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Prog MBA 36 (coursework)

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Assignment Importance of finance.

Subject Business finance.

Importance of Business Finance in business education

Business finance includes those business activities that are concerned with the acquisition and conservation of capital funds in meeting the financial needs and overall objectives of a business enterprise. Business is identified with the generation and circulation of products & services for fulfilling of needs of society. For successfully doing any operation business requires money which is known as business finance. A business ~~cannot~~ ~~could not function~~ unless there is adequate money accessible for use.

Business finance is the art and science of managing your company money. The role of finance in business is also to make sure there are enough funds to operate and that you are spending & investing wisely.

The importance of business finance lies in its capacity to keep a business operating smoothly without running out of cash, while also securing funds for longer-term investment. Finance relies on accounting but while accounting is mainly descriptive finance is active using accounting information to manifest tangible results.

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② Importance

Importance of Business Finance for Business Education

Business finance is important because businesses run on money and business finance guides you to make shrewd and prudent decisions about cash flow and longer-term funding strategies.

As you develop skills and strategies for using the funds you have and for accessing additional capital when needed you will improve your company profitability and increase your potential for leveraging new opportunities.

Helpful in my current job

Finance is the lifeblood of every business man. It plays a very important role in the overall economic development. Nowadays business is financed through outsiders so it is the main responsibility of every business man to properly raise the funds and properly utilize it so that all the stakeholders are satisfied with the business and stay connected with it. Business finance gives us financial literacy to compete in the market.

Basic knowledge of finance is very important for any business man to better utilize the resources of business, and to satisfy the shareholder, as well as the customer.

Conclusion

Finance is a necessity for acquiring physical resources which are very important and needed to accomplish productive economic activities and for carrying business functionalism such as sales promotion
pay compensation
unconformed liabilities

Now in today situation finance has become the most important natural function and inseparable part of our daily life process. Finance in more specific is solicited with the management issues such as
owned funds generated from promoter
Raised funds generated from equity share
Borrowed funds generated.

- without financial management business cannot exist
- Adequate funds availability
- Cash flow management system
- Always keeping long term goals.
- Financial planning value and importance in a business.

Financial planning creates immense value to the company without this any of the business entity cannot function properly.