

## *FIN ANALYTICA*

### INTRODUCTION:

Among the expertise necessary for understanding and handling a business is proficiency in the language of finance, the capacity to be able to read and comprehend financial information and also to be able to display data through financial reports.

The ability to be able to comprehend financial information is critical for any business manager. The goals and aims of all businesses are established in financial terms with their results also being gauged in financial terms.

"I will tell you how to become rich. Close the doors. Be fearful when others are greedy. Be greedy when others are fearful." — Warren Buffett

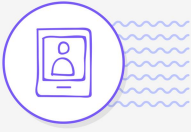
Finance also incorporates examining the data enclosed inside financial statements with the aim to facilitate valuable information to aid in management decisions.

This makes financial analysis one potent aspect of the overall role of finance. A company's accounts and statements contain a great deal of information. Exploring the full connotations enclosed inside the statements lies at the heart of financial analysis.

# PROBLEM DEFINITION & DESIGN THINKING:

## Empathy Map

Template



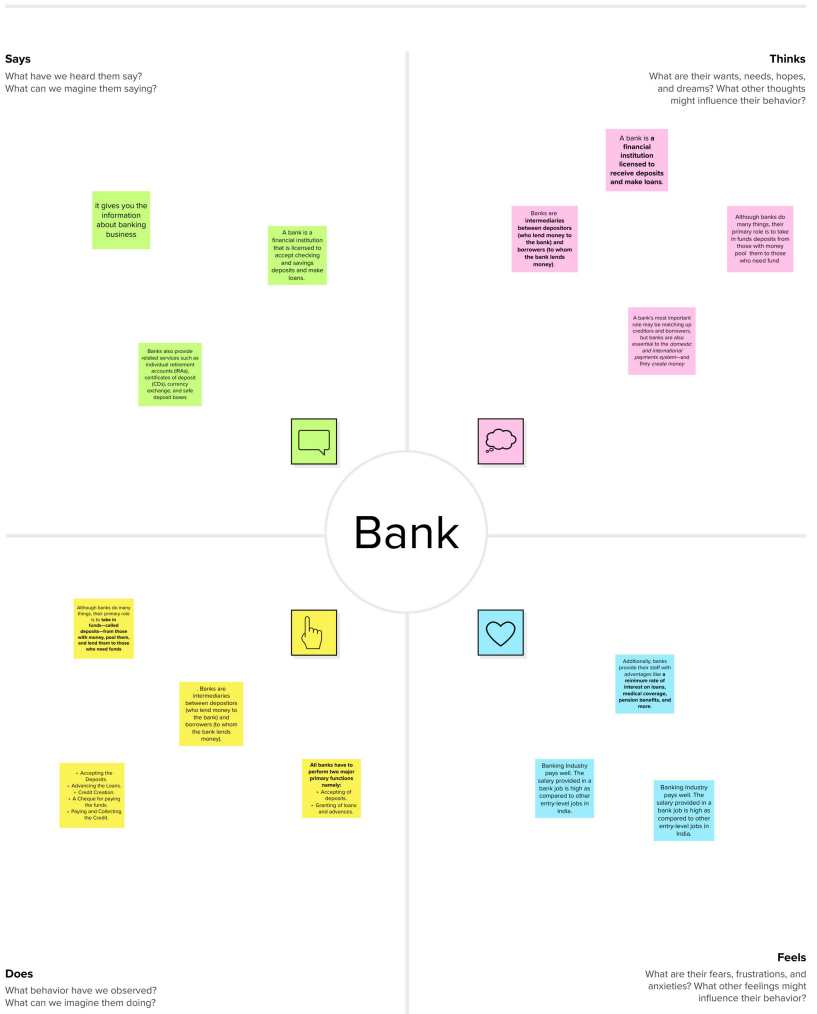
### Empathy map

Use this framework to develop a deep, shared understanding and empathy for other people. An empathy map helps describe the aspects of a user's experience, needs and pain points, to quickly understand your users' experience and mindset.

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### Build empathy

The information you add here should be representative of the observations and research you've done about your users.



