

INFLATION: IMPORTANCE TO ORGANISATION

Introduction

Inflation has corrosive effect on business performance. It undermines profits, encourages underinvestment, distorts resource allocation and depresses market values. Under inflationary pressure, the stock markets also underperform. Overall inflation creates an illusion in which managers tend to make wrong decisions which underpin the growth of the organization. However, if the organizations are ready to protect themselves from the negative impact of inflation, they can take advantage of the weaker competitors and become more competitive in the market. With inflation being so much of concern, it is necessary for the organizations to be “inflation ready”.

Objectives of the Program

The objectives of the program are:

1. To understand the need for inflation preparation
2. To assess the organization’s vulnerability towards inflation
3. To determine the effect of inflation on its profits and capital expenditure
4. To help organizations be “inflation ready”
5. This program is intended for managers and professionals of the companies. This is also very useful for the start-ups.

Pedagogy of the Program

The program includes several theoretical tools and methodologies, including interactive lectures, case studies and data driven analysis which will help an organization to be inflation ready. Participants will also be expected to share their personal experiences if any.

Indicative Content of the Program

- 1: Why organizations should prepare for inflation?
 - a) A brief introduction about inflation
 - b) Role of inflation and its effect
 - c) A case of deflation
- 2: Determining the impact of inflation on profits and capital expenditures
 - a) Company’s contract and its impact
 - b) Inflation exposure of own and linked industries
 - c) Winners and losers of inflation
- 3: Different measures of inflation and its impact on different segments of a company
 - a) Method and measurement of inflation index – CPI and WPI
 - b) Real and nominal prices
 - c) Effect of monetary policy instruments – repo rate, CRR etc.
- 4: Assessing whether companies/ organization are inflation ready
 - a) Inflation Protection Plan – Pricing, Procurement and Finance
 - b) Inflation expectations – Business leaders, Professionals and Households

Program Director: Prof.Saakshi

Fees (Per Candidate):Rs 11100+GST (Non Residential-In Campus),Rs 9000+GST(Online)

Proposed Dates:October- 01, 2020