



CRA® Certified Risk Analyst®

About The GAFM (Global Academy of Finance and Management)

The GAFM was founded in 1996, via a merger between the Graduate Leadership Institute & Analysts and the Institute for Professional Analysts. The Leadership Institute was originally established as a professional organization for management consultants, professors, and analysts. The Institute was founded to examine strategic accounting, risk, and finance issues. GAFM currently recognizes over 20,000 PhDs, Lawyers, CPAs, Business School Graduates, & Masters Degree Holders as executive members in over 151 nations. GAFM takes pride in holding a membership with superior qualifications, experience, and designations.

GAFM is the regulatory body for the much sought after GAFM Designations and Credentials. The GAFM Executive Designation Programs provides the assurance that the holder has met the suggested criteria for graduate credentials set out in the Ibanez US Supreme Court Decision. Further, the GAFM board certification requires passing 6 different levels of standards. Acceptance into the GAFM is a high distinction and requires the holder to possess a graduate level portfolio of skills and knowledge. Acceptance statistics are not high, and the designation when achieved is a high honour strictly for accredited degree graduates.

The GAFM has seen a meteoric rise to affluence and membership in recent years, as financial executives and managers strive to maintain and augment their education, credentials, integrity, and skill sets. GAFM has strategic partnerships including the RSOF Royal Society of Fellows Worldwide, and GAFM and the RSOF provide the most elite global conferences on finance, tax, investments, law, wealth management, portfolio management, economics, and ecommerce issues.

GAFM's mission is to serve its global membership and stakeholders as a world leader in educating and reinforcing the international knowledge of executives and potential leadership of financial based institutions. GAFM mandates consent to high standards of professional conduct, and GAFM activities are International in nature and scope.

Introduction:

Your business has to be global to thrive. You must seize new growth opportunities whilst managing financial risk, but how can you develop coherent strategies for global corporate finance, budgeting, hedging and valuations?

GAFM's **Certified Risk Analyst program** is a practical exploration of the strategic financial challenges facing companies in global markets. This comprehensive training program will assist you to better understand and manage international financial risk whilst taking advantage of global growth opportunities. **CRA program** offers you the analytical tools to create a rigorous and successful global financial strategy.

Program Approach

The purpose of GAFM's **Certified Risk Analyst** is to give the financial professionals an understanding of how they might best manage financial risk – rather than their company's exposure to fixed interest rate and tax obligations.

Financial risk affects a company's final earnings, thereby adversely affecting its valuation by shareholders and creditors and leading to higher costs of raising capital. Hence, this course will focus on how senior executives might best preserve and insulate shareholder value from financial risks – both through internal management of operations – and through the use of external measures such as banker negotiation tactics and derivatives.

Program Methodology

GAFM's **Certified Risk Analyst** training program will follow several case examples and rely heavily on the analysis of financial statements in tandem with in class discussion. Additional case examples will be used daily. A minimum knowledge of basic accounting and valuation procedures is assumed.

Who Should Attend

This program is designed for managers with global financial responsibilities or those who are seeking to go global including CFO's, finance directors, vice presidents and for consultants and bank personnel dealing with corporate finance clients. Managers and investment bankers who are engaged in mergers and acquisitions or who have global management responsibilities will gain strategic insights into the risks and opportunities of international corporate finance.

Certified Risk Analyst® (CRA) Course Outline:

Module one:

Overview and Getting Started

- What is financial risk?
- Surrounding elements
- The role of exchange rate, market and interest rate risks
- Operating risk
- Business risk

How Capital Markets View Financial Risk

- The shareholder POV
- The banker POV
- The hedge fund manager POV
- Why focus on Shareholder Value Maximization?
- The failings of earnings
- The failings of stakeholder approaches
- Shareholder Value (SHV) and Net Present Value (NPV)

Case Study Discussion

Module two:

SHV Implementation Part 1: Financial Diagnosis

- Financial statement analysis refresher
- Converting accounting statements into usable financial statements
- Assessing your company's liquidity and operational efficiency
 - Components of capital employed
 - Using matching strategies
 - Improving liquidity by better managing the operating cycle
 - The problems with traditional liquidity measures

Case Discussion

Module three:

SHV Implementation Part II: Cash Flow, Profitability Assessment and NPV

- Measuring cash flow and managing internal cash sources
 - Cash flow statements
 - Assessing operating cash flow as opposed to banker's cash flow
 - Managerial implications
- Profitability, risk and growth
 - Profitability measures
 - Correcting misleading notions of Return on Equity (ROE)
 - ROE and Return on Invested Capital (ROIC)
 - Self-sustainable growth
- Financial risk and financial leverage
- Mastering the NPV Rule
- NPV Competitors (MFP NPV Competitors)

Module four:

Financial Risk and The Cost Of Capital

- Estimating the amount or required internal funds
- Valuing debt and equity
- Valuing businesses
- Estimating the cost of capital
 - Proxy and pure play firms
 - The cost of equity: dividend discount and the CAPM
 - The cost of debt
 - Firm and project capital costs
- Cost of capital and financial risk

Case Study

Module five:

Internal and External Hedging

- Designing a capital structure

- How capital structure affects SHV
- Where financial risk, distress and capital structure affect costs of capital
- Formulating a capital structure policy
- Managing country risk, forex risk and international environmental issues
- Derivatives
- Futures, Forwards, Options and Swaps
- Credit derivatives, loan commitments etc.

Program Duration

The Program is covered in 30 hours.

Examination

Completion of the certification program requires completion of examination. The examinations are prepared by a Board of Examiners consisting of a range of Certified, Sustaining, and Educator Members of GAFM.

Examination is paper-based administered by UITI, Jordan's exclusive authorized training provider and accredited examination center for the GAFM.

Professional Designation

Successful candidates are granted the designation of CRA®. The designations may be used just as similar recognitions are employed in accounting, insurance, medicine, law, and other professions. Either the full expression or the initials may be used after the individual's name on business cards, stationery, etc.