NAVIGATING THE FINANCIALS - WORKSHEET

FOLLOW-UP ACTIVITY

Now that we've gone over Austin's financial statements, Id like to provide you with a tool that, chances are, you'll use throughout your career.

The Navigating the Financials worksheet contains ten key metrics that almost all executives use to measure company performance. You'll also notice that each of these metrics ties directly to one of the 5 Business Drivers. To help you determine company performance around these metrics, I've included the line items, the corresponding financial statement, and the equation you'll use to derive your answer.

Go find your company's financial statements - or those of a company you admire - and complete the Navigating the Financials worksheet.

I recommend you run a simple financial analysis, using this tool, every time earnings are released. You can also use it to analyze your competitors' financial statements.

Become familiar with these metrics, their line items, and equations – so the next time you find yourself in the elevator with your CEO, you can have something to talk about.