

Value Creation

DAY 1

The Financial Economic Decision-Making

- The practice of financial/economic analysis
- The value-creating company
- Corporate value and shareholder value
- A dynamic perspective of business
- The agency problem and corporate governance
- Implications of agency problems for organisations

DAY 2

Assessment of Business Performance

- The nature of financial statements
- The context of financial analysis and decision-making
- Ratio analysis and business performance
- Management's point of view
- Owners' point of view
- Lenders' point of view
- Ratios as a system – pyramids of ratios
- Integration of financial performance analysis
- Economic value added (EVA)
- Predicting financial distress

DAY 3

Analysis of Investment Decisions

- Applying time-adjusted measures
- Net present value (NPV) and internal rate of return (IRR)
- Strategic perspective
- Refinements of investment analysis
- Equivalent annual cost (EAC)

- Modified internal rate of return (MIRR)
- Sensitivity analysis, scenario analysis, simulation, and NPV break-even

DAY 4

Projection of Financial Requirements

- Interrelationship of financial projections
- Operating budgets
- Standard costing and variance analysis
- Cash forecasts and cash budgets
- Sensitivity analysis
- Dynamics and growth of the business system
- Operating leverage
- Financial growth plans
- Financial modelling

DAY 5

New Integrated Performance Measurement Systems

- Beyond Budgeting: Integrating Financial and Pre-financial Information
- The Drivers of Value Creation
- The Balanced Scorecard
- Strategy Maps
- Integrated Reporting