

Training Title

BUDGETING AND COST CONTROL IN PETROLEUM COMPANY



Training Duration

5 days

Training Venue and Dates

REF PMI®014	Budgeting And Cost Control In Petroleum Company (PMI® Recognised)	5	23 – 27 February, 2020	\$4,500	Dubai, UAE
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In any of the 5 star hotel. Exact venue will be informed once finalized.

Training Fees

4,500 US\$ per participant. Fees Includes Course Materials/Handouts, Tea/ Coffee, refreshments, International Buffet Lunch.

Training Certificate

Define Management Consultancy & Training Certificate of course completion will be issued to all attendees.



TRAINING DESCRIPTION

Budgeting and cost control training course provides the essential knowledge and skills to enable delegates to successfully control costs; prepare, manage and control budgets effectively in the Oil & Gas industry. It also provides solutions to the strategic issues facing the Oil & Gas industry, recommending sustainable growth strategies in an effective cost control manner.

TRAINING OBJECTIVES

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- Understand the reasons and impact for oil price volatility
- Recommend strategic solutions to budget issues and cost control
- Measure and control costs effectively in a competitive environment
- Prepare, manage and control budgets in the Oil & Gas Industry
- Use budgets to make effective decisions to ensure growth, maintain profitability and reduce risk
- Recommend innovative hedging strategies used by leading international companies

to control risk and manage budgets effectively

DMCT/OL/9/18(Rev3Dt:23/9/18)

WHO SHOULD ATTEND?

It is particularly suited to:

- Those responsible for devising budgets, managing and controlling budgets
- Those responsible for making or acting on decisions based on budgets
- Professionals who require a more in-depth understanding of integrated planning and budgeting techniques
- Financial Planners and Cost Analysts
- Line heads with direct planning and budgeting responsibility.

TRAINING METHODOLOGY

A highly interactive combination of lectures and discussion sessions will be managed to maximize the amount and quality of information and knowledge transfer. The sessions will start by raising the most relevant questions, and motivate everybody find the right answers. You will also be encouraged to raise your own questions and to share in the development of the right answers using your own analysis and experiences. Tests of multiple-choice type will be made available on daily basis to examine the effectiveness of delivering the course. All presentations are made in excellent colorful power point. Very useful Course Materials will be given.

- 30% Lectures
- 30% Workshops and work presentation
- 20% Group/individual Work or projects & Practical Exercises
- 20% Videos & General Discussions, Case studies etc...

Material Language: English

Presentation Language: English

COURSE OUTLINE

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Day 1: The Case for Budgeting & Cost Control in the Oil & Gas Industry

- Oil Price Volatility – *The Causes & Impact*
- Major Costs of Acquisition, Exploration, Production and Development
- Cost Oil and Profit Oil
- The Cost Curve of the Oil Market
- Controlling Gross Margins and Net Margins
- Managing National Fiscal Budgets

Day 2: Finding Strategic Solutions to Cost Control

- Re-assessing the Strategic Plan in the light of recent developments
- The need for Growth whilst managing costs
- Managing Working Capital and Cash Flow
- Evaluating and Managing Capital Projects
- Joint ventures; Merger and Acquisition as a solution and growth opportunity
- Finance solutions to growing costs and oil price volatility

Day 3: Measuring & Controlling Costs

- Cost Classification and Cost Behaviour
- Job Process Costing, Batch Costing & Activity Based Costing
- Statistical Estimates of Costs
- Controlling Fixed and Variable Costs
- Earned Value Management
- Variance Analysis

Day 4: Budgeting in the Oil & Gas Industry

- The Benefits and Limitations of Budgeting
- The Essential Features and Types of Budgets
- Preparing Forecasts and Budgets in a volatile Oil & Gas industry
- Using Budgets as a Management Tool
- Sensitivity, What-if and Break-Even, Analysis
- Managing and Controlling Budgets

Day 5: Hedging Costs to Manage the Budget

- Defining Hedging and Identifying Costs / Risks to Hedge
- Determining the Hedging Strategy
- Hedging Oil Price Volatility
- Hedging Exchange Rate Risk
- Hedging Interest Rate Risk
- Controlling the Hedge to avoid Speculation

NOTE:

Pre & Post Tests will be conducted

Case Studies, Individual & Group Exercises, Project works (making in to groups), Role plays, Group Discussions, Last Day Review & Assessments will be carried out.

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