

ESTIMATION OF BUSINESS EXPENSES

1.0 Introduction

1.1 Overview

This report deals into the fascinating realm of business expenses and provides a visual exploration of the various expenditures incurred by different businesses. It showcases the distribution of expenses, identifies key cost drivers, and highlights areas of potential optimization or concern. The visual representations allow for intuitive analysis, facilitating a deeper understanding of expenditures patterns and their implications for business performance. Decision-makers, financial analysts, and stakeholders can gain valuable insights into the financial health of businesses, identify areas of inefficiency or opportunity, and make informed decisions to optimize resources and drive growth.

1.2 Purpose

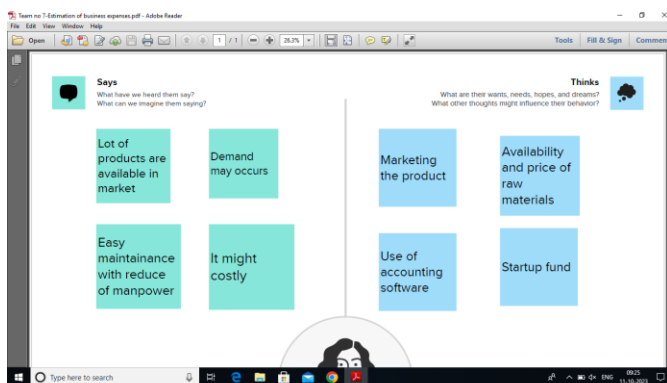
To estimate the approximate cost for a business.

2.0 Problem statement & design thinking

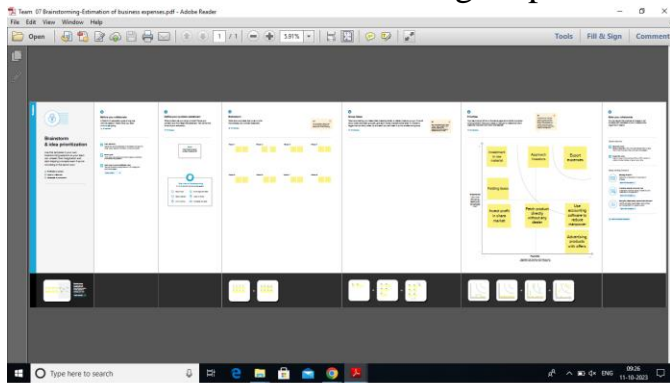
To analyze the expenses for a business around various sectors like transportation, power expenditure, fuel and at taxes etc.,

Create an empathy map and bring ideation to answer various what if questions.

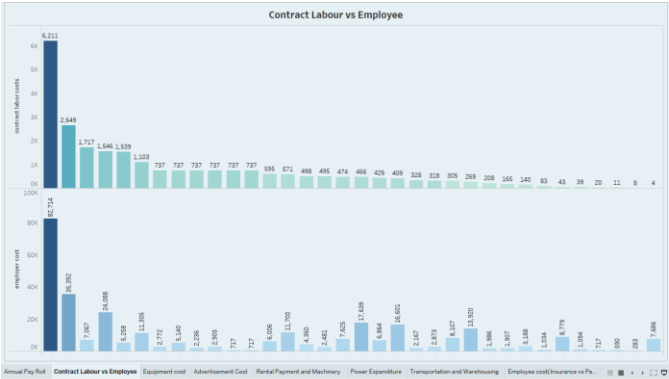
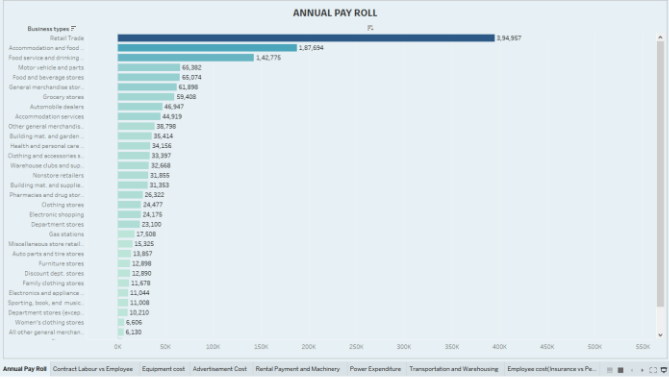
2.1 Empathy map

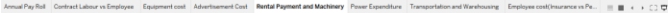
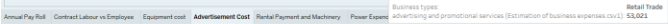


