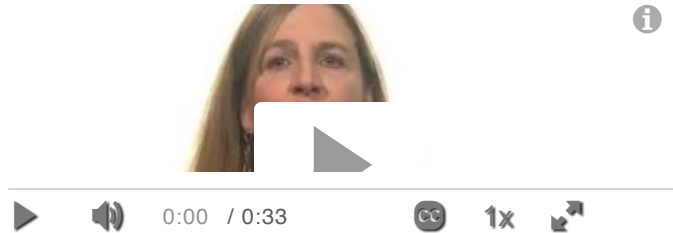


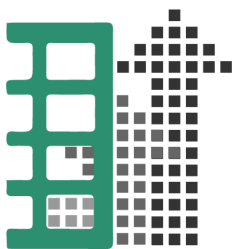
# UNIT 4 Introduction

DYS544\_M0\_01



## What you'll do

- **Conduct financial analysis using loan scenarios**
- **Create a forecast using assumptions**
- **Use Excel's What-If Analysis functions**
- **Leverage data tables to run scenarios and conduct What-If Analyses**
- **Create a 1-variable and 2-variable data table to perform break-even and sensitivity analysis**
- **Create and save scenarios using ScenarioManager**



Imagine that you need to take out a business loan for your organization. What's the best financing option available? How can you tell? How will the payments be amortized over the life cycle of the loan? Or maybe you need to predict outcomes based on other types of considerations: you have new budget constraints and you need to analyze how you can do the same amount of work with newly limited resources. How will that new budget affect salaries, or how many new employees

can you take on? You need to be able to make good business decisions in a rapidly changing world, so you'll sometimes need to consider different possible outcomes based on changing variables. Excel has functions that allow you to compute What-If scenarios based on data or make predictions such as what your organization's marginal net income will be. In this unit, you will conduct financial analyses using financial functions. Given a desired result - such as your total operating cost or your new budget or anticipated loan payments - you will identify the values you need to achieve that result, and you will quickly identify how changes in data will impact outcomes.

