

BUSINESS & FINANCIAL ACUMEN FOR MANAGERS

COURSE OVERVIEW

Business and Financial Acumen are imperative for Managers. Business and Financial knowledge has become a critical set-of-skills required by all executives in all divisions and industries. Both are the backdrop of every decision-making process within any organization, government, or private entity. These decisions involve understanding how to operate a business, invest in a business, decide on the appropriate financing mechanisms, and derive value. This course will equip executives with knowledge of financial economics, financial statements, analysis, mergers and acquisitions, and corporate governance principles that can be used daily. You will understand how finance affects your business, perform analysis, devise financial key performance indicators, and work with capital projects.

TARGET COMPETENCIES

- Financial Statement
- Financial Decision Making
- Investment Decision Making
- Operational Decision Making
- Financial Analysis
- Investment Banking
- Mergers & Acquisitions
- Corporate Governance

COURSE OBJECTIVES

By completely attending this course, participants will be able to:

- Understand the key financial statements and the stories it portrays
- Apply various forms of financial analysis to identify the key drivers of value creation
- Design financial key performance indicators (KPIs) scorecard for your business
- Identify the importance of fiscal and monetary policies and its effects on corporates
- Determine key concepts behind mergers and acquisitions and their application in corporate finance
- Learn how M&A works and its role in decision making
- Compare and contrast the roles senior management and board member play within a corporate governance context

TARGET AUDIENCE

Senior executives, board members, and department heads from any function including finance who need to improve their understanding and usage of financial information.

COURSE METHODOLOGY

This course demonstrates core principles in Business and Finance. The course involves Real-life case studies, individual workshops, and team presentations by participants.

COURSE OUTLINE

ECONOMICS FOR BUSINESS

MARKET STRUCTURES

- Four Types of Market Structures
- Perfect Competition
 - Demand Analysis and Pricing Strategies
 - Supply Analysis
 - Optimal Price and Output
- Monopolistic Competition
 - Demand Analysis and Pricing Strategies
 - Supply Analysis
 - Optimal Price and Output
- Oligopoly
 - Demand Analysis and Pricing Strategies
 - Supply Analysis
 - Optimal Price and Output
- Monopoly
 - Demand Analysis and Pricing Strategies
 - Supply Analysis
 - Optimal Price and Output

MONETARY AND FISCAL POLICY

- Monetary Policy
 - The Roles of Central Banks
 - Monetary Policy Objectives
- Fiscal Policy
 - The Roles of Fiscal Policy
 - Fiscal Policy Tools
- The relationship between Monetary and Fiscal Policy

UNDERSTANDING FINANCIAL STATEMENTS

- All transactions performed in an organization must and will run through to the Financial Statements. This is the place where C-Suite needs to have a clear understanding of what story each FS tells, what are its components, and how can they use FS to make enhanced decisions

COMPONENTS OF FINANCIAL STATEMENT ANALYSIS

- Role of financial reporting and analysis
- Core financial statements and the importance of the annual report
- The significant role of notes and supplementary information
- Financial reporting mechanics
- Relationship, elements, and classification of financial statements
 - Income statement
 - Balance sheet
 - Cash flow statement
 - Statement of owners' equity

AN INSIDE LOOK AT FINANCIAL STATEMENTS

- Key income statement components
 - Gross profit vs. operating profit vs. net income
 - Revenue recognition principles
 - Expense recognition principles
- Key balance sheet components
 - Current assets and current liabilities
 - Non-current assets and non-current liabilities
 - Equity
- Key statement of changes in owners' equity components
- Key cash flow statement components
 - Operating, investing, and financing activities
 - Direct vs indirect method
 - The cash rich standard

FINANCIAL ANALYSIS TECHNIQUES

- The financial analysis processes
- Strategic analysis
 - Vertical analysis: balance sheet and income statement approaches
- Growth analysis
 - Horizontal and trend analysis
- Financial analysis ratios
- Key Activity Ratios: Calculation, Interpretation, and Application
 - Inventory turnover and Days of inventory on hand (DIO)
 - Receivables turnover and Days of sales outstanding (DSO)
 - Payables turnover and Days of payables outstanding (DPO)
 - Working capital turnover, fixed asset turnover, and total asset turnover
- Key Liquidity Ratios: Calculation, Interpretation, and Application
 - Current, quick, and cash ratios
 - Defensive interval and cash conversion cycle
- Why perform asset management and activity ratios?
- Key Solvency Ratios: Calculation, Interpretation, and Application
 - Debt-to-assets, debt-to-capital, and debt-to-equity ratios
 - Times interest, financial leverage, and Debt-to-EBITDA ratios
- Key Profitability ratios: Calculation, Interpretation, and Application
 - Return on sales: Gross profit margin, operating profit margin Pretax margin, net profit margin
 - Return on Investment Return on assets, return on equity, operating ROA, return on common equity
- Integrated financial ratio analysis
- Key Valuation Ratios: Calculation, Interpretation, and Application
 - Price-to-earnings and earnings-per-share ratios
 - Price-to-cash flow and cash flow-per-share ratios
 - Price-to-sales and sales-per-share ratios
 - Price-to-book value and book value-per-share ratios
- Decomposing ROE, DuPont analysis
 - Three-step model
 - Five-step model
- Limitation of ratio analysis

ENVIRONMENTAL, SOCIAL, GOVERNANCE

- Environmental, social, and corporate governance is an approach to evaluating the extent to which a corporation works on behalf of social goals that go beyond the role of a corporation to maximize profits on behalf of the corporation's shareholders.

M&A | INVESTMENT | CAPITAL BUDGETING | PE | VC

- An important part of C-Suite decisions is the ability to understand, execute, and manage, the consolidation of companies or assets through several types of financial transactions, including mergers, acquisitions, consolidations, tender offers, purchase of assets, and management acquisitions