

**Finance Essentials Café Overview**

The Finance Essentials Café is a short blended learning experience oriented around the concepts and skills found in the Harvard ManageMentor Finance Essentials topic. The Finance Essentials topic will help managers:

* *Use financial ratios to interpret financial statement numbers and gauge their company’s financial health*
* *Create a budget that aligns with their company’s strategy*
* *Determine whether the benefits of a new investment outweigh the costs*
* *Track the financial performance of their operations, projects, or investments*
* *Develop their team’s financial literacy so the team can understand the big picture, improve their performance, and make better decisions*

The learning experience has three components:

*60 to 90 minutes 60 minutes Ongoing*

Part 1: Pre-work (self-paced, individual)

Before the live Café session, participants are expected to complete the following assignments:

* Review the following online lessons from the Harvard ManageMentor Finance Essentials topic:
  + Understand Financial Statements
  + Assess Financial Health
  + Develop a Budget
  + Perform Cost/Benefit Analysis
  + Track Financial Performance
  + Build Your Team’s Financial Intelligence
* Complete the online assessment from the Harvard ManageMentor Finance Essentials topic
* Review the “Understanding the Purpose of Different Financial Statements” resource in the “Understand Financial Statements” lesson of the Harvard ManageMentor Finance Essentials topic
* Complete the practice activity “Calculate Financial Ratios” in the “Assess Financial Health” lesson of the Harvard ManageMentor Finance Essentials topic

Part 2: Café session (live, group)

The Café session represents the core element of the learning experience. The session provides an opportunity for managers to:

* Exchange ideas and questions with others
* Discuss the context of how concepts and skills apply in the workplace
* Practice and begin application of those concepts and skills
* Build momentum and support for applying the concepts and skills in the workplace

The Café session focuses specifically on the following concepts and tasks from the Finance Essentials topic:

* Interpret financial statements
* Assess financial health
* Analyze and compare costs and benefits

Facilitating the Café session as outlined should take approximately 60 minutes. If the facilitator prefers a shorter session or wishes to spend more time on a specific concept or activity, he or she may want to cover only those concepts and activities that are most relevant to the group.

| SECTION | ACTIVITY | TIME |
| --- | --- | --- |
| **Introduction** | Show icebreaker question while participants are arriving to the session (**Which financial metrics seem to matter most in your business?**).   * Introduce facilitators. * Review tips for using technology during the session. * Debrief icebreaker question. * Set context: *For businesspeople today, finance is a key form of communication; in fact, finance has become* the *language of business. For example, if you do not have financial analyses to back up your assertions, it is difficult to be successful inside a business and to convince people of your point of view. As you progress in your career, no matter what field you're in—operations, marketing, or others—you're going to have to understand and use financial terms. Finance can be an intimidating language to learn; you just need to have confidence that these concepts are knowable and that you can understand and apply them. Today’s session is designed to help you do those things.* * Review session objectives. | 10 minutes |
| **Skill focus: Interpret financial statements** | * Facilitate discussion activity related to understanding the purpose of key financial statements. Participants:   + Review key aspects of the “Understanding the Purpose of Different Financial Statements” resource.   + Take a facilitated quiz to match financial information to the appropriate statement type — income statement, balance sheet, or cash flow statement.   + Consider the ways in which everyday business decisions impact financial performance and results, including profit and loss, assets and liabilities, and cash flow. | 12 minutes |
| **Skill focus: Assess financial health** | * Facilitate discussion to debrief the practice activity “Calculate Financial Ratios.” Participants: * Review the benefits of analyzing financial ratios to gain deeper insight into how well their business is doing, using a series of short scenarios.   + Probe the basics of valuation in relation to stock price.   + Discuss how to use valuation basics to compare two stocks and determine why one might be more appealing to investors than the other. | 17 minutes |
| **Skill focus: Analyze and compare costs and benefits** | * Facilitate reflection activity. Participants:   + Consider various methods of conducting cost/benefit analyses and the advantages and disadvantages of each. * Facilitate practice activity. Participants:   + Review a short "What would you do?" scenario involving a manager who must choose the right financial ratios to make a convincing business case for a new investment.   + Discuss the responses and any differences in participants’ views and insights related to their own experience. | 16 minutes |
| **Applying what you’ve learned** | * Review session objectives and skill areas discussed. * Review directions for completing the On-the-Job section of the online Harvard ManageMentor topic, including the action plan. * Close the session. | 5 minutes |

Part 3: Application (self-paced, individual)

After the live Café session, participants are expected to complete the following assignments:

* Complete the online On-the-Job section in the Harvard ManageMentor Finance Essentials topic. The section provides learners with an opportunity to choose a skill to focus on and create an action plan for applying and developing the skill. *Note:* If your organization does not include the On-the-Job section in your configuration of Harvard ManageMentor, ask participants to think of two things they can do over the next 90 days to further apply and develop their skills in this area.
* Execute their action plan over a specified time frame (e.g., 60 or 90 days).
* After the specified time frame (e.g., 60 or 90 days), access the online On-the-Job section in the Harvard ManageMentor Finance Essentials topic to update the action plan and reflect on the experience.