

B.A. (VS) MATERIALS MANAGEMENT

DSE 5.3: Revenue Management and Financial Essentials

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE, REQUISITES OF THE COURSE

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Pre requisite of the course (if any)
		Lecture	Tutorial	Practical/ Practice		
Revenue Management and Financial Essentials DSE: 5.3	4	3	1	-	Pass in Class XII	NIL

Learning Objectives:

This course will be aim at understanding the importance of revenue management and financial management in the logistics and supply chain. They will learn to develop effective pricing strategies and revenue optimization techniques. They will understand forecasting techniques and tools for demand analysis and will also learn how to perform financial analysis and use financial ratios for decision making. Students will develop skills in budgeting and financial planning for logistics and supply chain operations.

Learning outcomes:

After completion of the course, learners will be able to:

- develop a plan for implementing revenue management and financial management strategies in a logistics and supply chain operation, considering factors such as competition, seasonality, and customer behavior.
- apply pricing strategies and revenue optimization techniques to a case study of a logistics and supply chain business, analyzing the impact on revenue, customer satisfaction, and market share.
- use demand forecasting tools to analyze the impact of different scenarios on a logistics and supply chain business, such as changes in pricing, marketing, and customer segmentation.
- analyze financial statements and perform cost accounting for a logistics and supply chain business, identifying areas for improvement and making recommendations for cost reduction and revenue enhancement. Student will be able to prepare a cost sheet.

- analyze financial data for a logistics and supply chain business and use financial ratios to make decisions related to pricing, marketing, investment, and resource allocation.
- develop a budget and financial plan for a logistics and supply chain business, considering factors such as capital expenditures, operating costs, revenue projections, and risk management.

Unit 1: Introduction to Revenue Management and Financial Management 9 hours

Definition and Importance of Revenue Management and Financial Management in Logistics and supply chain, Differences between Revenue Management and Financial Management, Revenue Management in Logistics and supply chain: Key Concepts and Strategies, Financial Management in Logistics and supply chain: Key Concepts and Strategies

Unit 2: Pricing Strategies and Revenue Optimization 6 hours

Types of Pricing Strategies, Setting Prices in Logistics and supply chain, Revenue Optimization Techniques, Managing orders and supplies.

Unit 3: Forecasting and Demand Analysis 10 hours

Forecasting Techniques for Logistics and supply chain Demand, Tools for Demand Analysis, Seasonality and Its Impact on Revenue Management, different types of budgets, Forecasting and Budgeting in Logistics and supply chain, Forecasting Techniques, Budgetary control

Unit 4: Financial Analysis and Budgeting 10 hours

Understanding Financial Statements, Cost Accounting and Its Importance, cost concepts, classification of cost, components of cost and preparation of cost sheet, CVP analysis, Financial Analysis and Ratios, Budgeting and Financial Planning,

Unit 5: Practical Applications of Revenue and Financial Management Concepts 10 hours

Case Studies on Revenue Management and Financial Management in Logistics and supply chain, Application of Revenue Management and Financial Management Principles in Logistics and supply chain Operations, Challenges and Opportunities in Revenue Management and Financial Management in Logistics and supply chain, Key Performance Metrics for Revenue Management and Financial Management, Ethical Considerations in Revenue Management and Financial Management, Sustainability and Its Impact on Revenue Management and Financial Management

Exercises:

1. You are the revenue manager of a production company that caters to business to business. Develop a plan for implementing revenue management and financial management strategies that will increase revenue and profitability for the company. Consider factors

such as competition, seasonality, and customer behavior. Include specific strategies for pricing, inventory management, and distribution channels.

2. You are the revenue manager of retail company that specializes in fast delivery. Use demand forecasting tools to analyze the impact of different scenarios on the business, such as changes in pricing, marketing, and customer segmentation. Develop a demand forecast for the next six months and adjust your pricing and marketing strategies accordingly.
3. You are the financial manager of a manufacturing company that specializes in manufacturing of electrical goods. Analyze the financial statements of the company and prepare a cost sheet for production of fans. Identify areas for improvement and make recommendations for cost reduction and revenue enhancement.
4. You are the financial analyst of a manufacturing company that is expanding internationally. Analyze financial data for the chain and use financial ratios to make decisions related to pricing, marketing, investment, and resource allocation. Develop a report that outlines your findings and recommendations.
5. You are the financial planner of a logistics and supply chain business that is launching a new product line. Develop a budget and financial plan that takes into account factors such as capital expenditures, operating costs, revenue projections, and risk management. Use sensitivity analysis to assess the impact of different scenarios on the financial performance of the business.

Suggested Readings:

- Agnihotri, S. (2022), Financial analysis and reporting, A.K. Publications. New Delhi.
- Kasavana, M. L., & Brooks, R. M. (2016). Managing Front Office Operations. American Hotel & Lodging Educational Institute.
- Hayes, D., & Miller, A. (2011). Revenue management for the hospitality industry. John Wiley & Sons.
- Jin, N., & Lee, S. (2018). Financial management for hospitality decision makers. Routledge.
- Kasavana, M. L., & Brooks, R. M. (2016). Managing Front Office Operations. American Hotel & Lodging Educational Institute.
- Kimes, S. E. (2016). Hospitality revenue management. American Hotel & Lodging Educational Institute.
- Laudon, K. C., & Laudon, J. P. (2016). Management information systems: Managing the digital firm. Pearson.
- Singh, S. (2023). Cost accounting. Kitab mahal, New Delhi
- Singh, S. (2016). Management accounting, PHI learning. New Delhi.
- Singh, S. & Kaur, R. (2022). Basic Financial management. Scholar Tech. New Delhi.
- Singh, S.K. & Gupta, L. (2023) Basic management accounting. A.K. Publications. New Delhi.

Notes:

- **Suggested readings shall be updated and uploaded on the college website from time to time.**
- **Examination scheme and mode shall be prescribed by the Examination branch, University of Delhi from time to time.**