

Logistics



This industry involves tailored solutions for corporate clients, in which warehouses and fleets are taken on for the sole use of individual clients, or for the creation of multi-user networks. Each has its own challenges, which are illustrated in the simulation, together with strategic choices with long-term impact on the business.

Aggressive growth can be achieved through acquisition, or slower growth by organic means. Each requires a clear strategy to compete through price and operating efficiencies, through building a dominant position of industry-specific expertise, or through aggressive efforts at business development. Since some clients are won primarily on price and operating efficiencies, and others by business development effort and depth of expertise in a specific industry, the simulation is highly strategic. The simulation models markets in 4 industries, each with a different pattern of demand over time.

The opportunity to grow through acquisition allows participants to learn about goodwill and the risks of each route to growth. To expand in the multi-user space, you must buy assets and take on staff before bidding for additional contracts, so there is a risk of having high capacity but low utilisation. In the single-user space assets and staff can be taken on once contracts have been won.

All the permutations of these variables can be played out in the simulation, which gives participants a clear helicopter view of how the whole business succeeds or fails. At the same time, it clarifies the importance of the many daily operating decisions which affect Cashflow and Profit, and demonstrates how these affect the creation or destruction of Shareholder Value.

The programme can be run over 1 or 2 days, depending on the level of teaching and debrief that is included. 1 day provides a brief and functional introduction to the financial plumbing of the business, while a 2-day session allows full discussion of business topics including cash flow, profit management, strategy and local action, and the impact of each participant's work on the financial success of the business.

We can include exercises on a range of topics including Balance Sheet exercises, Profit & Loss accounting, analysis of the drivers of EBIT and Shareholder Value. Most importantly, we can show managers how to use analysis in their own work to improve results.



"Probably the most enjoyable method of learning I've experienced."

Participant

"Impressive and very educational"

Participant

"Extremely professional and enjoyable workshop, one of the best I've had!"

Participant