Tel No:+97126654546 | Fax No:+97126654182 | Email: training@cmc-me.com | www.cmc-me.com



FM203:
Certificate in Cost Control & Revenue Management

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Training Description:

In an increasingly uncertain and competitive global economy, maintaining revenue performance while controlling costs has become a critical challenge for organisations. With limited opportunities to compete through price advantage, organisations must adopt disciplined approaches to cost management, operational efficiency and revenue optimisation to protect profitability and sustain long-term performance.

This comprehensive training course provides an in-depth understanding of **cost structures, cost components and cost behaviour**, while introducing contemporary approaches to **cost control, cost reduction and revenue optimisation**. Participants will explore how costs are identified, analysed and managed and how financial and operational information can be translated into effective management decisions.

The training course places strong emphasis on **practical application**, developing participants' capabilities in cost and revenue analysis, budgeting, forecasting, pricing decisions, variance analysis, break-even analysis and profitability assessment. Participants will also gain practical experience using **Excel-based financial models, analytical tools and management dashboards** to analyse financial performance, identify trends and support informed decision-making.

Through practical exercises, case studies, financial analysis and hands-on Excel applications, participants will develop the skills required to strengthen cost discipline, improve revenue performance, evaluate financial alternatives and contribute more effectively to organisational profitability.

Training Objectives:

By the end of the training, participants will be able to:

- ✓ Identify cost rationalisation and revenue optimisation opportunities
- ✓ Understand the nature and behaviour of cost and revenue and set practical targets for cost reduction and revenue optimisation
- ✓ Apply Excel-based tools to cost control and revenue management
- ✓ Analyse cost and revenue reports and their impact on financial statements
- ✓ Apply marginal costing, activity-based costing, break-even analysis and cost-based decision-making
- ✓ Use demand forecasting and time-series techniques to support revenue management
- ✓ Evaluate pricing methods, sales mix, profitability, price elasticity, willingness to pay and dynamic pricing
- ✓ Develop budgets, standards, rolling forecasts and variance analysis techniques
- ✓ Apply critical path and cost-duration trade-off concepts to project cost control
- ✓ Integrate cost control and revenue management through scenario analysis, sensitivity testing and modelling
- ✓ Design a practical cost control and revenue management dashboard

Training Designed for:

This training course is intended for General Managers, Financial Controllers, Budgeting Managers, Cost Managers, Business Development Managers, Business Planning Managers, Sales Managers, Production Managers, Business Unit Managers, Engineering Managers and Project Managers.

Prerequisite: A practical understanding of financial analysis fundamentals.

Training Requirement:

"Hand's on practical sessions, equipment and software will be applied during the course if required and as per the client's request."

Contents can be adapted to your specific wishes. It is therefore possible to focus on specific modules of the training course as per client's learning needs and objectives. Further, it should be forwarded to us a month prior to the course dates.

Training Program:

DAY ONE:

BUILDING BLOCKS OF COST STRUCTURE & COST-BASED DECISION-MAKING

- Cost Control and Revenue Management Framework
  - The role of cost control and revenue management in strategic decision-making
  - Linking cost management with profitability and business performance
  - Identifying controllable versus non-controllable costs
  - Cost rationalisation versus indiscriminate cost cutting
  - Identifying revenue optimisation opportunities
- Components of Cost
  - Material costs
  - Labour costs
  - Overhead costs
  - Direct and indirect costs
  - Cost behaviour and cost drivers
- Marginal Costing
  - Fixed costs
  - Variable costs
  - Semi-variable costs
  - Contribution and contribution margin
  - Segregating fixed and variable costs
- Cost-Based Decision-Making
  - Make-or-buy decisions
  - Relevant and irrelevant costs
  - Incremental and avoidable costs
  - Breakeven analysis
  - Determining the break-even point
  - Breakeven analysis and pricing
- Case Studies & Practical Exercises
  - Case study: How to cut costs and improve retention
  - Discussion: Cost structures in new economies
  - Exercise: Segregating fixed and variable costs
  - Exercise: Make-or-buy decision
  - Exercise: Charting a break-even analysis

DAY TWO:

ACTIVITY-BASED COSTING, FINANCIAL REPORTING & CAPITAL

- Activity-Based Costing (ABC)
  - Purpose and principles of activity-based costing
  - Components of activity costing
  - Identifying activities and cost drivers
  - Assigning overheads using activity drivers
  - Traditional costing versus activity-based costing
  - Time-based activity-based costing
- Cost and Revenue Reports for Decision-Making
  - Structure and interpretation of cost and revenue reports
  - Management reporting for decision-making
  - Impact of cost and revenue decisions on financial statements
  - Using profit and loss accounts for cost and revenue management
  - Using balance sheets for cost and revenue management
- Cost and Revenue Ratios
  - Computing cost-related ratios
  - Computing revenue-related ratios
  - Profitability indicators
  - Interpreting trends and identifying control opportunities
- Operating Cost Control Strategies
  - Where to control costs and where to increase revenue
  - Operational cost control techniques
  - Cost reduction targets
  - Protecting quality and business performance while reducing costs
- Cost of Capital & Working Capital
  - Long-term capital
  - Working capital
  - Cost of capital as a cost item
  - Cost of capital as a hurdle rate for investment decisions
  - Three working-capital cycles and their impact on cost control and revenue management
- Case Studies & Practical Exercises
  - Product pricing based on activity-based costing
  - Time-based activity-based costing
  - Computing cost and revenue-related ratios
  - Computing cost of capital

