

Financial management courses with SimTeam

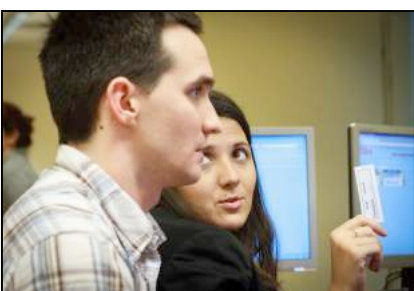
Our partners can customise the course objectives, the list of focus topics and participants' learning outcomes according to the focus of their course.

Course objectives / Learning objectives

The goals of a financial management course with SimTeam would be to obtain an understanding of and the ability to use basic business financial management concepts and tools of analysis such as fundamentals of accounting, financial statement analysis, controlling, planning/forecasting, cash flow/liquidity management, corporate valuation, cost of capital and capital structure.

Topics covered

- Financial accounting
- Management accounting
- Controlling
- Liquidity management
- Cash flow analysis
- Planning / forecasting
- Cash flow forecasting
- Analysis of financial reports (Balance Sheet, Profit & Loss statement)
- Financing
- Corporate valuation



Participant Learning Outcomes

- Understand the basic **accounting model**
- Analyse and interpret **financial statements**
- Measure a **firm's risk**; explain what determines this risk, and how it affects the value of a firm.
- Analyse a **firm's performance** to determine its strengths and weaknesses, and be able to use financial analysis to improve performance.
- Understand the different **cost categories** and the margin structure
- Understand the **budget process** and forecasting techniques
- **Forecast** a firm's future operations and financial needs.
- Discuss the various methods for **analysing projects**, how to apply them, and what to do if there are conflicting recommendations.

Participant Learning Outcomes (cont.)



- Realise why “**cash** is king”
- Describe what determines the **value of a firm** and how management can influence these value drivers.
- Identify **key value drivers** to help manage the value of a business
- Understand different **valuation techniques** and respective benchmarks
- Apply basic valuation concepts.
- Link financial objectives to **strategy**
- Define what **leverage** is; explain how a firm influences its leverage, and how leverage affects a firm.
- Apply **management accounting tools** to business problems

Who should attend?

- **Finance for Non-Financial Managers** is aimed at all managers, whatever discipline they may be from. More importantly, it is not trying to make people into accountants; rather it aims to give business people the tools to understand the numbers in order to help them make better business decisions.
- **Financial course with specific topic(s)** (e.g. cash flow management) for any audience that is interested in the topic.
- **Financial course at business school or university** for students who have finance related courses and access to computer environments.



Suggested training outline

1) Single course

The following structure is suggested for the course:

1. Knowledge transfer (presentation) relating to the selected topics (presentation) - (1-3 hours)
2. Introduction of the learning environment, explanation of the rules of the simulation - (0,5 - 1 hour)
3. Setting the targets for the teams - (0,25 hour)
4. Run a SimTeam simulation as an extended case study - (2-6 hours)
5. During the simulation, give assignments related to the selected topics (e.g. analysis of financial results of the model enterprises; preparation of business plan / cash flow forecast in Excel spreadsheet; calculating the value of the enterprise; presenting the results)
6. Evaluation and feedback - (0,5 - 1 hour)

Total time requirement: 0,5 - 1,5 days

2) Multiple session course

The course can also be organised in **multiple sessions**. In this case each session can be 1,5 - 3 hours.

This type of course can be set up in different formats:

- a. Every occasion starts with a knowledge transfer session, after which the students participate on a SimTeam Case Study related to the given topic (i.e. the simulation sessions are not linked).

b. Throughout the course, one simulation is saved and continually used to demonstrate certain topics (e.g. at a certain point the participants analyse the results, at another time they prepare a cash flow forecast).

How can you use a SimTeam simulation during the course?

The prime reason for using the simulation is to exercise the new knowledge presented on the course. Simulations enhance the learning process.

Unlike lectures, where it is difficult to reflect and still listen to the lecturer, simulations provide opportunities for reflection with participants moving in and out of the discussion as required.



Simulations are **motivational events** and participants are **very involved** in the process. This is because participants usually see simulations as competitions. This motivates in-depth discussion among them, ensuring deep processing and therefore assimilation.

Studies show that different learning approaches have different **retention rates with practice** by doing (through simulation) delivering a seventy-five percent retention rate. ("Learning pyramid" - Motorola University: Creating Mindware for the 21st Century, Corporate University Xchange May/June 1996, Vol 2 No 3.). Simulations can be used to "revitalise" and motivate the group. This will also have a positive effect on the participants' absorption of knowledge.

Simulations can help linking theory with practice: the theoretical content must be complemented by sessions where participants **test their skills**.

When combined with traditional learning methods, business games increase efficiency of learning and help students make the connection between theoretical knowledge and professional challenges they will face in the real business world. Participants can experience the decision-making role of managers. As participants make actual business decisions and deal with the consequences of their mistakes, their knowledge retention increases exponentially.

