



STRATEGIC



DIRECTION



TRAINING ON TARGET

# Operational Finance

## The 'Apples and Oranges' Simulation

### Purpose

This is a business simulation designed to help employees in service companies acquire an improved level of business acumen. It helps participants learn about business finance but more importantly allows them to see beyond the finance and think about how they can use resources where they do most good.

### The Simulation

The seminar uses a model of a service company that is faced with a fluctuating demand for its key resources. The simulation is physical, non-competitive and hence non-threatening. All participants undertake the same activities to achieve the same results.

Participants (in teams) simulate the activities of the company and then produce the year-end accounts (Profit & Loss, Balance Sheets, etc.). Ways to improve the performance of the Company are then discussed and further simulations undertaken to show the benefits. These improvements will include better planning and forecasting, greater flexibility, multi-skilling, reduced costs etc.

A 5 hour session demonstrates how profits are created within a service environment. The simulation also shows in a powerful manner how the planning and usage of critical resources can make an enormous impact on the results. Additional time allows a more detailed discussion of the client's own issues: profit improvement, customer service, budgeting, etc.

### Benefits

The participants learn about business and how improvements are made.

Specific areas covered are: -

- ▶ How a total business works
- ▶ Profit & Loss Accounts, Balance Sheets, Key Ratios
- ▶ Maximising the work throughput
- ▶ Profit Improvement
- ▶ Coping with varying workloads
- ▶ The need for inter-departmental co-operation & flexibility

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