

The specialist telecoms, media and technology consulting and training company



## Main Contact

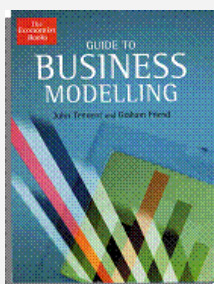
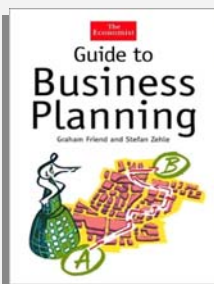
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Coleago Consulting Ltd  
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## The Trainers

The course is provided by Stefan Zehle and Graham Friend who are co-authors of the Economist's Guide to Business Planning and the Economist's Guide to Business Modelling.

Graham Friend, MA, M.Phil (Cantab) ACA, a co-founder of Coleago is an expert in business planning, including strategic analysis and planning, financial forecasting and valuations and business modelling and training for telecoms companies around the world. Graham is a Chartered Accountant and holds a Master's Degree in Economics from Trinity College, Cambridge.

Stefan Zehle, MBA a co-founder of Coleago, was a Director of a GSM operator with budgetary responsibility for £25 (\$46) million of revenue and £16 (\$29) million of cost. He is an expert in telecoms marketing strategy, market forecasting, and business planning. He was responsible for many successful licence applications. Stefan has spoken at over 30 telecoms conferences world-wide and holds an MBA with distinction.



## A Course Designed for Telecoms Companies

Coleago is a specialised management consulting firm serving the needs of the telecom, media and technology sectors. Prompted by its clients, Coleago developed a range of training courses, tailored to meet the management development needs of the telecoms industry.

The Mini-MBA for Telecoms Companies is aimed at managers and executives in organisations working within the telecoms, media, and technology sectors. The course aims to deliver a distilled MBA focusing on the skills relevant to strategy and business planning.

To develop, retain and motivate your employees relevant, practical and cost effective training and development are critical. Choosing Coleago as your management development and training partner offers significant advantages:

- **Relevance:** Coleago Consulting is a practical, hands on consultancy firm providing real solutions to clients in the Telecoms, Media and Technology sectors.
- **Practicality:** Our trainers are industry professionals that have first hand experience of the challenges that companies face in these sectors.
- **Proven:** Our training and course materials are based on tried and tested techniques, processes and methodologies that our consultants use every day in their own consulting work.
- **Track Record:** Coleago has delivered courses in the UK, Germany, Singapore, Yemen, Switzerland to telecoms companies and telecoms regulators such as Orange, Vodafone, SabaFon, Ofcom and Motorola.

## Learning Objectives and Benefits

The course is designed to enable participants to gain a practical understanding of the principal techniques employed in business planning in order to be in a position to set out a strategy and write a complete business plan which achieves the commercial goals of the organisation. Key objectives include:

- Learning to use practical, strategic analysis and planning tools to support the generation and evaluation of strategic options;
- Gaining an understanding of the telecoms value chain, the economics of the sector and a range of business models;
- Knowing how to conduct market research, market forecasting and use market planning techniques that focus specifically on the unique characteristics of the telecoms sector;
- Gaining the ability to develop and analyse financial forecasts using a range of accounting, financial analysis and project appraisal techniques;
- Understanding profitability, cash-flow and funding issues;

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### Course Location and Set-Up

Coleago's trainers travel to your preferred location. At this location, Clients should arrange for a suitable course venue, ideally off-site, so that participants are not distracted by their daily working life. Recognising that the course is demanding for participants, frequently our clients chose to hold courses in well appointed hotels that can also provide participants with morning and afternoon coffee breaks, lunch and water.

The training room should be equipped with:

- a PC projector;
- a desk or table space for each participant and the trainer, each with a power outlet for the PCs;
- a flip chart and colour marker pens.

All participants require a PC in order to take part in the exercises and read the course notes provided on CD. Although the course material is very extensive, participants may wish to take additional notes and bring pens and paper.

### Further Information and Bookings

To discuss the course on offer or make a booking, please call or email either Graham Friend or Stefan Zehle.

Graham Friend, Tel: +44 7973 315 434  
graham.friend@coleago.com

Stefan Zehle, Tel: +44 7974 356 258  
stefan.zehle@coleago.com

- Being in a position to effectively write and present a business plan and secure board approval and funding.

