

# UrbanEdge: The First Three Years

*A Sustainable Fashion Strategic Leadership Simulation*

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## The Brief

UrbanEdge, a sustainable fashion retailer, identified a critical gap in their onboarding process: new hires arrived with deep functional expertise but lacked a holistic understanding of the business. This led to siloed decision-making that optimised individual departments while potentially harming overall strategy.

The brief specified a need for a 5-hour simulation for 16 participants to immerse them in the core tensions of the industry. The stated success metric was behavioural: new hires must transition from functional specialists to strategic thinkers who instinctively ask, *"How does this initiative support our core strategy and what is the expected impact on key business metrics like Gross Margin?"*

Specific requirements included:

- **Core Tensions:** Modelling the conflict between sustainability (which costs 30-50% more) and margin pressure
  - **KPI Tracking:** Monitoring Gross Margin, Revenue Growth, Sustainability Score, Brand Equity, and Market Share alongside operational metrics
  - **Authenticity:** Including elements like seasonal collection pressures, certification costs, and fast-fashion disruption
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## The Solution

Four competing teams take control of UrbanEdge for a simulated three-year period. Teams operate with full transparency, managing resources to build market share while adhering to strict sustainability goals.

### Core Mechanic: Dual-Resource Economy

Teams manage two finite currencies: Budget Tokens (Capital) and Capacity Tokens (Time/Focus). They must allocate these across 5-7 strategic projects per year. This forces an immediate trade-off: high-impact sustainability projects often consume the capacity needed for market expansion.

## Strategic Pillars

In Year 1, teams commit to a strategic pillar (Market Growth, Innovation, or Brand Strength). This creates "strategic lock-in," ensuring Year 3 decisions must be evaluated against Year 1 commitments rather than in isolation.

## Event-Driven Crisis Management

The simulation introduces dynamism through major market events per round, such as supply chain crises or fast-fashion competitor entries. Teams must choose from 3-4 distinct response options, each carrying specific mechanical costs and KPI impacts — paying a premium to maintain ethical standards versus cutting costs to save margin.

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## Assessment

### Independent AI Assessment Score: 90/100

Dimension	Score
Mechanical Quality	21/25
Strategic Depth	23/25
Educational Value	24/25
Playability	22/25

*Scored by Gemini (Google) using a structured playtest methodology: the AI independently played the full simulation, calculated scores using the documented rules, and evaluated across four standardised dimensions.*

## Alignment with Learning Objectives

The simulation demonstrates high fidelity to the goal of fostering holistic business understanding. By removing role differentiation and forcing the entire team to agree on a unified strategy, the design eliminates functional isolation. The requirement for teams to use financial data to justify strategy selection directly addresses the "observable success behaviour" requested in the brief. The prerequisite and cap systems force participants to think three years ahead rather than just reacting to the current round's numbers.

## Facilitation Design

The 5-hour session flow is tightly structured to support the learning arc: Year 1 focuses on strategic pillar selection and basic KPI comprehension, Year 2 increases complexity with portfolio allocation and trade-offs, and Year 3 culminates in high-pressure crisis management. A substantial 30-minute debrief window ensures the experience translates to workplace behaviour. The KPI Cap Reference Card provides a necessary visual safety net for teams managing eight interconnected metrics.

## Mechanical Rigour

The simulation was independently playtested by AI across multiple strategic profiles, confirming that every project card and event response produces quantified, unambiguous outcomes. The "Sustainability vs. Margin" tension is operationalised mechanically — ethical materials explicitly cost 30-50% more than standard options, forcing teams to feel the cost of their values. The scoring formula's balanced weighting across eight KPIs prevents any single-metric strategy from dominating, while the cap system creates a genuine strategic puzzle where exceeding targets earns no additional points.

## Structural Excellence

The dual-resource economy of Budget and Capacity tokens transforms abstract strategic planning into visceral limitations. The Brand Decay mechanic acts as a meaningful tax, forcing teams to choose between growth investments and brand maintenance each year. The Innovation strategy's cumulative margin bonus rewards patience, while the Market Growth strategy's immediate revenue advantages create a genuine "tortoise vs hare" dynamic across the three-year arc.

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## Summary Specifications

Attribute	Detail
<b>Duration</b>	5 hours (including 30 min setup and 30 min debrief)
<b>Participants</b>	16 (4 teams of 4)
<b>Domain</b>	Sustainable Fashion Retail
<b>Complexity</b>	Entry to Mid-Level
<b>Physical Components</b>	4 Team Boards, 21 Project Cards, Budget/Capacity/Brand Tokens
<b>Key Metrics</b>	Gross Margin, Revenue Growth, Sustainability Score, Brand Equity, Market Share, CAC, Digital Revenue, Employee Engagement
<b>Facilitator Requirement</b>	General Trainer (KPI Cap Reference Card provided)

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*UrbanEdge: The First Three Years was developed as a demonstration simulation to showcase The Sim Smithy's capability for translating complex sustainability-driven business challenges into engaging, competitive learning experiences.*