

### Business Drivers

Cash  
Profit  
Assets  
People  
Growth

### Profit

Raise Price  
Sell More  
Lower Costs  
Profit = Revenue - Cost

### Profit Metrics

Gross Profit = Revenue - Costs of Goods Sold  
Operating Income = Gross Profit - Overhead  
Net Income / Profit = Op Income - Taxes

### The Big Picture

The big picture of our main job: Contribute to Building a company experiencing long-term, sustainable, profitable growth.

How what we do fits into the overall picture of helping the company make money, achieve its strategic objectives, and be profitable.

Focus on overall business, not the operations of my department or division.

Senior management team wants the entire business to be profitable, not just a single unit.

### Cash Sources

Cash from Operations  
Cash from Investing  
Cash from Financing

### Why Cash?

Interests Payments  
Operating Expenses  
Capital Expenses  
Opportunities (acquisitions)  
Uncertainty

### NPV

Is the present value of the future **cash streams** from investment greater than the cash investment?

Inputs:  
- Cash Invested  
- Future Cash streams (Amount, Time)  
- Discount Rate

### Financial Statements

Cash Flow Statement: Cash  
Income Statement: Profit/Growth /People  
Balance Sheet: assets

### Asset Strength

Refers to a company's ability to stay viable during the ups and downs of the market place.

Current Ratio  
Debt to Equity Ratio  
Casha Balance

### Asset Utilisation

Refers to a company's ability to efficiently and effectively use its assets to generate profits.

Return on Assets (ROA)  
ROI  
Inventory Turnover  
Return on Equity (ROE)

### Growth

Organic Growth  
Inorganic Growth

### Metrics:

- Sales (Top Line)
- Profit (Bottom Line)
- Shareholder Value

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Published 1st September, 2014.  
Last updated 13th May, 2016.  
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