Exercise 1.3: Quick Roleplay

Objective:

To practice recognizing and responding to early warning signs of business distress through a roleplay scenario, using real-world examples as reference points.

Scenario Introduction:

Introduce the participants to a scenario involving a hypothetical company, XYZ Corp, facing significant business challenges. Provide concise information about financial data, market conditions, and operational issues that reflect early warning signs of distress.

Roleplay Setup:

Divide the 10 participants into two groups of five. Each group will have roles: CEO, CFO, Operations Manager, Marketing Manager, and HR Manager. Each role will focus on identifying and addressing one specific warning sign based on their areas of responsibility.

Group Work and Roleplay:

Each group will discuss the scenario and roleplay the specific warning sign identified

Strategy Presentation and Feedback:

Each group will present their identified warning signs and proposed strategies to the other group. The groups will provide rapid feedback and discuss the feasibility and potential impact of the proposed methods.

Participant Exercise Handout

XYZ Corp Scenario for Roleplay:

Financial Data:	
Revenue:	$150 million (down 15% from last year)
Net Loss:	2% (down from 8% last year)
Cash Flow:	Negative $3 million per quarter
Market Conditions:	Increased competition from new market entrants Declining market share Negative customer feedback highlighting dissatisfaction with product quality
Operational Issues:	High employee turnover rate (20% annually) Frequent production delays due to outdated equipment Quality control problems resulting in increased customer complaints