### Course Format and Options

Coleago's courses offer tutorial style interaction with the trainers rather than simply delivering a lecture. This considerably enhances the learning experience. Furthermore, Coleago always seeks to individually tailor its extensive library of training material to your needs.

We offer the Mini MBA for Telecoms Companies in a 3-day, 4-day and 5-day version. Each day consists of 4 sessions a day, each session lasting 1.5 hours.

The detailed contents of the 3-day and 4-day courses is shown hereunder. The 5-day version would have additional modules on pricing, benchmarking, and case studies. In addition the final session with the investment appraisal case study would be run over two sessions instead of just one session, allowing more in-depth treatment of the subject.

### Course Material

All lecture notes in PowerPoint format and supporting documents such as Excel spreadsheet examples and models are provided on a CDROM to all participants.

The course material provides a useful source of reference material and examples which participants can draw on to help them in their daily working life.

### Pricing

Courses with up to 10 participants are provided by one trainer. Above 10 participants 2 trainers are required to handle the extensive interaction with participants which greatly enhances the learning experience.

- The cost of the 3-day course amounts to UK£ 5,500 (up to 10 participants) or UK£ 8,200 above 10 participants.
- The cost of the 4-day course amounts to UK£ 7,000 (up to 10 participants) or UK£ 10,600 above 10 participants.
- The cost of the 5-day course amounts to UK£ 8,500 (up to 10 participants) or UK£ 13,000 above 10 participants.

Travel expenses will be charged in addition to fees and a fixed amount can be agreed prior to committing to the course.

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## Option 1

### Session 1: Overview of Strategic and Commercial Planning

### Session 2: Introduction to Financial Statements and Concepts

### Session 3: Industry and Environmental Analysis

### Session 4: Forecasting Techniques - Part 1

## 3-Day Mini - MBA

- ▣ Creating shareholder value
  - ▣ Objectives of company strategy and definitions of key strategic terms
  - ▣ Influence of stakeholders and their impact on company goals and performance
  - ▣ Business planning framework, tools and techniques
  - ▣ Layout and contents of a business plan
  - ▣ Strategic challenges facing the communication sector
- 
- ▣ The three financial statements and understanding their significance
  - ▣ The Profit & Loss Account, defining ARPU, variable and fixed costs
  - ▣ The Balance sheet and sources of capital for a business
  - ▣ The Cash Flow statement, the concept of Free Cash Flow and its role in value creation
  - ▣ Develop and understanding of economies of scale in the telecom sector
  - ▣ A practical exercise
- 
- ▣ PESTEL analysis - tool for analysing the environment
  - ▣ Using scenario planning to generate alternative views of an uncertain future
  - ▣ Understanding structure and forces that drive competition using Porter's 5 forces model
  - ▣ The industry life cycle in relation to the competitive forces that drive the telecoms industry
  - ▣ Identifying the Value System, also referred to as the Industry Value Chain, and its impact on strategy
- 
- ▣ Understanding the process of forecasting demand and essential forecasting concepts
  - ▣ Forecasting in real vs. nominal terms
  - ▣ Determining the potential market demand for a product or service
  - ▣ Understanding the suitability of different forecasting techniques in particular situations
  - ▣ How to use the time series method to make a forecast based on trend and seasonality
  - ▣ How to use explanatory methods, e.g. regression to make a forecast

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#### Session 5: Forecasting Techniques - Part 2

- ▣ Using the product life cycle and s-shaped growth curves to forecast take-up
- ▣ The Bass model of diffusion of innovation to forecast new demand for new services
- ▣ Price elasticity of demand in telecoms markets, practical applications
- ▣ Price elasticity coefficient estimates
- ▣ Empirical evidence of price elasticity of demand for telecoms services
- ▣ Demand for mobile internet services, a sample survey: methodology and results

#### Session 6: Financial Ratios

- ▣ Develop a systematic approach to reviewing financial information and overview of ratios
- ▣ Profitability analysis, e.g. EBITDA and EBIT margins
- ▣ Returns on Investment including the Return on Capital Employed (ROCE), Equity (ROE) and Net Assets (ROTA)
- ▣ Investment ratios, e.g. PE Ratios, EBITDA and Sales multiples
- ▣ Benchmarks for expected levels of profitability, return, capital expenditure and gearing in the telecoms sector
- ▣ Understanding financial analyst's reports, a practical example working through a real analyst's report

