

Manager's Guide to Finance & Accounting

2 Days

COURSE OVERVIEW

Despite changes in information technology which is having a profound effect on the way that people think about and conduct business, reliance on financial information to evaluate business performance remain timeless.

Managers need to know how to read financial statements and use that information in the formulation and implementation of business strategy. Managers also need to know how the expectations of creditors and share-holders influence business strategy.

Once managers understand how to make sense out of the financial statements and market information about their firm, they will be able to function more effectively as members of their management teams. This course aims to do just that!

LEVEL

Managerial

WHAT WILL I GET OUT OF IT?

By the end of the course participants will be able to:

- Make sense out of the information found in a firm's financial statements using business strategy models
- To communicate with one another in order to accomplish their shared objectives
- Understand the business through financial information in terms of business strategy, management control, and shareholder accountability
- Make sense of the key measures of financial performance that reflect the market's assessment of a firm's past and expected future performance

WHO'S IT FOR?

- Division managers
- Advisors and consultants
- And others responsible for managing corporate financial resources

COURSE CONTENT

Part I: Financial Statements and Business Strategy

Strategic Profit Model: Margin Management

- Net sales
- Cost of sales
- Gross margin
- Operating expenses
- Interest expenses
- Other income/expenses
- Income before tax
- Provision for taxes
- Net income
- Net margin

Strategic Profit Model: Asset Management

- Current assets
- Productive assets
- Other assets
- Total assets
- Asset turnover
- Return on assets

Strategic Profit Model: Financial Management

- Financial leverage
- Total liabilities
- Shareholders' equity

Strategic Profit Model: Comprehensive Management

- Integrity of financial statements
- Shareholder accountability
- Report of independent auditors
- Return on assets
- Return on equity

Strategic Financing Model: Long-Term Investment & Financing

- Restructuring the balance sheet
- Management's contribution to financing the business
- Long-term investment
- External financing

Part II: Market Valuation and Business Strategy

Market Valuation: Market Performance Measures

- Market valuation and strategic profit model
- Price/earnings ratio
- Market/book ratios

Market Valuation: Long-Term Debt

- Debt and equity
- Market valuation of long-term debt

- Time value of money

Market Valuation: Common Stock

- Cost of equity
- Overall economy
- Stream of equity cash flows
- Present and future values

Market Valuation: Strategic Profit Model Revisited

- Management and market performance