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Estimation of Business Expenses

III B SC MATHEMATICS

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CONTENT OF THE THESIS

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*** INTRODUCTION**

1.1 OVERVIEW

"Estimating business expansion is a critical strategic endeavor for companies looking to grow and thrive in a competitive market. Whether it's expanding into new markets, launching new product lines, or opening additional locations, a well-planned expansion can unlock new opportunities and revenue streams. However, the process of estimating business expansion is not a one-size-fits-all approach. It involves a thorough analysis of market trends, financial projections, and risk assessments to make informed decisions that can drive sustainable growth. In this discussion, we will explore the key considerations and methodologies that businesses use to estimate the potential for successful expansion and how these strategies can be tailored to meet specific organizational goals."

1.2 PURPOSE

* The purpose of estimating business expansion is to assess the feasibility, profitability, and strategic alignment of growth opportunities, ensuring that resources are allocated wisely and risks are managed effectively to drive sustainable business success.

PROBLEM DEFINITION & DESIGN THINKING

2.1 EMPATHY MAP



Says

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

Budget Categories:

Break down
 expenses
 into categories like
 salaries,
 marketing,rent,
 utilities and supplies.

Historical data:

 Analyze past financial records to identify trends and patterns in spending.

Initial Research:

 Begin by researching your industry and market to understand typical expenses patterns for businesses similar to yours

Documentation:

 Maintain detailed records of your expense esimates and actual expenses.This will aid in future estimation accuracy.

Expertise and experience:

 The experience and expertise of financial professionals within a business can greatly impact expense estimation accuracy.

Review and learn:

 After a certain period, review your actual expenses against your estimates.Learn from any discrepancies and refine your estimation process accordingly.

Does

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

hinks

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

Data analysis:

 Need access to historical financial data and analysis tools to make informed estimates.

Accurate Estimates:

 Businesses want their expense estimate to be as precise as possible to avoid unexpected financial challenges.

Seasonality:

 Businesses with seasonal fluctuations may need to adjust their expense estimates based on historical trends during different times of the year.

Estimation of business expenses

Uncertainty:

 Business owners often fear the uncertainty associated with estimating expenses. They worry about unexpected costs or economic fluctuations that can impact their financial

Accuracy

The frustration lies in the difficulty of accurately estimating expenses. Many factors can affect costs, makeing it challenging to predict

Optimism

 Feeling optimistic can lead to underestimating expenses as people may believe that costs will be lower than they actually are.

