of stock, and assess whether or not to purchase more stock of a certain item. Press SPACE either to continue the display or to return to the menu.

Sample output

STOCK ANALYSIS

Code	Description	Colour	Size	In stock	Sold
JS001	Jogging suit.	Lemon	Small	12	3
JS003	Jogging suit.	Pink	Large	19	5
SS014	Sports shirt.	Navy	Medium	7	2
RS019	Running shoes.	Grey	5	10	3
FB034	Football.	Grey	Large	20	11

c) **Trading accounts**

The trading accounts are extremely simple. They display the following details:—

Value of sales	£	1628.45	—	this represents the total sales made during the period.
Purchases	2000.00		—	this is the amount spent on buying the stock.
Closing stock value	1250.00		—	this is the value of the items at wholesale price.
		<u>750.00</u>	—	this represents value of purchases less closing stock.
Gross Trading Profit		<u><u>878.45</u></u>	—	this is the total profit (or loss).

At the bottom of this sheet, the figure for the cash in hand is also displayed, as some groups may not have spent all their initial budget.

d) **Exit**

When this option is chosen the screen will prompt to re-insert the **Wholesale Data Disc**. Press SPACE when this disc has been put into the drive. The menu will then be displayed.

vi) **Amend prices**

At any point within the simulation, management groups may wish to amend prices either upwards or downwards. On selecting this option, a sub-menu will be displayed:—

Single item
All items

Make the appropriate choice by pressing SPACE.

RETURN confirms the selection.

Where a single item has been selected, the catalogue number should be typed in. As there may be several items with the same number, the relevant colour and size of the item to be amended should also be selected. The current retail price will be displayed, and a prompt will be given to enter the new retail price. Press RETURN to confirm. The menu will then be displayed.

To update all prices, the screen will prompt with the following question:—

Increase or decrease (I/D)

Type in the appropriate letter and press RETURN. The computer will then prompt for the input of the **percentage** by which all prices should be increased/decreased. Press RETURN to confirm the amendment and the file will be updated automatically. On completion of updates, the Management Menu will be displayed.

vii) **Add to retail catalogue**

It may at times be desirable to add items to a retail catalogue. (A range of goods may sell out or a market may develop for other goods.) Select the **Add to Retail Catalogue** option and the first item in the wholesale catalogue will appear.

Selections can be made, using the method previously described, and instructions will be given when the Retail Disc has to be inserted, so that purchases can be added to the Retail Catalogue. Budgets will be automatically adjusted.

From the Management Menu, press ESCAPE to return to the Main Menu.

Customer Options

From the Main Menu, select **Customer Options**.

The screen will prompt for the pupil/group account number. Type in this number and press RETURN. The screen will then display the current budget for this group, (where budgets have been allocated).

The group may first decide which catalogue it wishes to purchase from. Enter catalogue A or B and press RETURN. The screen will then prompt for the relevant Retail Disc to be inserted. Put the disc into the drive and press SPACE.

The following menu will be displayed:—

View retail catalogue
Purchase goods
Search
Exit

i) **View retail catalogue**

This option works in exactly the same way as the similar options for the wholesale catalogue. However, there are two exceptions:—

- a) Unlike the wholesale catalogue, each colour and size of the same design is stored as a separate item
- b) When an order is placed an option is given to print a customer invoice. If an invoice is required, press Y RETURN at the prompt. Please ensure that the printer has been correctly configured.

ii) **Purchase goods**

Goods may be purchased direct from the **View** option or, where the catalogue number is known, pupils may select the **Purchase Goods** option.

The screen will prompt for the input of the catalogue number. Type in this number and press RETURN. The software will then search through the file to find all records with the appropriate catalogue number. A list of possible colours will be displayed, and a choice should be made. The sizes will then be displayed and when an appropriate choice has been made, enter the quantity required.

Note: Where budgets have been set, pupils will not be allowed to overspend.

iii) **Search**

The search facilities operate in exactly the same way as previously described for the wholesale catalogue. Pupils should use this option to search the retail catalogue for items of a certain colour or size. On-screen instructions will be given for changing discs.

iv) **Exit**

When all purchases have been made by a single group, the **Exit** option should be selected. The screen will then prompt for the Wholesale Data Disc to be returned to the drive. Insert the disc and press SPACE. The main menu will then be displayed.

Note:

Individual budgets will be amended frequently, either up or down. Where the amendment is for the whole class, a warning sound will be heard, and the screen will display a message informing 'customers' about the change in their financial situation. When this message has been read and announced to all potential purchasers, SPACE should be pressed to return to the menu.

Where the budget update is for an individual group, a different audible warning will be heard, and the group number will be displayed. The relevant group should go to the computer and press SPACE. They will then be given personal details regarding the change in their budget.

