



ADVANCED

Approach on Traditional Tools in Budgeting

Course Introduction:

All long and short-term business decision-making involves analyzing situations containing varying degrees of risk, and the available data may be erroneous containing ambiguities and errors. It is important to understand how costs behave so that realistic plans and budgets can be produced and appropriate financial resources made available.

Planning is crucial step for business success and budgets are one of the most widely used tools for planning and controlling by medium or large organizations in many parts of the world. Budgeting systems turns managers' perspectives forward. A forward looking perspective enables managers to be in a better position to exploit opportunities. It also enables them to anticipate problems and take steps to eliminate or reduce their severity.

In this programme you will learn how to:

- Strategically analysis the formulation of long-run and short-run budget
- Identify the principal factors required to produce a successful business case
- Develop budgeting & financial skills required for better decision-making
- Identify sources of financial and business data to support the budgeting process
- Learn new techniques and methodologies to simulate typical business scenarios

Course Objectives:

Seminar addresses include:

- Information for informed management decisions
- Management use of management accounting information
- A new role for the management accountant
- Basic Cost and Cost Analysis
- Cost Behaviour and Cost Estimation
- Different Approaches to Cost Planning (traditional and advanced techniques)
- Cost Planning and Budgeting
- Master budget
- Zero based budgeting
- Activity based budgeting
- Rolling budget
- Decision Making with Relevance Costs and a Strategic Emphasis

Who Should Attend?

- Managers with direct financial responsibilities
- Cost and management accountant

- Financial planners and cost analysts
- Senior managers who supervise people with financial responsibilities
- Financial and budget controllers who are moving to wider responsibilities
- Managers who need to know more about business planning, budgeting, costing terms and techniques.
- Managers who have to plan, cost and budget new business ventures.
- Managers and Supervisors from every business discipline and department who have to run departments and plan, cost and budget during their business lives.
- First appointment managers on fast-track development programmes
- Managers who require a refresher programme on the topic or who would benefit from having an opportunity to consider new ideas and methods

Course Outline:

Planning, Budgetary Control Systems and a Review of Key Cost Concepts

- Budget, motivation and responsibility accounting
- An introduction to cost terms and purposes
- The use of cost management information
- Creating cost-aware organizations
- Review of some key cost concepts
- Product vs. Period costs
- Direct and Indirect Costs
- Cost behavior: Fixed and Variable Costs
- Problems and Examples

Different Approaches to Costing

- Absorption (Full) vs. Variable costing
- Under-costing and over-costing: the consequences for profitability
- How to refine a costing system?
- Activity-based costing (ABC) and cost-management
- Cost hierarchy & Cost drivers
- Linking resources, activities and management
- Introducing Activity-based management (ABM)
- Linkages between ABM and ABC – monitoring value creation
- Problems, Case Study and Examples

Different Approached to Budgeting

- Fixed and flexed budget (static and flexible budget)
- Rolling budget
- Zero based budgeting

- Activity based budgeting
- Master budget
- From costing to budget: interpreting variances (variance analysis)
- Integrate continuous improvement into variance analysis.
- Measuring yield, mix and quantity effects
- Problems, Case Study and Exercises

Control Systems and Performance Measurement

Linking process development to costing

- Financial and non-financial performance measure
- Designing an accounting –based performance measure
- Different performance measures
- Concepts in action: Equifax, AT&T and EVA
- Alternative performance measures
- Choosing targeted levels of performance and timing of feedback
- Distinction between managers and organizational units
- Performance measures at the individual activity level

Course Certificate:

International Center for Training & Development (ICTD) will award an internationally recognized certificate(s) for each delegate on completion of training.

Course Methodology:

A variety of methodologies will be used during the course that includes:

- (30%) Based on Case Studies
- (30%) Techniques
- (30%) Role Play
- (10%) Concepts
- Pre-test and Post-test
- Variety of Learning Methods
- Lectures
- Case Studies and Self Questionnaires
- Group Work
- Discussion
- Presentation

Course Fees:

To be advised as per the course location. This rate includes participant's manual, and-Outs, buffet lunch, coffee/tea on arrival, morning & afternoon of each day.

Course Timings:

Daily Course Timings:

08:00 - 08:20	Morning Coffee / Tea
08:20 - 10:00	First Session
10:00 - 10:20	Coffee / Tea / Snacks
10:20 - 12:20	Second Session
12:20 - 13:30	Lunch Break & Prayer Break
13:30 - 15:00	Last Session

