

Foundations of Financial Analysis for IT Projects



<https://www.analystscorner.org/>

Overview

In today's technology landscape, just delivering projects on time and within scope is not enough. Senior stakeholders and executive boards demand clear justification for every dollar invested.

Foundations of Financial Analysis for IT Projects equips business analysts, product owners, and project managers with the commercial acumen required to evaluate initiatives, model financial trade-offs, and build convincing business cases.

We will study how the enterprises make decisions, learn how to compare options and justify spending as well as keep track of project execution and benefits realisation.

What You Will Learn

- The commercial mindset and the language of finance: Read and interpret core financial statements (Income Statement, Balance Sheet, Cash Flow) and master the strategic implications of CapEx versus OpEx.
- Core investment metrics: Calculate and apply Discounted Cash Flows, Net Present Value (NPV), Payback Periods, Profitability Index, and Break-even Analysis.
- Conduct cost-benefit analysis: Structure direct and indirect costs, quantify tangible and intangible benefits, and stress-test assumptions using sensitivity analysis.
- Build and defend executive business cases: Create compelling business cases.
- Govern project value after the business case is approved: Navigate agile versus traditional funding models, monitor project execution, and implement benefits realisation plans to measure business impact.

You will get exposure to the theory and practice of applying financial analysis to IT initiatives and will have an opportunity to evaluate your own business case and defend it in front of a CFO in a guided practical assignment.

Audience

- IT Business Analysts
- IT Project managers
- Product owners
- Product managers
- Technical leaders and IT solution designers

This course will offer

1. Detailed overview of key financial metrics and formulae that any project professional is expected to know
2. Step-by-step process of conducting cost-benefit analysis and preparing a business case
3. Explanation of financial concepts in simple terms with examples
4. A downloadable cheat-sheet of all key terms, definitions and formulae per each module.
5. A hands-on practical assignment to perform a financial analysis of a business situation and prepare and defend a business case for a change.
6. Quizzes to check your knowledge

Level

This course forms a part of Analyst's Corner **Business Analysis Capability Ladder** - a structured multi-step approach to building strong business analysis skills and expertise.

It consists of 4 distinct rungs tailored to people at different stages of their professional lifecycle:

- **Foundation:** Learn the ropes of business analysis | Build the baseline for professional career
- **Progression:** Deepen your analysis expertise | Scale your toolkit and analytical rigour
- **Specialisation:** Develop strategic specialisms | Cultivate niche expertise in high-value domains
- **Leadership:** Gain authority and leadership | Lead business analysis for your team or organisation

Each rung consists of multiple training courses and an assessment; finishing the whole Ladder provides the depth of practical knowledge that rivals traditional academic BA programs.

This course is one of the courses on the **Foundation** rung.

Note: Analyst's Corner is an Endorsed Education Provider™ by IIBA®, which means the materials and references to IIBA® and its publications used in this course are licensed for us to do so. In addition to that, Analyst's Corner has been reviewed and approved by the PMI® Authorized Training

Partner Program. By enrolling in this course you support legal use of intellectual property and contribute to the development of business analysis and project management professions.

Analyst's Corner is not a regulated academic body or university. Our "BA Capability Ladder" is a proprietary professional development framework focused on practical, high-impact skills based on industry standards and best practices; and is not part of the formal higher education sector.

All the trademarks belong to their rightful owners. Any references to third party materials, products & services or elements of popular culture are done for educational purposes only, i.e. in fair use.

Duration

The course consists of:

- 4 hours of pre-recorded video lessons
- 1.5 hrs of quizzes and hands-on exercises
- 0.5 hours of reading materials and resources

Syllabus

Module 1: The commercial mindset and the language of the C-Suite

IIBA® Knowledge Areas alignment	Strategy analysis (KA4) Perspective: IT Underlying Competencies: Business Knowledge Techniques: Financial analysis
PMI® Talent Triangle alignment	Business Acumen: macro and micro influences in the organisation and industry and domain-specific knowledge

Title	Type
Intro to the course	video
Key terms and formulae discussed in this module	reading
Bridging the gap between the tech and business value	video
Capex vs Opex	video

Key financial statements. The income statement	video
Key financial statements. The balance sheet	video
Key financial statements. The cash flow	video
Key financial ratios	video
Quiz: Commercial mindset	quiz

Module 2: The core investment metrics

IIBA® Knowledge Areas alignment	Strategy analysis (KA4) Perspective: IT Underlying Competencies: Business Knowledge Techniques: Financial analysis
PMI® Talent Triangle alignment	Business Acumen: macro and micro influences in the organisation and industry and domain-specific knowledge

Title	Type
Key terms and formulae discussed in this module	reading
The time value of money	video
Simple ROI and the Payback period	video
Net present value (NPV)	video
Discount factor	reading
Future negative cash flows. Inflation	video
Annualised ROI	video
Profitability index	video
Breakeven analysis	video
Quiz: The core investment metrics	quiz

Module 3: Cost benefit analysis

IIBA® Knowledge Areas alignment	Strategy analysis (KA4) Perspective: IT Underlying Competencies: Business Knowledge Techniques: Financial analysis
PMI® Talent Triangle alignment	Business Acumen: macro and micro influences in the organisation and industry and domain-specific knowledge

Title	Type
Key terms and formulae discussed in this module	reading
The cost structure	video
Different estimation methods	reading
The benefits structure	video
Intangible benefits	video
Performing cost benefit analysis	video
Sensitivity analysis	video
Goal Seek for Sensitivity Analysis	reading
Quiz: Cost benefit analysis	quiz

Module 4: Develop a business case

IIBA® Knowledge Areas alignment	Strategy analysis (KA4) Perspective: IT Underlying Competencies: Business Knowledge Techniques: Business case
PMI® Talent Triangle alignment	Business Acumen: macro and micro influences in the organisation and industry and domain-specific knowledge

Title	Type
Key terms and formulae discussed in this module	reading

The anatomy of a winning business case	video
An option to "Do nothing"	video
Executive summary	video
Assignment: Pinnacle Logistics Modernisation Project	assignment
Role play:Pinnacle Logistics Modernisation Project - Defend the Business Case	interactive assignment
Corporate budgeting cycle. Financial years.	video

Module 5: Execution and Benefits Realisation

IIBA® Knowledge Areas alignment	Strategy analysis (KA4), Solution Evaluation (KA6) Perspective: IT Underlying Competencies: Business Knowledge Techniques: Financial analysis, Lessons learned
PMI® Talent Triangle alignment	Ways of Working: the procedural toolkit of a project professional ensuring you have the right delivery mechanism for a given problem

Title	Type
Key terms and formulae discussed in this module	reading
Financial analysis of project execution	video
Agile vs. traditional funding models	video
The benefits realisation plan	video
Post implementation review	video
Quiz: Execution and Benefits realisation	quiz