

Creating value for stakeholders

In 1998, Siemens shifted its focus from being volume-driven to focusing on EVA™. Since then, the communication and its application has been supported by Celemi.

The concept of EVA (Economic Value Added) is based on the fact that shareholder value is created only if the net operating profit after taxes (NOPAT) is higher than the cost of capital employed. In order to increase focus on shareholder value, Siemens implemented EVA as the most important performance measure. Vice versa, by moving into the focus of the shareholders, Siemens' current and expected future EVA performance got closely linked to the share price. Thus, the internal steering figure gained an important external dimension, which helps Siemens meet the expectations of the capital markets.

Today, EVA is the basis for all major business decisions within Siemens, with more and more employees being measured against the EVA performance of their business units. Consequently, they not only need to identify with the ideas behind this approach, but also to thoroughly understand *how* to influence EVA performance.

Demystifying finance to 55,000 employees



PHOTO: SIEMENS

"Celemi's Apples & Oranges successfully supports our efforts to establish a value oriented culture among all employees. That's what will make the difference in performance in the marketplace!"

— Chief Financial Officer, SBS

Getting the employees on board

Extensive training and communication on the EVA concept had already been done in the company, but the message still did not reach enough people, especially among those unfamiliar with financial concepts. When the traditional ways of communication proved only partially successful, Siemens Business Services (SBS) started to search for a different approach.

SBS invited Celemi to create a learning program that would educate and motivate all employees to actively increase EVA and improve cash flow. The CFO explains: "In order to truly implement the EVA concept, a companywide fundamental understanding of financial principles, value flows and EVA as a performance indicator had to be established."

The solution

In a three month time frame, Celemi and Siemens developed a tailor-made version of the business simulation Celemi Apples & Oranges™. The tool integrated EVA and Siemens' key business figures into Celemi's unique methodology.

In a very hands-on approach, teams of four participants are given responsibility to manage a model company. Running that company, they simulate the value flow of a Siemens division's procurement, production & service delivery and sales over several periods. The team's task is to optimize the amount of tied up capital and improve business processes in order to be more profitable and thus increase EVA. Results are evaluated by drawing up the profit and loss statement and the balance sheet, as well as calculating cash flow and EVA.

Applying the learning to the workplace

In the second part of the seminar, the participants leave the model company and apply their newly gained insights to the specific aspects of their own business. They discuss improvements and action plans based on the latest EVA figures of their business unit.

Participants come from the same working environment, yet form cross-functional teams where everyone discovers how the company's value flow really works, and gets to know the interdependencies between different departments. Throughout the simulation, teams develop a common language and understanding of finance, which is immediately put into practice. All participants can see for themselves how they, as individual employees, influence key performance indicators and in turn the capital market's perception of Siemens.

“Put into a nutshell, Apples & Oranges demystifies finance: complex principles are clarified within one day without previous knowledge being required. But, more importantly: Our people are highly enthusiastic about the program and the gut-feel understanding it provides, especially when transferring the key learning points into the daily business.”

— Josef Grünwald and Matthias Konrath, leaders of the Siemens project team.



A global Siemens rollout

Apples & Oranges targets all employees within Siemens with influence on EVA. The seminars are run by people from within Siemens trained by Celemi and members of the Siemens project team. Ideally the facilitator is a member of the business unit being trained, since this guarantees the strongest possible transfer of acquired knowledge into everyday business and a high level of acceptance.

Equally important, by using internal trainers large numbers of people can be reached in a short time, making full use of this kind of snowball-effect. Starting in December 1999, more than 4,000 people within Siemens took part in the program within the first six months of the roll-out. By 2013, the number of participants are up to 55,000 and still growing.

About Siemens

Siemens AG is a German multinational conglomerate company headquartered in Munich, with activities in the fields of industry, energy and healthcare. Siemens and its subsidiaries employ about 400 000 people in 190 countries.


CELEMI
 THE POWER OF LEARNING

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1 Day session	
Time	Session
9.00 – 9.30	Introduction
9.30 – 11.00	Year 1: The story begins
11.00 – 11.15	Coffee break
11.15 – 13.00	Year 1: The good news
13.00 – 14.00	Lunch
14.00 – 15.30	Year 2: An ambitious goal for growth
15.30 – 16.00	Coffee break
16.00 – 17.30	Year 3A: Many small wins or Year 3B: Winning the right customers
17.30 – 18.00	Next steps and evaluations

2 Day session Day 1	
Time	Session
9.00 – 9.30	Introduction
9.30 – 11.00	Year 1: The story begins
11.00 – 11.15	Coffee break
11.15 – 13.00	Year 1: The good news – end of day 1
Day 2	
9.00-9.30	Recap day 1 learnings
9.30-11.00	Year 2: An ambitious goal for growth
11.00-11.15	Coffee break
11.15-12.45	Year 3A: Many small wins or Year 3B: Winning the right customers
12.45 -13.00	Next steps and evaluations

*Please note times are an indication of length needed – these can be altered to suit your staff needs and the needs of interstate or global participants.



