

AMA-2218: Fundamentals of Finance and Accounting for Non-Financial Managers

Course Code: 2218

Duration: 2 days

Instructor-led Training (ILT) | Virtual Instructor-led Training (VILT)

OVERVIEW

Financial skills are fundamental to any managerial position. Learn how to think finance, and you'll expand your career opportunities. From accruals to write-offs to receivables and payables, this workshop shows non-financial managers the concepts, tools, and techniques that can help make each decision pay off—on the job and on the bottom line.

SKILLS COVERED

After taking this course, you should be able to:

- Interpret and respond appropriately to financial information
- Communicate your contribution to the bottom line
- Uncover drains on profitability
- Make smarter decisions that deliver higher profitability

WHO SHOULD ATTEND?

This program is designed for non-financial managers in every functional area of responsibility in all industries.

PRE-REQUISITES

2 video-based eLearning modules required before the seminar:

- Introduction to Accounting
- Introduction to Finance

MODULES

Module 1: Basic Accounting Concepts

- Understand the Importance of the Accounting Equation
- Understand the Significance of Generally Accepted Accounting Principles (GAAP)
- Understand the Accrual Process
- Understand the Difference Between Accounting Profit and Cash Flow

Module 2: How Accounting Works and Understanding Financial Statements

- Understand the Purpose of and Terminology Associated with the Income Statement or Profit and Loss Statement (P&L), Balance Sheet, Statement of Retained Earnings, and Cash Flow Statement
- Prepare a Simple Set of Financial Statements
- Understand the Accounting Process, from the Recording of Business Transactions to the Preparation of Financial Statements
- Understand How Various Business Transactions Affect the Financial Statements

Module 3: Reviewing an Annual Report

- Understand the Various Components of an Annual Report
- Know the Importance of Notes in Evaluating Financial Statements
- Understand the External Auditor's Role and the Significance of the Opinion Letter

Module 4: Evaluating a Company's Financial Statements

- Calculate the Key Financial Ratios Using the Financial Statements
- Use Financial Ratios to Evaluate an Organization's Liquidity, Leverage and Profitability; Performance Compared to Its Competitors; and Performance Compared with Budgeted Goals
- Identify Sources of Financial Information Beyond the Financial Statements
- Use the DuPont Formula to Evaluate Management Performance
- Use the Concept of Economic Value Added (EVA®) and Cash Flow Return on Investment (CFROI) to Determine If a Segment of an Organization Is Adding Value to the Business

Module 5: Improving Profitability Through Cost Analysis and Profit Planning

- Differentiate Between Fixed and Variable Costs
- Help Your Organization Improve Profitability Through the Use of Breakeven Analysis, Contribution Margin Analysis, and Direct Costing in Appropriate Situations
- Understand Traditional Cost Accounting and Its Limitations
- Understand the Relevance of Activity-Based Costing in Today's Business Environment

Module 6: Applying the Results

- Define the Capital Budget
- Understand Why Cash Has a Time Value
- Recognize and Apply Different Methods of Evaluating Capital Expenditures and Monitoring Project Performance

Module 7: Budgeting More Effectively

- Understand the Role of Budgeting and Issues That Budgets Can Solve
- Understand the Budgeting Process
- Identify Different Types of Budgeting Systems in Use Today
- Analyze Budgets for Different Purposes
- Recognize and Apply Different Methods of Evaluating and Monitoring Operating Performance

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