LESSON PLANS AND LEARNING OBJECTIVES

Lesson 1: Market Research

Description
This lesson immerses the student in how to learn about a market in terms of customer preferences for the type and price of the product. The simulation provides the student with the means of constructing a survey instrument to obtain information about starting a restaurant. Students must choose questions they believe are helpful to making business decisions, and balance this need for information with the cost of a survey. The information gathered at this phase of the simulation can be useful in informing decisions over a number of lessons.

Essential Questions
- What kinds of customers are in my market?
- What are the preferences of my customers?
- Where are they located in the market?

Learning Objectives
- Students will learn about the importance of marketing research in starting a business.
- Students will learn how to construct market surveys relevant to starting a business.
- Students will learn how to analyze survey results to help inform business decision-making.

Procedure
Students select from a range of possible questions: the more questions and the larger the survey, the more costly the survey, but the more information for decision-making.

Creating a Survey

A sample view of one of the many survey results

Estimated Duration
15 minutes
**LESSON PLANS AND LEARNING OBJECTIVES**

**Lesson 2: Location Selection**

**Description**
In this lesson, the student will learn how to find an ideal location for opening a new restaurant. Students will compare rent costs, the location of other restaurants in the neighborhood, and the demographic composition of the neighborhoods.

**Essential Questions**
- What matters in locating a business?
- How do we think about costs and potential demand when locating a business?

**Learning Objectives**
- Students will understand what information is relevant when locating a business.
- Students will analyze data to make an informed business location choice.

**Procedure**
Students will analyze a map of potential restaurant locations considering the rent, and what kind of customer is within two to five blocks of each location. Students can also observe the demographics of the traffic within particular restaurants.

**Estimated Duration**
20 minutes
LESSON PLANS AND LEARNING OBJECTIVES

Lesson 3: Financial Statements

Description
In this lesson, the student will learn how to use management information to guide business decisions. The student will learn how to select and analyze financial reports to guide spending in marketing, inventory, staffing, etc.

Essential Questions
- When making a particular decision (staffing, inventory, etc.), which reports and data are relevant?
- How frequently should we look at particular reports?

Learning Objectives
- Students will learn how to analyze financial reports to make informed business decisions.
- Students will learn the difference between the information in balance sheets and income statements.
- Students will learn how business decisions impact the information in financial reports.

Procedure
Students can choose from a menu of reports that provide management information. Students can view reports over different time periods. They can also export such data to Microsoft EXCEL for further analysis.

Estimated Duration
20 minutes
**LESSON PLANS AND LEARNING OBJECTIVES**

**Lesson 4: Menu Design**

**Description**
In this lesson, the student will develop a menu to serve the preferences of the customers in its market.

**Essential Questions**
- How do we relate our marketing research data to product mix analysis?
- Given what we know about our customers, what is a likely product mix for our menu?
- What is the relationship of the menu items we choose, and the inventory we need?

**Learning Objectives**
- Students will learn how to craft a product mix based on their marketing research.
- Students will learn about the relationship between product mix and purchasing supplies.

**Procedure**
Students will use their marketing survey data to create menus. Students can set prices and note needed ingredients. As the simulation proceeds (as shown in Lesson 5), students can analyze the menu design and alter decisions including price and menu items.

<table>
<thead>
<tr>
<th>Menu Creation</th>
<th>Menu Choice Analysis</th>
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</thead>
<tbody>
<tr>
<td><strong>Menu Designer</strong></td>
<td><strong>Menu Mix</strong></td>
</tr>
<tr>
<td>Available Items</td>
<td>Items</td>
</tr>
<tr>
<td>Entrees</td>
<td>Chicken Parmesan</td>
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<tr>
<td></td>
<td>Spaghetti and</td>
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<tr>
<td></td>
<td>Fried Chicken</td>
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<tr>
<td></td>
<td>Cheeseburger Platter</td>
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<tr>
<td></td>
<td>Chicken Tenders</td>
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<tr>
<td></td>
<td>Total</td>
</tr>
<tr>
<td>Beverages</td>
<td>Milk</td>
</tr>
<tr>
<td></td>
<td>Total</td>
</tr>
</tbody>
</table>

**Estimated Duration**
30 minutes
LESSON PLANS AND LEARNING OBJECTIVES

Lesson 5: Pricing

Description
In this lesson the student will learn how to price menu items to maximize profit. This requires some trial and error as students learn about the price elasticity of demand for each of the products in their product mix.

Essential Questions
o How do we know if we are pricing our products correctly?
o What is the relationship between price and cost?

Learning Objectives
o Students will learn about the price elasticity of demand for each of the menu items.
o Students will learn how to use customer comments to guide pricing decisions.
o Students will learn how to use management reports to analyze the product mix of a specific menu.

Procedure
Students will examine customer comments and management reports to guide them through altering prices (increasing or decreasing) to improve revenue and profit.

<table>
<thead>
<tr>
<th>Reading Customer Comments</th>
<th>Examining Management Reports</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image1.jpg" alt="Customer Comments Image" /></td>
<td><img src="image2.jpg" alt="Management Reports Image" /></td>
</tr>
</tbody>
</table>

Adjusting the Prices on the Menu Given Customer Comments and Management Information

Estimated Duration
30 minutes
LESSON PLANS AND LEARNING OBJECTIVES

Lesson 6: Purchasing

Description
In this lesson, students will learn how to purchase inventory to meet the customer demand and also how to minimize waste.

