

## **FINANCE FOR NON-FINANCIAL MANAGERS**

<b>Unit Standard</b>	<b>117156 / 115821 / 15236 / 242810</b>
<b>NQF</b>	<b>Level 4-5</b>
<b>Credits</b>	<b>18</b>
<b>Duration</b>	<b>2 Days</b>
<b>Organisational Area</b>	<b>Team Leaders and Management</b>

### **SYNOPSIS**

Many managers find themselves thrust into financial situations with little or no preparation. They're faced with confusing accounting terms, the responsibility of putting together a budget, and the fear of making major decisions that will have a serious financial impact on their company.

In addition, if you don't have training or a background in finances, you may be at a disadvantage as you sit around the management table. When important financial terms come up at a meeting, you want to be able to contribute, not just sit there and nod blankly.

Understanding the cycle of finance will help you figure out where you fit into your company's financial structure and how to keep your department out of the red. This two-day course will familiarise you with the key concepts of finance and accounting and help you prepare budgets and make decisions with more confidence.

### **COURSE OUTLINE**

- Basic principles of accounting & financial reporting;
- How to read and interpret an income statement and balance sheet;
- Compiling a personal assets and liabilities statement;
- Personal finance in planning and preparing a personal budget;
- Using the evidence in financial statements to make a financial decision;
- How to use financial ratios and comparative data to analyse performance;
- Predictive financial metrics;
- Cash flow management;
- Sources of capital and how to fund a growing business;
- Financial reporting/project management systems;
- Basics of open book management & incentive compensation;
- Usage of Excel 2007/2010 as an effective budgeting tool.

## **COURSE OUTCOMES**

Upon successful completion of this course learners will be able to:

- Comprehend the history and basics of double entry accounting;
- Distinguish between cash and accrual basis;
- Explain the basic chart of account for a design firm;
- Construct an income statement, balance sheet and statement of cash flows;
- Calculate important industry financial ratios;
- Put those metrics into context by benchmarking them against industry statistics;
- Interpret the metrics and relate them to the activity within the business;
- Use forward looking metrics to proactively manage business;
- Synthesise learned concepts in a group case study;
- Recognise the importance of cash flow management;
- Explaining the concept of budgeting pertinent to an area of responsibility;
- Determining the elements of a budget relevant to an area of responsibility;
- Understand personal finance in knowing how to plan and prepare a personal budget;
- Monitoring and controlling actual expenses (and revenue), against projected budget;
- Distinguish between factors that contribute or detract from positive cash flow;
- Identify several methods for reducing accounts receivable collection time;
- Identify basic sources of capital a business can employ;
- List comparative business costs and risks.
- Describe the optimal capital structure for an A/E or environmental consulting firm;
- Differentiate between the various project-based accounting software systems currently available to the industry;
- Select the appropriate system for a firm;
- Identify basic functionality and reports that can be expected from a system;
- Describe open book management and state why it should be practiced;
- Explain the nature of information that should be reported, in what form, and to whom;
- Identify the latest trends in incentive compensation;
- Identify various forms of incentive compensation and their pros and cons;
- Use Excel 2007/2010 as an effective budgeting tool.