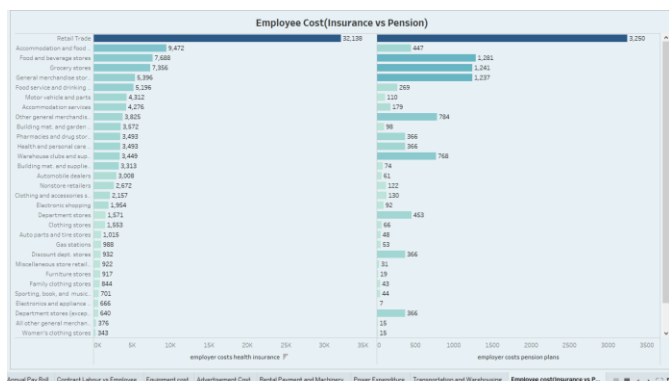
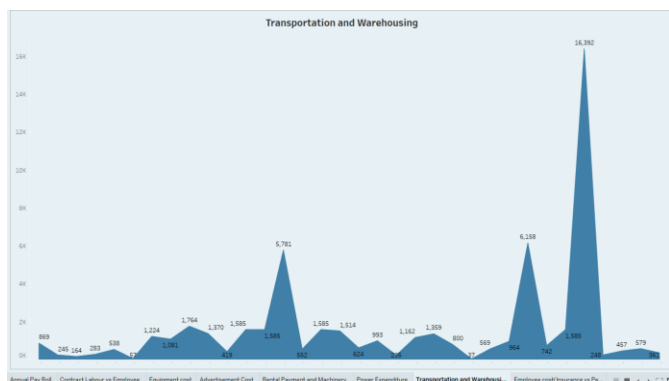
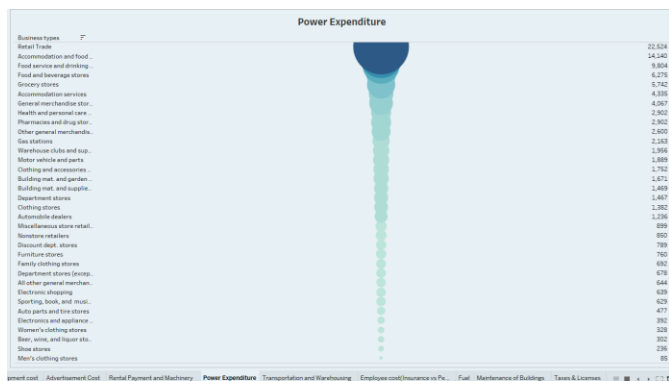
2.2 Ideation and Brainstorming map

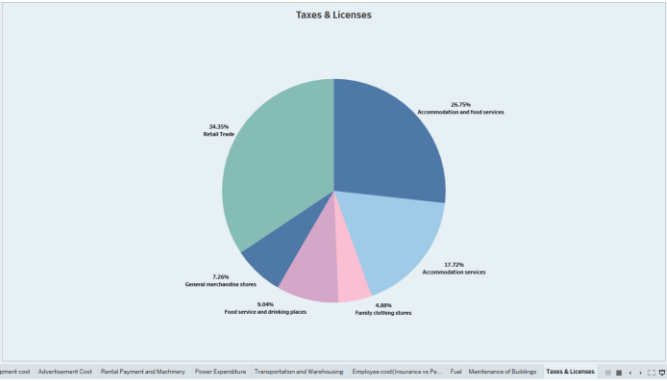
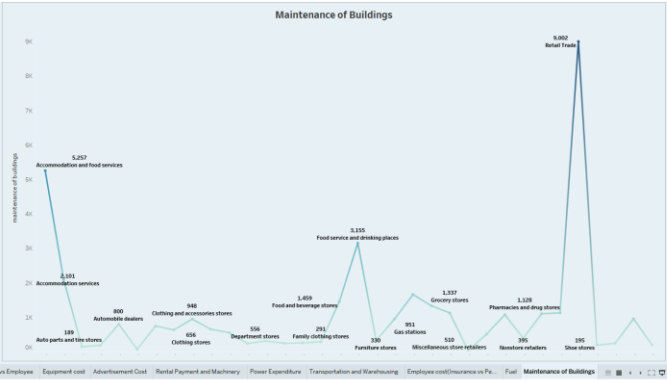
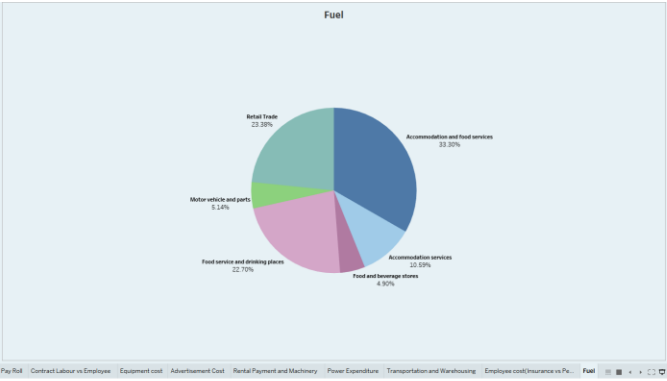


