

# Budgeting, Planning & Management Reporting

## INTRODUCTION

- Budgeting lies at the heart of business management, yet businesses often encounter planning and financial difficulties as a result of either inadequate planning, lack of understanding of the business, or errors within the compilation of the budgets. Ineffective management reports heighten the challenge in collating inputs to the budget, and use of budgeted information.

This training course takes a practical approach to budgeting, planning and management reporting for the organisation and considers the following:

- The planning process and how to improve it
- The compilation of budgets – who needs to be involved and why;
- How to identify potential problems arising and suggests actions which can be taken
- Ways of improving financial control using effective management reporting

## PROGRAMME OBJECTIVES

- Implement advanced planning and control techniques into your budgeting process
- Integrate the budgeting process with the development of the company's long-term strategic vision
- Successfully build an integrated planning, budgeting and reporting process
- Apply management tools to the budgeting process that contribute to strategic goals
- Identify key performance indicators for effective and focused decision making
- Increase profitability and performance through stream lined planning and reporting

## WHO SHOULD ATTEND?

- Professionals responsible for budget preparation and management reporting
- Process owners who require a more in-depth understanding of integrated planning and budgeting techniques, along with Financial Planners and Cost Analysts
- Anyone with direct planning and budgeting responsibility, as well as Advisors, Accountants and Business Consultants

## TRAINING METHODOLOGY

- The training methodology combines presentations, discussions, team exercises and case studies. Delegates will gain both a theoretical and a practical knowledge of all the topics covered. The emphasis is on the practical application of the topics and as a result delegates will return to the workplace with both the ability and the confidence to apply the techniques learned.
- All delegates will receive a comprehensive manual of the Budgeting, Planning & Management Reporting training course to take back to the company, which will serve as a useful source of reference in the future. In addition, all delegates will receive a CD containing a soft copy of additional material such as Excel models used during the programme.

## PROGRAMME SUMMARY

- This course will equip you to make the most of your capital resources. Using budgets as part of the planning process in a strategic way and reporting the results will lead to more efficient and effective and ultimately profitable business. The course will teach you how to prepare and use budgets for strategic planning and business.

## PROGRAM OUTLINE

### Planning for Success

- What are Planning Strategies?
- Strategy Analysis, Choice & Implementation
- The Role of Strategy Maps in defining the Business
- Effective and Less Effective Management Reporting Practice
- The Agency Problem and Corporate Governance
- Planning Requirements and the Importance of Working Capital

### Forecasting in Budgeting and Planning

- Determine the purpose and objective of the forecast
- Statistical analytical tools
- Quantitative analysis and forecasting
- Forecasting techniques
- Agency problems in forecasting- solutions
- Causal analysis models – regression analysis
- Using Excel<sup>®</sup> to analyse historical data

### Budgets, Costs and Budgetary Control

- Why do we budget? – the purposes of budgeting
- Planning and Control
- Putting the budget together
- Cost behaviour and classification
- Cost / volume /profit (CVP) and 'what-if' analysis

## Activity Based Costing (ABC) and Activity Based Budgeting (ABB)

- Activity Based Costing (ABC)
- Refinement of the Costing System
- ABC and Cost Management
- Design of ABC Systems
- The Cost Hierarchy and Cost Drivers
- Advantages and disadvantages of ABC systems
- From Traditional Budgeting to Activity Based Budgeting (ABB)
- The ABB Process
- Time-based ABC for Services Organisations
- Motivation and the Behavioural Aspect of Budgeting

## Measuring Corporate Performance: Requirements of a Successful Performance Measurement System

- Broadening Performance Measurement Systems
- The Drive toward Shareholder Value (EVA®)
- Beyond Budgeting: integrating financial and non-financial issues
- Introducing the Balanced Scorecard and the Key Perspective

