



Design/Build Reality Business Simulation

Design /Build Reality is a business simulation developed specifically for the Design/Build industry to help people at all levels in companies understand

- How cash moves through the company
- The difference between over-billing and under-billing
- The percentage of completion and revenue recognition
- A balance sheet, income statement and cash flow and how operational decisions impact these numbers
- The impact of completing jobs early and late
- The financial impact of under-absorbed capacity
- How key financial ratios are calculated, what they mean and how to use them to make better decisions

After DESIGN/BUILD REALITY.....

Participants come away with an understanding of the complexities of the Design/Build business as well as how their daily decisions impact the overall financial health of the company.

For More information call



**Peak
Performance
Associates**

PO Box 193
5305 Lincoln Road
Oregon, WI 53575

Phone: 608-835-9288
Web: www.peakperform.net

The Importance of Business Acumen



In a recent article, one of the top three reasons for failure in the construction industry is the inability to maintain sufficient cash flow and profitability. Many Design/Build firms are excellent at the various disciplines (architecture, engineering, construction) but lack **business acumen**, meaning an understanding of the whole business in a financial sense.

How Does It Work?

Participants in teams of 3 or 4 run a Design/Build firm for 3 simulated years. Teams are responsible for managing cash flow, managing projects and dealing with unexpected disruptions to projects. Participants will experience shortages of cash, learn through experience the impact of being under billed, the cash implications of too much material purchased too soon and other common business issues that arise everyday. They will gain insight into the most effective ways of deciding a course of action to achieve the best outcome for both the client and the company.



Who Is It For?

Design/Build Reality is ideal for developing the business and financial acumen of....



- Project managers
- Professional staff
- Purchasing staff
- High Potentials
- New hires to the industry
- Sales Professionals
- Anyone who makes decisions affecting company revenue and costs

This simulation was created in collaboration with Marshall Erdman. It can be easily customized to serve Architecture and Engineering Firms as well as General Contractors.

Quick Facts:

Methodology:

Board-based facilitated simulation.

Simulation Size:

12-16 participants working together on up to 4 different teams.

Time:

3 years simulated over 1-1/2 consecutive days.

Facilitation:

Train the trainer plus site license

Performance Measures:

- Profit and Loss
- Return on Equity
- Market Value
- Operational Cash Flow
- EBITDA

Competencies Impacted

- Adapting to Change
- Business Acumen
- Planning & Organizing
- Delivering Results
- Continuous Improvement
- Teamwork & Collaboration
- Customer Focus
- Interpersonal Communication
- Account Planning
- Utilizing Resources