

Strategic Cost Management

General Objectives:

The general objective of this course is to equip participants with knowledge and techniques of costing, emphasizing the view of the business as a whole and its need to generate important results for the Company.

Specific Objectives:

At the end of the course trainees will be able to:

- Identify the various costing systems;
- Calculate the elements that constitute the cost of a product or service;
- Calculate the contribution margin of each product or product line of the company;
- Understand the operation of the activity-based costing method;
- Use cost information for decision making.

Recipients:

This course is aimed at professionals in the Operational, Financial and Management areas.

Duration:

24 Hours

Content Program:

Module I - Relevant Costs for Control and Decision Making.

- Purpose, planning and cost control;
- Main cost concepts: direct, indirect, fixed and variable;
- Costing methodologies - By cost centers and by activities.

Module II - Earnings Management for Analysis and Decision Making

- Income statement oriented to decision making;
- Application of the Contribution Margin concept;
- Fundamentals of the theory of constraints;

- Performance analysis by business segment;
- Accounting, economic and financial break-even point;
- Margin of safety and operating leverage.

Module III - Strategic Cost Management

- Fundamentals of strategic cost management;
- Strategic analysis versus traditional analysis;
- The value chain concept;
- Strategic positioning.

Module IV - The Activity Based Costing System

- Activity-based costing fundamentals The ABC methodology - basic concepts;
- Activity Based Costing;
- Activity Based Management (ABM) decision making process.