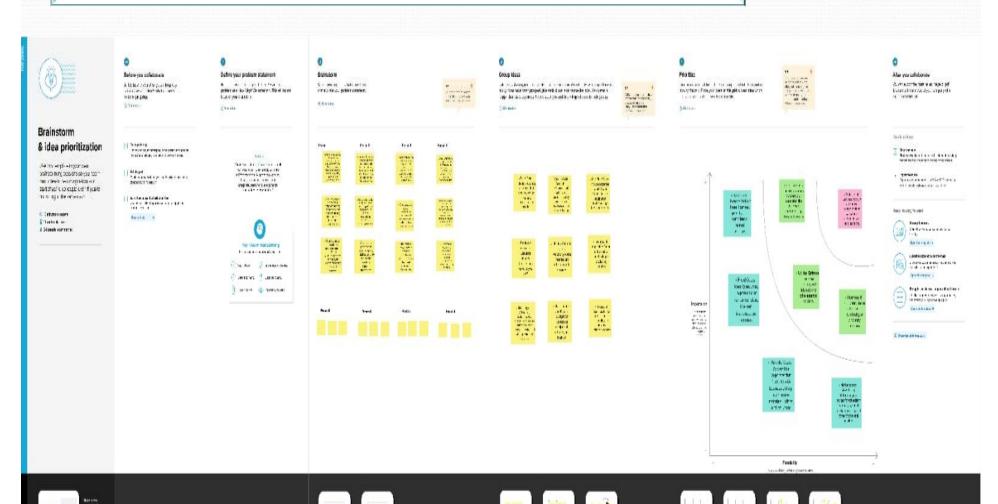
Feels

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





2.2 IDEATION & BRAINSTORMING MAP



ADVANTAGES & DISADVANTAGES

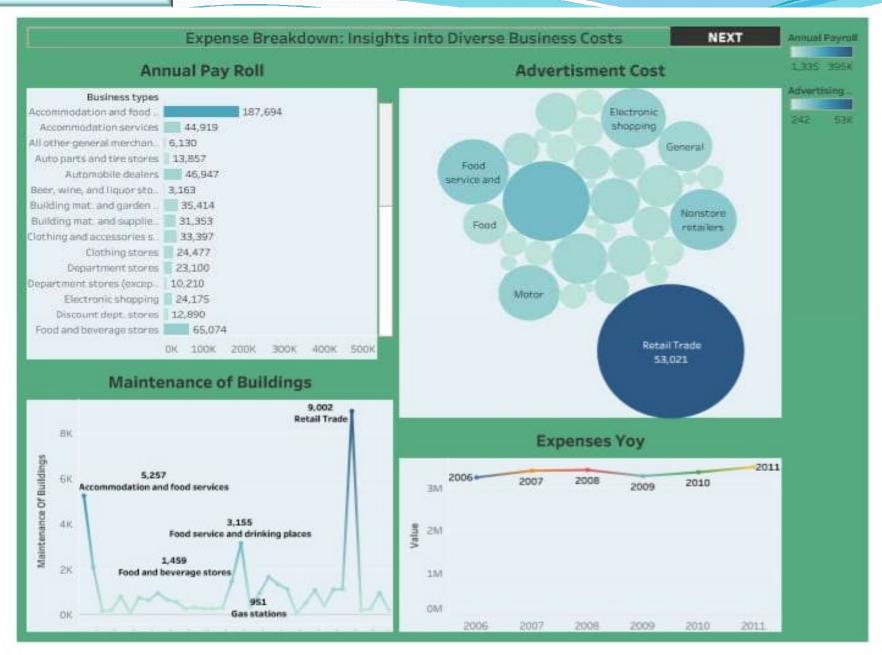
ADVANTAGES TO ESTIMATING BUSINESS EXPANSIONS

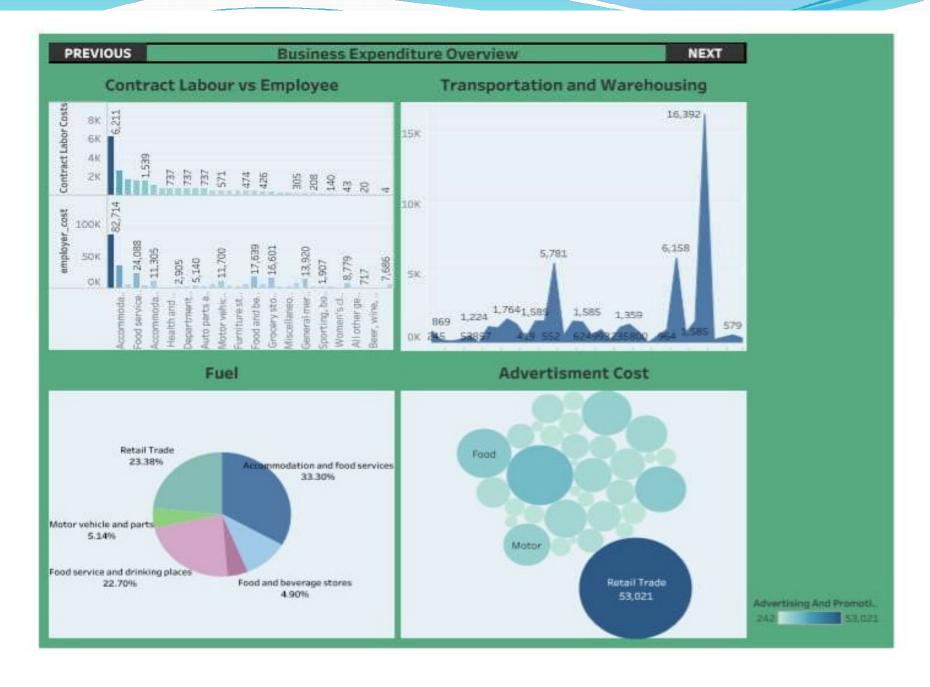
- Growth
- Profit
- Diversification
- Market Share
- Innovation

