



Concept

Understanding Financial Impact

Duration: Three Tage

Understanding Financial Impact

Understanding Financial Impact

Every management decision has an impact on the financial performance and setup of the company. Investing will increase capital costs and evoke fix costs. Price increase may lead to significant earnings decrease. R&D investments may or may not affect the profit. Even if the product price is below its costs, it may increase the profit.

Executive managers have to be well aware how their decisions influence the financial outcomes. They have to take into account the effect on KPIs and financial covenants. They have to know how return expectations and interest needs change even if qualitative figures within the company vary.

The integrated management simulation will show the impact of each management decision. Participants will be a member of the Board and will run their own company. Within the classroom they will compete against other teams in sustainably increasing the company value.

The Goals

- „Learning by doing“: Directly participants will learn to understand the company as a whole and understand the competitive forces and their influence
- Seeing the impact of management decisions on the financial results of the company
- Experiencing ones own team performance skills and ones ability to work fruitfully in a team

The Content

Company and competitive Strategy

- Market analytics: Market potential, Strengths in sales revenues
- Cost Leadership of differentiation strategy?
- Competitive analysis and Sales planning

Production

- Capacities and utilization
- Controlling of CapEx
- Personnel planning
- Cost accounting and process analysis

Finance

- Cash and Finance management
- Capital structure and capital costs
- Results controlling and profit distribution

Leadership strength

- Determination and decision making Entschlusskraft und Entscheidungsfreude
- Team performance and konflikt resolution
- The complexity of the company
- The ability to react on significant changes in the competitive scope and in the economy as a whole

Understanding Financial Impact

Your take-home Value

- ✓ You learn how the controlling function will help to „keep the company on track“ and to strengthen its market position
- ✓ You will become familiar with controlling issues to be helpful elements of your leadership communication
- ✓ You will acquire knowledge on the important value drivers, you will become familiar with the important KPIs and you will be able to interpret them

The Tools

The IT-based business simulation gives the opportunity to test the effect of management decisions. Within teams participants will run their own company competing against their fellow seminar colleagues. In between the group will be given custom-fit management knowledge and direct support in company leadership.

Duration and Participants

3 days, between 9 and 28 participants