



**THE ARC TRAINING GROUP**  
 A Division of The ARC Consulting Group, Inc.  
 A Profit Enhancement Firm  
 Providing Educational and Consultative Services to the  
 International Business Community

## SEMINAR FACT SHEET

### FINANCIAL MODELING AND FORECASTING USING EXCEL® COURSE NO. 011

**SEMINAR OVERVIEW**

The development of effective and realistic financial models and forecasts is a critical tool in today's value-driven organization. As shareholders are increasingly concerned with the value of their investments, they continually drive our organizations to ensure the optimum use of resources. Using Excel®, the Financial Modeling and Forecasting process provides an effective tool with which the you and project the potential outcomes of various strategic and tactical initiatives. The ability to answer the question "What are the potential results?" is key and critical. Forecasting models empower managers and process owners to "Walk the Walk" prior to any significant investment of corporate resources.

**WHO SHOULD ATTEND**

Financial professionals, internal auditors, operational process owners, business management professionals, project managers, Marketing and Sales Professionals, R&D managers, and anyone tasked with the effective and efficient management of a decision-making process and want to more effectively use Excel® and an analytical tool.

AUDIT PROFESSIONALS	FINANCIAL PROFESSIONALS	TECHNICAL PROFESSIONALS	OPERATIONAL PROFESSIONALS	STRATEGIC MANAGEMENT
■ Staff	■ Staff	■ I / T	■ Supervisors	■ Managers
■ Seniors	■ Controllers	■ Engineers	■ Team Leaders	■ Directors
■ Managers	■ Directors	■ Proj. Managers	■ Managers	■ Vice Presidents
■ Directors	■ VP's & CFO's	■ ISO & Quality	■ Plant Managers	■ CEO's

**WHAT WILL BE COVERED**

Using Excel®, you will learn how to calculate the impact time has on future cash flows, how to project the benefit of capital projects, make lease vs. buy decisions, determine the cost of capital, and project EVA®. Also, using Excel®, you will learn how to evaluate organizations with which you are planning to do business; determine if they are able to provide strategic strength to your company. Participants will be provided Excel® templates for use during this session, and when they return to their organizations.

**SPECIAL FEATURE:** You can tailor this program by using your companies' financials, financial of key suppliers or customers, or any organization you choose in lieu of the standard case study provided with the materials at no additional charge. ARC will gladly modify this program **AT NO COST** to ensure your team receives the best educational experience possible.

**HOW YOU WILL BENEFIT**

Here is your opportunity to sharpen your analytical abilities for more profitable decision making. This comprehensive three-day "Hands-On" program walks you through the modeling process from start to

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finish. It provides practical examples and applications of modeling for both strategic and tactical executives.

At the end of this session, you will:

- Understand the significance of proper formulation and interpretation of models
- Apply statistical tools such as Exponential Smoothing, Regression, and Seasonality
- Translate specific business challenges into logically structured mathematical models
- Get the most from your software investment by creating more powerful models in less time
- Learn how to use Excel® tools such as Solver, Goal Seeker, Scenario, and Spreadsheet Auditor
- Use Pivot Tables to quickly develop reports
- Analyze time series data and develop relationships using exponential smoothing and regression analysis techniques
- Draw more realistic conclusions from the results of your models
- Be able to determine product mix to optimize profits
- Simulate the potential return on new capital investments
- Project the probability of processes running within budget
- Develop models to support product pricing and/or product continuance
- Design budget models for departments, divisions, processes, or other entities

### PROGRAM AGENDA

#### DAY ONE:

##### MODELS IN TODAY'S INTERNATIONAL ENVIRONMENT

- Organizational Planning Framework
- The Product / Information / Decision Support Cycle
- Strategic, Tactical, and Operational Forecasts
- The recognition of risk in forecasts
- Situations that require models
- Models and Shareholder Value (EVA®)

##### CLASSIFICATIONS OF FINANCIAL MODELS

- Linking the Time Horizon of a Financial Model to Model Design
- Designing Models That Support Business Strategy Horizons.

