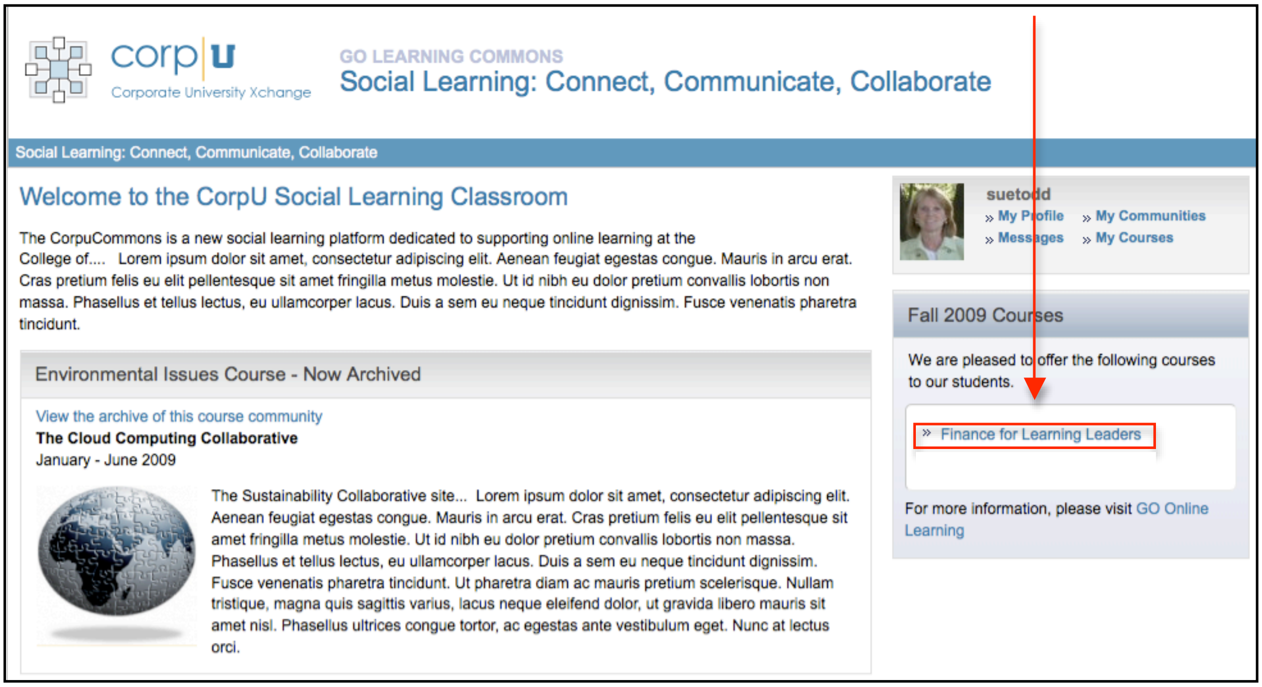
corp|U
Corporate University Xchange

Finance For Learning Leaders: Applying Financial Analysis to the Business of Corporate Learning

Course Syllabus

Pre-course Work

After receiving a user name, password, and website address to the CorpU Academy, please go to the site and log in. You can get to your course by clicking the link labeled Finance for Learning Leaders indicated in the red box below.



You also should have received a gift certificate to Amazon.com to purchase the textbooks for this course. The books we've selected are:

- The Wall Street MBA: http://www.amazon.com/dp/0071470085
- Finance for Non-Financial Managers: http://www.amazon.com/dp/0071413774

Please read chapters 1 and 2 of The Wall Street MBA prior to the course start date.

Course Overview Session – July 27

The course overview session familiarizes students with the CorpU Programs site, including how to find resources, how to interact with your instructor, how to hear lectures and complete assignments. The second half of the session will provide an overview of the course topics by your Program Leader/Facilitator, and will include suggestions about how you can make the most to get your real job assignments done during class.

Unit 1:
Financial Statements – The Balance Sheet

In this Unit, lectures will review:

* the difference between Accounting and Finance
* the elements of the Balance Sheet
* the most important indicators of a firm's financial health

The cohort will review the Balance Sheets of two Learning Management System companies – SABA and Sum Total to compare the financial health of those two firms: the capital invested, their M&A activities, shareholder's equity and debt levels. Since many companies serving the learning industry are private rather than public, the session also will teach students how to conduct due diligence on private firms by asking the right questions in Requests For Proposals (RFPs). This work prepares the class for Unit 2 where they'll receive a Due Diligence tool that provides built in analysis of important financial ratios.

Unit 2:
Financial Statements – The Income Statement and Statement of Cash Flows
(Cohort Receives and Learns to Use New Due Diligence Tool)

Lectures in this unit will focus on an organization's income statement and statement of cash flows. Students will learn about earnings, profitability, and how organizations recognize revenue. While Unit 1 discusses the health of an organization, Unit 2 dives deeper into a company's financial performance.

Lectures will compare two learning technology companies and two HR services firms to highlight how Research & Development (R&D), Mergers & Acquisitions, and market valuations differ across industries.

The lab in this Unit also provides a new Due Diligence tool with built in ratios that can help students easily compare the performance of one firm to another when they are evaluating, selecting and negotiating contracts with potential partners.

Unit 3:
Optimizing Your Budget

Unit 3 reviews the financial elements behind decisions learning leaders face to:
- conduct build vs. buy analysis,
- balance fixed versus variable costs through the effective use of partners
- analyze Return On Investment (ROI) to build business cases, improve the value of learning technologies and evaluate investments in learning programs.

Lectures also review principles of cash flow, and the best opportunities for learning leaders to directly impact company financial performance.

The cohort will begin to pull together planned and actual budget information in preparation for using a new budgeting tool in Unit 4. The tool, which includes many embedded financial calculations, allows students to easily analyze and chart budget activities.

Unit 4:
The Economy, Stock Prices and Your Budget
(Cohort Receives and Learns to Use Budgeting Tool With Built-in Financial Analysis to Capture and Chart Planned and Actual Costs and Budget Activities)

Lectures in this unit will provide an overview on the factors that establish a company's market valuation, and how investors estimate the organization's ability to earn future returns for shareholders. The cohort will learn why certain budgets are disproportionately slashed during difficult economic. The lab section for this Unit will provide the cohort with a new budgeting tool to map planned and actual activities. The tool includes built-in financial formulas and a powerful set of charts that learning leaders can share with senior executives.

Unit 5:
The Heavy Lifting in Finance

Unit 5 introduces more complex ideas about how to compute and Internal Rate of Return and payback period, the time value of money, and how to maximize the total return of the organization's total investment in learning. Lectures in this session will prepare the cohort to consider the portfolio of programs its offering and to begin to think about risk and return to achieve a balanced portfolio.

Unit 6:
Portfolio Management to Optimize Learning Investments

(Cohort Receives and Learns to Use Portfolio Management tool to illustrate risk and return across multiple planning scenarios for the organization's learning investments)

The final course module helps cohorts to master the principles of Portfolio Management to analyze and illustrate a variety of scenarios for the company's learning investments. Lectures will describe how to define the company's critical objectives, and to weight and rank the value of programs and activities. In the lab, the cohort will enter their own programs into a new Portfolio Management tool to see how each ranks in terms of value, risk, and importance. Charts produced by the Portfolio tool enables learning leaders to illustrate to senior leaders a variety of scenarios for spending the training budget.