DISADVANTAGES TO ESTIMATION BUSINESS EXPANSIONS

- Risk
- Cost
- Competition
- Uncertainty
- Complexity







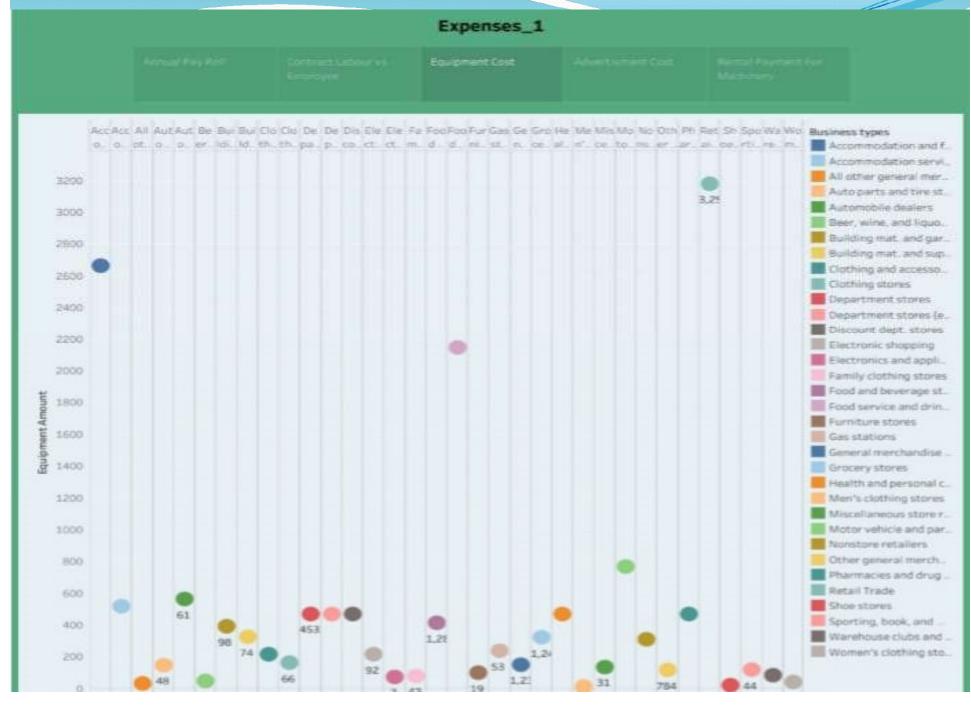
Expense Insights PREVIOUS Rental Payment For Machinery Employee Cost(Insurance vs Pension) Retail Trade 32,138 Retail Trade Food service 3,250 Food and beverage stores 7,688 3,461 and drinking Grocery stores 7,356 places 1,241 Accommodation and food 9,472 1,028 Nonstoro retailors 2,672 Electronic shopping 1,954 Building mat. Grocery Gas General merchandise stor. 5,396 1,237 and supplies stores Food service and drinking . W 5,196 Pharmacies and drug stor. 3,493 Food and Motor Haulth and personal care _ 3,493 vehicle Discount dept. stores 932 Accommodation and food Health and Electronic Department stores (excep... services Building mat, and garden ... 1,710 Pharmacies General OK 2K 4K 5K 8K OK Employer Costs Contribut. Employer Costs Pension P. Taxes & License **Power Expenditure** Business types Business types Retail Trade Accommodation and food cood service and drinking cood and beverage stores Grocery stores Accommodation services General merchandise store, health and personal care Pharmacies and drug stor. Other general merchandis Gas stations Varehouse clubs and sup, votor vehicle and parts of hing and accessories aliding mat, and garden suilding mat, and garden suilding mat, and supplie pagartment stores 26.75% Accommodation and food services 34.35% Retail Trade Suilding mat and Supplie... Japartment stores Japartment stores Juthing Stores Automobile dealers Miscallanaous store retail... Vonstore retailers Juscount dept. stores Juscount stores J 17.72% 7.26% Accommodation services General merchandise stores 4.88% Food service and drinking places Family clothing stores