##### STEPS IN BUILDING FINANCIAL MODELS

- The Nine-Step Model Development Framework
- The rules of strategic thinking
- Identification of Forecast Validation Criterion
- Determination of Model and Forecast Horizons
- Validation of Models and Forecasts
- **“Hands-on” Session**

#### DAY TWO:

##### THE ROLE OF ASSUMPTIONS IN FINANCIAL FORECASTING

- The assumption development process
- The key areas which require the development of assumptions
- The Eight Strategic Environments in developing assumptions
- The incorporation of Drivers, Dominos, and “Wild Cards” into assumptions
- Validation of assumptions

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### DECISION SUPPORT APPLICATIONS OF MODELING

- Capital Investment Decisions, Acquisitions, Divestitures and Lease v. Buy Decision
- Budgeting and Financing the Business
- Cash Management and Financing the Business
- Project Management and R&D Financing Decisions
- Break-even Analysis, Product Pricing, Product Continuance
- Pro Forma P & L, Consolidations, and Asset Redeployment Strategies

### EFFECTIVE MANAGEMENT OF HISTORICAL DATA USING EXCEL®

- Understanding the Approaches Used to Build Financial Forecasting Models
- Recognizing the Basic Patterns Inherent in Historical Data
- Using the Exploratory Data Analysis Tools Available in Excel®
- Key Factors in Determining the Proper Time Horizon to Choose for Your Model
- Determining Degrees of Reliability in Model Projections
- Selecting the Degree of Robustness and Sensitivity of the Model
- Understanding and Applying Selected Modeling Techniques
- **“Hands-on” Session**

### USE OF TIME SERIES ANALYSIS

- Development of Time Series Models using histograms, moving averages, exponential smoothing, and regression analysis
- Using Regression as a predictor and estimator
- Mastering the use of Exponential Smoothing as a Data Analysis tool
- Single Regression vs. Multiple Regression
- Validation of Time Series Analysis
- **“Hands-On” Session**

### OPTIMIZATION TECHNIQUES IN MODELS USING EXCEL®

- Basic Structure of All Optimization Models
- Different Forms and Applications of Optimization Models
- Developing a Financial Optimization Model
- Performing Sensitivity Analysis of an Optimization Model
- Interpreting the Solution of an Optimization Model to a Non-technical Manager.
- **”Hands-on” Session**

### DAY THREE:

#### SENSITIVITY ANALYSIS IN FINANCIAL MODELS USING EXCEL®

- Appreciate the Meaning and Importance of Sensitivity Analysis
- Developing “What-if” Scenarios in Your Financial or Operational Models
- Using the Excel tools “Scenario and Goal Seek”
- **“Hands-On” Session**

#### DETERMINATION OF BUSINESS TRENDS, CYCLES AND SEASONALITY

- Understanding the inter-relationship among trends, cycles and seasonality
- Use Excel® to calculate ,business trends, business cycles and the seasonality factor
- Using the seasonality factor in forecasting
- Using the seasonality factor in interpreting the forecast variances

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### PROBABILISTIC MODELS AND MONTE CARLO THEORY USING EXCEL® ADD-ONS

- Addressing Risk Assessment in Financial Models
- Benefits of Using Probabilistic Modeling
- Demonstration of Probabilistic Modeling

### COURSE SUMMARY AND WRAP-UP

This section provides you with the opportunity to address any specific issues with the total group as a resource, to review any specific issue or topic addressed in the program, or to just recap the benefits received from the program and the group as a whole.

### SEMINAR PRICING AND LOGISTICS

<b>Duration:</b> 3 Days	<b>Program Level:</b> Introductory
<b>Prerequisites:</b> None	<b>Advanced Preparation:</b> None
<b>Maximum Attendance:</b> 25	<b>CPE Hours:</b> 24
<b>Delivery Method:</b> Group Live	<b>Booking Instructions:</b> Call (904) 268-1148
<b>Our fees include all instructor travel, living and professional fees, and all participant materials. You are responsible for training facility, audio-visual requirements, and other creature comforts. For information regarding refund, complaint and program cancellation policies, please visit our website at <a href="http://www.arctraining.com">www.arctraining.com</a>, or call Kate Robbins at (904) 268-1148.</b>	
<b>For additional savings to your organization, invite participants from companies in your area who may also be interested in this program. The ARC Training Group places no restrictions on who you can ask to join your group.</b>	



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