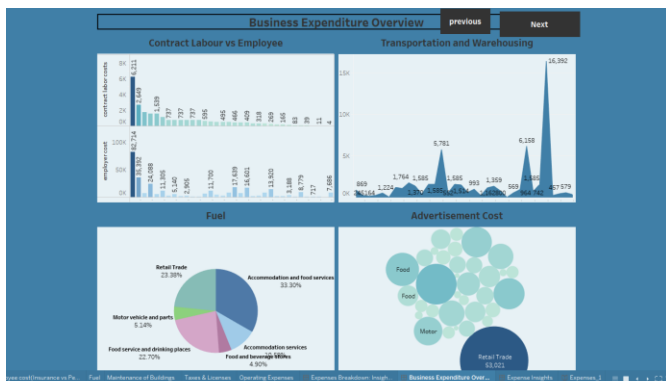
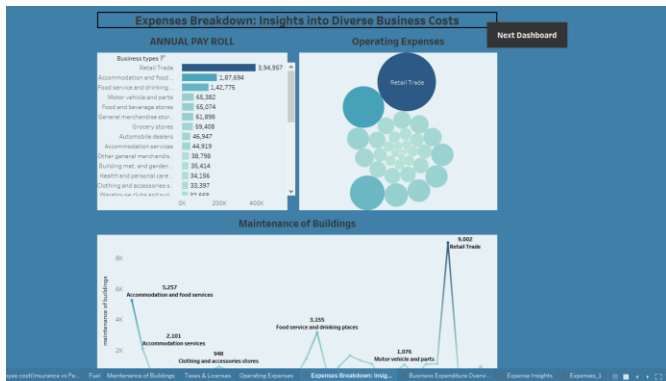
3.0 Result

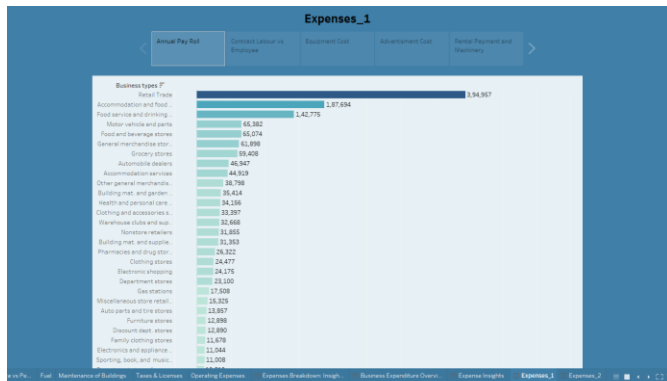
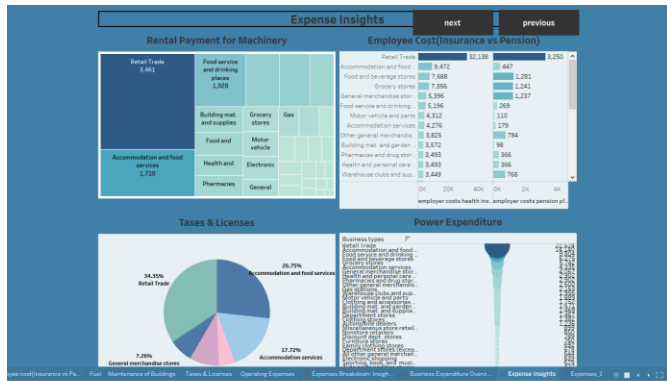