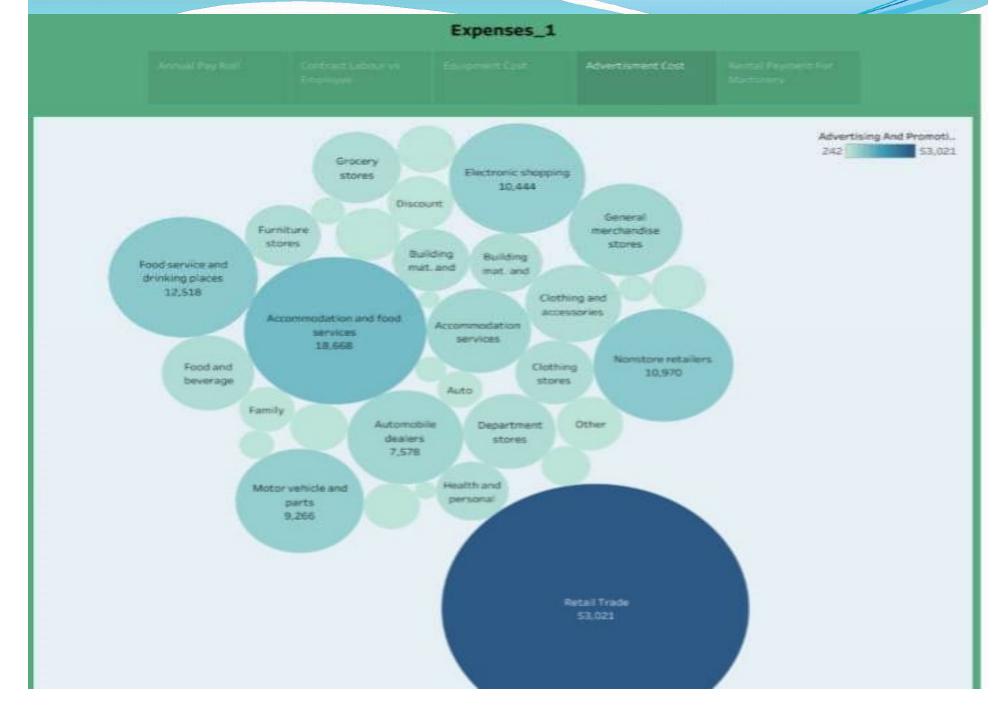
Shoe stores Man's clothing stores





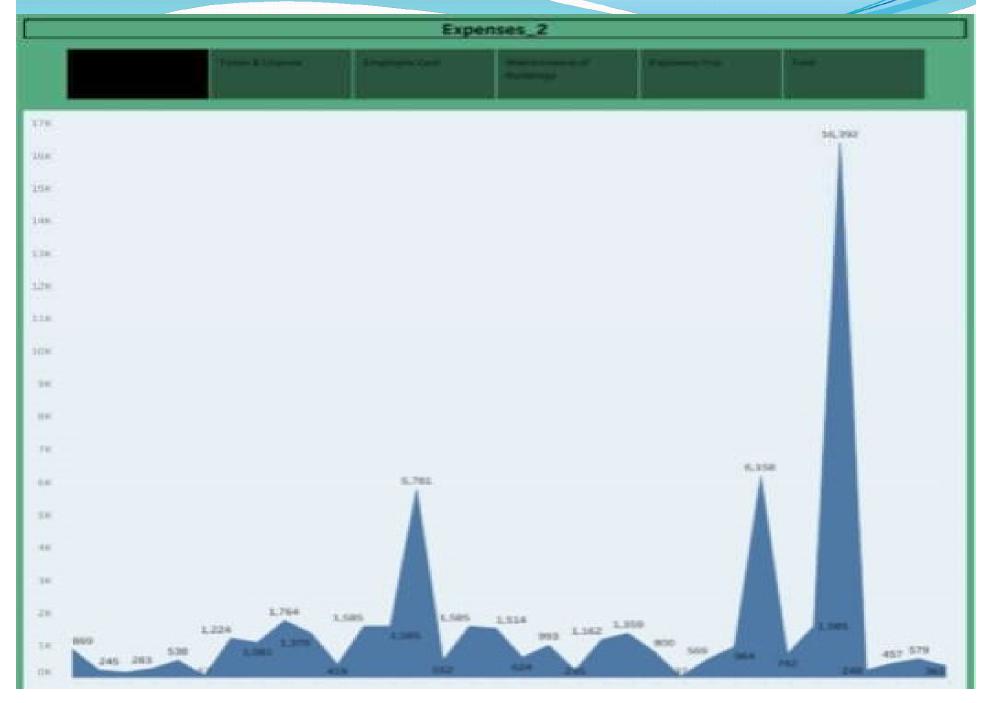