#### Session 7: Generating Strategic Alternatives

- ▣ Understanding the product life cycle curve and its strategic implications
- ▣ Understanding the strategic movement of portfolio products and cash using the BCG box
- ▣ Porter's generic strategies, the Ansoff Matrix and different forms of strategy implementation
- ▣ Alternative matrixes to infer strategic direction from business position and market attractiveness
- ▣ Learning from other markets: what customers want, the importance of market share, locking in customers

#### Session 8: Essential Marketing Concepts

- ▣ The marketing strategy development process and understanding markets and customers
- ▣ Understanding the suitability of different market research methods
- ▣ The benefits of market segmentation and applying segmentation methods and targeting
- ▣ The 4 Ps: Adjusting the he elements of the marketing mix
- ▣ Developing a value proposition and market positioning

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**Session 9: Investment Appraisal - Part 1**

- ▣ Understand the objectives of investment appraisal and process of decision making
- ▣ Identify popular investment appraisal techniques and understand the basis of each approach
- ▣ Identify which revenues, costs and capital expenditure to include in appraisal techniques
- ▣ Pay back analysis, J-curves and peak funding
- ▣ Break even analysis and apply it to a worked example

**Session 10: Investment Appraisal – Part 2**

- ▣ Understanding the Weighted Average Cost of Capital (WACC)
- ▣ Discounted Cash Flow (DCF) analysis, including worked examples
- ▣ Appreciate the relevance of Net Present Value to decision making, including a worked example
- ▣ Understand the concept of the Internal Rate of Return
- ▣ Determining the Terminal Value and its effect on project valuation
- ▣ Using Excel to calculate the NPV and IRR, practical demonstration and ready made tools
- ▣ Investment decisions when capital is limited

**Session 11: Understanding Costs and Increasing Profitability**

- ▣ Increasing return on investment, an overview
- ▣ Different types of costs: cost of sales, operational expenditure, depreciation and amortisation
- ▣ Identifying and costing value chain activities, value add analysis
- ▣ Strategies to reduce costs and increase returns
- ▣ Overview of regulatory cost accounting and setting interconnect rates

**Session 12: Investment Appraisal and Valuation Case Study**

- ▣ Based around current issues in the communication sector
- ▣ Draws together the learning from previous sessions
- ▣ Allows participants to deploy their new skills in a practical exercise
- ▣ Team working and presentation skills tested

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## Option 2

### Session 1: Overview of Strategic and Commercial Planning

### Session 2: Introduction to Financial Statements and Concepts

### Session 3: Industry and Environmental Analysis

### Session 4: Forecasting Techniques - Part 1

## 4-Day Mini MBA

- ▣ Creating shareholder value
  - ▣ Objectives of company strategy and definitions of key strategic terms
  - ▣ Influence of stakeholders and their impact on company goals and performance
  - ▣ Business planning framework, tools and techniques
  - ▣ Layout and contents of a business plan
  - ▣ Strategic challenges facing the communication sector
- 
- ▣ The three financial statements and understanding their significance
  - ▣ The Profit & Loss Account, defining ARPU, variable and fixed costs
  - ▣ The Balance sheet and sources of capital for a business
  - ▣ The Cash Flow statement, the concept of Free Cash Flow and its role in value creation
  - ▣ A practical exercise
- 
- ▣ PESTEL analysis - tool for analysing the environment
  - ▣ Using scenario planning to generate alternative views of an uncertain future
  - ▣ Understanding structure and forces that drive competition using Porter's 5 forces model
  - ▣ The industry life cycle in relation to the competitive forces that drive the telecoms industry
  - ▣ Identifying the Value System, also referred to as the Industry Value Chain, and its impact on strategy
- 
- ▣ Understanding the process of forecasting demand and essential forecasting concepts
  - ▣ Forecasting in real vs. nominal terms
  - ▣ Determining the potential market demand for a product or service
  - ▣ Understanding the suitability of different forecasting techniques in particular situations
  - ▣ How to use the time series method to make a forecast based on trend and seasonality
  - ▣ How to use regression analysis to make a forecast

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**Session 5: Forecasting Techniques - Part 2**

- ▣ Using the product life cycle and s-shaped growth curves to forecast take-up
- ▣ The Bass model of diffusion of innovation to forecast new demand for new services
- ▣ Price elasticity of demand in telecoms markets, practical applications
- ▣ Empirical evidence of price elasticity of demand for telecoms services
- ▣ Price elasticity coefficient estimates
- ▣ Demand for mobile internet services, a sample survey

