

YES Exam exemplars 2016

1. Leadership: Identify a leadership issue that CalfSMART might face in the coming years. Using your experience in Young Enterprise and the case study, evaluate your solutions and make appropriate recommendations.

ACHIEVED: A leadership issue that Ben in CalfSMART might face in the coming years is that due to the fact that CalfSMART is a small firm at the moment with just two programmers a sales director and a workshop manager, sending his product internationally can cause a peak in his products interest meaning that Ben would gradually need an increase of staff to stay on top of the incoming/potential customers. Which means Ben would have to take in a company of people and teach those employees as the CEO of CalfSMART. Ben can have an issue of communicating effectively with others so it can cause problems within the business. From my experience in the Young Enterprise class 2016 the leader/CEO communicating effectively about our product to us had caused conflict between the team and our product because the lack of communication had caused confusion within our job positions.

When Ben gets the opportunity to take CalfSMART out into the international/global market it'll involve him making an extend in the company and it'll push him to make a business/company firm somewhere out there. Ben is hoping for Europe or USA. This can cause an increase of leadership skills that he is to require for the business to run smoothly.

Possible solutions for Ben in order to overcome these future issues are, that he can hire an assistant if things in CalfSMART start to become overwhelming for himself and the other two employees. Ben is able to see the issue before it arises so that can enable him to address the issue to BCC and they can help with his future situation just like they have helped him every step of the way to develop the company. He is also able to set training opportunities in the business if needed.

MERIT: Ben Neal is the founder and CEO of CalfSMART. He has created the idea of an automated calf rearing system and has developed it into fully function product and business. Even so as Ben intends to grow and develop CalfSMART into a potentially international business he may find the criticism and possibly unacceptance of his product unsettling. The idea that Ben may not cope with comments (etc.) made about his product is a leadership issue because a leader needs to be able to take everything on board, and work with all forms of feedback. As stated in the case study it says "farmers tend to be conservative". Which will ultimately result in the unsure attitude and possible rejection of the product if Ben was to grow and move the company into an overseas market. This is particularly an issue because the product has been developed by Ben, and he thinks highly of his product and may take the criticism to heart, which could overall affect his ability to lead the product successfully in New Zealand and abroad.

My experience with the Young Enterprise Scheme is through a business called Indication, who are developing the concept of bicycle indicators. In this business we have also come across similar problems as the CEO, who created the concept and the rest of indication have become particularly invested in the product. This is due to the product idea coming about because of personal experience. The mental

investment has meant that when outside parties are particularly critical of the product we, as a group, have taken the comments to heart. Some solution that we have found helpful is to try: detaching yourself whilst receiving criticism, seeing the criticism as a learning experience to better who you are, detach yourself from the product in general, or having people who are not as invested in the product handle aspects that involve feedback. All these techniques help each of *Indication's* business members in different way to ensure that our product, leadership and overall efficiency were not affected by criticism.

So that Ben can overcome the possible leadership issue of not handling criticism effectively, which could result in his leadership in the position of CEO being affected I suggest that he used one of our solutions. Personally I believe the most effective solution in Ben's case is to try and detach and detach himself from the product and the business while receiving the feedback. This is my most recommended choice as Ben needs to hear the possible feedback that could improve his product but need to act as a neutral party while doing so. Ben is ultimately the best person to receive the feedback, due to his positions within the company. Ben may not always like what he hears but if he pretends that he is not attached to the business than he will be able to take the feedback on board. Ultimately his would mean that he leadership skills may improve, and the business will reap the benefits of always being able to improve.

EXCELLENCE:

CalfSMART is currently under a sole leadership, meaning that the CEO, Ben Neal, makes all the decisions in the company with little to no discussion from his employees. This strategy has worked well with the start-up of CalfSMART, as Ben understands all aspects of CalfSMART, and has a background in dairy. But looking to the future this strategy may not be the best option if CalfSMART continues to expand. In the future Ben should employ or give his existing staff leadership roles within the company. This will take pressure off Ben, who will not have to make all decisions regarding CalfSMART. The people within these leadership roles could be more qualified to look after that section of the company, than Ben e.g. Ben could hire someone with a degree in finances to look after the financial sector of CalfSMART.

In my experience as the CEO of a Young Enterprise company, having different people responsible for different areas of the business has greatly improved our effectiveness. This strategy has also helped with the communication within our company, as we have to sit down and talk to each other about what has been happening in each individual department, and as a team we can work through issues within our company and come up with creative decisions. Sometimes a problem only needs a fresh set of eyes.

