

# € TRAINING

Conference: Financial Analysis, Planning &  
Controlling Budgets



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## Introduction:

This conference brings together important areas of financial management, planning, and control: Financial Analysis, Planning, and Control; Setting & Controlling Budgets. It will help business professionals.

## Conference Objectives:

At the end of this conference the participants will be able to:

- Understand strategic planning and budgeting.
- Link finance and operations for budgeting purposes and strategy execution.
- Learn how to build a comprehensive performance measurement system.
- Learn costing and budgeting terminology used in business.
- Understand the importance of a well-defined costing and budgeting process.
- Understand cost behavior more accurately.
- Be able to perform and interpret variance analysis.

## Targeted Audience:

- Project Management
- Financial Analysts
- Financial Controllers
- Accountants
- Treasurers
- Corporate Planning
- Also, this conference is suitable for all management levels among the organization

## Conference Outline:

### Unit 1: The Challenge of Financial Economic Decision-Making:

- The practice of financial-economic analysis
- Corporate value and shareholder value
- A dynamic perspective of business Benchmarking your own strategic position/competitor analysis
- The agency problem and corporate governance
- What information and data to use?
- The nature of financial statements
- The context of financial analysis and decision-making

## Unit 2: Assessment of Business Performance:

- Ratio analysis and business performance
- Management's point of view
- Owners' point of view
- Lenders' point of view
- Ratios as a system - pyramids of ratios
- Integration of financial performance analysis - the Dupont system
- Economic value added EVA
- Predicting financial distress

## Unit 3: Projection of Financial Requirements:

- Interrelationship of financial projections
- Operating budgets
- Standard costing and variance analysis
- Cash forecasts and cash budgets
- Sensitivity analysis
- Dynamics and growth of the business system
- Operating leverage
- Financial growth plans
- Financial modeling

## Unit 4: Analysis of Investment Decisions:

- Applying time-adjusted measures
- Net present value NPV and internal rate of return IRR
- Strategic perspective
- EVA and NPV
- Refinements of investment analysis
- Equivalent annual cost EAC
- Modified internal rate of return MIRR
- Sensitivity analysis, scenario analysis, simulation, and NPV break-even
- Dealing with risk and changing circumstances

## Unit 5: Valuation and Business Performance:

- Managing for shareholder value
- Shareholder value creation in perspective
- Evolution of value-based methodologies
- Creating value in restructuring and combinations
- Financial strategy in acquisitions
- Business valuation
- Business restructuring and reorganizations
- Management buyouts MBOs and management buy-ins MBIs

## Unit 6: Strategic and Financial Planning:

- Financial VS Managerial Accounting
- Exploring the linkages between strategy, budgeting, costing and performance measurement
- Understanding what strategic planning is and why it is important
- Mission; Vision; Strategy; Goals and Objectives
- The outside environment and the internal context: SWOT and PESTEL analysis
- What is happening in your company
- Looking for the drivers of value creation

## Unit 7: The Framework for Budgeting:

- What is a budget - why create a budget?
- The budgeting framework
- Various types of budgets
- The budgeting process and the human side of budgeting
- Sales forecasting and budgeting schedules
- What is the budgeting process in your company?
- Top-down VS Bottom-up budget
- Incremental VS Zero-Based

## Unit 8: Cost Analysis for Budgeting:

- What is costing? Defining costs
- Cost behavior - Fixed and variable
- Breakeven models - The Equation Method
- The contribution margin concept
- Direct and indirect costs
- Traditional VS Activity Based Costing
- Product VS period costs

## Unit 9: Budgeting - Controlling The Budget Variances:

- What is the situation in your organization?
- Is budgeting organized by department and/or projects?
- Budget variance analysis
- Describe the difference between a static budget and a flexible budget
- Compute flexible-budget variances and sales-volume variances
- Explain why standard costs are often used in variance analysis
- Integrate continuous improvement into variance analysis

## Unit 10: Beyond Budgeting: Broadening Performance Measurement Systems:

- Advantages and disadvantages of budgeting
- How to improve budgeting in your organization
- What next? Beyond the Budget
- The Balanced Scorecard: linking Strategy to budgeting to Performance Measurement
- Financial perspective, Customer perspective
- Internal Business Process perspective, Learning and growth perspective
- Developing and adapting the scorecard