Essential Questions
- What is the appropriate amount of inventory to purchase for particular kinds of items?
- How do we know when we are purchasing too much or too little?
- What information is analyzed to gain control of inventory and thus reduce costs?

Learning Objectives
- Students will learn to grapple with the variables that control inventory.
- Students will learn how to use management information to improve purchasing and control over inventory.

Procedure
Students will examine data on inventory and view their storage to understand and adjust purchasing to deal with both shortages and waste.

Estimated Duration
30 minutes
LESSON PLANS AND LEARNING OBJECTIVES

Lesson 7: Layout

Description
In this lesson, the student learns how the physical layout of the operation: restaurant and kitchen, can impact both the revenue and the costs of the operation.

Essential Questions
- How does the layout in the dining room impact revenue?
- How does the layout in the kitchen impact productivity and cost?

Learning Objectives
- Students will learn how layout can impact both revenue and costs.
- Students will learn how to use comments from customers and employees to adjust the layout of the dining room and kitchen, respectively.

Procedure
Students can view comments from customers and employees, wait list information, and the actual flow of customers and employees in the simulation to analyze the layout changes that need to be made. Students can then “drag and drop” and remove and purchase items to improve the layout.

Estimated Duration
30 minutes
LESSON PLANS AND LEARNING OBJECTIVES

Lesson 8: Staffing

Description
In this lesson, students learn about appropriate levels of staffing to provide both efficient and effective customer service. The student will learn how to manage staff levels given the varying levels of demand during the days and times over the weekly schedule of the restaurant.

Essential Questions
- How do we know if our staffing is appropriate?
- What are the variables that are available for managing staffing levels and costs?

Learning Objectives
- Students will learn how to adjust staffing levels and wages to both meet demand and minimize staffing costs.
- Students will learn how to use information and reports to understand the status of staffing problems in an organization.

Procedure
Students will examine the staffing cost as the percentage of total cost and weigh that against the service rating by an independent organization ("Gazats") and then adjust staffing levels appropriately.

Examine Service Rating
Examine Customer Comments
Examine Demand by Day of Week
Make Adjustments as Appropriate

Estimated Duration
30 minutes
LESSON PLANS AND LEARNING OBJECTIVES

Lesson 9: Marketing

Description
In this lesson, students will learn how to deploy advertising and promotion to increase the demand for certain products in the product mix. Students will use their marketing research and management reports to target the advertising and promotion.

Essential Questions
- How do we identify our market segment?
- Which media is best for reaching that target?
- How do we decide which of our products to promote?

Learning Objectives
- Students will learn how to use marketing research data to select an appropriate segment and medium through which to advertise.
- Students will learn how to choose items to promote.
- Students will learn how to examine management reports to understand the impact of their advertising and promotion decisions.

Procedure
Students examine product mix data and marketing survey data and then select an appropriate medium for advertising, and item(s) for promotion. Students can then re-examine data to discern the impact of their choices.

Select Medium Given Appropriate Segment
Select Item to Promote

Observe Results in Management Reports on Product Menu Mix

Estimated Duration
30 minutes
LESSON PLANS AND LEARNING OBJECTIVES

PROJECT 1: Turnaround

Description
Students are placed in charge of a struggling restaurant that is losing money. They will have to use what they have learned from the lessons to restore this restaurant to profitability.

Essential Questions
- What information is important when trying to improve a struggling business?
- What are best practices in attempting a turnaround? Where do we begin?

Learning Objectives
- Students will understand the importance of planning in business enterprise.
- Students will understand how to diagnose the causes of a struggling business.
- Students will develop and implement plans to attempt to turnaround a struggling business.

Procedure
Students will start the simulation owning a struggling restaurant. Students will examine reports to uncover areas of concern so they can begin to craft a strategy to improve the performance of the restaurant. Students will employ all of the skills developed through out lessons when attempting to revive this restaurant.

Time
2-4 hours
PROJECT: Restaurant Mogul

Description
This all-encompassing project allows students to use what they have learned from the lessons to start a restaurant empire. To make the goal, students will need to run at least two successful restaurants. The initial goal is to obtain a weekly profit total of at least $15,000. This module engages all the knowledge from the previous lessons and challenges students to apply their learning to now orchestrate the full operation of a restaurant and to grow and acquire other restaurants.

Essential Questions
- What information is important to consider when starting a business operation?
- What actions help to improve revenue and what actions help to reduce costs?
- When do I decide to grow my business?

Learning Objectives
- Students will understand the importance of planning in business enterprise.
- Students will learn how to analyze data to improve their business decision-making.
- Students will learn how particular business choices impact the profitability of the restaurant.
- Students will learn to think strategically about selling and acquiring restaurants.

Procedure
Students start the simulation by opening a restaurant(s) in a simulated city filled with potential customers. They can observe all aspects of their restaurant(s) through surveys, financial reports, customer and employee comments, and by visually observing the flow of customers in the restaurant. As in the lessons, students then use this information to attempt improvements in operations. The project also has a strategic dimension as students can decide to sell the restaurant and acquire others.

Time
4-8 hours