

The BB-Tool® Management Flight Director

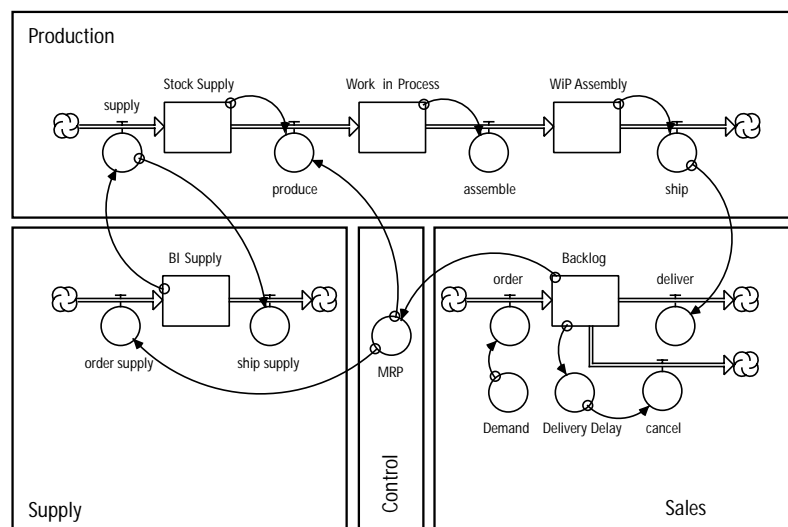
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The BB-Tool® was presented by Dr. U. La Roche at the 1994 Stirling Conference as a starting template for modeling business dynamics. Since then it has developed into a fully fledged micro-world and management flight director which quantitatively supports the dynamic business planning needs of a process owner.

What is it

The BB-Tool® (Basic Business Planning Tool) is a generalized stock and flow model of the process chains of a business unit. Dynamic business evolution can be simulated over long time horizons as required to support validated operational planning, including costs. When simulating a business unit on the basis of a standard model structure, the inherent isomorphism to business processes of a stock and flow model allows for using averaged values instead of discrete order processing data. Moreover, it allows for delineating a business unit top-down with free choice of the aggregation scale.

The BB-Tool® comprises four basic functional parts of the process chain: supply, production, sales and control:



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For the simulation of a specific business unit, this generalized concatenation of the main process chains is initialized by a total of 41 functionally grouped parameters:

- Costs 13 parameters based on available cost information
- Control control parameters defining dynamic chaining of the processes (17 parameters) and initial values for stocks (7 parameters)
- Scenarios time series of customer orders and customer repair claims (4 parameters)
- Interaction interactive inputs of the process owners during a simulation run

What you get

BB-Tool® provides for transparent diagnoses of dynamic problems and supports the quantitative evaluation of strategically and operationally sustainable alternatives, for example with demanding decision-making in the operational budget management. As decisions and actions need to be well timed proactive, quantitative analyses of the dynamics which evolve from their timing are a very significant part of any planning process. BB-Tool® supports such analyses by simulating the temporal evolution of business dynamics, e.g. in a scenario with a time series of the orders received. Its interactive simulation capability provides for the real-time answers you need not only to get your backup of just one planned scenario (as you would get from a costly planning routine on your classic IT-system) but also to develop complete, thoroughly-documented case studies during the planning session itself. This flexibility will support quantitative analyses of solutions over a wide time horizon and in essentially any business scenario considered. Therefore, instead of the usual „what-if“ bottom-line-type of result for one business situation taken at a single time instance, the stand-alone BB-Tool® gives you a flight-director-type, real-time quantitative access to validated „what-if“ business trajectories.

The poster presentation will show you in more detail the functional qualities and operational effectiveness of the BB-Tool® for budget management and proactive business planning.

