

I hear and I forget...

I see, and I remember...

I do, and I understand.

ineo.click Simulations:

Banking



BANKING SIMULATION



Executive Summary: Banking Simulation

- ✿ By managing a simulated bank, the attendees understand **how the bank works** and get a **big picture** of the banking sector.
- ✿ A **two-day** event for 15-20 participants with no complex prerequisites.
- ✿ Uses big-format **touch tablet PC** displaying the whole bank (see picture below).
- ✿ Entertaining, **efficient learning**, cooperating and competing in teams
- ✿ **Team decisions** about customer segments, product portfolio, interest rates, branch network, back office, investment in technologies, marketing, HR, with regulatory rules, macroeconomic development etc.



Why ineo

- ✿ We are the simulation's developers and can therefore modify our simulation product to your specific learning needs - terminology, conditions, banks, products, issues
- ✿ Our expert facilitators have a management background and are full-time teachers with expertise in finance and simulations
- ✿ We deliver simulations in English or Czech (materials, tutors, software)
- ✿ Ineo is a member of the [BPP](#) Premier Member Network

Contacts

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Mechanisms

❁ **Bank on a tablet:** each team has its own simulated bank displayed on a large touchscreen tablet (approximately 1 metre diameter). The whole team control “their” bank with their data/results being simultaneously synchronised with other teams in real time. All decision-making fields are visible on one large area so the team can see the multiple impacts of their actions, the team is free to move around and interact, rather than just one person sitting at the keyboard.



❁ **Depth:** after each simulated year, the tutor facilitates discussion about the impact of different strategies on the results. Various performance indicators and regulatory criteria are calculated and discussed (eg capital adequacy, minimum reserves). The tutor holds the financial FCCA qualification (Fellow of the Association of Certified Chartered Accountants) and is a certified auditor of information systems with experience auditing large Czech banks, enabling him to answer technical questions and bring out learning points.



❁ **Customisation to EU environment:** the simulation has been developed in the Czech Republic and reflects the specifics of the European bank market, regulation and demography, interest rates, size of the portfolio, financial reports format, etc.



Our Educational Approach

I can do this

we build both skills
and confidence



Attendees take a bank management role and make their own decisions about its operation. Each decision has **clear but multiple consequences**; although the system saves learning time by eliminating basic, repetitive calculations, we avoid a “black box” approach where sophisticated models calculate outcomes without showing the link to inputs.

I believe in this

we help change
attitudes



Attendees see the **big picture** of the business and learn how to balance the multiple demands and consequences of their actions in areas such as asset management, marketing, human resources or technologies all the way to regulatory requirements.

What lies
beyond?

we create a thirst
for self-development



By connecting team members and opening the door to varied areas such as financial reporting, market research and regulation, we awaken a hunger for finding out more about **new but relevant knowledge and skills**.

Click!

we seek moments
when it all
“clicks” together



Attendees experiment with decisions and strategies, outside of their comfort zone, but in a safe environment. They enjoy “Aha!” moments, when suddenly things **“click” into place** and they take away something valuable to their work environment.

Simulated Areas

Attendees must balance the short term and long term objectives of their bank in a changing market situation, with banking regulation, incomplete information and limited time. Specifically:

- ❁ **Asset and Liabilities Management:** Attendees decide about balance sheet issues such as sources of finance, matching, reacting to market dynamics, capital adequacy, interest rates and fees.
- ❁ **Risk Management:** the simulation offers a simplified picture of risk management suitable for employees who are not risk management experts. Attendees decide about acceptable client risk profile for particular products, or work with loan ratings. The simulation connects the level of risk with profit, capital adequacy and credit limits requirements. However, it does not include random aspects which would lead to the feeling that the results are not fair and the bank performance depends on luck, rather than good management.
- ❁ **External effects:** decisions and long-term planning are grounded in external data such as interbank offer rates, demographic dynamics and demand forces. These factors are not random and lead attendees to rational planning based on the available facts.

- ❁ **Market forces:** Teams compete with each other in corporate and retail segments, in loan and deposit markets. Success of the banks depends on the combination of their offer of price (fees), branch network strength, marketing expenditure, technology investments, cross selling and client retention. Banks tender for corporate clients in live tenders and win based on price, experience of their corporate bankers etc.



- ❁ **Human Resources Management:** The simulation distinguishes between building and management of a branch network, a network of corporate bankers, employees in headquarters and administration. The key is to find an optimal balance between overworked employees and unused capacity as well as between inexperienced and experienced teams with dramatically different costs.
- ❁ **Marketing:** attendees do not design marketing campaigns or choose specific channels but manage overall marketing strategies - the mix of propagation and product design, sales channels and price policy. CRM and current clients' retention are taken into account.

- ❁ **Clients' point of view:** Clients' point of view is monitored via a Net Promoter Score indicator which depends on quality of the branch network, level of technologies, product parameters, investment in client retention, etc.

- ❁ **Technologies:** attendees decide about investment in new systems, internet and mobile banking, or about integration of legacy transaction systems. Their decision has an impact on availability of systems or capability to design new products. Technologies can become a competitive advantage or a source of expensive problems.