**Says**  
What have we heard them say?  
What can we imagine them saying?

**Thinks**  
What are their wants, needs, hopes, and dreams? What other thoughts might influence their behavior?

**Does**  
What behavior have we observed?  
What can we imagine them doing?

**Feels**  
What are their fears, frustrations, and anxieties? What other feelings might influence their behavior?

**Bank**

**Says:**

- It gives you the information about banking business
- A bank is a financial institution that is licensed to accept checking and savings deposits and make loans
- Banks are intermediaries between depositors who lend money to the bank and borrowers who borrow the bank funds (money)
- Although banks do many things, their primary role is to take in funds deposits from those with money and lend them to those who need funds
- Banks also provide related services such as individual retirement accounts (IRAs), certificates of deposit (CDs), currency exchange and safe deposit boxes
- Although banks do many things, their primary role is to take in funds deposits from those with money and lend them to those who need funds
- Banks are intermediaries between depositors who lend money to the bank and borrowers who borrow the bank funds (money)
- As banks have to perform low margin primary functions, namely:
  - Accepting of deposits
  - Lending of loans and advances
- Banking industry pays well. The salary provided in a bank job is high as compared to other entry-level jobs in India
- Banking industry pays well. The salary provided in a bank job is high as compared to other entry-level jobs in India
- Additionally, banks provide free and convenient use of interest on loans, medical coverage, personal benefits, and more

**Thinks:**


- A bank is a financial institution licensed to receive deposits and make loans
- Banks are intermediaries between depositors who lend money to the bank and borrowers who borrow the bank funds (money)
- Although banks do many things, their primary role is to take in funds deposits from those with money and lend them to those who need funds
- A bank's most important business is receiving all deposits and loans, but banks are also essential to the domestic and international payments system and they create money

**Does:**

- Accepting the deposits
- Allowing the loans
- Credit facilities
- A chance for earning the funds
- Helping in collecting the funds

**Feels:**


- Banking industry pays well. The salary provided in a bank job is high as compared to other entry-level jobs in India



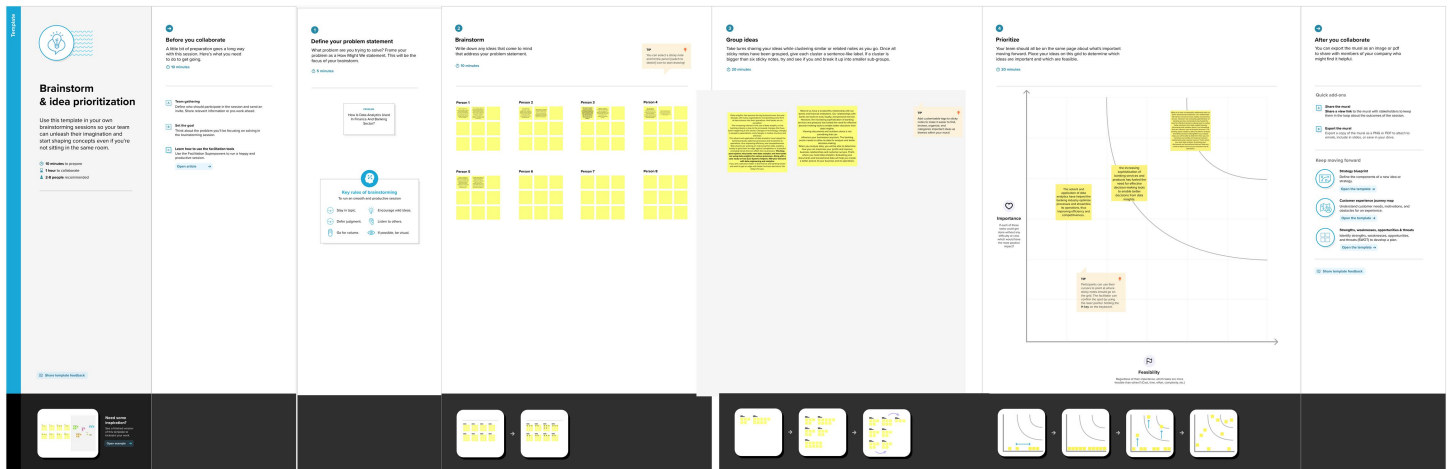
### Need some inspiration?

See a finished version of this template to kickstart your work.

[Open example](#)



