

FUTURE LEADERS COMPETE IN "WAR GAME"

July 26, 2002 by Michael Murray

It was Sun Tzu in Art of War who said, "Every war is won before it's fought," but it was Gordon Gekko, a business tycoon in the film Wall Street who quoted the line. The analogy between business and war came to its fruition when MBA Future Business Leaders participated in the PriSim Business War Games at the University of North Carolina's Kenan Flagler Business School in Chapel Hill.

A management simulation program in running a mortgage company forced six teams of future leaders to battle each other in running a successful operation for the top prize.

The criteria for a successful mortgage company was not far from real world standards, including dollar volume, return on equity, the ability to obtain capital and the capability in building shareholder value and increasing stock price for the company.

Jeff Lefebvre of PriSim conducted the simulation over three days. The simulation also included "persuasion presentations" by Dr. Gary Orren, professor of public policy at Harvard University. The presentations were part of a UNC Leadership Forum.

"From originations to business strategies to secondary marketing endeavors, we focused on all of the things that go into running a well-managed lending operation for real estate finance," said Gerald Aust, the MBA's vice president of membership and state and local. "It helped show some of the challenges, pitfalls and routes to success."

The PriSim exercise and other events were part of three programs during the year leading to graduation at the MBA Annual Convention in Chicago this October. MBA Chairman James Murphy and Michael Petrie, MBA's vice chairman-elect, met with the class. Petrie emphasized the structure and importance of the Mortgage Political Action Committee's (MORPAC's) role in helping MBA advocacy efforts.

Last March, MBA Future Business Leaders visited Washington, DC, to meet with current business and Capitol Hill leaders to learn about some of the issues facing the mortgage industry. "It was a broadening experience for them," Aust said. "Although many candidates in the class come from the industry, they have not been active in advocacy positions. The program in March introduced them to that in a big way."

Currently, 29 future leader candidates participate in the program, including include senior officers with major lending companies, loan originators, operation and technology professionals and risk managers, all key players within their respective companies. Aust said that about 240 future business leader alumni will gather at a reunion this October at the annual conference.

"This is the fifth year the future leaders program has been extended to our membership," Aust said.

Future leader candidates must be members of MBA. The nomination for next year's class will take place this September and the new candidates will be chosen in January 2003.



Future Leaders Program