

Planning, Budgeting and Cost Control

Duration: 3 days

The Planning, Budgeting and Cost Control course is designed to assist delegates to improve their performance, and that of the organisation they represent, through a greater understanding of planning and control procedures.

Combining traditional practices with modern management ideas, the course will equip delegates with the financial skills and techniques required to put into force a cohesive and cost-effective business model based on the effective implementation of strategic plans at operational level.

A combination of lectures and tutor-led discussion topics, supplemented by practical exercises and case studies

Who should attend this course?

The course will be of particular interest to directors and senior managers with responsibility for setting and implementing strategy, and middle managers and team leaders with budgetary responsibilities. It is suitable for representatives from all functions.

Course Objectives

- To provide an insight into the concepts of financial planning and control
- To assist delegates to improve implementation of strategic objectives
- To highlight the need to integrate operational planning and control procedures
- To improve performance through enhanced planning and forecasting
- To examine issues relating to budgetary control
- To explore alternative costing systems and methods

On completion of the course, delegates will:

- Understand the importance of planning if an organisation is to maximise its potential in terms of profitability
- Recognise the significance of effective co-ordination and communication in both the planning and control phases of the cycle
- Be able to identify opportunities for profit enhancement through improved cost control
- Possess the skills required to implement an effective budgetary control system
- Have gained an insight into modern management techniques, such as Activity Based Costing and the Balanced Scorecard
- Be inspired to implement new thinking and ideas to improve business performance

Course Outline

Day 1

Introduction course aims and objectives

- Setting Financial Objectives
- Integrating Planning and Control within Organisations
- The Concept and Nature of Cost

The Planning Process

- Defining Strategy
- Building a Strategic Planning Model
- SWOT Analysis
- Scenario Planning
- Developing Forecasts
- Undertaking Sensitivity Analysis
- Gap Analysis
- Case Study - Planning for Growth

Day 2

Budgetary Control

- The Purpose of Budgetary Control
- Establishing a Budgetary Control System
- Budget Timetables and Working Papers
- Responsibility Accounting
- Designing Management Reports
- Behavioural Issues
- Zero Based Budgeting
- Case Study Designing a Budgetary Control System

Activity Based Costing

- Activity Based Costing or Activity Based Management?
- The ABC Philosophy
- Calculating Product Costs under an ABC System

Day 3

Activity Based Costing (continued)

- ABC versus Standard Costing
- Advantages and Disadvantages of ABC
- Implementing an ABC System

Cost Control

- Resource Planning
- Using Key Performance Indicators
- Variance Reporting
- Identifying 'hidden costs'
- Making the most of Breakeven Analysis
- Case Study – Improving Business Performance through Effective Cost Control

The Balanced Scorecard

- Introducing the Scorecard
- Beyond the Financial Perspective
- Customizing the Scorecard

Course Review