At a time when companies are looking for every source of competitive advantage, the workforce itself represents the largest reservoir of untapped potential.

The only way to win is with inspired and motivated employees.

Who are we?

Faculte3 is an education business for business. Our overarching premise is to engage teams to create greater outcomes for the overall organisation. We know that the key to a business's success is not only the great product/service it has, but the people that understand the product/service and the customer it is designed for.

Team engagement happens around collective learning with a topic of interest, a shared sense of purpose; and by using a fun and engaging way to learn. At Faculte3 we pride ourselves on creating a learning environment that not only imparts knowledge in a meaningful way but allows positive actions to occur after the learning is complete.

How do we do it?

We know that businesses have limited time and resources to allocate training, we also know that listening to someone at the front of the room tell you what to do is not the most inspiring way to learn.

We work with you to tap into your team's true potential, providing workshops and simulations on topics that challenge traditional business models - so that you can create a culture of engagement, innovation, discipline, accountability, and high performance.

changing the way we think about work

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powered by
the
GreatGame
of
Business®


CELEMI
SOLUTION
PROVIDER

FACULTE³
EDUCATE | EMPOWER | ENGAGE

Ways to learn with Faculte3

Business Simulation Program – Apples and Oranges TM – running a business takes several factors – from your supply chain to sales team and everything in between. This simulation allows participants in a team to run a fictitious company – filling in the profit and loss and balance sheet as they go and pausing to understand strategic drivers that affect the bottom line.

Who is this for? Any size business that wants their teams to know how their role impacts the bigger picture when it comes to the bottom line. Great for multidisciplinary teams that are often siloed and only see their immediate impact and not how it impacts others. No financial literacy needed to play this game.

Online / in person 4-8 hours

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Sustainability Simulation Program – A digital simulation that puts the users in charge of running a business with the overarching goals of People, Planet and Profit. Starting with a company report and metrics to achieve, the teams must make tough decisions around what sustainability goals are going to be met and how that impacts their short- and long-term organisational goals.

Who is this for? An organisation that is wanting to start the sustainability conversation within their teams / boards, or get buy in on projects from the internal sustainability managers.

Online / in person 4-8 hours

*“Great training, I learnt a lot about sustainability and the complexity of making decisions”
GKN Aerospace Global*

The simulations we choose to work with are;



100% Digital & Collaborative



Engaging, Fun & Interactive



Insightful



Anchored in Research

Leadership Simulation – creating high performing teams – this interactive training session takes teams through a digital survival challenge. We give each team player a role to play and create a stressful environment in which the teams need to step up and survive.

Who is this for? Pre-existing teams that may not be high performing due to status issues or new developing teams that have a project to complete in a short time and do not have huge amounts of time to develop a team bond.

Online 3 hours



"The journey brought the regional team together and created an inclusive and connective tissue between colleagues. It was a very immersive and energizing journey to facilitate our teams' key learnings of high performing teams, inclusive collaboration and agile decision making all for performance improvement back at work!" General Manager Microsoft

Great Game of Business – an American methodology that gamifies business - we challenge traditional business models and introduce you to a way of running a business that not only improves business results, but the lives of people who drive those results.



Who is this for? Businesses that want their teams to think act and behave like business owners.

Run inhouse over a week.

The Game hasn't just impacted the financial results. CEO Michael Redman says "The Game has had a huge impact on our culture; the team is more open to learning and adopting new ideas, and they're now connected to the numbers – they can see how they impact the numbers and have started to think like business owners."

Disc Advance - Using the DISC Advanced platform - our Player Profiling assessment gives a deep understanding of the natural behaviours of your team players and how those behaviours play out on the field. Delivered one-on-one or in team workshops, we debrief the results, share stories, and set action plans - building a culture of trust and mutual respect in the process.

Who is this for? Any organisation that wants their teams profiled to measures both the subconscious "real self" and the conscious behavioural styles. This permits evaluation of the impact of the work environment and potential job pressures on the person.

Half day workshops

"DISC ADVANCED® is far superior to the DISC we have been using. The course exceeded my expectations – best training I have had in this role." Tammy McCartney Education Officer