



Financial Proposals - The Why and How

An Online Continuing Education Course for Engineers

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Financial Proposals - The Why and How

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COURSE OVERVIEW

This course provides the “big picture” to anyone with the responsibility of developing and presenting an internal financial proposal and/or presentation for new equipment, staffing, reorganization, or additional resources.



First, we introduce the essential elements that are critical to a successful proposal. Without all of these, you are just wasting time and risk damaging your credibility.

Next is the selection of the type of proposal you want to make and making sure you include all the relevant factors.

Then we must have a clear picture of where we are now, so we can persuade the eventual proposal audience that we must move to somewhere else. We present this clear picture using statistics drawn from historical data to describe trends and make realistic forecasts of the future requirements.



Finally, preparation of the proposal means careful selection of words to use and a carefully crafted strategy of presenting them in the best sequence for maximum effectiveness **because we only have one chance to make a good ‘first impression.’**

LEARNING OBJECTIVES

You will increase your value to your employer if you understand and can apply the concepts that you will learn in this course. Specifically, you will learn to:

1. Identify the five critical factors to understand before considering your proposal
2. Identify the three essentials of a successful financial proposal
3. Identify the two major categories of financial proposals and when to use them
4. Use historical data to determine where they are now
5. Identify trends for forecasting production (*production* can be making things such as consumer products or design drawings or providing services such as surveying or responding to RFPs.)
6. Calculate break-even points for determining equipment and staffing needs
7. Analyze workflows for improvement in efficiency, effectiveness, or productivity.
8. Determining optimum staffing levels
9. Use various data forecasting methods and know when to use them
10. Explain and apply the concepts of “capacity” and “forecasting”
11. Identify factors that affect current productivity.
12. Analyze existing workflows
13. Explain the various methods of presenting historical data and select the most appropriate one for the proposal
14. Select words and phrases carefully to enhance the impact of the proposal
15. Apply a proposal presentation structure model for the maximum chance of success

UNDERSTAND THIS FIRST



Some good ways to make sure your proposal (and credibility) **BOMBS** is to:

- 1.) Assume the obligation for a “yes” is on the approver and not you!

It is up to you to convince them: not up to them to believe you.

- 2.) Think that if you get a “NO”, you no longer own the problem that prompted your proposal.

The problem that led to your proposal for a change IS STILL THERE: you still must deal with it. Do not assume that their ‘No’ means, ‘Well, I tried so now I’m out of it.’

- 3.) Just drop it off on your boss’ desk assuming he or she will figure out what you want and instantly act on it.

- 4.) Come up with a great idea, tell your boss about it (but never document it as a proposal), expect him/her to make it happen, and then complain about lack of management support when nothing happens.

