

# Texas Executive Education

The University of Texas at Austin **McCombs School of Business**

800.409.3932 |

ExecEd@mcombs.utexas.edu | [www.mcombs.utexas.edu/ExecEd](http://www.mcombs.utexas.edu/ExecEd)



## Financial Analysis & Measuring Business Performance

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**“Excellent class – loved the simulation!”**  
***Manager, Texas Instruments***

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To sustain profitability, all managers need to understand where value comes from in their firm. In this program, you will learn a systematic approach for analyzing financial statements and for evaluating the impact on profitability of a wide range of strategic decisions.

This program takes a broad look at finance. By examining the way investors view a company, you will gain an understanding of how management decisions translate into value for shareholders. You will evaluate the effect important measures such as pricing and cost containment, asset usage, financing structure and cost, and tax planning have on Return On Equity (ROE). The program provides answers to tactical questions such as: 1) should I offer early payment discounts to my customers; 2) should I place consigned inventory at my customers; 3) which customers are unprofitable; 4) how does off-balance sheet financing or leasing affect the financial ratios; and 5) how does outsourcing affect these ratios?

After a thorough explanation of the framework for evaluating the outcomes from these key decisions, you will have the opportunity to implement what you have learned in a comprehensive strategy simulation.

### Integrative Business Simulation

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The Business Simulation serves as an interactive case study where participants become the top corporate decision-makers of a high-tech manufacturing company and experience the challenges of a realistic business environment.

The simulation requires participants to make a rich set of managerial decisions involving competitive analysis and strategy formulation, marketing strategy, production planning, financial planning, pricing and promotion strategy, and operations and R&D decisions. The outcome is measured by the company's value at the end of the simulation. During the debriefing sessions, participants have the ability to analyze their results and understand how strategy affects their company's sales, profits, return on investment, and market value.

### Topics

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Measuring the effect on performance and ROE of:

- Receivables Policies
- Inventory Management
- Payables Policies
- Cash Conversion Cycle
- Business Valuation
- Use of Long-Term Assets
- Leverage
- Tax Planning

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## Key Benefits

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- Understand the key drivers of ROE
- Evaluate performance using financial ratio analysis
- Understand how investors view your company and calculate free cash flow
- Look into the effect of strategic decisions on ROE
- Assess the risk/return relationship
- Calculate the firm's sustainable growth rate and capital requirements
- Examine the value levers of the firm within the context of a Value Based Management system
- Integrating operating and investment strategies and their effects on the financial performance of the firm

## Faculty

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### Steven Limberg, Ph.D.

Dr. Limberg is the PricewaterhouseCoopers Centennial Professor in the Department of Accounting. He is also the faculty director of the Master in Professional Accounting Program and served as Department Chair between 1997 and 2003. Dr. Limberg joined the department in 1982 and teaches financial reporting and tax accounting. He has significant involvement in the development of innovative courses delivered at UT-Austin as well as internationally in, for example, China (Chinese University of Hong Kong), France (INSEAD and ESCP-EAP International School of Management), and Brazil (Fundação Getúlio Vargas, São Paulo).

### James A. Nolen, MBA

Distinguished Senior Lecturer, Department of Finance. Jim Nolen teaches graduate classes in Small Business Corporate Finance and Entrepreneurship. He teaches finance topics in the McCombs' D/FW and Mexico City Executive MBA programs. Mr. Nolen also lectures regularly in Executive Education's programs. Jim is president of CFO Services, a consulting firm specializing in business valuation, mergers and acquisitions, raising capital, and financial analysis and planning. Jim has taught for companies such as Shell Oil Company, Texas Instruments, Dell, Motorola, HB Zachry, USAA, State Farm Insurance, Essilor International and Vought Aircraft. He has been voted by the graduate students and the Graduate Business Council as the best professor at relating theory to practice for seven consecutive years.

## Registration and Fees

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The program fee includes materials, lunches and breaks. Registration is not complete until payment is received.

You may register on-line at [WWW.MCCOMBS.UTEXAS.EDU/EXECED](http://WWW.MCCOMBS.UTEXAS.EDU/EXECED)  
or call Texas Executive Education at 800.409.3932

For information on the cancellation and transfer policies: [WWW.MCCOMBS.UTEXAS.EDU/EXECED/REGISTER.ASP#CANCELLATION](http://WWW.MCCOMBS.UTEXAS.EDU/EXECED/REGISTER.ASP#CANCELLATION)

## Continuing Education Credits

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Participants earn 1.40 continuing education units (CEU) or 14 (CPE). There are no prerequisites for this program and a certificate of completion will be presented from Texas Executive Education.

## Schedule

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This two day program meets from 8:30 a.m. to 4:30 p.m. A schedule and campus map with location information will be sent approximately two weeks prior to the session with your paid registration. Payment guarantees your space.