

Advanced Budgeting & Forecasting (2 days)

Learn from industry experts with insights from years of practical experience!



Introduction

Recent events have caused many companies to re-examine the budgeting and forecasting models they use in their decision making processes to ensure they are up-to-date and incorporate the latest in budgeting and forecasting best practices.

Furthermore, many organisations see the current economic situation as an opportunity to expand their businesses by taking advantage of weaker competitors. To support all these decisions, sound budgeting and forecasting is essential.

This course provides delegates with an understanding of both the principles of budgeting and forecasting and the practical application of these to real-world situations through the use of Excel.

The course then builds upon the principles and practices learned to apply these to build sophisticated budgets and forecasts that are robust, flexible and user-friendly.

Potential Delegates

- CFO's
- Business unit & Departmental Managers
- Business & Financial Analysts
- Finance Managers & Financial Controllers
- Budgeting/Forecasting Managers
- Financial Advisors & Managers

Key Take Aways:

- CD full of practical templates, exercises & solutions, reference guides, add-ins plus other tools that can be used to efficiently build effective and robust budgets and forecasts.
- Experience in designing solutions to real-world challenges and incorporating current economic uncertainties.

Prerequisites

Delegates should be familiar with Excel and basic statistics (eg familiarity with range names, lookups, normal distribution, etc)

In this workshop you will learn:

- Ways to improve efficiencies in the budgeting and forecasting processes by gaining valuable skills in advanced Excel functions
- How to allow for uncertainty and model different business scenarios
- How to apply a sound methodology that will allow complex Budget and Forecast models that are flexible, robust and user-friendly
- Advanced ways of analyzing data to determine trends and using these to forecast future performance
- How to utilize external data to enhance the accuracy of forecasts
- Alternate budget methodologies and how to determine which methodology applies best in different situations
- Ways to use the advanced features of Excel to optimize models and achieve maximum efficiency within constraints

Benefits from attending this workshop:

- Discover a range of techniques to improve the usability and reliability of your budget and forecast models
- Learn how to integrate budgeting and forecasting and align these processes with your business strategy
- Create forecasts that properly incorporate imprecise data and allow for uncertainties
- Gain the confidence that comes from knowing that your budgets and forecasts are robust, accurate, and reliable

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Day One

Budgeting & Forecasting Re-cap

Overview of the budgeting process and model considerations:

- Types of budget models
- Short-term & long-term models
- Model design & planning
- Best practice design guidelines
- Budgeting vs forecasting

Activity 1: Identify Improvements

Attendees will work as a group to apply the knowledge learned to identify improvements to an existing model.

Planning the Model

Compare and contrast the different budgeting methods. Determine which model is best suited to various applications.

- Top down vs bottom up budget models
- Model development framework
- Zero-Based Budgeting & cost drivers
- Rolling (dynamic) Budgets
- Building flexibility into time series analysis
- Cash Budgeting
- Determination of Model and Forecast scope and time horizons

Activity 2: Excel Refresher

A recap of the most useful Excel functions used in building budgets and forecasts

Case Study: Identifying Cost & Revenue Drivers

Attendees will examine a company's accounts to identify the cost and revenue drivers that will be used in building the budget.

Activity 3: Building the Model

As attendees progress through the course, they will build a complete budget model. In this activity, attendees build time series and cost driver functionality.

Analyzing Historical Data

Learn advanced ways of analyzing historical data and using this to identify trends and forecast future performance.

- Extracting historical data from financial systems & using this to forecast results
- Recognizing patterns in financial data
- Using Exploratory Data Analysis tools in Excel
- Using Excel's tools to estimate future performance: regression analysis, trend analysis, future period prediction
- Techniques to allow for seasonality

Activity 4: Building the Model

Attendees extend their budget models to analyze historical data and develop predictions of future performance.

Day Two

Ensuring Integrity

Learn how to ensure the model's integrity is maintained such that any imbalances are detected quickly.

- Designing the model to incorporate integrity checks and balances
- Effective and efficient methods to ensure model integrity is maintained

Activity 5: Building the Model

Attendees extend their budget models to incorporate checks and balances, then present a summarized budget.

Sensitivity & Scenario Analysis

Learn how to sensitize inputs to allow for uncertainty, and learn how to incorporate multiple scenarios into budget models to provide flexibility.

- Performing Sensitivity Analysis
- Overview of Sensitivity Analysis
- Techniques to incorporate multiple "What-if" scenarios in models

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Activity 6: Building the Model

Attendees extend their budget models to allow for multiple scenarios and sensitivity analysis on key inputs.

Optimizing Budget Models

Learn how to use the advanced features of Excel to optimize results and achieve maximum efficiency within constraints.

- Different functions and techniques available to optimize models

Activity 7: Model Optimization

Attendees work through a practical example of using Excel's tools and functions to optimize models within various constraints.

Using Economic Data

Learn how to enhance budgets and forecasts by incorporating external data.

- Sources of external data
- Using external economic/industry data in models for top-down forecasting, and/or to validate the forecasts produced

Activity 8: Using Economic Data

Attendees use economic data to build a top-down budget model.

Model Automation

Discover a range of techniques to improve the usability of budget models:

- Building automation into models to provide a user-friendly interface and simplify model operation

Activity 9: Incorporating Automation

Attendees will build user-friendly controls into their budget models to improve usability.



Course Facilitator: Jeff Robson

Masters (Applied Finance & Investment), B.Comm (Accounting & Information Systems), Certified Information Systems Auditor (CISA), Fellow of the Financial Services Institute of Australasia (F Fin), Fellow of the Australian Institute of Management (FAIM), Member of the Australian Institute of Company Directors (MAICD), Microsoft Certified Excel Expert (MCEE)

Jeff is the Principal and Founding Director of Access Analytic, a specialist consultancy that specialises in financial modelling, forecasting, valuation, model auditing, and management reporting for clients worldwide.

He is known as "The Financial Modelling Guru" because of his extensive experience in financial modelling, forecasting, valuation, model auditing, and management reporting for clients throughout the world.

He is skilled in the development and maintenance of analytical tools and financial models for middle-market to large corporate transactions and clients, at all levels of complexity, in both domestic and international settings.

He has worked with companies such as Chevron, BankWest, Petronas, Rio Tinto, Glencore, KPMG, Grant Thornton and Toyota.

He provides training and financial modelling for companies throughout the world.

Before working with Access Analytic, Jeff spent 6 years working in the Corporate and IT Consulting divisions of a large, multi-national Chartered Accounting firm.

Jeff is the author of a number of white papers on financial modelling on subjects such as Financial Modelling Best Practices and Financial Model Auditing.

Earlier in his career, he spent five years in banking and finance.

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Recent Training Course Feedback

- “Very useful to develop modelling skills. Thanks!”
- “Excellent course content, very relevant to my work.”
- “Very well-taught and extremely relevant to practical job application.”
- “Very good course with very knowledgeable presenter. Excellent CD with good live examples.”
- “Highly recommended and very useful for the banking and finance industry.”
- “Very worthwhile, informative course. Very relevant in terms of my day-to-day work.”
- “Very good course with great mix of Excel and finance methodology.”

Continuing Education

This course provides 7.5 contact hours per day towards continuing education requirements.

Key Details

Smaller sizes are recommended to maximise the participants’ learning experience.

Comprehensive course notes plus a CD with an extensive collection of templates and worked examples are included.

Just call us on +61 8 6210 8500 and we’ll arrange everything!

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