

# Corporate Finance Workshop

( 5 Days Training Course )



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## Why Attend

In today's turbulent business environment, successful finance professionals need to be well equipped to make increasingly complex and challenging operating, investing and financing decisions. Aggressive versus conservative financial management, overvaluation, undervaluation and raising finance are complicated, but in today's international marketplaces and constantly growing market competition, they are more challenging than ever. This corporate finance course will help you develop a strategic understanding of key financial decisions faced by organizations today.

## Course Methodology

The course uses a mix of interactive techniques, such as brief presentations by the consultant and the participants, case studies, and group exercises to apply the knowledge acquired throughout the course.

## Course Objectives

By the end of the course, participants will be able to:

Recognize the three pillars of corporate finance and distinguish between the different financing resources and investment opportunities

Interpret the cash conversion cycle and predict if the organization is collecting receivables as scheduled, managing inventory properly and settling payables as per market guidelines

Compute the weighted average cost of capital, examine the optimal capital structure and relate the company's dividend policy to its capital structure

Analyze capital investment decisions by applying payback, Net Present Value (NPV), discounted payback and Internal Rate of Return (IRR)

Employ diverse techniques in valuing equities using the income approach, market approach, residual income approach and asset based approach then make relevant investing and financing decisions

## Target Audience

Finance professionals, finance managers, corporate controllers, financial controllers, treasury professionals, chief accountants, accounting managers, senior accountants, banking professionals, investment professionals, research analysts and corporate business professionals.

## Target Competencies

Understanding operating, investing and financing decisions

Working capital management

Capital investments decision making

Calculating cost of capital

Setting dividend policy

Financial forecasting

Equity valuation

## Course Outline

Introduction to corporate finance.

Role and scope of corporate finance

Overview on operating decisions: managing current assets and current liabilities

Overview on investing decisions: opportunities and their benefits

Internal investments: replacement project, expansion projects, new products or markets

External investments: stocks, bonds, mergers and acquisitions

Overview on financing decisions: sources and their costs

Internal financing: preferred and common stocks

External financing: straight bonds, convertible bonds, sukuk, term loans and revolving lines of credit

Working capital and the financing decision

Deciding between liquidity versus profitability

Financing current assets: deciding between certainty and profitability

Working capital management styles: aggressive versus conservative

The cash conversion cycle

Cash management: accelerating collection and decelerating disbursements

Analyzing capital investment decisions

Know the 5 key principles in capital budgeting process

Building accurate cash flows forecasts for a correct conclusion

Calculating payback, NPV, discounted payback, and IRR using Excel

How to choose between projects with different useful lives

Capital rationing: allocating limited funds on available projects

Mistakes managers make when evaluating capital projects

Cost of capital and the optimal capital structure

The capital asset pricing model as a tool to calculate required return on equity

Choosing Beta: to identify project's sensitivity

Applying equity risk premium: to calculate return in excess of risk free rate

Calculating the correct Weighted Average Cost of Capital (WACC) for a project

Modigliani-Miller regarding capital structure

Calculating the optimal capital structure

Why company's actual structure fluctuates around its target capital structure

Factors that affect dividend policy

Methods of determining dividend policy:

Stable dividend policy: target dividend rate

Constant dividend rate

Residual dividend method

Effect on stock price after dividend declaration

## Course Outline

Financial forecasting, analysis and valuations

Understanding the business: Michael Porter's 5 elements

Revenue forecasting: bottom up versus top down

Techniques for forecasting costs and expenses

Approaches to balance sheet modeling

Methods for public equity valuation: the when and why!

Discounted dividend valuation

Estimating the growth rate

Free cash flow valuation: free cash flow to firm and free cash flow to equity

Market based valuation: price and enterprise value multiples

Valuation conclusion used for investing decisions: invest in undervalued equities

Valuation conclusion used for financing decisions: issue your overvalued equities

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Typical interventions are to accelerate performance, execute strategy and embed capability and change. Our programmes are part of the core curriculum in many of our client's corporate universities, and our leadership development programmes have over 300,000 executive alumni. Methodologies are based on more than 100 corporate turnarounds and performance acceleration assignments in FTSE 100 and Fortune 500 companies. Austria, Belgium, Brazil, Canada, China, Colombia, Denmark, Finland, France, Germany, Italy, Mexico, Norway, Poland, Portugal, Russia, Serbia, South Africa, Spain, Sweden, The Netherlands, UK, Uruguay, and the USA.