DAY THREE:

REVENUE FORECASTING, PRICING & REVENUE MANAGEMENT

- Demand Forecasting in Revenue Management
  - Role of demand forecasting
  - Techniques of revenue forecasting
  - Forecasting assumptions and data requirements
  - Exploratory analysis of time-series data
- Forecasting Techniques
  - Trend and trendlines

- Moving averages
- Smoothing techniques
- Exponential smoothing
- Use of regression techniques
- Interpreting forecast results

❖ Revenue Management and Pricing
- Pricing methods and strategies
- Cost-based, market-based and value-based pricing concepts
- Sales mix decisions
- Profitability analysis
- Price elasticity
- Willingness to pay
- Dynamic pricing

❖ Dynamic Revenue Optimisation
- Demand, capacity and pricing relationships
- Revenue optimisation opportunities
- Using market and demand information in pricing decisions
- Scenario-based pricing decisions

❖ Case Studies & Practical Exercises
- Case study: Dynamic pricing in the airlines industry
- Exercise: Trend and trendline analysis
- Exercise: Moving averages and smoothing
- Exercise: Regression-based forecasting
- Exercise: Sales mix and profitability analysis

DAY FOUR:

BUDGETS, STANDARDS, VARIANCE ANALYSIS & PROJECT COST CONTROL

❖ Budgets and Standards
- Purpose of budgets and standards
- Setting up a standard
- Designing budgets using standards
- Rolling forecasts
- Linking budgets to cost control and revenue targets

❖ Variance Analysis
- Standard versus actual performance
- Variance identification
- Interpreting favourable and adverse variances
- Root-cause analysis of variances
- Management action following variance analysis

❖ Variance Accounting Case Study
- Building a variance analysis
- Interpreting results
- Identifying operational and financial causes
- Developing corrective actions

❖ Critical Path Method
- Principles of the critical path method

- Activity duration and dependencies
- Computing the critical path
- Measurement of costs of alternatives
- Identification of the least-cost alternative

❖ Cost-Duration Trade-Off
- Activity duration and cost trade-off
- Project crashing
- Evaluating acceleration costs
- Balancing time, cost and operational constraints

❖ Practical Exercises
- Computing the critical path
- Project crash/crashing exercise
- Budget-versus-actual analysis
- Variance identification and corrective-action planning

DAY FIVE:

INTEGRATED COST & REVENUE MANAGEMENT, MODELLING & DASHBOARD DEVELOPMENT

❖ Scenario Analysis and Sensitivity Testing
- Purpose and application of scenario analysis
- Sensitivity testing of key cost and revenue drivers
- Best-case, base-case and alternative scenarios
- Assessing the effect of price, volume and cost changes
- Decision-making under uncertainty

❖ Modelling for Optimal Revenue Management and Cost Control
- Building integrated cost and revenue models
- Selecting key assumptions and drivers
- Linking operational variables to financial outcomes
- Optimising cost and revenue decisions
- Interpreting model outputs

❖ Integrating Cost Control and Revenue Management
- Aligning cost reduction with revenue growth
- Balancing cost, volume, price and profitability
- Integrated performance measures
- Identifying sustainable cost and revenue opportunities
- Management action plans

❖ Excel-Based Cost Control & Revenue Management Tools
- Structuring analytical worksheets
- Cost and revenue calculations
- Forecasting and variance analysis in Excel
- Scenario and sensitivity tools
- Charts and management reporting

❖ Cost Control & Revenue Management Dashboard
- Dashboard objectives and design principles
- Selecting KPIs
- Cost, revenue, margin and profitability indicators
- Budget-versus-actual reporting

- Trend and forecast indicators
- Presenting management insights clearly

❖ Final Practical Exercise / Integrated Case Study
- Develop an integrated cost and revenue management model
- Perform scenario and sensitivity testing
- Identify cost rationalisation opportunities
- Identify revenue optimisation opportunities
- Prepare a management dashboard
- Present recommendations and action plan

❖ Course Conclusion
❖ POST-ASSESSMENT and EVALUATION

Training Methodology:

This interactive training course includes the following training methodologies as a percentage of the total tuition hours:

- 30% Lectures, Concepts, Role Play
- 70% Workshops & Work Presentations, Techniques, Based on Case Studies & Practical Exercises, Gamification, Software & General Discussions
- Pre and Post Test

Training Certificate(s):

CMCT Internationally recognized certificate(s) will be issued to each participant who completed the course.

Training Fees:

TBA as per the course location - This rate includes participant's manual, hand-outs, buffet lunch, coffee/tea on arrival, morning & afternoon of each day.

Note: The 5% VAT (Value Added Tax), will be effective starting 01st of January 2018 as per the new regulation from the UAE Government. The VAT applies for all quotation both for local and abroad.

Training Timings:

Daily Timings:

07:45 - 08:00	Morning Coffee / Tea
08:00 - 10:00	First Session
10:00 - 10:20	Recess (Coffee/Tea/Snacks)
10:20 - 12:20	Second Session
12:20 - 13:00	Recess (Prayer Break & Lunch)
13:00 - 14:00	Last Session

For training registrations or in-house enquiries, please contact:

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