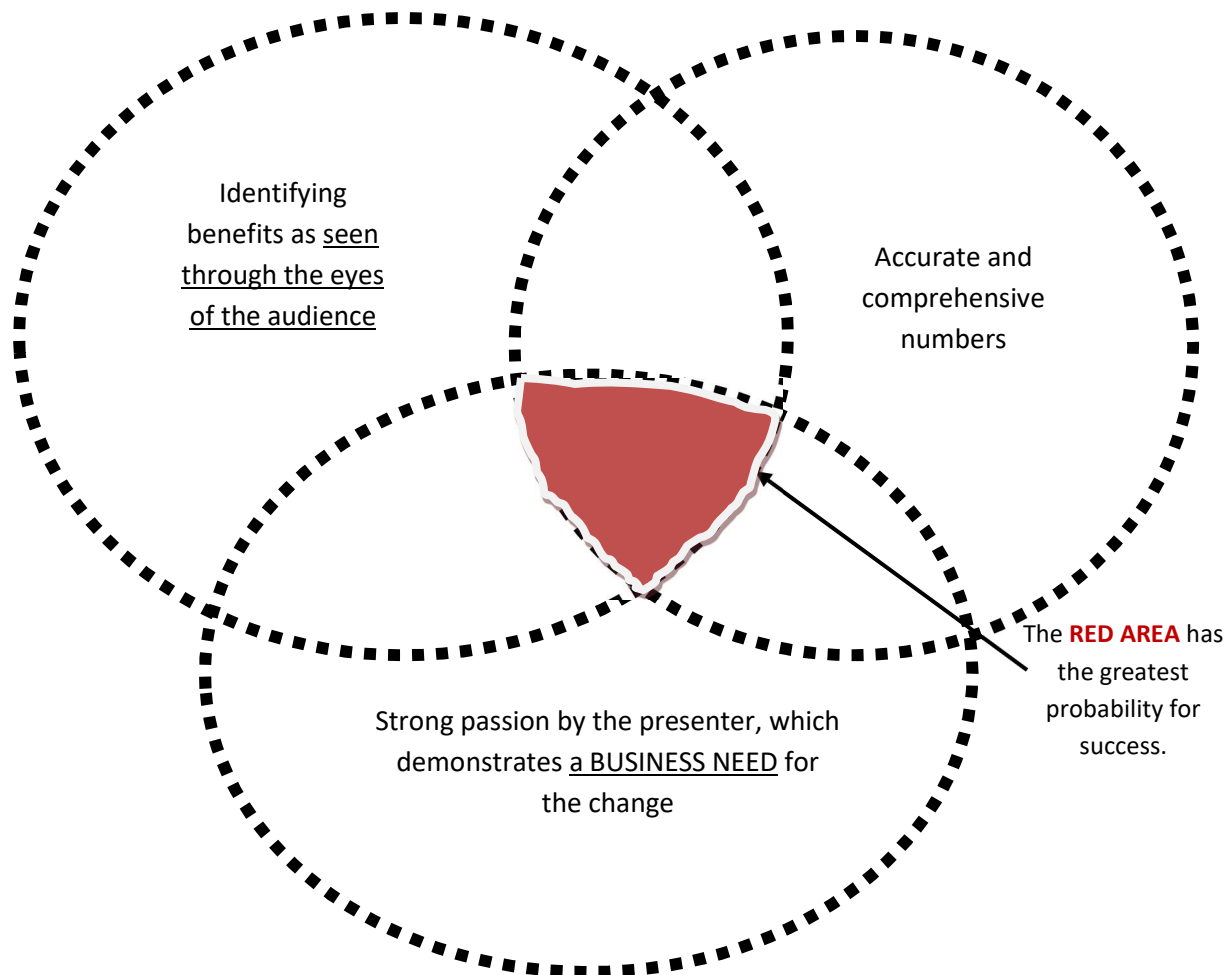
- 5.) Fail to show some “passion” about NEEDING (not “wanting”) it.

If it does not excite you, the ‘parent’ of this idea, why should it excite anyone else?

THE THREE ESSENTIALS OF A SUCCESSFUL FINANCIAL PROPOSAL

A successful financial proposal must contain at least three essential elements:

1. You must identify benefits as seen through the eyes of the audience. Ask yourself, “What’s in it for them to approve this?”
2. You must have accurate and comprehensive numbers including trends and realistic projections
3. You must demonstrate passion for the business needs that is contagious with the audience of approvers.



TYPES OF PROPOSALS AND PRESENTATIONS

In this course, we cover two broad categories of financial proposals: those dealing with regulatory issues and those driven by business decisions.

1.) Regulatory – required changes by government

Not looking for benefits

- a) Still must identify most cost-effective way that even if it is not the most cost-effective way, account

- b) May have
- c) How are
- d) Are there

2.) Non-Regulatory

a) Is looking for

- i) Quantified
 - (1) “Hard”
 - (a) ...
 - (b) ...
 - (2) “Soft”
 - (a) Estimated dollars
 - (b) Saying “Should result in this...”
- ii) Expressed as savings or efficiencies in.
 - (1) Time
 - (2) Production time required to achieve desired result
 - (3) Wage time (salaries or hourly + 28% benefits)

To view the remainder of the course material and to take the quiz for PDH credit, you must purchase the course.

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