

Strategic Cost Analysis for Effective Decision-Making

2027 16 – 12
Berlin (Germany)

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The Program Flow

Day 1: Foundations of Strategic Cost Analysis

- Introduction to strategic cost management.
- Understanding the role of cost analysis in business strategy.
- Cost behavior and estimation techniques.
- Fixed, variable, direct, indirect, controllable, and strategic costs.
- Activity-based costing and activity-based management.
- Strategic cost driver analysis.
- Practical exercise: Identifying key cost drivers in a business process or department.

Day 2: Cost Information for Strategic Decision-Making

- Relevant costing for decision-making.
- Using cost information for make-or-buy, outsourcing, product mix, and investment decisions.
- Target costing and value engineering.
- Customer profitability analysis.
- Understanding customer segments, service costs, and profit contribution.
- Strategic pricing decisions.
- Workshop: Applying cost analysis to a strategic business decision.

Day 3: Budgeting and Performance Measurement

- Strategic budgeting processes.
- Linking budgets with strategic objectives and operational priorities.
- Balanced Scorecard implementation.
- Key Performance Indicators for cost management.
- Variance analysis and corrective actions.
- Using performance information to improve cost control and accountability.
- Practical exercise: Designing cost management KPIs and a variance response plan.

Day 4: Advanced Cost Management Techniques

- Life-cycle costing.
- Understanding costs across the full product, service, or project life cycle.
- Quality cost management.
- Prevention, appraisal, internal failure, and external failure costs.
- Environmental cost management.
- Lean accounting principles.
- Workshop: Applying advanced cost management techniques to improve efficiency and value.

Day 5: Integrating Cost Analysis with Corporate Strategy

- Aligning cost management with competitive strategy.
- Understanding cost leadership and differentiation strategies.
- Using cost information to strengthen competitive advantage.
- Strategic cost reduction initiatives.
- Avoiding short-term cuts that damage long-term value.
- Case studies in strategic cost management.
- Final activity: Developing a strategic cost management action plan.

Individual Impact

- Strengthen your ability to conduct advanced cost analysis.
- Improve confidence in using cost data for strategic decision-making.
- Build practical skills in activity-based costing, target costing, and variance analysis.
- Enhance your ability to connect cost management with business strategy.
- Improve your financial modeling and performance measurement capabilities.
- Gain tools for identifying cost improvement opportunities without reducing value.

Work Impact

- Improve profitability through better cost visibility and control.
- Strengthen strategic decision-making using reliable cost insights.
- Support more effective pricing, budgeting, and resource allocation.
- Improve performance measurement and accountability.
- Reduce waste and inefficiency through structured cost management.
- Align financial objectives with overall business strategy and competitive advantage.

Training Methodology

This program uses a practical and finance-focused approach to help participants apply cost analysis tools to real business situations. Learning methods include:

- Interactive discussions and guided facilitation.
- Strategic cost management case studies.
- Cost behavior and estimation exercises.
- Activity-based costing and cost driver analysis workshops.
- Relevant costing and pricing decision scenarios.
- Budgeting, KPI, and variance analysis activities.
- Advanced cost management technique applications.
- Group work, peer feedback, and strategic action planning.

The graphic features the text 'UK Training' in a small, black sans-serif font above the word 'PARTNER' in a large, bold, black sans-serif font. The text is positioned over a background of concentric white circles and a chessboard pattern with several chess pieces (a king, a queen, and a pawn) in gold and silver.

Beyond the Course

Upon completion, participants will be equipped to use cost analysis as a strategic decision-making tool. They will return ready to:

- Conduct comprehensive cost analyses for strategic decisions.
- Develop cost-effective strategies that support sustainable competitive advantage.
- Improve organizational performance through strategic cost management.
- Align financial objectives with business strategy.
- Use cost data to support pricing, budgeting, and resource allocation.
- Build practical cost reduction initiatives that improve efficiency while protecting value.

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