

COURSE OUTLINE

Budgeting and Costing for Decision Making

Who is it for?

This course is intended for current and future Managers and Team members who work in teams that are diverse in terms of culture and geography.

A large majority of companies have teams dispersed across countries, cultures and time zones. Many teams are also made up from a great variety of cultural, ethnic and business backgrounds. As a result, companies and employees face challenges such as building trust, organising tasks, bridging cultures and overcoming time differences. The quality of leadership and participation in virtual teams has become strategically important.

This course increases the capacity of the participants to build trust, cohesion and effectiveness in diverse teams.

- Engineers involved in preparing Projects' Budgeting & Costing.
- Engineers and Managers responsible for Project Cost Control.
- Managers who are presented with Budgets and Costs for review and/or approval.

What is it about?

This workshop aims to give delegates the opportunity to examine the various means to assess the operational and financial performance of their organisations as well as their competitors, suppliers and clients. Ensuring that the basics are in place, this workshop will quickly go on to look at some of the more advanced ratios for assessing the financial health of an organization – both from an internal perspective as well as an external 'asset valuation' perspective. We will consider industry specific ratios during the workshop and consider what information they tell us. Delegates are encouraged to bring with them the financial statements of their own organisations, their competitors, their suppliers and / or their clients to ensure that the concepts covered can be applied to their own specific companies.

What will it cover?

- Principles of Budgeting and Cost Control.
- Types of Budgets (Top – down, Bottom – up, Negotiated).
- Approaches to Budgeting.
- Budgeting and Costing Techniques.

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- Project Budgeting.
- Capital Expenditure Budgeting and Analysis.
- Cost Control and Management Budget Reports.
- Estimating techniques.
- Estimating the initial cost.
- Estimate for handling emergencies.
- Examine & assess creative steps to estimating.

What will I learn?

Upon successful completion of this course, the participant should be able to:

- Understand how the budget relates to the key financial statements: balance sheet, income statement, and cash flows.
- Prepare a budget consistent with the organization strategic plan.
- Understand appropriate estimation techniques in the development of revenue and expense budgets.
- Recognize all the appropriate costs to be included in a capital expenditure proposal.
- Analyse the management cost reports and take corrective action.
- Understand that the budgeting process always involves forecasting, the levels and type of resources needed to complete the project.
- Analyse the pre – estimating process & examining estimation process, which always has some level of uncertainty.
- Understand the need to eliminate systematic errors for making better estimates.