# Ideation & Brainstorming Map



## RESULT:

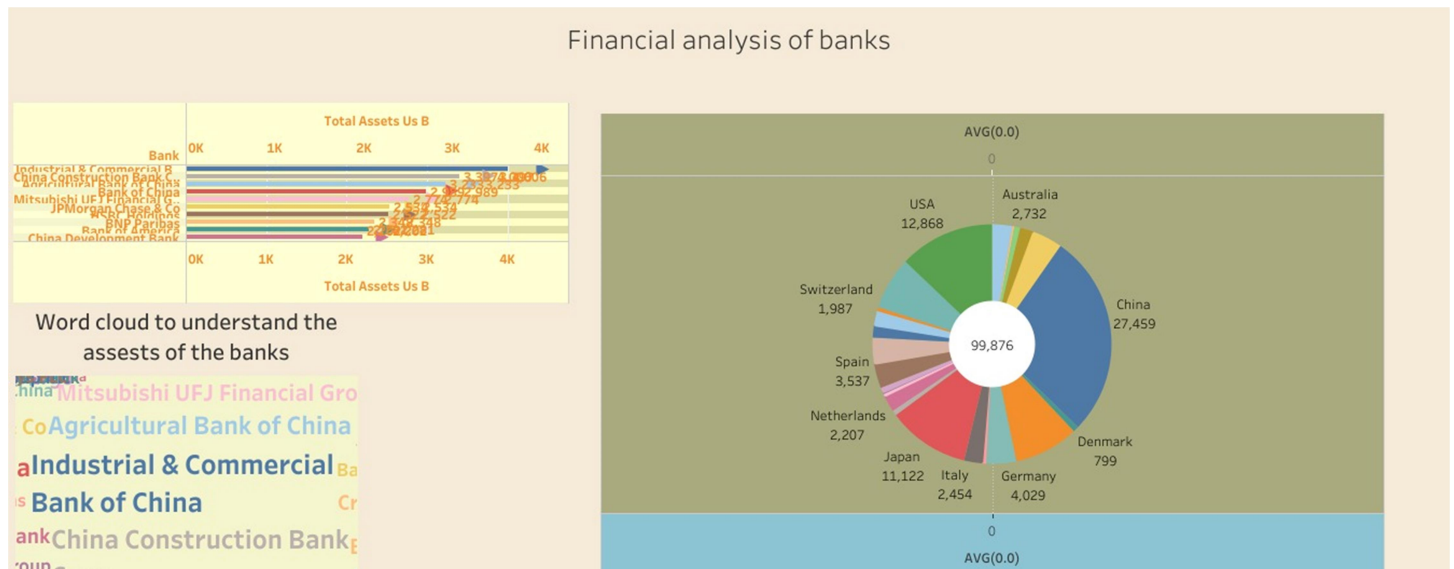
### Story

#### Story 1

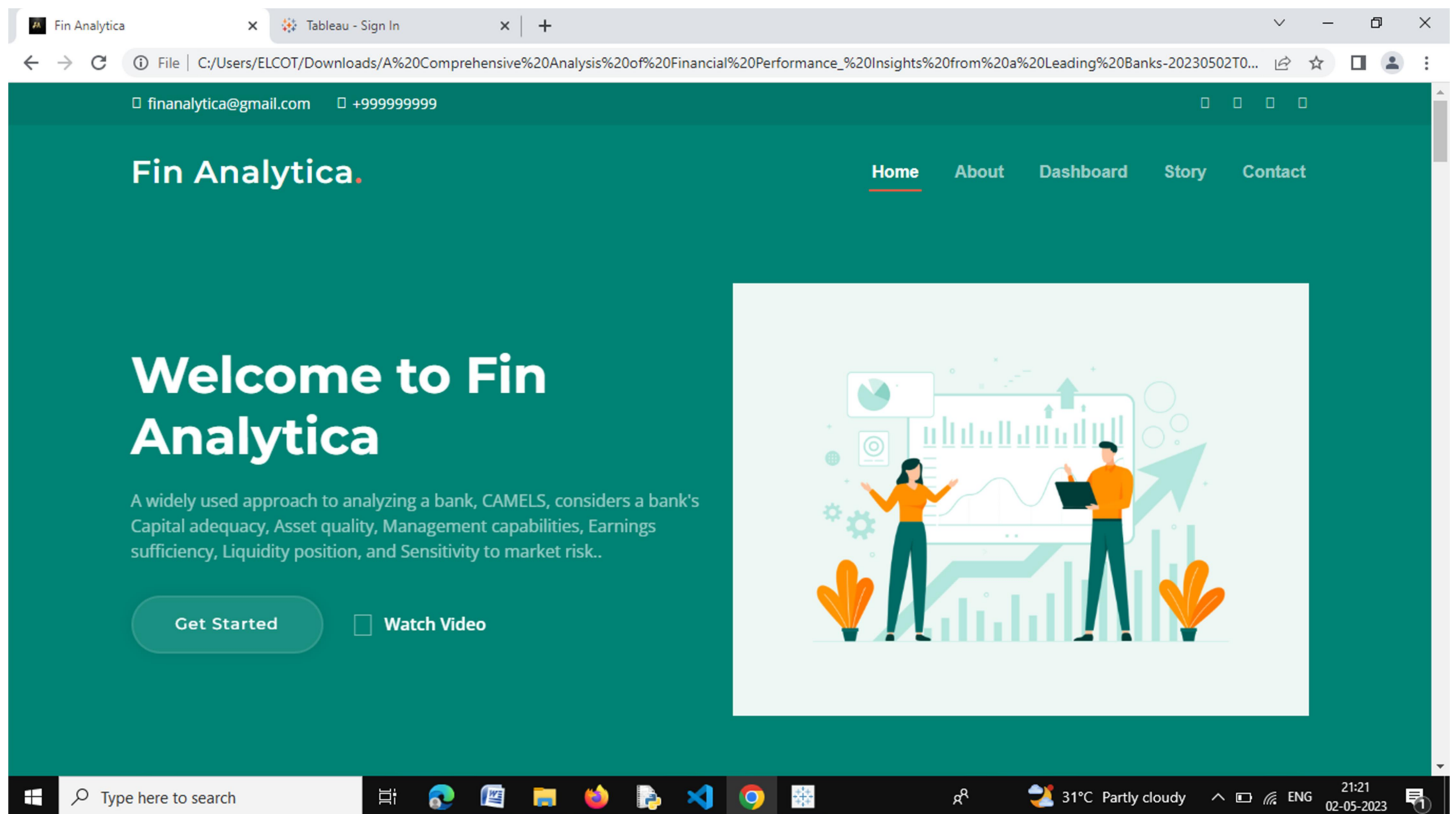
VARIETY OF BANKS	Top banks according to rank and asserts	Top banks according to country based on tota..	Top 10 countries with assets proportion	Country with total assets using funnel c..	Total assets analysis according to year and..
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## Dashboard