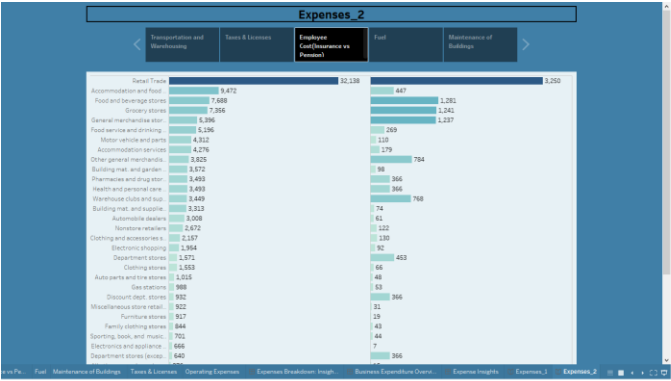
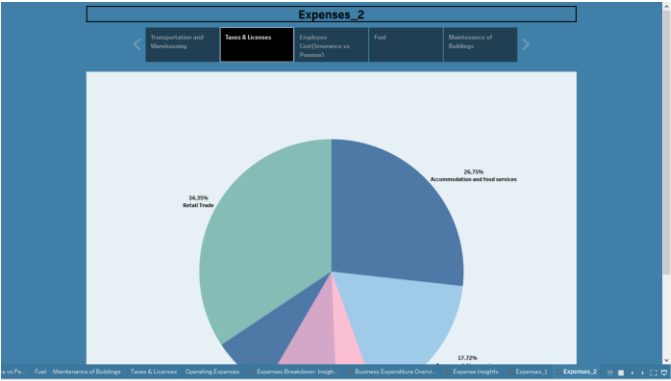
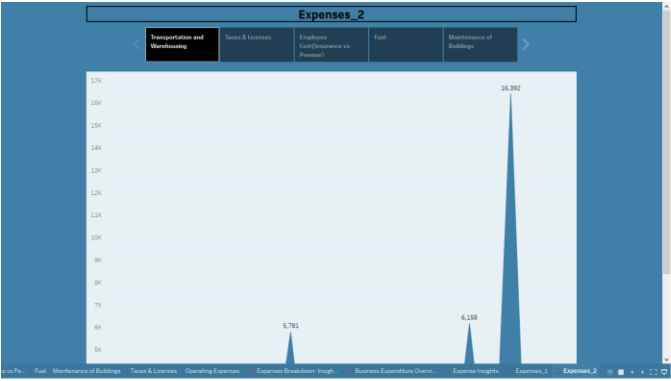


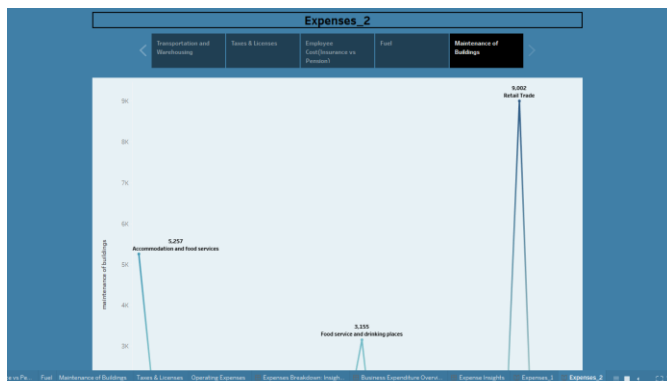
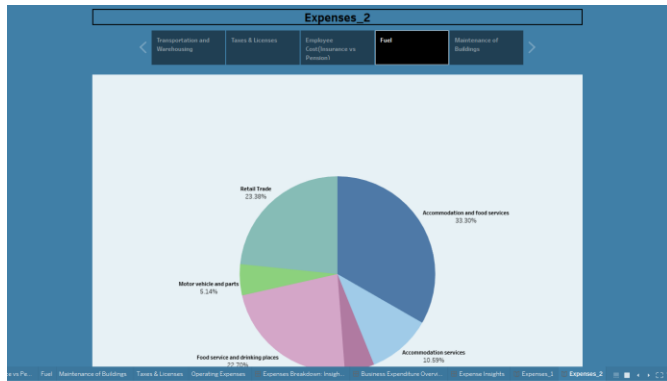












4.0 Advantages

The analysis of business expenses and financial management has a significant social impact. It contributes to economic stability by optimizing costs and fostering long-term sustainability. Effective expense management creates job opportunities and supports the workforce. It allows for better resource allocation, enabling businesses to invest in innovation and community engagement. Responsible expense management aligns with societal expectations and promotes social responsibility. Non-profit organizations benefit from expense analysis, enabling them to maximize their impact. Overall, analysing and managing expenses positively influences economic growth, employment, stakeholder well-being, and social responsibility.

4.1 Disadvantages

- ❖ It can be expensive to implement and it is time-consuming.
- ❖ It is not flexible enough to answer what-if questions.
- ❖ New estimates must be built for each alternative.
- ❖ The product specification must be well-known and stable.
- ❖ All product and process changes must be reflected in the estimate.

5.0 Applications

- It helps to predict the market cost of a project and manage the budget.
- Estimation helps you to know whether you will be able to profit off a product using historical data.

6.0 Conclusion

From this analysis, estimation of expenses is done over various areas like annual payroll, employee cost, power expenditure, transportation and marketing, fuels, taxes and licenses, and operating expenses. It will help to predict the expenses to start a business.

7.0 Future scope

In future, estimation will be precise with artificial intelligence and its prediction will be with high accuracy hence it will be easier to estimate the cost to start a business.