In the future, this strategy could help Ben and CalfSMART to reach its goals. By having a qualified team that understands the company behind him, Ben will be less stressed and will be able to focus on solely his leadership within CalfSMART. If Ben was to employ this strategy for CalfSMART communication within the company would be crucial. Ben would have to schedule regular meetings with leaders of each sector of his company, to ensure that everyone is on the same page and moving in the same direction.

A different approach that Ben could make from this strategy is to have more overall control of his company. From my experience in Young Enterprise, my group has worked together to make decisions, rather than myself, as CEO telling them what to do. As Ben has such a good understanding of CalfSMART and all aspects of the company, he would be able to delegate jobs for the different sectors of his company to work on. E.g. He could tell his design team that he wants to make the CalfSMART system

less threatening toward the calves, but then go on to lead the design team to come up with ideas to find the best way to do this.

By distributing different jobs to different people in his company Ben and CalfSMART's future will be easier and faster to reach, as Ben is not doing everything himself. The different jobs that need to be completed will be done faster e.g. by using this strategy Ben can have a team working on sales at the same time as he has one working on the design. Ben should look into changing the leadership style of CalfSMART in the future to help the company expand.

The solution that I recommend to fix the leadership of CalfSMART for the future is for Ben to delegate leadership roles to different people in his company. This strategy has multiple advantages and disadvantages. One of which is the quality of the leadership of the people Ben employs. On one hand they could be great workers committed to making CalfSMART the best company possible, but on they could be unreliable, unfocused and not complete the tasks given to them by Ben. To stop this from happening and to ensure the new leadership team is a good one Ben could personally interview and choose the team. He could also start them on a three month contract to properly get the feel of the person, before the company completely commits to the person. It is my recommendation that Ben should distribute leadership roles within the company to get things done more efficiently. It is important for companies to have clear plans for start-up and future growth. In my experience in the Young Enterprise Scheme I have discovered that planning is a crucial part of all aspects of a company. My team planned in many different ways, one of which was planning how we would develop our products. CalfSMART's plans are a lot larger than our own but they follow the same, simple principle. The company has idea they wish to achieve and they plan out steps in which to make this idea a reality.

One of CalfSMART's main plans for the future is to take their business international, to either the EU or the USA. There are many things to think about before this plan can be a reality. CalfSMART would have to look at the overall programming of their system as it stated in the case study that CalfSMART is designed for NZ conditions and weather. They will have to adapt their system for different conditions if they are going to market it overseas.

CalfSMART will also have to look at the different cultures and customs of other countries, as CalfSMART does not want to offend potential customers, as they might be less inclined to purchase CalfSMART in the future. To help with this issue Ben should employ someone that understands the culture of the country CalfSMART is being presented to. A way my Young Enterprise team has done this is by having a finance student in our group. This would be similar to CalfSMART employing a new person as both of these individuals' purpose is to understand a sector within their company.

Another issue with CalfSMART going international is the political and economic structures of the different global markets. For example, Ben is looking to expand CalfSMART into two economies that are dramatically changing. This could affect the market dramatically, meaning it may not be a good time to expand CalfSMART into these economies. As the UK has left the EU, with talk of other countries following, it may not be wise to introduce CalfSMART here, at this present time, as the economic shifts from this breakout are not yet known.

2. Planning: CalfSMART have identified two key growth strategies for the future: internationalisation, and developing the use of the data within the system. Using your

experience in Young Enterprise and the case study suggest how they might plan for the future. Evaluate your solutions and make appropriate recommendations.

ACHIEVED: To enable the growth of CalfSMART Ben is wanting to use the strategy of internationalisation and development of the use of data within the system. CalfSMART can plan for the future by developing a schedule and time line that they want these processes to go underway so that it gives them time to operate and understand a business. Ben/ CalfSMART can plan what they need to do in order for them to be successful in their market/internationally. They are to plan how they are going to improve the data in the system and what they are to include. Ben is going to have to work out the best way to benefit the business if he sends the product internationally.

For me planning ahead of time and sketching out a schedule that fits everyone's needs in the business was helpful it enabled the chance to see a visual of what was installed for the making of our YES business and we were able to identify a gap or an overlap in the schedule that could affect our business growth. Ben is able to do a number of things to help the two key strategies he is wanting in the future for CalfSMART. Ben can continue to work closely with BCC (Bio commerce Centre) the building clever company which can help CalfSMART build on the growth of their product BBC can help them build a planner to see what they need to do to be successful in the market and just suggest more ideas to Ben.

