

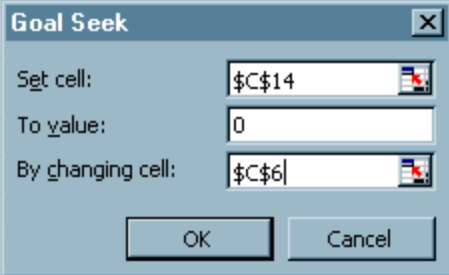
Goal Seek

Goal seek allows the user to find a specific value for a cell included in a calculation by changing one other variable in the equation. It is a wonderful tool if you are trying to work through a what-if scenario.

To use goal seek to determine breakeven based on number of units sold:

1. Select the cell that you want to set for a specific value
2. Click **Tools**
3. Click **Goal Seek**
4. In the *To Value*: Type in the projected or target value

	A	B	C	D	E	F	G
1		Using Goal Seek to Determine					
2		a Break Even Point					
3		CPA Calculators, Inc.					
4							
5		Price per Unit	\$47.95				
6		Units Sold	75,000				
7		Average Discount	40%				
8		Total Revenue	\$2,157,750				
9							
10		Costs per Unit	\$12.63				
11		Fixed Costs	\$750,000				
12		Total Costs	\$1,697,250				
13							
14		Profit	\$460,500				
15		Margin	21.34%				



The Goal Seek dialog box is open, showing the following settings:

- Set cell: \$C\$14
- To value: 0
- By changing cell: \$C\$6

Buttons: OK, Cancel

5. Select the cell that should change to attain the target value
6. Click **OK**
7. A dialog box appears and the number is actually changed in the spreadsheet

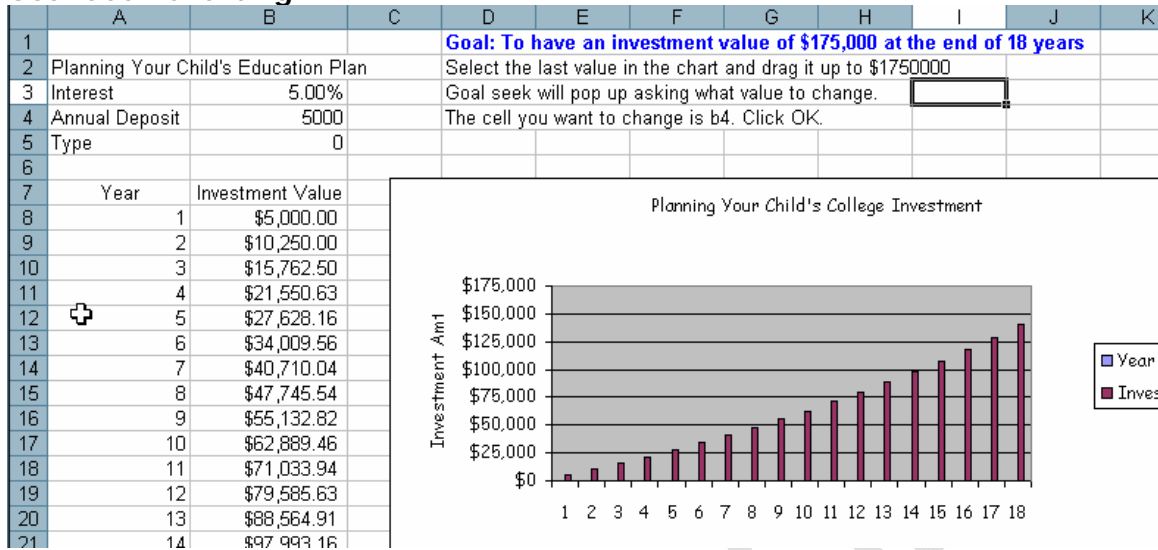
While Goal Seek has many uses it can be limited as the cell being changed - -in this the units sold must be a value –cannot contain a formula.

Goal Seek finds a break even and we can see that the answer is actually 46,478 units.

Note: You can also use Goal Seek in a chart to back into a number. We will take a look at that in a moment.

CFO Resources

Goal Seek Charting



If you select a data point in a chart and drag it up or down to another value, a Goal Seek dialog box will pop up and ask what cell it should change to achieve the value you have specified with the data point.

