

Specialist Course - Financial Management EVA

The following details a brief outline of the objective of the course, who should attend, general comments on the course, length of course, the course content and likely presenters.

Objective

To increase the awareness of EVA analysis with particular reference to evaluating business propositions against EVA and how these can be related to performance incentives.

Outcome

At the end of the course a successful participant will:

- Understand EVA and in particular the difference between orthodox accounting practice and EVA measurement of value;
- Understand how EVA can be used to assess the economic value added by a board and management in meeting or beating weighted average cost of capital; and,
- Be capable of making an active input into the development of board commercial strategy based on setting and achieving EVA objectives in Business Planning.

Who should attend?

Company Directors who are less financially literate and wish to improve their understanding of EVA in relation to Crown companies both in business planning and regulatory applications.

General Comments

There has been considerable discussion amongst Treasury as to the appropriateness or otherwise of adopting EVA for Crown companies. EVA is also frequently mooted as an appropriate regulatory measure in sectors where companies have significant market power. This course is targeted at increasing Directors understanding of EVA and how it may be used to maximise returns to the company.

Length of Course

Half day.

Content

Sessions will cover:

- EVA analysis and the difference between EVA and financial accounting and how EVA accounting can increase and improve the understanding of the impact of good propositions within an organisation.
- How EVA can be used as a regulatory benchmark and guide for meeting competition concerns.
- The course would also include one of the Government Crown Companies practicing EVA.