

ASSET MANAGEMENT

From Acquisition to Disposal

US 13945 / NQF Level 4 / 2 Credits

Optimising Asset Utilisation for Sustainable Business Success

Assets are the foundation of any organisation's operations, growth, and long-term success. Effective asset management ensures that businesses maximise profitability, control risks, and make informed financial decisions. Understanding the distinction between fixed assets and inventory, implementing strategic stock management, and applying capital budgeting techniques can significantly improve decision-making and business performance.

You will take a deep dive into the practical application of capital budgeting to enhance your project or Capex selection decision-making. We demystify this process by providing managers with the necessary tools and strategic thinking to actively participate in decisions that impact on, or are impacted by, investments in value-maximising assets within constrained budget environments. By the end of this course, you will have a structured approach to managing assets efficiently, enhancing financial stability, and contributing strategically to your organisation's success.

WHO SHOULD ATTEND

This course is suited for non-financial managers and extends the basics covered in our Finance for Non-Financial course which we recommend you attend first. As a minimum, you should have a basic understanding or working knowledge of foundational financial management concepts.

- Managers involved in capital expenditure (Capex) planning and decision-making
- Financial administrators and support staff
- Project managers handling asset-related investments
- Supply chain practitioners aiming to enhance their financial acumen in asset management
- Business owners looking to optimise asset utilisation and profitability

HOW YOU WILL BENEFIT

- Differentiate between fixed assets and stock and their respective business roles
- Implement effective stock management strategies to optimise profitability
- Gain a structured approach to managing fixed assets throughout their lifecycle
- Learn capital budgeting techniques to support sound investment decisions
- Understand depreciation, valuation, and disposal of fixed assets
- Develop risk management strategies to safeguard business assets

Two-day course 08:30 - 16:00

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WHAT WILL BE COVERED

Understanding fixed assets and inventory

- Defining fixed assets vs stock in a business context
- Understanding the accounting equation and its relevance to asset management
- How fixed assets and stock are reported in financial statements

Smart stock management for profitability

- The impact of stock management on business profitability
- Types of inventories held by businesses
- The need for stock control and potential risks of over or understocking
- Key principles of stock management: quality, quantity, time, price, and source
- Stock turnover rate and its implications
- Introduction to the Economic Ordering Quantity (EOQ) model

Strategic fixed asset management

- Categories of fixed assets and their business roles
- Understanding the fixed asset lifecycle
- Identifying asset requirements and planning acquisitions
- Capital expenditure (Capex) planning and acquisition processes
- Recording and classifying acquisitions for compliance
- Depreciation methods, investment, and valuation strategies
- Maintenance strategies and risk management in asset tracking
- Legal and environmental considerations in fixed asset disposal
- Accounting for profit or loss on asset disposal

Capital budgeting – making smart investment decisions

- Understanding capital budgeting and its importance
- The role of the time value of money in investment decisions
- Discounted cash flow methods for evaluating asset investments
- Techniques for comparing and selecting investment alternatives
- Negotiation and contracting strategies for asset acquisitions
- Next steps for implementing effective asset management strategies