## FINANCIAL ACUMEN

### THIS SKILL IS ABOUT

The ability to apply financial rigor, budget discipline and analytical concepts to make sound judgment, quick decisions and practices with full company and industry knowledge. This ability applies to a wide range of budget and investment activities to include transactions with vendors, brokers, third parties, clients, customers and distributors.

**YOU ARE COMPETENT AT THIS LEVEL IF YOU…**

### KEY SKILL | ESSENTIAL | ADVANCED
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**MANAGES BUDGET EFFECTIVELY** | • Develop a budget/investment plan aligned with business objectives.  
• Develop and operate within targets and budgets using company guidelines and systems for documenting budget activity. Anticipate budgetary needs and adjustments in response to changing business priorities. | • Set and manage budgets that reduce sales controllable costs as a percentage of net sales value.  
• Review plans and budgets frequently, anticipate budgetary needs and proactively adjust budgets/programs to business priorities. |
**UNDERSTANDING FINANCIALS** | • Understand company financial statement (profitability, margin, sales, cost, cash flow, working capital, etc.) and interpret same.  
• Understand customer financial statement (profitability, margin, sales, cost, cash flow, working capital, etc.).  
• Understand how the customer makes money. | • Apply an understanding of company financial statement and metrics when creating recommendations.  
• Know how the pieces of the company business fit together and the impact of that on profitability and cash flow.  
• Think like an owner of the business and use financial measure to evaluate ideas.  
• Apply an understanding of the customer’s financial statement and metrics when creating recommendations. |
**UNDERSTANDS AND ENFORCES CONTRACT TERMS** | • Understand the structure and purpose of contract terms, negotiating deals within the agreed framework.  
• Establish agreements and contracts that drive value mutually for vendors, brokers, third parties, clients, customers, distributors and the company. | • Negotiate new agreements with vendors, brokers, third parties, clients, customers and distributors that maintain the integrity of our contract terms and involved in the development of new terms when appropriate. |
**USES FINANCIAL INSIGHTS** | • Examine and analyze best practices, reports and relevant information, according to appropriate methodology, to determine the impact on net sales, ROTA and cash.  
• Use appropriate methods to analyze financial data and other relevant information to determine the impact on sales, specifically net sales and growth.  
• Develop plans that have a positive impact on net sales and growth. | • Analyze relevant financial reports and measures such as P&L Statements, Income Statements, Customer Annual Reports, ROTA Reports, etc. to provide profitable recommendations and solutions to the vendors, brokers, third parties, clients, customers, distributors and company.  
• Use appropriate methods to analyze financial data and relevant information to determine the impact on sales, specifically net sales, ROTA and cash.  
• Develop plans that have a positive impact on net sales, ROTA and cash.  
• Benchmark financials with other consumer product goods companies and make recommendations for cost improvements for vendors, brokers, third parties, clients, customers, distributors and the company. |
**DELIVERS RETURN ON INVESTMENT** | • Understand how to leverage budget for best investment opportunities that yield highest return mutually between vendors, brokers, third parties, clients, customers, distributors and the company.  
• Perform pre- and post-evaluations on all major activities for the achievement of objectives (financial and operational).  
• Implement successful activities based on evaluation findings. | • Provide return on investment (ROI) analysis to senior management and communicate efficiencies, results and impact to the business (ROTA and/or cash flow, share versus profit).  
• Create plans/appropriate business models to improve mutual profitability at the customer and company.  
• Analyze the portfolio of activity against both financial and strategic criteria and look for ways to optimize the overall investment.  
• Communicate and share best practice in the financial management of account. |
YOU ARE AN EXPERT AT FINANCIAL ACUMEN IF YOU:

• Show a facility for consistently practicing disciplined and inspired financial thinking to deliver high quality, quick and investment-worthy decisions.
• Explain to others the financial instruments, budget discipline and analytical concepts to make sound judgment, quality ROI decisions; make it easy to understand and apply practices.
• Train and foster others to use financial insights, manage budgets, enforce contracts as well as formulate and deliver ROI effectively.
• Serve as a resource for financial insight, counsel and advice.