



Understanding Shareholder Value

Essentials – Approx 2 Hours

By the end of the course, you will have a good understanding of shareholder value, including what it means from a shareholder's point of view; what it means from a company's point of view; the levers a company can pull to create more value; making the link with strategic actions that drive value creation and communicating shareholder value.

OUTCOMES

- Understand what shareholder value really means
- See how companies drive value internally and externally
- Understand the cost of capital and efficient balance sheets
- Make the link with strategic actions that drive value creation

WHAT YOU WILL LEARN

Introduction

The Shareholders Perspective

- Key shareholder value concepts
- Driving total shareholder return

The Company Perspective

- Return on equity
- The impact of leverage
- Return on capital employed
- Management's task

Capital Management

- Efficient capital structures
- Changing the capital structure
- Cost of capital
- Capital management
- Real company examples

Capital Allocation

- Reminder
- Allocating capital
- Capital allocation examples

Growth and Returns

- Growth
- Profitability

Communicating Shareholder Value

- Expectations management
- Telling a great investment story – real company examples