



المركز العالمي للتدريب والتطوير
International Centre For Training & Development



ZERO Budgeting



Course Introduction:

The course provides an opportunity to explore how to successfully establish credible budgets and forecasts that are user friendly management tools to monitor and help improve performance. You will learn about proven practices in planning, budgeting and forecasting as applied by an experienced CFO to overcome challenges.

Additionally, you will have an opportunity to network and share experiences with like-minded people keen to tackle challenges in this key area.

Course Objectives:

The course will offer you proven and best practice in effective planning, budgeting and forecasting. You will learn about:

- Contributing effectively to Strategic Planning
- Constructing outcome and event driven budgets and forecasts
- Linking budgeting and forecasting to the business' strategy
- Budgeting and forecasting tools and techniques
- Business partnering and guiding operational management in budgeting and forecasting
- Communicating effectively upwards with the board and senior management

Who Should Attend?

Those responsible for planning, budgeting and forecasting:

- Strategy, Planning and Budgeting Teams
- Accountants, Financial Controllers and Finance Managers
- Business Unit Heads
- Internal Auditors
- Consultants

Course Outline:

Module 1 - Introduction & Course Objectives

- Brief review of course objectives
- Introduction of learning methods

Module 2 – Basics of Budgeting

- Why do organisations prepare budgets?
- Relationship between strategy and budgeting
- Different types of budgets – P&L, capex, headcount, project, cashflow

Module 3 – Philosophies and Approaches to Budgeting

- Top-down approach
- Bottom-up approach
- Reconciling the two results
- Stretch targets – revenue & cost budgets
- Projecting current performance
- Zero-base budgeting
- Use of contingency
- Role of rewards and bonuses in target-setting
- Revising unacceptable plan results

Exercise – prepare a simple budget from a number of different perspective, and discuss differences between the resulting plans.

Module 4 – Budget Drivers

- Activity-based cost drivers
- Volume changes: fixed vs. variable costs
- Absorption of overheads into unit costs
- Cost allocation techniques for indirect and corporate overheads
- Revenue drivers: customer and market segmentation
- Controllable and non-controllable factors

Exercise – for a given case study, identify drivers for a number of costs and create a budget for them.

Module 5 – Moving from Budget to Forecast

- Dealing with the time lag between budget preparation and start of plan period
- Splitting an annual budget down into months or quarters
- Revising assumptions and drivers
- Rolling forecasts in response to actual results

Exercise – for a given budget prepared 3 months previously, update in light of new assumptions and drivers

Module 6 – Actual Performance vs. Budget

- Introduction to variance analysis
- Impact of variances on remainder of plan period
- Re-forecasting: changes to forecast and re-calendarising

- Flexible budgets and target adjustments
- Responding to poor results in forecasts
- Exercise – for a given budget and actual results, prepare a simple variance analysis and suggest how each variance might impact the remainder of the budget period

Module 7 – Budgeting Behaviours

- Target-setting
- Incentives, rewards and bonuses
- Dysfunctional behavior

Exercise – for a given budget and bonus scheme, analyse potential dysfunctional behavior and how this might be mitigated.

Wrap-Up and Questions

- Overall review
- Key points to re-iterate
- Final questions and issues to discuss

Course summary and close

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 Certificate:

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

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

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