

Hands-on course , 3  
day(s)  
Ref : BUG

## Participants

Management controllers,  
financial and administrative  
officers, accounting  
managers, all employees  
involved in creating and  
tracking budgets.

## Pre-requisites

Be a manager or future  
operational manager

## Next sessions

# Building, negotiating, and tracking your budget

*This course will enable you to identify and manage the steps and methods of budgeting. You'll learn how to build, approve, and track your budget and advise operational staff about what to do in the event of deviations.*

## OBJECTIVES

Integrate your own unit's budgeting process into your company's.  
Create operating, capital, and summary budgets.  
Determine a cash flow balance and create a provisional profit and loss account.  
Make any budgetary adjustments, trade-offs, and corrections  
Control your budget, analyze and correct any deviations

1) Placing the budget tool in the context of the company's information system.

2) Understanding the structure of the budget

3) Approving your budget

4) Tracking and controlling your budget

5) Setting up a client/supplier relationship with operational staff

## 1) Placing the budget tool in the context of the company's information system.

- Management control process
- Different planning horizons.
- How budget controls are organized.
- The annual budget: A performance management tool.

### Workshop

*Individual brainstorming session: Describe how your company's budget process is organized.*

## 2) Understanding the structure of the budget

- Budgeting prerequisites.
- The steps and players in the budgeting procedure.
- The budget creation diagram.
- Operating budgets: Sales, production, procurement, payroll, support functions.
- The provisional profit and loss account.
- Capital budgets: List and rank capital investments, commitments.
- Summary budgets: Cash budget, provisional balance sheet and cash flow, financing plan.

### Workshop

*Create a provisional balance sheet and determine a cash flow balance.*

## 3) Approving your budget

- Knowing how to negotiate and sell your budget: The five key success factors.
- How can you argue for your action plans and earn support for them?
- Budgetary consolidation
- Budget adjustments and arbitration.
- Month-to-month budgeting.

### Workshop

*Using a pre-written budget, present and argue for your action plans.*

## 4) Tracking and controlling your budget

- The fundamentals of budget control.
- Prerequisites for deviation analysis.
- The notion of flexible budgets.
- Knowing the main deviations: Quantity, price.
- Standard costs. Different types of costing to opt for.
- Deviation analysis: Deviations in turnover, in direct or indirect costs, in return.
- Putting corrective actions in place.

### Workshop

*Calculate and interpret the budget deviations.*

## 5) Setting up a client/supplier relationship with operational staff

- Confirming the observed deviations.
- Creating a budget re-forecast or re-estimate.

### Workshop

*Based on the observed deviations, propose corrective action plans.*