Press SPACE to return to the menu.

It is important to note that these amendments will only occur when the Wholesale Data Disc is in the computer and the main menu is displayed. It is the responsibility of each user to ensure that the computer is left set-up in this way.

USING THE SOFTWARE

MAIL ORDER is a simple business simulation package, designed to give pupils insights into the problems of marketing and market research; selling and sales techniques; stock and stock control; and budgeting. It can be used at various levels of sophistication but the basic framework is the same.

1. A wholesale catalogue of leisure goods is stored on one of the discs. This contains a range of 60 items, most of which are available in a variety of sizes and colours.
2. This catalogue can be displayed on the screen and it is available on sheets which can be photocopied.
3. One or two groups create retail catalogues from the wholesale catalogue. This involves predicting the behaviour of the market (the rest of the class or the rest of the school) and buying accordingly. Each group is allocated a budget by the computer and it must operate within that budget.
4. The rest of the class acts as the market. Individuals are allocated budgets (again by the computer) and decisions have to be taken within those budgets. Budgets are updated at frequent intervals during the simulation and decisions must be adjusted in the light of these changes.
5. Success is measured in terms of sales, income and profit – as in the real business world – although worthwhile activities can be carried out which are less competitive.

MAIL ORDER can be used with pupils of varying abilities. At its simplest it can be used to stimulate interest in the idea of markets and marketing, involving little more than basic decision making. At its most complex the package can be used to exercise other skills, including mathematics and statistics; and to develop an understanding of simple methods of stock control and budgeting. Whatever the level, there are certain preliminary activities which have to be gone through.

1. The class must be organised to facilitate the operation of the simulation. Activities involve group work, particularly group decision-making, and care should be taken when setting up these groups.
2. Most of the activity takes place away from the computer which acts as a central reference point at which sales are entered and information about stock control and budgets is available.
3. Catalogues are needed for all activities. These have to be created either from the photocopy masters or from computer printouts. Whichever source is used, the production of the finished catalogue can involve a considerable amount of art work – colouring in the items (the colours can be obtained from the computer screen displays); laying out pages; designing covers etc.
4. Most exercises can involve basic mathematical and language skills. With the former the teacher must decide how much work will be done by the pupils and how much will be delegated to the computer. However, it is

recommended that as many pupils as possible gain experience of the computer running a stock control and budgeting system.

Level 1: Assessing the Market

The first essential in setting up a small business is to identify a market and to decide how to service it.

Even young children can share in the excitement of doing this.

1. Demonstrate the software, showing the catalogue section on the screen. Let the pupils see something of the range of goods available; the colours, sizes, price etc.
2. Make copies of the copy masters.
3. Working individually or in pairs, the pupils should select ten items which they think will sell.

Note: Colour must be taken into account (pupils can use the computer to refresh their memories about this); size can be ignored unless it is felt necessary to add a degree of complexity to the exercise.

4. Catalogues can be created, although this is not necessary for this exercise.
5. When the choices have been made the pupils change roles – they become the market.
6. As potential buyers each pupil (or group of pupils) writes down five products which he or she would like to buy. These should then be put into order of attractiveness ie. the item which would be bought first should be numbered 1.
7. A vote can then be taken on each item and a list of popularity for the entire class (the market) can be drawn up. This list should be compared with the 'catalogues' drawn up by individual pupils or groups of people. The 'catalogue' which most closely matches the leading items on the list is the most successful.

This type of exercise could be repeated for different groups eg.
boys and girls
pupils of different ages.

The different responses can then be compared.

Level 2: Using Computer Generated Catalogues

Once again this method of use may be more attractive to teachers of younger children since the competitive element is greatly reduced by allowing the computer to create the catalogues instead of making groups of pupils responsible for them.

All that is required is for a budget to be entered and a catalogue will be created containing goods selected at random but to the correct value. The catalogue can be printed out or it can be created using photocopies of the copy masters. Two or more catalogues should be created and these should be circulated (or pinned up on the walls of the classroom). The class then acts as the market.

'Selling' can be structured in several ways according to the age and ability of the pupils.

a) The simplest method would be to ignore price and to allow each person in the class to make choices.

As soon as a choice has been made the pupil tries to make the purchase at the computer. Speed is rewarded since certain lines may sell out quickly – as in real life.

Several rounds can be run in this manner and at the end of the exercise the performance of each catalogue can be assessed in terms of the number of items sold, the value of the sales, and the profit. All of this information can be obtained from the stock control section of the software and, since this operates continuously, the teacher can keep an eye on the picture as it emerges and call a halt at an appropriate moment.

