

# Essentials of Corporate Finance

## INTRODUCTION

- This Essentials of Corporate Finance training course is focusing on the knowledge and skills necessary for making sound financial decisions in today's dynamic world. Making a sound financial decision requires skills and understanding of the underlying problem. All businesses are becoming more complex in structure due to rapid changes in technology, intense competition, and challenging strategic choices. A company's relationships with potential investors and partners are now becoming more demanding than ever. Hence, the managers are required to be fully equipped with a higher standard of appraisal and a greater focus on value creation than has been the case in the past.
- Likewise, it aims to equip the participants with the knowledge and skills ready to deal with day to day challenges facing an organisation. The skills and decisions which will enable to remain competitive, analysing competitor's actions, minimise costs, maximise revenues, and mitigate or control business risk associated with uncertainty.

This training course will highlight:

- How to finance the business using various sources available?
- Assessment of the most effective source of funding
- Understanding the financing decisions of the most successful companies around the globe
- Evaluating potential projects using the latest techniques
- An insight of various techniques used in a very volatile market condition
- How to minimise risks using the latest methods and ability to identify the best technique suitable for your business?

## OBJECTIVES

- Make (and/or) contribute to strategic financial decisions
- Evaluate the most efficient finance options available
- Analyse capital investment and financing decisions using appropriate discount rates
- Use the consistent application of Payback, ARR, NPV, Discounted Payback, IRR and MIRR using Excel® and provide recommendations for action
- Identify the key success factors / critical factors, investment opportunities and threats within their sector
- Make decisions in a competitive environment

## TRAINING METHODOLOGY

- This Essentials of Corporate Finance training course will involve formal lectures, demonstration of finance, and Budgeting techniques. They will be conducted along workshop principles using case studies and interactive worked examples. The participants will be actively engaged, individually, and as part of a group, in the analysis and evaluation of case studies, simulation, and discussions. They will be given a detailed set of handouts and examples of various software that will enable you to review the topics covered later. The participants will have the opportunity to analyse the company of their choice and make informed recommendations on the performance of the company.

## ORGANISATIONAL IMPACT

This Essentials of Corporate Finance training course is very interactive, and the organisation will benefit the following:

- The opportunity to be able to analyse various business problems
- Ability to evaluate various courses of action and make sound recommendations for action using the latest techniques and leading software such as Excel
- New skills will help to make more informed and hence better management decisions
- Exposure to different techniques and efficiently manage and control everything from cash to capital investment
- Apply different financial skills and analysis techniques in the workstation
- The knowledge gained can be shared amongst other departments of the company

## PERSONAL IMPACT

The impact of this training course to the participants are manifold and includes:

- Able to further improve the professional skills
- Well-informed and better financial decisions using various models and software
- Enhanced financial and decision-making skills
- Liaise effectively with other departments on planning, forecasting, budgeting matters, financial and investment analysis
- Ability to assess critically the techniques used by the company and propose alternatives techniques
- Ability to contribute effectively to your organization's goals

## WHO SHOULD ATTEND?

This training course is essential for any business which will be of benefit to a wide range of the participants and as such is aimed at:

- Financial Managers
- Corporate Decision-makers
- Market Trends Specialist
- Risk and Return Analyst
- Merger and Acquisitions Specialists
- Auditors and Management Accountants
- Managers and those with financial responsibilities
- Professionals acting upon the financial decisions of others, who will gain an appreciation for decision-making thereby ensuring shared values within the organisation
- Analysts whose role involves evaluating and identifying market and competitive trends

## Course Outline

### Financial Management

- The Role & Scope of Corporate Financial Management
- Managing International Trade including:
- Methods of Payment such as Letters of Credit, Collections
- Benefits & Risks
- The Objective of the Organisation and Stakeholder's Needs
- The Financial Environment Post Banking Crisis
- Corporate Social Responsibility (CSR) and Corporate Governance

### The Financing Decision

- Long-Term Sources of Finance
- Types of Equity Capital
- Types of Debt
- The Optimum Capital Structure / Leverage – Equity or Debt?
- Weighted Cost of Capital (WACC) and The Capital Asset Pricing Model (CAPM)
- Calculating Your WACC and CAPM
- When & How to Use WACC and CAPM
- The Dividend Decision
- Short-Term Sources of Finance

## The Investment Decision

- Establishing the Forecast Cash Flows
- International Issues, e.g.
- Exchange Rate Risk
- Transfer Payments
- Evaluating the Capital Investment Decision using:
  - Payback
  - Accounting Rate of Return (ARR)
  - Net Present Value (NPV)
  - Internal Rate of Return (IRR)
- Analysing the Investment Decision using:
  - What if Analysis
  - Sensitivity Analysis
  - Simulation

## Risk and Treasury Management

- Identifying Financial Risks
- Internal (SWOT Analysis)
- External (PESTLE Analysis)
- Measuring Financial Risk
- Developing and Implementing a Risk Management Strategy
- Establishing a Treasury Department
- Treasury and Risk Management Techniques

## Corporate Strategy

- Corporate and Financial Strategy
- Growth Strategies
- Joint Ventures, Merger, & Acquisitions
- Valuation
- Risks & Benefits
- Financing a Merger or Acquisition
- Capital Reconstruction or Restructure