



Budget Management & Control



26 August - 6 September



Madrid (Spain)

# Budget Management & Control

course code: M1093 From: 26 August - 6 September 2024 Venue: Madrid (Spain) - course Fees: 4500 Euro

## The Course

Budgets are an essential financial tool, which aid, planning, decision making, resource allocation, co-ordination and control.

Without the necessary skills Budgets can be poorly managed and lack control or alternatively fail to provide the flexibility required to seize opportunities and respond to changing market and economic events.

This programme provides participants with the skills necessary for the effective management and control of budgets including the:

- Sales Budgets
- Production Budgets
- Cash Budgets
- Capital Budgets and
- Master Budget

## The Goals

### *Participants attending will:*

- Develop the skills to effectively Use Budgets as a management tool:
  - Identifying key performance indicators for effective and focused decision making
  - Performing “What If” and Sensitivity Analysis to evaluate the implications of changes in major factors of production and consumption
  - Recommending various courses of action to manage the implications of “What If” and Sensitivity Analysis.
- Develop the skills to effectively Manage & Control the budgeting process by:
- Implementing advanced planning and control techniques such as
  - Variance Analysis into the budgeting process
  - Providing a decision support structure that provides timely and useful information to decision makers

## The Delegates

**Planning, budgeting and forecasting are essential skills that should be acquired (though at varying levels) by all the managers in a company.**

### **In particular the following will find it very helpful:**

- Financial managers, finance controllers treasurers and inventory managers
- Senior managers with a direct responsibility for financial management and control
- Accountants, sale and purchase managers and managers responsible for relationship with banks
- Any manager, at a medium and senior level, who is a part of the financial decision making

team.

- New interns and trainees with finance related responsibilities.
- Department heads, process owners, administrative personnel associated with budget management, financial and technical professionals, sales and marketing professionals, project managers, and anyone who needs to understand how to develop cost projections for their department, projects.

### The Process

The programme is highly interactive. Delegates will be actively engaged in an on-going case study applying different management and control techniques in a work situation to ensure development of understanding and the transfer of skills. Participants will also be given a detailed set of handouts and examples.

### The Benefits

- You will be able to further your professional skills.
- You will make improved budgeting decisions which will increase your importance to your organization
- You will be able to manage and control budgets effectively.
- You will be better placed to liaise effectively with other departments on planning, forecasting & budgeting matters.

### The Results

- Participants will not only be able to analysis various business problems but will also be able to evaluate various courses of action and make sound recommendations for action using leading software
- New skills for strategic planning will help to make more informed and hence better management decisions.
- Exposure to different techniques will help the company to efficiently forecast everything from cash to capital projects.
- The knowledge gained can be shared amongst other departments of the company.

### The Core Competencies

- Budget Management including Break Even, “What If and Sensitivity Analysis
- Budget Control including Variance Analysis to assess the impact on major factors of production and consumption

### The Programme Content

#### **Break Even Analysis, Sensitivity Analysis, and What If Analysis**

- Break Even Analysis, Cost Behaviour and Sensitivity Analysis
  - Identifying Fixed, Variable and Semi-variable costs
  - Identification of the level of sales/profit in order to break even
  - Identification of critical costs
  - Determining resources requirements
  - What if Analysis using Excel and leading software
- Performing “What If” and Sensitivity Analysis to evaluate the implications of changes in major

- factors of production and consumption on the Cash Budget and Profit & Loss Account
- Identification of key performance indicators for effective and focused decision making
- Recommend various courses of action to manage the implications of “What If” and Sensitivity Analysis.
  
- Developing Budget Re-Projection and Best Case / Worst Case Scenario Models
  - Planning for contingencies
  - Developing various scenarios
  - Using the Scenario tool in Excel® to explore the variable sets of assumptions while tracking the impact to the base model.
  - Building the financial simulation model using probabilistic (Monte Carlo) simulation
  - Building the financial simulation model using deterministic simulation

### ***Variance Analysis, Reporting, Control and Decision Making***

- Accounting Systems, Accountability and Responsibility Systems
- Essential Elements of a Costing System
- Establishing and Implementing a Costing System
- Undertaking Variance Analysis and Presenting a Variance Report to decision makers
- Evaluation of the results
- Making Strategic Decisions based on the Variance Report/Business Planning