

## FinListics Value Modeler

### **Objective:** *Learn How to Measure the Value of Your Solutions*

The FinListics Value Modeler is a tool that calculates initial estimates of potential financial benefits of your solutions and helps you to better understand the client's business challenges & goals, qualify and disqualify opportunities, provide the client greater motivation to move forward, and show them the cost of delay.

It also helps to develop insights in to what level of executive within the client's company would likely sponsor your solution; higher level executives may not sponsor an initiative unless it potentially delivers a minimum level of cash flow.

#### ***The CHALLENGE***

Need initial estimates of potential financial benefits of your solutions to help motivate need for change and obtain senior-level sponsorship for deeper analysis

#### ***The SOLUTION***

**Tool:**  
**FINLISTICS VALUE MODELER**

#### ***Key Features of the FINLISTICS VALUE MODELER***

- Customized for your solutions
- Used in initial stages of sales process to provide high-level financial benefit estimates like cash flow, profit margins, and earnings per share
- Benefits are based on client's current position, industry aggregates and benchmarks and your experiences with other clients
- Analysis easily adjusted to accommodate client's unique situation

#### ***Delivery of the FINLISTICS VALUE MODELER***

- Because each Value Modeler is customized for your precise needs, we will work closely with your subject matter experts to develop the best approach and methodology for your specific Value Modeler
- Electronically distributed to all users
- Includes one-hour webinar overview facilitated by a FinListics expert

# FinListics Value Modeler

## Sample: Value Modeler Fundamental Inputs

Each Value Modeler begins with a set of fundamental inputs that drive the calculations throughout the tool. Following is an example of what those fundamental inputs would potentially look like.

Note that this particular example also has an option for segment financial detail within a larger company; this could be either a geographic segment or a line of business.

Solution Tower 1

Solution Tower 2

Solution Tower 3

Solution Tower 4

Inputs

Summary

Company Name:

Period Ended:

CONSOLIDATED FINANCIALS

Annual Revenue <i>(in millions)</i>		?
Revenue Growth		?
COGS as a % of Revenue		?
SG&A as a % of Revenue		?
Profit Margin		?
Days Sales Outstanding (DSO)		?
Days In Inventory (DII)		?
Days Payables Outstanding (DPO)		?
Fixed Asset Utilization		?
Marginal Tax Rate		?
Cost of Capital		?
Number of Shares Outstanding <i>(in millions)</i>		?

SEGMENT FINANCIALS

Segment Revenue Contribution (%)		?	
<i>Enter segment / geo name:</i>			
			?
Annual Revenue <i>(in millions)</i>		-	?
Revenue Growth			
COGS as a % of Revenue			
SG&A as a % of Revenue			
Profit Margin			
Days Sales Outstanding (DSO)			
Days In Inventory (DII)			
Days Payables Outstanding (DPO)			
Fixed Asset Utilization			

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### Sample: Value Modeler Solution Tower Example

The following is an example in which the selected solution tower helps to improve a client's total logistics spend, which is a part of cost of goods sold. All user inputs are highlighted in light blue; in this particular example, the user is given a guidance for total logistics costs as a percentage of revenue (line a.) and also the recommended range of improvement to the metric (line c.).

These are intended as directionally accurate estimates, further refinement will be done in conversation with the client. Estimated cash flow improvement is calculated and displayed on line d (note that detailed calculations are also provided should the user want to view them).

COST OF GOODS SOLD

(check the box to include the selected section in results)

COGS Details

Metric 2: Total Logistics Expense

Estimated total logistics expense:

1,200.0

a. Logistics costs as a percentage of revenue		<b>8.0%</b>	
b. Scope of project	<a href="#" style="color: #0070c0; text-decoration: none;">Help with scope</a>	<b>100.0%</b>	
<i>Recommended range of improvement is 5% - 15%</i>		<u>Conservative</u>	<u>Aggressive</u>
c. Range of estimated improvement to logistics expense		<b>5.0%</b>	<b>15.0%</b>
d. Estimated annual cash flow improvement ( <i>in millions</i> )		<b>\$ 60.0</b>	<b>\$ 180.0</b>