



Mastering Hotel Financials



ONLINE COURSE



Length

3 x 5 weeks



Effort

8 hours / week



Language

Taught in English

Course Content

WEEK 1

The basic financial reports takes you through a general overview of financial reporting and then develops on the four financial statements that are the balance sheet, the income statement, the cash flow statement, and the statement of shareholders' equity.

Financial reporting mechanics looks at the process of recording a business transaction using the accounting system, starting from the accounting equation to transaction.

Financial reporting standards expands on the objectives and the parties involved in financial reporting and introduces critical issues such as the comparability of accounting standards, and the impact that the application of different standards might have on the financial statements.

WEEK 2

Focus on assets explores in detail the asset side of the balance sheet and analyzes several components of current assets, starting with accounts receivable and exploring the process of accounting for bad debt expenses.

Focus on liabilities and shareholders' equity explores in detail the liabilities and shareholders' equity sections of the balance sheet and covers the components of current liabilities, starting with accounts payable and following with accrued liabilities such as unearned revenue.

WEEK 3

Cash flow analysis guides students through the cash flow statement and expands on the three subsections of this statement (operating, investing, and financing).

Financial analysis tools and techniques introduces the various benchmarks that can be used to compare a firm's financial position and performance and goes through various financial statement analysis tools and techniques such as common-size analysis, cross-sectional analysis and ratio analysis.

Liquidity and solvency analysis takes you into the analysis of two main risks for most companies, namely liquidity and solvency, starting by defining what liquidity is, and expanding on the ratios that can be used to measure it.

Course Content

WEEK 4

Profitability analysis guides students through a company's performance analysis using various standard metrics such as margins, EPS, ROA, ROE, and other operational performance metrics specific to the hospitality industry (RevPAR, ADR, yield per seat, etc.).

Costs and decision-making explores how costs can be used for decision-making, starting with the direct versus indirect costs classification, and explains how different allocation bases for indirect costs can lead to different results.

WEEK 5

Week five is dedicated to the final assessment. To successfully pass the assessment, a minimum of 60% of the total points available need to be obtained. The type of assessment may range from multiple choice quizzes (MCQ) to more open response evaluations, like a case study. eek five is dedicated to the final assessment. To successfully pass the assessment, a minimum of 60% of the total points available need to be obtained. The type of assessment may range from multiple choice quizzes (MCQ) to more open response evaluations, like a case study.

Course Content

BUDGETING AND FORECASTING

WEEK 6

Planning & the planning process considers the nature of planning in a business context and how the management of the planning process links business strategies to business plans.

Planning methodologies reviews a number of different approaches to managing the creation of plans and the planning process.

Putting the plan together reviews the elements of the business planning process and how each element can be linked to the other.

Managing the planning process examines the management processes that allow organizations to implement and monitor a business plan.

WEEK 7

Benchmarking reviews the origins of benchmarking in a business environment and examines the different areas of business that can be subjected to a benchmarking process.

Metrics and benchmarking for hotels examines how benchmarking is applied to the hotel industry and the way the industry is structured and categorized as part of the gathering of performance data by companies.

Competitor analysis and STR reports considers how hotels analyze their competitors in order to create competitor sets for benchmarking purposes.

WEEK 8

Operations budgeting and forecasting examines the process of operational budgeting as part of the preparation of a business plan.

Budget preparation reviews the operational budget preparation process and looks at the way that budgets are prepared for revenue and expense, including consideration of budgeting approaches such as Activity Based Budgeting and Zero Based Budgeting.

Budgetary control examines the importance of budgetary control as part of the overall implementation of business plans and explains how to use approaches such as scenario planning, reporting and variance analysis to monitor performance.

Course Content

WEEK 9

Cash management examines the nature of cash management and its relationship with operational management. Cash management also looks into how to prepare cash budgets using the Receipts and Payments Approach and the Adjusted Net Income Approach.

Cash budgeting looks at the way in which cash budgets are prepared using the two approaches presented in Cash management and considers the nature of capital expenditure for hotels.

Capital budgeting and rationing examines how various capital budgeting methods can be used by hotel company managers when faced with decisions related to capital projects, including simple as well as more sophisticated methods such as Profitability Index, Internal Rate of Return and Net Present Value.

WEEK 10

Week five is dedicated to the final assessment. To successfully pass the assessment, a minimum of 60% of the total points available need to be obtained. The type of assessment may range from multiple choice quizzes (MCQ) to more open response evaluations, like a case study.