STORY 1.3

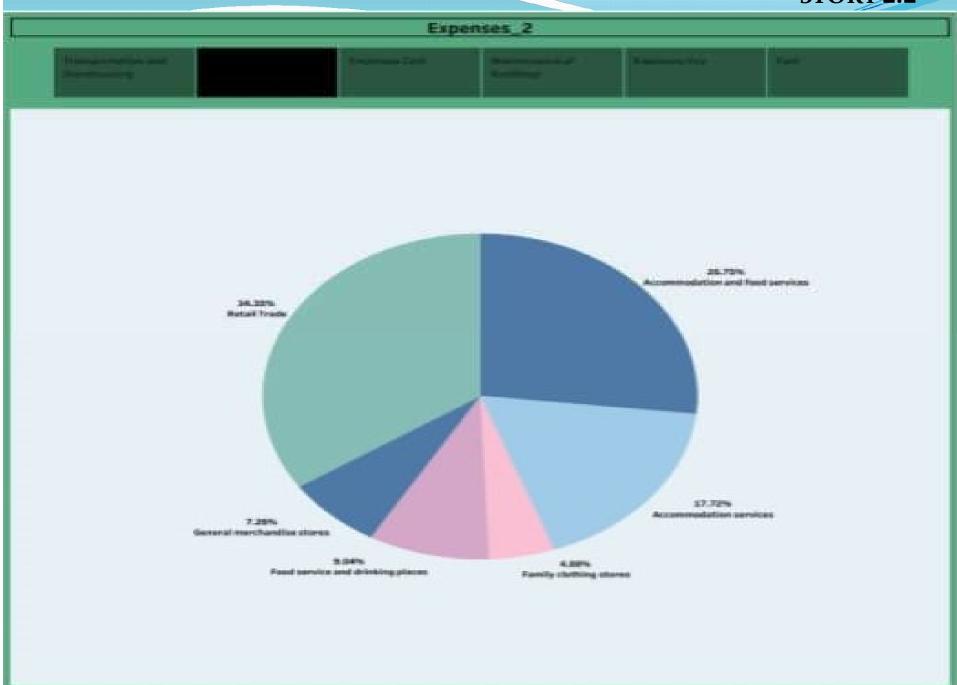


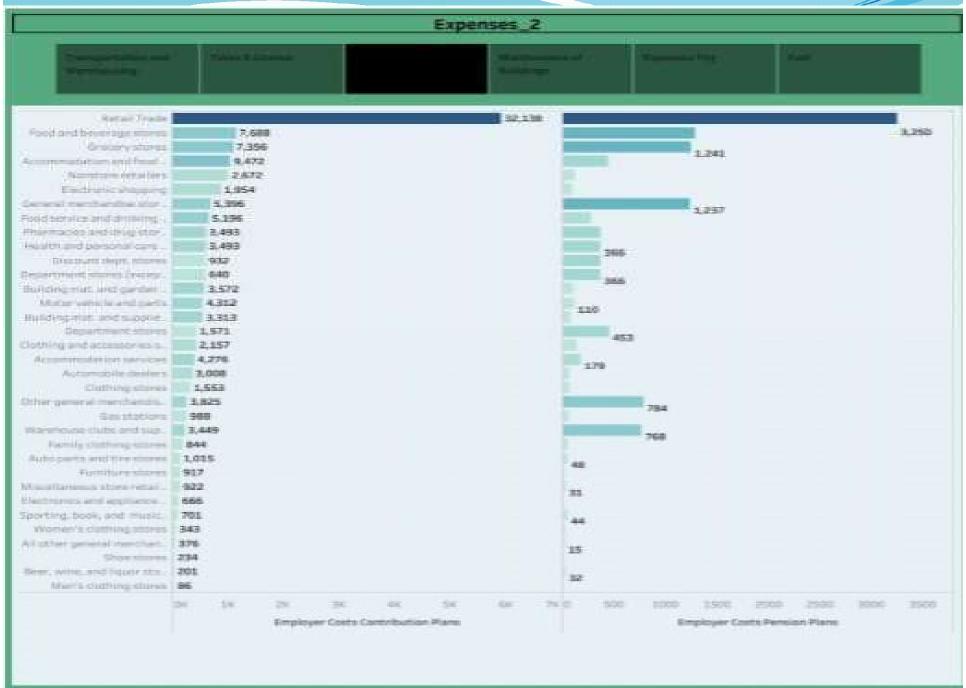


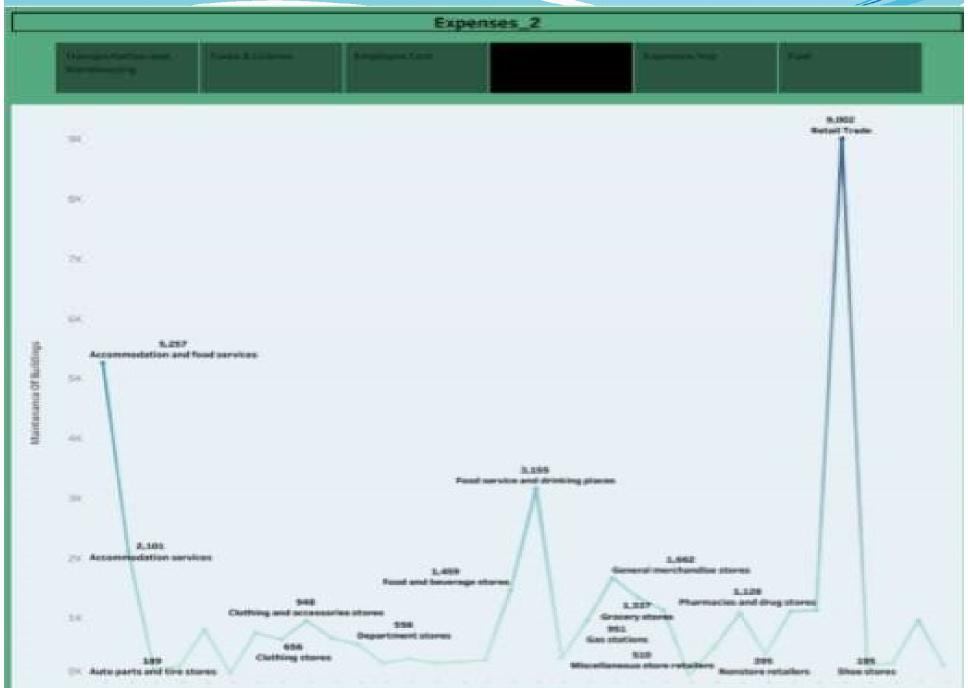
