



STRATEGIC BUSINESS & FINANCIAL ANALYSIS

OCTOBER 15th -19th 2007

35 HOURS OF CONTINUING PROFESSIONAL DEVELOPMENT

Introduction

Strategic business analysis is about understanding of a business's position and the influence of external factors as well as internal factors on the business. It then requires evaluation of the options for creating shareholder value and analysis of the impact of those options on the business. Good business strategists start with an understanding of the vision and the position of business given this vision, using financial analysis. A good strategist therefore must have a strong foundation in financial analysis.

Objective

The objectives of this seminar are to equip participants with the knowledge required to apply the latest financial analysis and forecasting techniques to business strategy analysis and decision making. Participants will learn to:

- **Identify and evaluate key business and environmental risks**
- **Perform advanced company analysis including cashflow and shareholder value analysis**
- **Assess business performance through the analysis of financial statements**
- **Perform an appraisal of a company's strategy and develop alternative strategic options.**

Target

- Senior Corporate Management of any discipline requiring a better understanding of business behaviour and strategic development
- Bankers requiring improved analytical skills and understanding of business
- Investment Fund and Venture Capital Managers
- Corporate Financiers particularly those responsible for origination
- Economists
- Accountants, lawyers, management and business consultants
- Investment Banking, Credit, Financial Control and
- Strategy & Development Staff

Course Outline

A **5-day** course providing a comprehensive framework for strategic business & financial analysis

DAY 1:

BUSINESS ANALYSIS AND APPRAISAL OF STRATEGIC DIRECTION

- Back to basics
- Review conventional approaches to analysis
- Examine components involved in comprehensive business evaluation
- Establish the key drivers, both external and internal, which create the business strategy and recognise the effects on cycles for different industries.

ENVIRONMENTAL ANALYSIS

Examine the key risk areas today

- Social
- Political
- Economic
 - China/India/Russia/Brazil
- Technological
- Authority
- Terrorism
- Ecology

Industry audit

- Evaluating the key factors, which drive an industry
- Recognising strategic groups
- Adopting the correct strategy given the strategic grouping
- Examine the key success factors for an industry

CASE STUDY

Carry out an industry audit and evaluate the key success factors for two companies.

Life cycles

- Examining the five forces across industries and establish defence strategies, relative to life cycles
- The effect on the five “p’s” of life cycle position
- Regeneration
- Linkage with the environment and economic cycles

DAY 2:

PORTER’S FIVE FORCES

The importance of using the forces in an analytical environment

- What makes a “good” industry
- What makes a “difficult” industry
- Industry determinants
- Asset structures
- Margins
- Funding sources

The corporate – overview

- Consider the internal and external pressure on a business
- Recognise the importance of vision and leadership
- Leadership
- The world turned upside down
- Visions and missions
- Styles

Management

- Levels and skill base required
- Structures
- Adding value

CASE STUDY

Assess the quality of management in a company. Examine how the management has acted to add value in short and long term. Identify further strategies to add value.

Information needs

- How to get & manage the information you need to make a constructive analysis
- Sources
- SWOT analysis

CASE STUDY

Use this information and the business audit to formulate a more appropriate strategic direction for a company.

DAY 3:

Product/ Service

- Building strategies
- Life cycle
- Brand
- Mix
- Supply chain
- Value added
- Customer risk

CASE STUDY

Working with published financial information – a structured approach to company analysis of a company.

ANALYSING FINANCIAL STATEMENTS

Profit analysis – the essentials

- Examining the profit & loss account (income statement)
- What is profit?

- Manipulating profit to the detriment of the balance sheet
- Improving the quality of published financial statements
- Analysis of business unit performance
- Asset and financing structures

CASE STUDY

Analyse the performance of a company using profit & loss account and balance sheet analysis.

Accounting for cash

- Importance of cash and cash flow
- Relationship between profit and cash
- Preparing and using cash flow statement & analysis to identify a company's position
- Cash generators & cash uses

CASE STUDY

Using a company to demonstrate the power of cashflow analysis and its advantages over more conventional methods.