Using business simulation during a financial management course provides the participants with an opportunity to **understand the relationship** between financial statements and decision-making.

About SimTeam simulation

SimTeam is a business simulation platform that models the operation of project-based enterprises. During the simulation participants form teams representing different model corporations. The participants act in different managerial roles inside the model corporations. The software simulates a competitive market where the model companies compete. In the course of the contest the participants learn how to formulate a corporate strategy and how to create an effective and efficient organisation to achieve their strategic goals.

SimTeam has automated financial functionalities (general ledger; balance sheet, profit and loss account, cash flow overview) according to generally accepted accounting rules.

Each team operates a model corporation, where they will face immense market driven (external) challenges (which vary in the different case studies) and operational challenges arising from their available manpower and their cash flow situation. The trainer can assign individual missions and personal goals to the participants based on their managerial role in the simulated organisation. These individual missions and goals can be conflicting, which could lead to arguments among the team members similarly to a real life change management situation.

The trainer can also provide exercises for the teams (e.g. review and present strategy) in the course of the simulation

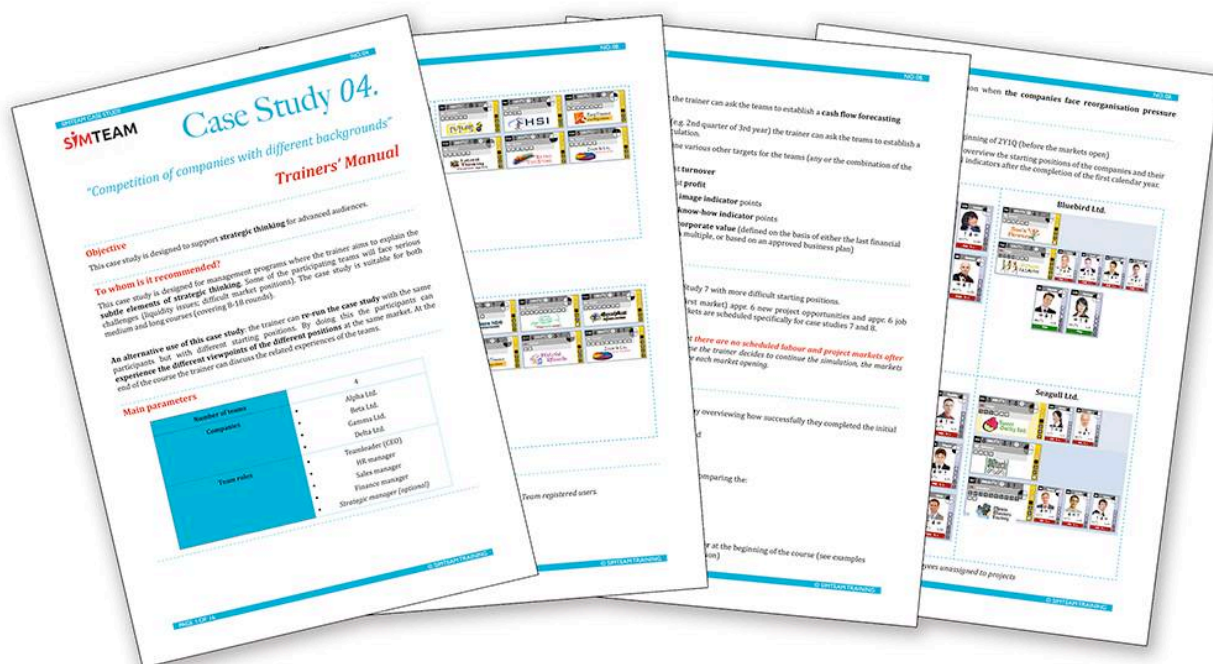
During the simulation the teams manage their model corporations. They will be asked to continuously **monitor the liquidity position** and **analyse the profitability** (both at the level of the projects and at the level of the enterprise). From time to time they can **analyse the financial results**. The trainer can provide **financial exercises** for the teams (e.g. preparation of business plan or cash flow forecast).

Using case studies during the simulation

During the training, the trainers can use different case studies. Case studies are precisely constructed educational programs with specific starting positions for the teams, pre-recorded market events, and defined goals for the participants during the whole simulation program.

The following case studies can be applied to the financial focus course:

- Case studies where the participants develop their model corporations and they receive exercises while managing their company (Case Study 5 and 6).
- Case studies where there is a special starting position and special mission (e.g. crisis situation; market challenges). These provide a background environment for the financial tasks (Case Study 1, 2, 3, 7, 8, 9, 10, 11).
- Case studies where the corporations have longer histories; therefore, the participants can start the course with an analysis of these historical financial results, and after that, implement their strategies and experience the consequences of their decisions (Case Study 12, 13).



Example of final report of the simulation