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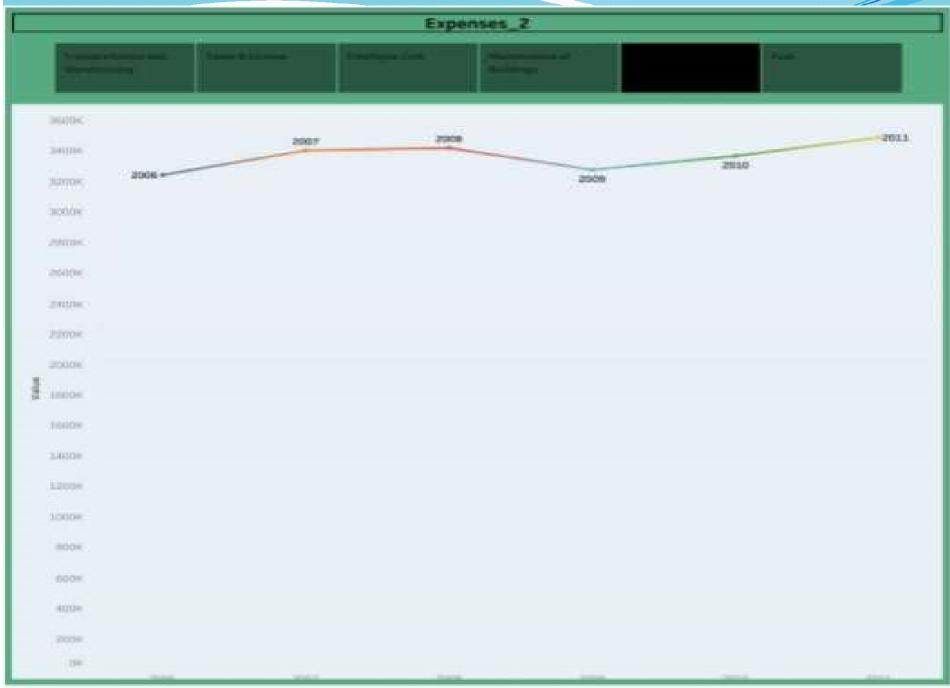
STORY 2.1