The merits of the competing catalogues can be discussed; reasons can be found for the success or failure of each; and suggestions can be obtained for improving each catalogue. The last two activities could give rise to written work in the form of reports to the Managing Director, letters of complaint from customers etc; and art work in the form of improved layouts and cover designs.

b) More reality, and slightly more complexity can be introduced by allocating budgets to the individuals/groups in the class. Each person/group can obtain a budget from the computer. This figure will have been selected at random within the range set by the teacher and each individual/group is expected to make one or more purchase within the budget allocated. At this level budget updates should be ignored, and the performance of the competing catalogues should be assessed after a single round of buying. Once again the exercise can be used to generate discussion and written work.

c) A further development could be to allow several rounds of buying and to introduce the regular updating of the individual/group budgets. This can be done automatically, using the facilities available in the software. For full details of this type of simulation see the next section.

Level 3: Using Specially Created Catalogues

At its most sophisticated, MAIL ORDER can provide a realistic simulation of a business which operates at several levels i.e. wholesale, retail and at the family or individual level. Only the transfer of goods is missing – although such transactions can be indicated by the issuing of invoices.

Throughout, the computer is used as it is in real life eg to keep stock and organise accounts, to issue invoices and to oversee the banking activities of the consumers.

The following suggestions may enable users to exploit the package more fully.

1. Appoint two groups (2-4 students, according to the size of the class) to organise a retail catalogue. Each group will be allocated an amount of capital (it is fairer to make the two amounts the same but they can be varied – as they would be in the real world) and this should be entered into the computer.
2. Each group should be given a copy of the wholesale catalogue (these can be photocopied from the masters provided) and from this each group should create a retail catalogue, making sure that the spending limits entered are not exceeded. This will necessitate each group keeping a record of its proposed purchases.
3. When a retail catalogue has been created the goods must be purchased from the wholesaler i.e. from the computer. Each item must be entered, together with its size, colour, price and the quantity of each required. (The retail price should be established by the catalogue managers.) Speed is important because the supply of goods may be limited and they will be allocated on a first come, first served basis.
4. The rest of the class (or year group) should be divided into small groups (the size of the groups will depend upon the size of the teaching group but it should not exceed four). These will form the ‘market’ and their decisions can relate either to themselves as individuals within the group or as role playing numbers of a family group. If the latter course is selected roles will have to be allocated.

Note: The simulation exercise can also be carried out with the class acting as individuals. Such a strategy is preferable if the potential market is small i.e. the class is small.

5. While the catalogue managers are creating their catalogues the rest of the class can design covers, plan lay-outs and write promotional materials for the catalogues. The catalogue managers can then select from the range on offer and their catalogues can be designed accordingly.
6. Each group/individual should be given a number. This should be entered into the computer and a sum of money will be allocated. This is the money available for the group to make purchases from the catalogues and *all purchases must be made within these financial limits*. In fact, purchases outside these limits will be blocked.
7. The catalogues should be made available to the potential purchasers. This can be done by making multiple copies for distribution (as in real life) or, if this proves difficult, by pinning the pages onto display boards.

8. When a decision has been made to purchase an item, a member of the group should try to complete the purchase by entering it into the computer. Success or failure will depend upon whether or not the particular item is still in stock. The computer will register each sale, keep stock and update the financial statement of each catalogue company. This can be obtained by members of the company who have the password to gain access to that part of the software.

9. Group/individual budgets will be updated at intervals during the simulation (the equivalent of weekly or monthly surpluses – or deficits – after house-keeping bills have been paid). The computer will signal this and a member of the group will go to the machine to obtain details of the update.

Note: The budget can be adjusted upwards or downwards so that an update does not necessarily mean that the purchasing power of the group will be improved.

Updates of this kind will help to maintain interest within the class and will cause groups/individuals to adjust their planned purchases in the light of changing circumstances.

10. Catalogue managers will be expected to keep their eye on the movement of stock. If items sell out, additional purchases can be made from the wholesale catalogue (if these items are still held in stock there). If items are not selling, prices can be adjusted and a 'sale' can be held. In this case it is the responsibility of the catalogue managers to adjust prices and to prepare promotional material.

11. Direct selling methods can be used, i.e. the catalogue managers can take their catalogues around the 'market' and try to persuade people to buy.

12. Throughout, the computer will keep records of the transactions and will produce statements of stock, trading profit, and personal invoices.

13. The winning management team will be the one which makes the greatest profit (in absolute terms if the starting capital was the same; in percentage terms if not).

14. Printouts can be used to produce company reports and the managers can present their reports to the shareholders (the rest of the class). Performance can then be discussed and possible reasons for success or failure ascertained. This idea can be used to maintain interest during the simulation i.e. profits can be declared and interim reports given.

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