Learning Objective:

After completing this course, you should be able to:

1. Recognize how costs and revenues affect Cost-Volume-Profit (CVP) analysis.
2. Compute break-even levels for various scenarios.
3. Recognize the margin of safety and cash break-even point.
4. Recognize the time value of money and how it affects financial decisions.
5. Calculate the present value of future payments.
6. Recognize the purpose and use of the capital budget.
7. Calculate investment payback periods.
8. Recognize the use for the internal rate of return (IRR) calculations.
9. Identify the best methods for making long-range investment decisions.
10. Recognize a comprehensive set of financial ratios and interpret them.
11. Recognize the operating cycle of a business.
12. Recognize different characteristics relating to a firm's quality of earnings.
13. Identify the relationships between auditing and internal controls.
14. Recognize why standard costing is important it is for managerial control.
15. Distinguish among three types of responsibility centers and how they are evaluated.
16. Calculate different types of variances for manufacturing costs.
17. Recognize the managerial significance of these variances.
18. Identify the need for a flexible budget.
19. Recognize how to calculate different variances for the price, volume, and sales mix.
20. Compute return on investment (ROI) by means of the Du Pont formula and show how changes in sales, expenses, and assets affect the investment center's performance.
21. Calculate the residual income (RI) and profit margin based on ROI.
22. Identify how ROI and RI measures affect the division's investment decision.
23. Recognize aspects affecting cash management and working capital.
24. Recognize ways to improve profitability by changes to accounts receivable.
25. Identify how changes in inventory carrying costs affect the organization.
26. Recognize accounting aspects and terms for an investment portfolio.
27. Identify ways to compare risk versus return.
28. Recognize tools for fundamental and technical analysis.
29. Recognize the benefits of portfolio theory with regard to investment decisions.
30. Compute the cost of capital.
31. Distinguish between short-term, intermediate-term, and long-term financing sources
32. Identify different types of mergers.
33. Recognize ways to acquire another business.
34. Recognize the objectives of forecasts.
35. Identify different types of qualitative and quantitative forecasting methods.
36. Recognize quantitative forecasting models and techniques.
37. Recognize assumptions of forecasting with the percent-of-sales method.
38. Identify major steps in budgeting and financial planning.

39. Identify the requirements of zero-base budgeting.
40. Recognize the value of the Lagged Regression Approach and Markov model in evaluating collection and bad debt.
41. Identify reasons for corporate modeling
42. Recognize components of an integrated planning model
43. Recognize the application and uses of financial models.
44. Recognize techniques for optimization including linear programming
45. Differentiate between methods of optimization
46. Recognize the disadvantages of optimization models
47. Recognize uses and variables for the bankruptcy prediction model
48. Identify the purpose of executive management games.