

Commercial decision making

● This session explores an effective and systematic approach to making effective commercial decisions. Step-by-step, this framework is applied to two real-life organisation-specific case studies throughout the day. We would work in close partnership to design two relevant case studies closely aligned to your organisation and industry.

The workshop can be delivered in-class or virtually and is supported by online and digital learning pre- and post-workshop to help pre-que and sustain the learning. By the end of the workshop participants will be able to

- Adopt a logical step-by-step approach to making commercial decisions
- Evaluate a decision after consideration of all possible options
- Identify and evaluate the risks associated with the preferred options
- Financially appraise the options and take into account all relevant cash flows.

● Participants are split into teams and each presented with a real life, reasonably challenging organisation-specific commercial decision (case study A and B). The session then goes onto explore the first two stages of the decision making framework where teams are presented with the facts of a commercial decision and required to identify the real problems and issues.

● This session introduces participants to some tried and tested techniques for assessing options. They will then be required to apply some of these techniques to their respective commercial case studies.

Decision making tools for evaluating options

- Relevant cash analysis - what revenues and costs are relevant to the decision and which are not
- Grid analysis - constructing a matrix to aid decision making
- Paired comparison analysis - highlighting the relevant importance of different options
- Decision trees - a structure for laying out options
- External analysis - assessing options against the future external environment

● The final session brings all the learning together with each team revealing their decision i.e. what their preferred option was. The workshop facilitator then reveals the actual decision made by the organisation, providing a basis to compare decisions and an insightful discussion to close the workshop.

● An introductory session that explores the commercial marketplace and the opportunities facing your organisation. What does commercial success mean in your organisation?

- What opportunities does the organisation face in the marketplace?
- Taking positive and commercially robust decisions

This session explores tools and frameworks designed to help participants generate a wide range of options connected to their commercial case study.

- Generating all possible options
- The importance of the do nothing option
- The 'half way house' option
- Options that increase flexibility

This session provides an overview of techniques for evaluating risks. It up-skills participants in the commercial and financial appraisal of options and then requires them to apply selected techniques to their respective commercial case studies.

A framework for assessing and evaluating risks - identifying, quantifying, evaluating risks

- Identifying relevant cash flows for the decision - sunk costs, fixed overheads, long term capital appraisal