## Web application:



## ADVANTAGES & DISADVANTAGES:

### ADVANTAGES:

#### **The Ability to Detect Patterns**

Financial statements reveal how much a company earns per year in sales. The sales may fluctuate, but financial planners should be able to identify a pattern over years of sales figures. For example, the company may have a pattern of increased sales when a new product is released. The sales may drop after a year or so of being on the market. This is beneficial, as it shows potential and sales patterns so executives know to expect a drop in sales.

#### **A Chance to Budget Outline**

Another advantage of using financial statements for future planning and decision making is that they show the company's budgets. The budgets reveal how much wiggle room the company has to spend on launching products, developing marketing campaigns or expanding the current office size. Knowing how much money is available for planning and decision making ensures that the company does not spend more than expected.

### DISADVANTAGE:

#### **Based on Market Patterns:**

One disadvantage of using financial statements for decision making is that the data and figures are based on the market at that given time. Depending on the market, it may change quickly, so executives should not assume that the numbers from a previous financial statement will remain the same or increase. Just because a company has sold 5 million copies of a product during one year does not guarantee it will sell the same amount or more. It may sell much less if a competitor releases a similar product.

### **At-One-Time Analysis:**

Another disadvantage is that a single financial statement only shows how a company is doing at one single time. The financial statement does not show whether the company is doing better or worse than the year before, for example. If executives decide to use financial statements for making decisions about the future, they should use several financial statements from previous months and years to ensure they get an overall picture of how much the company is doing. The financial statement becomes a continuous analysis, which is more useful than using a single statement.

### **APPLICATIONS:**

Financial analytics offers in-depth insights into your financial status that'll improve financial visibility, profitability, and the value for the business and stakeholders. Being able to measure and manage assets like cash and equipment will be crucial in financial management and accounting efforts.

### **CONCLUSION:**

This chapter discusses the role of financial analysis in company operation. Some financial analysts calculate net assets by subtracting goodwill, adding back unrealised capital gains, with inventories possibly being valued at their replacement cost. Calculating net assets is an even trickier task with consolidated accounts owing to minority interests and goodwill. A company will be able to create value during a given period if the return on capital employed that it generates exceeds the cost of the capital that it has raised to finance capital employed. The components of working capital are easily determined. Capital expenditure increases in cash and asset disposals can also be established very rapidly, even in a sub-par accounting system. A reverse cash flow statement can be used to provide a very rough estimate of company's earnings, even before they have been reported.

## FUTURE SCOPE

As a financial analyst, there are several areas where you can specialize and have a promising future. Here are some examples:

**Investment banking:** Financial analysts in investment banking help clients buy and sell assets, such as stocks, bonds, and real estate. This field offers excellent career prospects and compensation.

**Private equity:** Private equity firms invest in companies and help them grow. Financial analysts in this field evaluate potential investments, conduct due diligence, and monitor the performance of portfolio companies.

**Hedge funds:** Hedge funds are alternative investment vehicles that use complex investment strategies to generate returns. Financial analysts in this field conduct research and analysis to identify investment opportunities and manage risk.

**Corporate finance:** Financial analysts in corporate finance work for companies to help them make financial decisions, such as raising capital, managing cash flow, and investing in projects. This field offers a diverse range of opportunities across different industries.

**Risk management:** Financial analysts in risk management identify and evaluate potential risks to an organization's financial health. This field has become increasingly important in recent years, particularly in the wake of the global financial crisis.

Overall, there is a growing demand for financial analysts across different industries and sectors, making it a promising career path for those with strong analytical skills and a passion for finance.