**Session 6: Advanced Financial Concepts and Accounting**

- ▣ Fundamental principles of accounting and account preparation
- ▣ Examine the accounting treatment for fixed assets – depreciation and amortisation
- ▣ The treatment of interest and tax and the difference in their effect on free cash flow
- ▣ Examine the concept of accruals and prepayments and their impact on cash flow
- ▣ Develop and understanding of economies of scale in the telecom sector

**Session 7: Financial Ratio Analysis – Part 1**

- ▣ Develop a systematic approach to reviewing financial information and overview of ratios
- ▣ Understand how to calculate and interpret profitability margins (EBITDA, EBIT, EBT, PAT)
- ▣ Calculating and interpreting operational efficiency ratios (Debtor Days, Creditor Days, Stock Turnover, Asset Turnover)
- ▣ Capital expenditure ratios, e.g. capex to sales, capex to EBITDA
- ▣ Practical ratio analysis exercises

**Session 8: Financial Ratio Analysis – Part 2**

- ▣ Measures of liquidity and solvency, e.g. Current Ratio, Acid Test, Quick Ratio, Gearing and Interest Cover
- ▣ Calculating and using different types of capital efficiency ratios, including Return on Capital Employed (ROCE), Equity (ROE), Net Assets (ROTA), Return on Invested Capital (ROIC)
- ▣ Investment ratios, e.g. PE Ratios, EBITDA and Sales multiples

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**Session 9: Typical Ratios, Profitability and Expected Returns in the Telecom Industry**

- ▣ Evolution of ratios, margins, returns, capex at different stages of the industry life-cycle – 20 year historic analysis of the UK mobile industry
- ▣ Benchmarks for expected levels of profitability, return, capital expenditure and gearing in the telecoms sector
- ▣ Understanding financial analyst's reports, a practical example working through a real analyst's report

**Session 10: Generating Strategic Alternatives**

- ▣ Understanding the product life cycle curve and its strategic implications
- ▣ Understanding the strategic movement of portfolio products and cash using the BCG box
- ▣ Porter's generic strategies, the Ansoff Matrix and different forms of strategy implementation
- ▣ Alternative matrixes to infer strategic direction from business position and market attractiveness
- ▣ Learning from other markets: what customers want, the importance of market share, locking in customers

**Session 11: Essential Marketing Concepts**

- ▣ The marketing strategy development process and understanding markets and customers
- ▣ Understanding the suitability of different market research methods
- ▣ The benefits of market segmentation and applying segmentation methods and targeting
- ▣ The 4 Ps: Adjusting the he elements of the marketing mix
- ▣ Developing a value proposition and market positioning

**Session 12: Reviewing Management Information**

- ▣ Putting the role of budgeting and uses of management information into context
- ▣ The typical layout of management accounts
- ▣ Understanding the behaviour of different types of costs and their cost drivers
- ▣ Understand the principals of reviewing management information, the importance of materiality
- ▣ Sources of variances and how to perform basic variance analysis, including a practical exercise

**Session 13: Investment Appraisal - Part 1**

- ▣ Understand the objectives of investment appraisal and process of decision making
- ▣ Identify popular investment appraisal techniques and understand the basis of each approach

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**Session 14: Investment Appraisal – Part 2**

- ▣ Identify which revenues, costs and capital expenditure to include in appraisal techniques
- ▣ Pay back analysis, J-curves and peak funding
- ▣ Break even analysis and apply it to a worked example

**Session 15: Understanding Costs and Increasing Profitability**

- ▣ Understanding the Weighted Average Cost of Capital (WACC)
- ▣ Discounted Cash Flow (DCF) analysis, including worked examples
- ▣ Appreciate the relevance of Net Present Value to decision making, including a worked example
- ▣ Understand the concept of the Internal Rate of Return
- ▣ Determining the Terminal Value and its effect on project valuation
- ▣ Using Excel to calculate the NPV and IRR, practical demonstration and ready made tools
- ▣ Investment decisions when capital is limited

**Session 16: Investment Appraisal and Valuation Case Study**

- ▣ Increasing return on investment, an overview
- ▣ Different types of costs: cost of sales, operational expenditure, depreciation and amortisation
- ▣ Identifying and costing value chain activities, value add analysis
- ▣ Strategies to reduce costs and increase returns
- ▣ Overview of regulatory cost accounting and setting interconnect rates
- ▣ Based around current issues in the communication sector
- ▣ Draws together the learning from previous sessions
- ▣ Allows participants to deploy their new skills in a practical exercise
- ▣ Team working and presentation skills tested