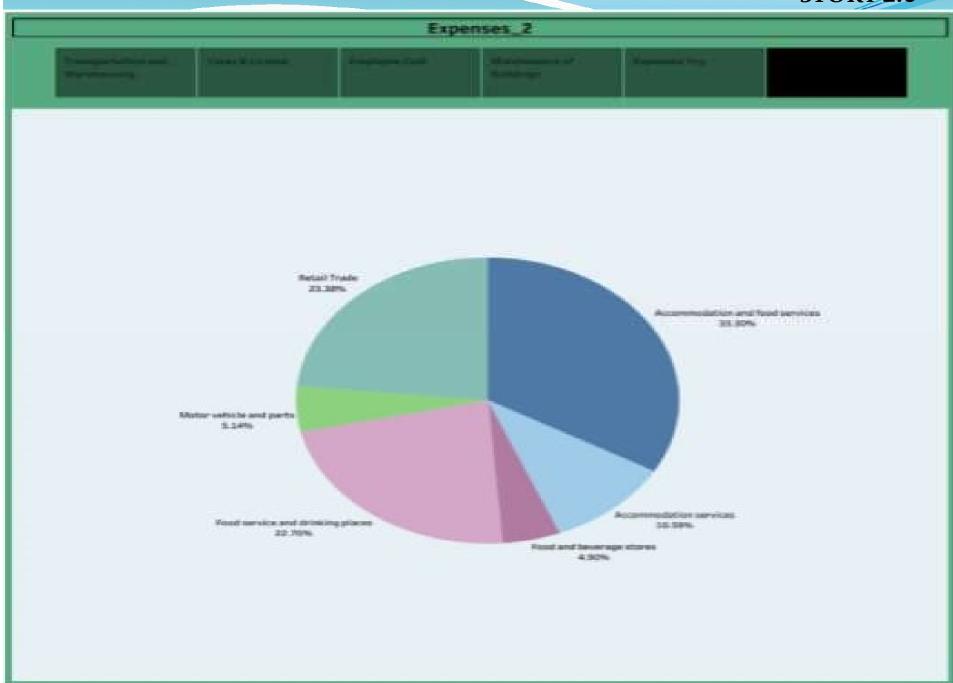












MPPLICATIONS

- * Estimating expansion helps in evaluating the feasibility of entering new markets, whether through new product launches or geographical expansion.
- It aids in efficient allocation of resources, such as capital and human resources, for the expansion, ensuring that investments are optimized for growth.

CONCLUSION

❖ In conclusion, estimating business expansion is a crucial process that can lead to strategic growth and enhanced profitability. It enables businesses to make informed decisions by assessing potential risks and aligning expansion efforts with market opportunities and organizational goals. Effective estimation helps in optimizing resource allocation and positioning the company for sustainable success in an everevolving business landscape.

FUTURE SCOPE

The future scope of business expansion estimation lies in data-driven analytics, technology integration, sustainability, global reach, and adaptability to evolving market dynamics.

Thank)