

Commercial instinct

Overview

An insightful, enjoyable and experiential programme to help you analyse data and information and make a balanced decision based upon sound commercial reasoning. It will enable you to identify options, make decisions and take actions based on a thorough analysis combined with instinct and intuition to make a positive effect on profitability.

Learning objectives

This programme will help you:

- Identify ways to analyse data and sort relevant from irrelevant information
- Develop analytical and numerate thinking, and consider the financial implications of a decision
- Make decisions based on sound commercial reasoning - a mix of intuition and analysis
- Select from a range of tools to analyse a situation and apply these effectively
- Understand how costs and profits are calculated
- Use tried-and-tested techniques to manage and control your budgets
- Appreciate the fundamentals of financial analysis
- Focus on the bottom line
- Identify the basics of capital investment appraisal for your business
- Evaluate results and seek opportunities for improvement to your business

Who should attend?

This event is ideal if you require a greater understanding of how commercial decisions are reached including:

- Budget holders and cost centre managers
- Managers required to contribute to commercial and strategic decisions
- Project managers with commercial responsibilities
- Managers who want to hold more productive conversations with finance colleagues

Course format

An interactive and practical two-day course with lots of opportunities to get involved with experiential activities to bring models and theory to life and reflect upon your learning. Participants discuss and develop their own strategies and proposals to run a fictitious business throughout the event.

N.B. If required, the content of the event can be tailored to reflect your own organisation's vision, strategy and values and also your own financial budgeting processes and controls.

The expert trainer

David has 20 years of commercial experience. A former corporate banker who has helped organisations across the globe, he is an accomplished trainer at all levels, from boardroom to front-line. He enables accelerated development that delivers high performance levels with tangible results. He has worked with leaders at various stages in their development with a focus on personal growth to improve business performance. This mix of strategic knowledge and practical experience of leading major learning projects enables him to help others through similar challenges.

A sample of comments from course participants on David's events:

'A really inspiring event – a lot more looking at myself and the impact that I have in a change area.'
'The common element within these was the practical application and examples that were used to demonstrate the theory. All sessions were particularly participative.'

'A fantastic learning opportunity and time to reflect on how the learning will impact your role and others.'

'A mind stretching week. Incredible to get the different perspectives from everyone there and has made me think about what does matter and what is important.'

'Challenging in different ways and provoked a lot of thought during each session. I was completely captivated.'

Course outline

1 The commercial environment

- What do shareholders and investors want?
- What do managers want?
- Profit v non profit organisations
- Investor expectations

2 Financial and non-financial information

- Risk and reward considerations
- Drivers of commercial decisions

3 Running a business

- A practical exercise to bring financial statements to life
- Different stakeholder interests in a business
- The impact and consequences of decisions on financial statements

4 Where do I impact the organisation?

- How can I contribute to an improved business performance?
- Key performance indicators – measuring the right things
- A balanced scorecard approach – it's not all about money!

5 A Balanced scorecard approach

- Analysing and reviewing my contribution to the business direction
- What is the current focus of my commercial decisions?
- Developing the business in the right way – getting the balance right!
- Where should / could it be in the future?
- Do my decisions support the overall vision and strategy?

6 Making commercial decisions

- Left brain and right brain thinking
- Convergent and divergent thinking

- Analysis and instinct
- Interactive case study exercise - emotional and rational decisions
- Reflection – what is my style of making decisions

7 Let's consider the customer!

- Identifying target markets?
- Differentiating our proposition and products
- Customer service considerations
- Marketing considerations and initiatives
- Pricing strategies and considerations

8 Strategic analysis

- The external environment
- The internal environment
- LEPEST analysis
- SWOT analysis
- Forecasting
- Group activity - analysing our markets and the competition
- How do these improve your decisions?

9 Comparing performance

- Analysing key financial ratios
- Ways to compare performance and results
- Break even analysis

10 Profit & loss accounts and budgeting

- Managing income and expenditure
- The budgeting process
- How does this link to the profit and loss account?
- Managing and controlling a cost centre/budget
- The role of the finance department
- Different ways of budgeting
 - Incremental budgeting
 - Zero based budgeting

11 Understanding the balance sheet

- Purpose of balance sheets
- Understanding and navigating the content
- What does a balance sheet tell you?
- How do you impact your balance sheet?
- Links to the profit & loss account
- A practical team exercise that brings financial statements to life

12 Business decisions exercise

- How does this improve your decisions?
- A practical exercise to apply new knowledge and bring commercial thinking to to life
- The impact and consequences of decisions on financial statements

13 Working capital

- Why is this important?
- The importance of keeping cash flowing
- Business decisions that impact upon cash
- Calculating profit

14 Capital investment appraisal

- Capex vs Opex
- Payback
- Return on Investment
- The future value of money
- The concept of hurdle rate

15 Lessons learned and action planning

- So what?
- Recap and consolidation of learning
- The decisions that I need to consider
- Actions to achieve my plan