# BUDGETING AND FORECASTING

# Budgeting and Forecasting

## Course Description:

This course provides an introduction to budgeting and forecasting for small and medium-sized businesses. Students will learn the fundamentals of budgeting, including developing a budget, monitoring budget performance, and making budget revisions. The course also covers forecasting, including techniques for predicting future trends, developing a forecast, and monitoring forecast performance. Additionally, students will learn how to use budgeting and forecasting tools to support decision-making in their businesses.

## Learning Outcomes:

Understand the fundamentals of budgeting, including budget development, monitoring budget performance, and making budget revisions
Understand the fundamentals of forecasting, including techniques for predicting future trends, developing a forecast, and monitoring forecast performance
Know how to use budgeting and forecasting tools to support decision-making in a business
Be able to analyze budget and forecast data and use it to inform decision-making
Be able to communicate budget and forecast information effectively to key stakeholders.

## Module 1: Introduction to Budgeting

### 1.1 Understanding the Basics of Budgeting

1. Definition and concept of budgeting
2. Benefits of budgeting for small and medium-sized businesses
3. Common budgeting methods and techniques

### 1.2 Developing a Budget

1. Steps in developing a budget
2. Tools and templates for budget development

3.  Best practices for budget development

## 1.3 Monitoring Budget Performance

1.  Importance of monitoring budget performance
2.  Common budget variances and how to address them
3.  Tools and techniques for monitoring budget performance

***Homework Assignment:***

1.  Develop a budget for a small business.
2.  Analyze the budget performance of a small business.
3.  Develop a budget monitoring plan for a small business.

***Evaluation Criteria:***

●  Quality and thoroughness of the budget developed for a small business
●  Analytical and reflective evaluation of budget performance for a small business and recommendations for improvement
●  Effectiveness and feasibility of the plan for monitoring budget performance for a small business

# Module 2: Introduction to Forecasting

## 2.1 Understanding the Basics of Forecasting

1.  Definition and concept of forecasting
2.  Importance of forecasting for small and medium-sized businesses
3.  Common forecasting methods and techniques

## 2.2 Developing a Forecast

1.  Steps in developing a forecast
2.  Tools and templates for forecast development
3.  Best practices for forecast development

## 2.3 Monitoring Forecast Performance

1.  Importance of monitoring forecast performance
2.  Common forecast variances and how to address them
3.  Tools and techniques for monitoring forecast performance

***Homework Assignment:***

1. Develop a forecast for a small business.
2. Analyze the forecast performance of a small business.
3. Develop a forecast monitoring plan for a small business.

***Evaluation Criteria:***

● Quality and thoroughness of the forecast developed for a small business
● Analytical and reflective evaluation of forecast performance for a small business and recommendations for improvement
● Effectiveness and feasibility of the plan for monitoring forecast performance for a small business

# Module 3: Budgeting and Forecasting Tools

## 3.1 Introduction to Budgeting and Forecasting Tools

1. Overview of budgeting and forecasting tools
2. Benefits of using budgeting and forecasting tools
3. Common types of budgeting and forecasting tools

## 3.2 Using Excel for Budgeting and Forecasting

1. Overview of Excel as a budgeting and forecasting tool
2. Basic and advanced Excel functions for budgeting and forecasting
3. Best practices for using Excel for budgeting and forecasting

## 3.3 Other Budgeting and Forecasting Tools

1. Overview of other budgeting and forecasting tools
2. Comparison of different budgeting and forecasting tools
3. Factors to consider when selecting a budgeting and forecasting tool

***Homework Assignment:***

1. Use Excel to develop a budget and forecast for a small business.
2. Evaluate and select a budgeting and forecasting tool for a small business.

***Evaluation Criteria:***

● Quality and thoroughness of the budget and forecast developed using Excel
● Analytical and reflective evaluation of the budget and forecast results and recommendations for improvement

- Effectiveness and feasibility of the budgeting and forecasting tool selected for a small business

# Module 4: Using Budgeting and Forecasting for Decision-Making

## 4.1 Introduction to Decision-Making with Budgeting and Forecasting

1. Overview of how budgeting and forecasting can support decision-making
2. Common decision-making scenarios where budgeting and forecasting are used
3. Benefits and limitations of using budgeting and forecasting for decision-making

## 4.2 Analyzing Budget and Forecast Data for Decision-Making

1. Techniques for analyzing budget and forecast data
2. Identifying trends and patterns in budget and forecast data
3. Using budget and forecast data to inform decision-making

## 4.3 Communicating Budget and Forecast Information for Decision-Making

1. Best practices for communicating budget and forecast information
2. Presenting budget and forecast information effectively
3. Addressing questions and concerns related to budget and forecast information

### *Homework Assignment:*

1. Use budget and forecast data to inform a decision for a small business.
2. Develop a budget and forecast communication plan for a small business.

### *Evaluation Criteria:*

- Quality and thoroughness of the decision made using budget and forecast data for a small business
- Analytical and reflective evaluation of the budget and forecast data and the decision-making process
- Effectiveness and feasibility of the budget and forecast communication plan developed for a small business

*This course taught students the fundamentals of budgeting and forecasting, including budget development, monitoring budget performance, and making budget revisions. It also covered techniques for predicting future trends, developing a forecast, and monitoring forecast performance. The course emphasized the use of budgeting and forecasting tools to support decision-making in a business, as well as the analysis of budget and forecast data to inform decision-making. Additionally, students learned best practices for communicating budget and forecast information effectively to key stakeholders. By the end of the course, students were equipped with the skills and knowledge needed to successfully create, manage, and use budgets and forecasts to drive business success.*