



Learning Objectives

At the conclusion of **Zodiak®: The Game of Business Finance and Strategy**, learners will be able to

- Define and use essential financial terms such as assets, liabilities, equity, depreciation, etc.; recognize and use key company-specific financial terms and measures, including Economic Value Added (EVA).
- Construct and analyze critical financial statements (Income Statement, Balance Sheet).
- Analyze the relationship, and understand the difference, between profit and cash.
- Explain the importance cash flow to the success of a business.
- Compute and analyze key financial measures/ratios (Return on Equity, Return on Assets, Return on Sales, Gross Profit Margin).
- Use Net Operating Profit after Taxes (NOPAT), Capital Employed, and a Capital Charge to compute EVA and understand the relationship between EVA and the company's profitable use of invested monies.
- Identify how strategic issues such as lean production techniques, quality/process improvement, accounts receivable and payable changes, and debt strategies impact the success of an organization and its EVA results.
- Recognize the need to balance critical investments for the future, such as research and development, with the (sometimes competing) need to reduce expenses and maximize profits.
- Explain the impact of product discounting and/or price increases on profitability.

At the conclusion of the standard **Zodiak Connections** exercises, learners will be able to

- Give examples of the tangible and intangible assets of an organization, and explain the impact of each on a company's success.
- Analyze the financial results and "story" of their own organizations and the key strategies driving those results.
- Calculate their company's EVA, using a clear and understandable approach.
- Analyze the impact on EVA when changes are made in inventory or accounts receivable, or when strategies changes to impact investments, capital charges, or NOPAT.
- Recognize and describe how their own job responsibilities and decisions "fit" within the overall financial success of their organizations.
- Develop an action plan for how they can improve EVA results through selling better/smarter, reducing operating expenses, and making more effective use of capital.
- For those clients selecting to customize the **Connections** exercises, Paradigm Learning works with them to develop learning objectives specific to their training goals.