



**BLAST** *Part Two: Financial Analysis and Decision-Making*  
(Pre-requisite – *BLAST Part One*)

**Module # 1: The Three Bottom Lines**

- Understand how the three financial statements are used
- Learn the 3 bottom lines—Net Income, Return on Assets, and Operating Cash Flow
- Identify the financial statement associated with each bottom line

**Module # 2: The First Bottom Line—Net Income**

- Analyze the income statement to identify performance trends
- Identify crucial drivers and key performance indicators of net income
- Perform a trend analysis of key drivers of net income
- Discover how to make decisions to improve income performance
- Identify strengths and weaknesses of net income as a bottom line
- Complete participant guide activity—Analyzing net income trends for your company including identifying potential causes of current performance trends

**Module # 3: The Second Bottom Line—Operating Cash Flow**

- Analyze cash statement information to identify important performance trends and strategic decisions
- The role managing assets plays in generating operating cash flow
- Identify the crucial drivers and key performance indicators of the operating cash flow bottom line
- Perform a trend analysis of the key drivers of cash
- Identify the strengths and weaknesses of operating cash flow as a bottom line
- Understand the seven ways a company can use its cash flow and what each tells us about the company's strategy and priorities
- Participant guide activity—Analyze cash flow trends for your company including identifying potential causes of current performance trends



#### **Module # 4: Third Bottom Line—Return on Assets**

- The formula for ROA
- ROA—the comprehensive bottom line that shows how well sales, expenses, and assets are being managed
- Identify the crucial drivers of Return on Assets (ROA)
- Perform a trend analysis on the key drivers of ROA
- Identify the strengths and weaknesses of ROA as a bottom line
- Analyze balance sheet information from three different viewpoints (Working Capital & the Cash Conversion Cycle; Fixed Asset Turnover; Capital Structure) to identify important performance trends and strategic decisions
- Participants guide activity—Analyze ROA trends for your company including identifying potential causes of current performance trends

#### **Module # 5: Program Summary and Action Plan**

- Course Review module 2-5
- Begin an action plan for practical follow through with your own company's strategic objectives, go to market strategy, bottom lines, drivers and key measures
- Closing