- ❁ **Financial Reports:** attendees create and monitor basic financial reports (P&L, balance sheet, regulatory indicators) and „read“ the information needed for bank management such as profit, ROE, margins etc.

Finanční výkazy (mil.)			
Výsledovka			
	nyní	2019	
Úrokový výnos, poplatky, provize	51 674	44 218	
Úrokové náklady	-4 168	-1 462	
Čistý úrokový výnos	47 506	36 156	
Odpisy špatných úvěrů	-38 340	-2 143	
Personální náklady	-9 700	-4 400	
Provozní náklady	-2 291	-3 054	
jiné administrativní náklady	-2 243	-3 059	
Odpisy	-5 768	-5 710	
Čistý zisk	8 164	3 580	
Rozvaha			
	nyní	loni	
Aktivo			
Hodnota pokladni a u ČNB	21 599	11 890	
Úvěry za klienty	432 742	359 748	
Úvěry za bankami a státem	0	0	
Hmotný majetek	23 014	28 842	
Aktiva celkem	477 415	481 973	
Passiva			
Závazky ke klientům	439 000	429 300	
Závazky k bankám	0	20 000	
Vlastní jmění na zač. roku	38 251	38 251	
Zisk za období	8 164	3 580	
Dividenda	0 000	0	
Závazky a vlastní jmění celkem	477 415	481 973	

OUR TEAM

Simulation developer, facilitator and finance tutor: **Jakub Güttner, Ph.D., FCCA, FHEA, CISA (nonpr.)**



Jakub worked at Ernst & Young as a senior consultant in IT and managing processes after he finished his Ph.D. He became Certified Information Systems Auditor (CISA) and Certified Chartered Accountant (ACCA/FCCA). He has been working full time as tutor for ineo (then BPP) since 2007. He teaches company strategy, performance and financial management, facilitates business simulations and designs tailor made simulations. He completed his Postgraduate Certificate in Professional Education (PgCPE) study of adult education at BPP University in 2013 and won a BPP International Tutor of the Year award. He is one of three ineo Partners.

ACCA Tutor, ICAEW Tutor and bank simulation facilitator: **Ing. Petr Skokan, FCCA, MCMI**



Petr graduated from the University of Economics in Prague, majoring in company valuations. Before he joined ineo/BPP, he was an auditor and later worked for T-Mobile CZ in the area of financial management, controlling and financial reporting. Petr was appointed Managing Director of BPP in the Czech Republic in April 2011. He teaches accounting subjects, and internal control and is a business simulation facilitator. He is one of three ineo partners.

National Bank Consultant for bank simulation: **Martin Vojtek**

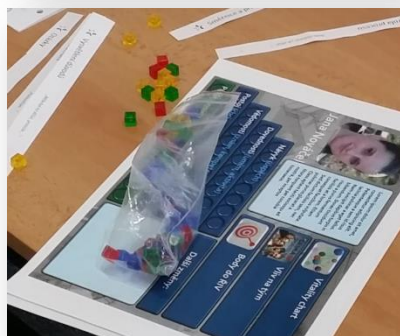


Martin has been working at the Czech National Bank since 2005. He used to work as supervision specialist, later as a head of quantitative verification in the section of financial market supervision. Martin leads a credit risk team in the financial market supervision. He participates in people development in CNB as well as cooperation with ineo and Anglo-American University.

ABOUT INEO

ineo is a Premier Member of BPP's Global Network and exclusive partner of [BPP](#) in the Czech Republic. BPP is one of Europe's largest training providers for professional qualifications such as [ACCA](#), FIA, DipIFR, [CFA](#) or [CIMA](#). We have trained over a thousand finance professionals to pass their ACCA and ICAEW exams.

ineo also designs and organises non-exam finance courses. We combine various educational activities including courses, business simulations, workshops and online courses.



SELECTION OF PAST INEO PROJECTS

1. Banking Business Simulation

We have already run the simulation a number of times for clients including Komerční Banka (part of Société Générale), ČSOB (part of KBC) and Raiffeisen Bank.

2. Business simulations for Erste Group

Design and production of a tailor made simulation delivered through train-the-trainer format to the whole bank. Success led to a cooperation on a follow-up "second and third generation" simulations.

Topics I: branch and time management, quality of service, financials, motivation, investment in people

Topics II: performance management, developing a team, difficult situations, leadership styles

Topics III: „my branch is my business“, portfolio management, change management, people development, three dimensions of bank performance

3. Business simulation of a manufacturing company

Facilitation of two-day simulation, conversion of existing simulation into IFRS, implementing electronic proposals and online records. Over 20 runs since 2007.

Topic: Company Management, financial and non-financial impacts of decisions, performance measurement, teamwork, strategic development

Target Groups: e.g. Risk Management - 24 people, Leadership Forum - 19 people, global manufacturing company - 40 people, global consulting company - 60 people, major telco - 40 people, global audit company - 80 people, global bank - 60 people