

# € TRAINING

Financial Analysis , Planning & Control



# Financial Analysis , Planning & Control

## Introduction:

Management has now become an integral part of operations in a wide range of organizations. Financial analysis, planning, and control provide an understanding of the various aspects of an organization from a calculative aspect to other related practices in the organization. The key element of the program is the focus on the practical application of financial models and analysis, which are used to assess the strategic and operational positions of the organization.

This is crucial for organizations in terms of understanding cost reductions and creates additional value for companies. You will learn about the financial business environment, strategic planning, management reporting, and decision control support.

## Course Objectives:

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

- Understand the use of financial statements and tools and techniques of financial analysis that assist managers in support of more informed and therefore better decision-making
- Understand the links between long and short-term planning, and being able to develop and prepare financial models and operating budgets and the use of Excel models to build financial growth planning models and prepare traditional and activity-based budget models
- Use of the techniques of budgetary control: development of product standards, flexed budgets, variance analysis, and use of the results of variance analysis to improve operational performance
- Use of Discounted Cash Flow DCF and other appropriate techniques that will support the company in its more effective analysis of capital investment projects
- Understand how corporate value and shareholder value may be increased through the use of appropriate financial strategies, including mergers and acquisitions, and restructuring and reorganizations
- Share knowledge gained throughout other divisions and departments of the company

## Targeted Audience:

- Financial officers, controllers, and accountants
- Treasurers, corporate planning and business development professionals
- Sales and marketing professionals
- Managers from any other non-financial areas that need or wish to understand the financial aspects of analysis, planning, and control
- Middle and junior management as a useful element in their career advancement

## Course Outlines:

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

- The Practice of Financial / Economic Analysis
- The Value-creating Company
- Corporate Value and Shareholder Value
- A Dynamic Perspective of Business

- 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
- Economic Value Added EVA
- Predicting Financial Distress and Z-score Model

## Unit 3: Analysis of Investment Decisions:

- Applying Time-adjusted Measures
- Net Present Value NPV and Internal Rate of Return IRR
- Modified Internal Rate of Return MIRR
- Strategic Perspective
- EVA and NPV
- Refinements of Investment Analysis
- Equivalent Annual Cost EAC
- Sensitivity Analysis, Scenario Analysis, Simulation, and NPV Break-even
- Dealing with Risk and Changing Circumstances

## Unit 4: 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 Modelling

## 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 Reorganisations
- Management Buy-Outs MBOs and Management Buy-Ins MBIs