

PLANNING BUDGETING AND FORECASTING

COURSE OVERVIEW

Budgeting is a must competency for all professionals in the supervisory and managerial levels. Understanding budgeting types, planning a budget, executing and monitoring budgets are covered in this course. Additionally, delegates will practice budgeting forecasting methods and designing dynamic budget models. They will also design capital budgeting viability models.

TARGET COMPETENCIES

- Strategic Planning and budgeting
- Functions of Management
- Budget Cycle, Process and Approaches
- Forecasting Techniques
- Capital Budgeting

COURSE OBJECTIVES

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

- Understand what is meant by strategic planning and budgeting
- Perform the 4 functions of management using case studies
- Practice different types of budget styles, techniques, and methods and determine pros and cons of each type
- Learn and exercise several forecasting techniques to better budget for future expenditures and revenues
- Acquire in-depth knowledge and application of the capital budgeting tools and techniques.
- Apply different cost mechanism tools and optimization procedures
- Learn how to differentiate between cost elements and their impact on the overall budgeting decisions.

TARGET AUDIENCE

All managers, supervisors and analysts who plan, design, execute, and/or monitor management budgets. Professionals interested in determining the viability and success factors of capital projects.

NOTE

This course requires the use of laptops with Excel 2016/2019/365. Delegates must bring their own laptops with Windows-based Excel fully installed.

COURSE METHODOLOGY

This course demonstrates core principles in Budgeting and Planning and utilizes Excel in performing modern and creative techniques of Budgeting. Real-life case studies, individual workshops, and team presentations by participants.

COURSE OUTLINE

PLANNING & THE FUNCTIONS OF MANAGEMENT

- Strategic vs. long-term planning
- The four management functions
- Components of the strategic plan
- SWOT analysis
- Approaches to developing a budget
- Control is the weakest link!
- Leadership in management functions
- Change management in planning.
- Environmental Scanning

MASTER BUDGETING

- Budget development process
- Characteristics of successful budgeting
- Top 10 problems with budgeting
- Types of budgets
- Budget Monitoring and Control
- Master Budget Integration
- Budget Variance Analysis

BUDGETING: PROCESS AND APPROACHES

- The advantages of budgeting
- The budget process
- Rolling budgets
- The budgeted financial statements
- Approaches to budgeting:
 - Incremental budgeting
 - Zero based budgeting
 - Flexible budgeting
 - Kaizen budgeting and continuous improvement
 - Activity based budgeting
- Tools of forecasting
- Direct and indirect costs
- Characteristics of an effective budget
- Problems in budgeting
- Performance Budgeting
- Budget negotiations and conflict resolution
- Behavioral Aspects of Budgeting

CAPITAL EXPENDITURE BUDGETING & ANALYSIS

- Time value of money
- Simple versus compound interest
- Identifying and analyzing cash flows
- The discount rate: using cost of capital
- Net Present Value (NPV)
- Internal Rate of Return (IRR)
- Profitability Index (PI)
- Pay-Back Period (PBP)
- Accounting Rate of Return (ARR)
- Approval for Expenditure (AFE)
- Sensitivity and risk analysis
- Behavioral Biases in Investment Decisions

COST-VOLUME-PROFIT ANALYSIS (CVP)

- Identifying the fixed costs and variable costs
- Computing breakeven point in units
- Computing breakeven point in sales
- Assumptions of CVP analysis
- Using CVP in budgeting decisions
- Cost Structure Analysis
- Sensitivity Analysis
- Breakeven in Multiple Scenarios
- Target Profit Variations
- Contribution Margin Variability

FORECASTING TECHNIQUES

- Steps in developing forecast models
- Assumptions and Input Variables
- Time series methods
- Forecasting revenues and expenses
- Forecasting working capital
- Forecasting cash flow
- Creating a forecasted business model
- Performing what-if-analysis and scenario analysis
- Risk & Uncertainty in Forecasting

To register or for complete course information

Office: +971 4 430 8394 | WhatsApp: +971 50 454 9895 | Email: courses@viftraining.com

web: www.viftraining.com