Course Content

ADVANCED CORPORATE FINANCE FOR THE HOSPITALITY INDUSTRY

WEEK 11

Corporate lifecycle and governance covers key concepts of investment and corporate lifecycles as well as how to analyze an investment or a company in terms of their key features and development steps and how to review a corporate structure and identify its governance levels.

Investment appraisal and return determination refers to the concepts of time value of money and investment appraisal. Students learn to analyze investment projects from a financial point of view and to calculate relevant metrics (such as NPV, IRR, etc.) measures for decision making.

WEEK 12

Capital structure considerations reviews the concept of capital structure, the theoretical framework enabling its optimization and how to establish the relation between debt leverage, cost of capital and company value.

Raising debt financing reviews the types of debt which are available to companies, either in the form of private debt or bonds, and explains the main differences between various debt instruments and how to calculate, assess and interpret their return and repayment profiles.

WEEK 13

Raising equity financing walks through the process and key considerations related to the raising of equity by private and listed companies, in particular in connection with initial public offerings (IPO).

Corporate valuation runs through the process and methodologies used to value companies through identifying and interpreting key valuation drivers, and analyzing corporate valuation based on commonly-used methodologies.

Mergers and Acquisitions identifies and critically assesses the strategic rationale and deal structures behind these transactions and allows a deep interpretation of key drivers pertaining to M&A deals.

Course Content

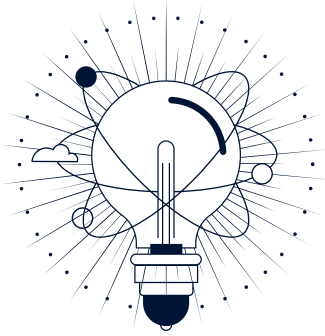
WEEK 14

Private equity investing covers private equity investing, describes the industry structure and lists key participants, including funds and fund managers. It also describes the mechanics of leveraged buyouts and their key value creation drivers.

Risk management explains the risks faced by hospitality, travel and leisure companies and reviews the main financial instruments, such as options and futures, used to hedge specific risks. It also reviews key operating and financial risks affecting hospitality groups and provides a framework to select and implement risk management solutions.

WEEK 15

Week fifteen is dedicated to the final assessment. To successfully pass the assessment, a minimum of 60% of the total points available need to be obtained. The type of assessment may range from multiple choice quizzes (MCQ) to more open response evaluations, like a case study.



Learning objectives

Hotel Financial Statement Analysis

1.

Translate transactions into financial statements

2.

Review financial reporting process and standards

3.

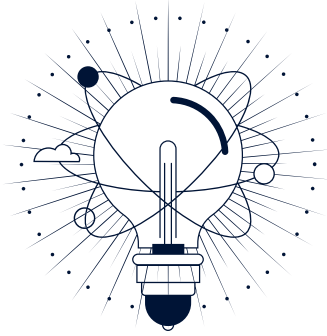
Build a cash flow statements and analyze company financials using ratios

4.

Review ratio analysis, common-size analysis and cross-sectional analysis

5.

Analyze profitability using EPS, margins, ROA, ROE ratios and hospitality related metrics



Learning objectives

Budgeting and Forecasting

1.

Recognize hospitality industry analytics using the STR methodology

2.

Perform competitive analysis, market analysis and segmentation analysis

3.

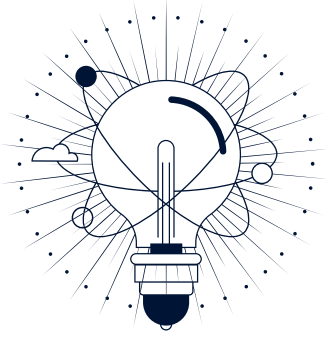
Use data analysis to forecast future performance for a geographic market, a hotel category, or an individual property

4.

Describe the main reasons for budgeting and long-term business planning

5.

Distinguish between the different elements of a budget and a long-term business plan at the departmental, property, and corporate level



Learning objectives

Advanced Corporate Finance for the Hospitality Industry

1.

Explain and critique corporate finance decisions

2.

Analyze capital structure decisions and the process of raising debt and equity

3.

Explain processes for hospitality mergers and acquisitions

4.

Recognize drivers for investment into public and listed hospitality companies

5.

Identify and manage key financial risks faced by hospitality companies