Comparative and peer group analysis

- How to work out where you are in relation to your peers using financial tools

CASE STUDY

Complete the analysis of a company by evaluating its performance relative to the standards provided.

DAY 4:

Analysing, interpreting and evaluating company reports

- The importance of working capital management
- Credit analysis

- Trends in performance indicators
- Predicting risk of default or bankruptcy

Equity analysis

- Introduction to models for valuing companies
- Value drivers, historical analysis and the forecasting of future financial performance

CASE STUDY

Participants use manual or computer methods to forecast the earnings and cash flow of a company.

How to calculate a short-term share valuation.

Company visits and report preparation

- Know the questions to ask on visits
- Understand what makes a report work and hold the reader's attention

Financial analysis – a managerial perspective of value based management

- Cost-volume-profit analysis, break-even points, and margins of safety
- Cost determination
- Efficiency

CASE STUDY

Calculate the break-even point and margin of safety for a company.

Structured financial analysis

- Using the forecast to identify the free cash flow
- Dealing with the terminal value
- Completing the valuation

DAY 5:

STRATEGIC ANALYSIS – A MANAGERIAL

PERSPECTIVE

Strategic position and action evaluation

- Indicators
- Direction
- Past
- Present
- Future

CASE STUDY

Strategic positioning linked to SPACE for a company.

BRINGING IT TOGETHER FULL STRUCTURED RISK ANALYSIS AND FORECASTING FINANCIAL STATEMENTS

Risk analysis

- Environment
- Industry
- Management
- Business
- Financial
- Cash flow

CASE STUDY

Comprehensive analysis and report on a multinational, multi-segmental corporate. Analyse the company's financial statements and prepare a multi-year forecast.

Perform appraisal of strategic direction for a Company. Develop alternative strategic options, which could create shareholder value.

Participants will provide insights to the company's future prospects and its cash flows over time. Review subsequent performance and assess the value and effectiveness of the techniques employed.



THE FACILITATOR:

TOM LAWTON
ACIB

Tom Lawton is a highly experienced programme director and trainer who specialises in running credit risk and banking strategy and marketing seminars. The majority of his career was spent with Barclays and standard chartered bank between 1974 and 1989 working predominantly in lending, marketing and training both at branch and head office.

He is a visiting fellow at the Manchester business school and his client list extends over Asia, Europe, Africa and the united kingdom providing lending courses to major banks in these areas – Bank of Ireland, Bank of Scotland, ING bank, Citibank Sri Lanka, National Bank of Kenya, National Bank of Dubai etc.

He established his own business in 1989, specializing in providing practical solutions to Strategic and Credit issues for financial institutions globally. Tom has designed and run training courses in Credit Analysis, Business Strategy, Strategic Planning and Implementation, Bank Analysis, Relationship Management and Negotiation Skills. In 1998 in conjunction with PW Computing Ltd he assisted in the design and creation of a financial analysis expert system. By using associates with over a hundred years banking experience the design team developed FinAleS which as well as being an expert system is also a training aid and assists with enhancing customer relationships. The FinAleS system is currently being used or under pilot in banks in UK, Ireland, UAE, Sri Lanka and Africa.

Tom has run programmes all over the world, tutoring more than seven thousand participants, from over one hundred different nationalities on four continents. In May 2006 he completed his two hundredth course in Africa.



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(OCTOBER 15th -19th, 2007)
8:00am-4:00pm

REGISTRATION FORM

NAME:

JOB TITLE:

COMPANY NAME:

COMPANY ADDRESS:

PHONE:

FAX NO:

E-MAIL ADDRESS:

SIGNATURE:

COURSE PRICE: US\$1680.00 + 15% VAT or US\$1,932.00 VAT Inclusive

This covers the cost of tuition, course materials, lunch and refreshments.

In order to ensure that you have a booked place, you must complete and sign the registration form signifying your confirmed attendance at the above seminar and payment in full.

CANCELLATION POLICY

A participant's cancellation is in effect immediately upon notice to CDN without penalty on or before **Monday 8th October 2007**. A cancellation fee of 50% is applicable after this date.

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