Our YES Business have worked closely with our Mentor Kelsi to help our business's growth like Ben we are wanting to expand our business internationally she has worked with us by making sure we understand the plan we have created to make our product successful. Another solution Ben can do is since he has a very good skill in research & development he can try and develop ideas with his team on ways that they can effectively grow their business. Doing these ideas it can help see the potential of the product. He can continue to gather case studies on his product to help him attract other buyers and he can take advice from the successful business men he is working closely with in his new advisory board.

MERIT: Ben Neal's company CalfSMART have goals which they wish to reach in the future. These goals are to extend the business therefore CalfSMART system into the global market, and to develop a use for the data that is collected by the system which will benefit farmers. This could also be created into another service from the company. Ben needs to be certain that his company grows sustainably. This means that the company will grow at a rate that they can keep up with and continue to grow for an extended period of time. Ben needs to ensure that he plans from the start of the projected inflows and outflows of cash need to encourage growth, where and when that cash is coming from and who he needs to target to ensure his sales are where they need to be. To cover all these issues, he needs to ensure his planning is of quality and will add value to the business.

In my YES business we had particular issues with planning as there were unforeseen circumstances and costs that dampened our ability to successfully produce a product. Ben seems to have done extensive research and development so that he can produce the product to the best standard possible. Indication did initially do research to ensure the product was good, but as aspects were changed new and unreasonable costs have arisen, which we had not planned for. This meant that timing, particularly our production process timeline has been thrown off track. Which resulted in my company not being able to grow and reach the goals we have wanted to reach by the time we have wanted to reach them.

Solutions that my company may have benefitted from using, and Ben may be able to use in the future are: planning for the unforeseen. It is understandable that Ben cannot predict what is going to happen when. But when trying to reach his goals internationalisation and finding or developing a use from the data within the system it is important that Ben allows time for 'unforeseen circumstances'. Therefore when he is planning he allows an extra day or so for something to be delivered. It is better for him to overestimate, in context, the amount of time or money needed to ensure that any of the unforeseen circumstances are handled as best as possible.

Overestimating the cost of the product. Much like the previous example Ben needs to make sure he can predict the cost of each individual component of the product to the business so that he can a) sell it for a profitable price and b) not have enough funding and therefore go into debt. This would allow Ben to grow continuously as he is able to consistently produce the product, without going into debt to get it to market. This would help with internationalisation as Ben is able to continually grow sustainably and may be able to use his profits to then work on the development of a use for the data from within the system.

Understanding the state of the business at all times during the year. This is a tool that Ben can use to ensure that he is making extra efforts to gain an inflow of cash when delving is not occurring and having enough product ready to install when farmers are more likely to buy the product. By understanding what state the business is in and what stage that this currently occurring Ben will be able to plan production and manage the inflow and outflow of cash more efficiently. This would result in the business being able to internationalise more effectively because they are able to work with the market whilst running a relatively successful business.

The last solution that I have for Ben to ensure that he is reaching goals of his two key growth strategies is to look at the big picture. Ben needs to know at what point he wants to start breaching the international market so that he can plan the milestones he needs to reach before then. Indication could have particularly used this solution when producing our product. Ben also needs to look at the big picture in terms of when he needs to have developed his data use with the system. This would be likely he needs to have this developed during the calving seasons so the business can use it for information and profit when it is not calving season. I highly recommend that Ben uses the solution of planning for the unforeseen as it would have the most benefit to the businesses timeline, financials and production progress. It would help the business internationalise in a more sustainable way and be prepared both mentally and physically for the majority of problems that may occur. If I was to have any other recommendations for Ben based on my experience in the area of planning it would be to look at the big picture, to ensure that you have planned for the unforeseen things, and still will get to where you want to go in the time that you want to get there. But my most recommended solution is to plan for the unforeseen.

EXCELLENCE: The USA are also in a controversial state, with the current elections. With the country dramatically divided the USA may not be the best place for CalfSMART to start its international Debut.

CalfSMART's other major plan for their company is to get better data for their customers. Ben could focus on improving his CalfSMART system. He could employ new people who understand different aspects of calf rearing, so they can develop a better system for all those involved. Having a more reliable system means CalfSMART could attract more attention and therefore more customers.