

# PROJECT REPORT

# **ESTIMATION OF BUSINESS EXPENSE**

# INTRODUCTION

## Overview:

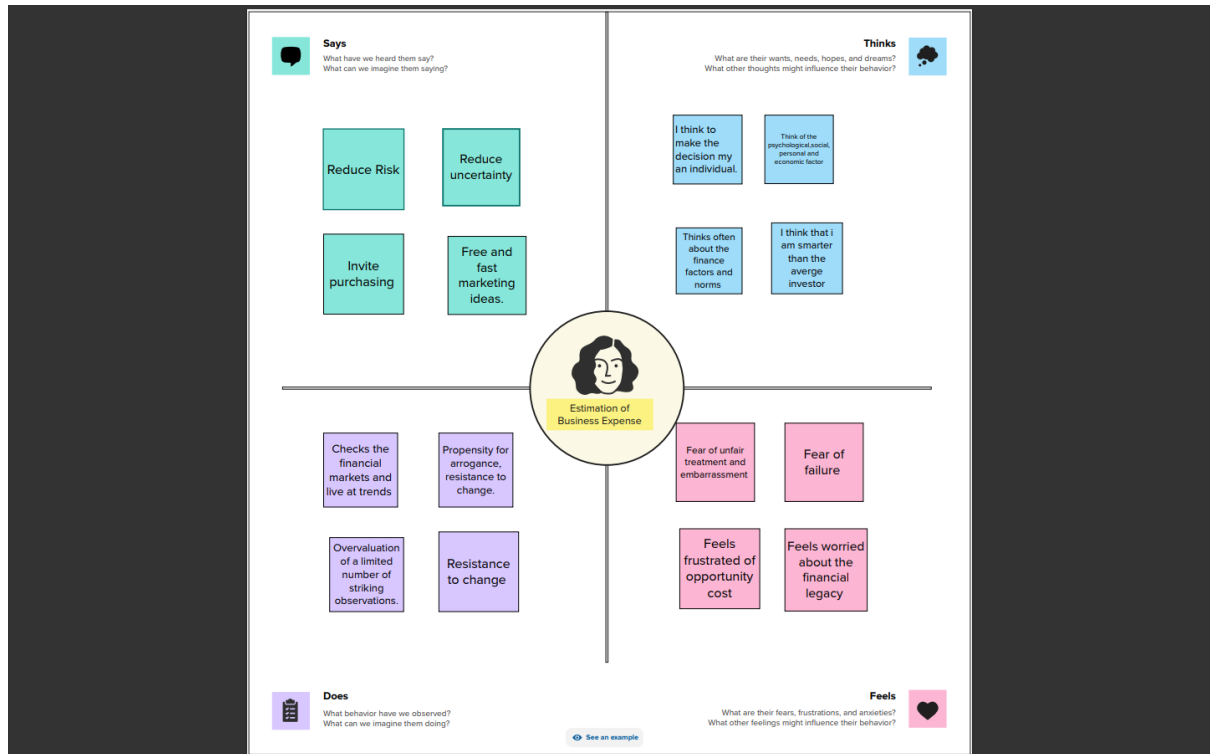
Estimating business expenses is an important step in determining how much money you need to start and keep your business running without encountering cash flow problems. Every business has different requirements, depending on the type of products or services it sells, the size of the company, and the stage of growth of the business. Even so, most business expenses are either one-time costs or ongoing expenses required to keep operations going.

## Purpose:

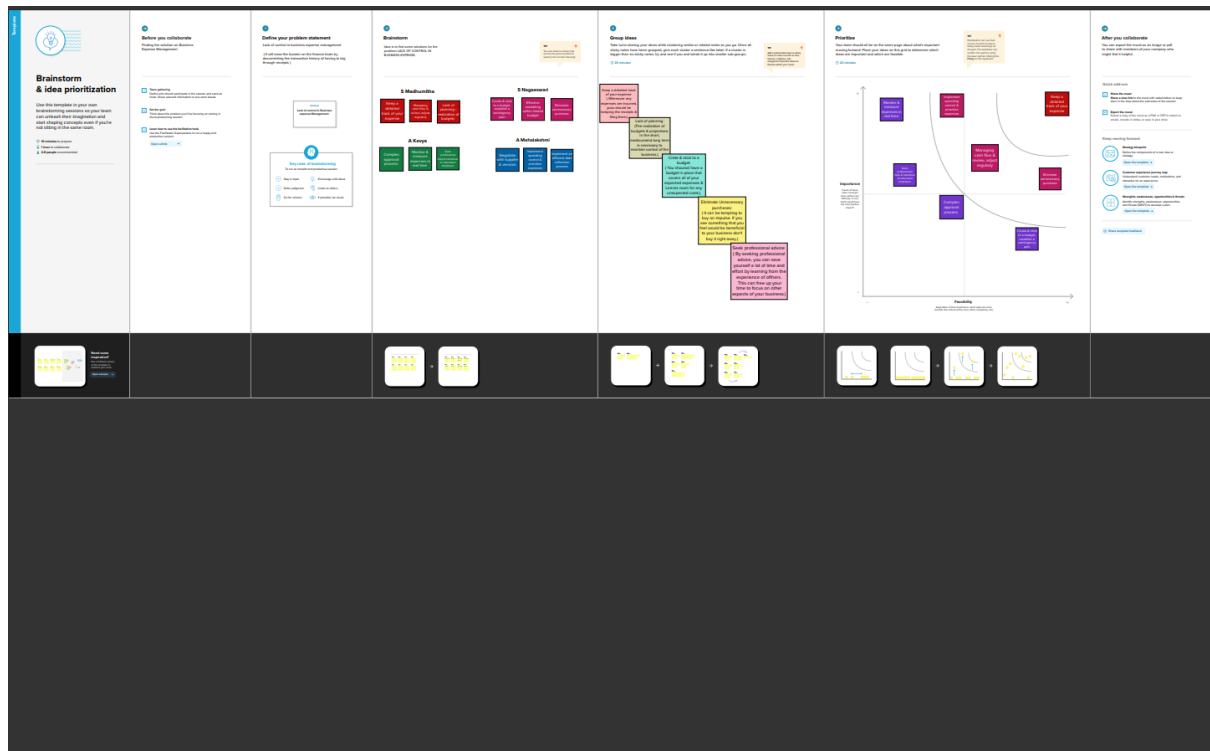
Estimating Increases Profitability for Your Business multitude of factors, such as unexpected events, insufficiently scoped work, and inflation, can raise job costs over time, endangering the project's ability to be completed on time, under budget, and in line with profitability objectives. Estimates are documents that provide approximate costs for a project. Small businesses create them for potential clients so both parties are clear on the ins and outs of a project before it starts.

# PROBLEM DEFINITION AND DESIGN THINKING

## EMPATHY MAP:



## BRAINSTORMING MAP:




Empat X Empat X Brain X Sign X Brain X Brain X Dash X Dash X Dash X Story X Story X Brain X

File C:/Users/ADMIN/Downloads/Brainstorming%20Map.pdf

Draw Read aloud Ask Bing AI 1 of 1

Template



## Brainstorm & idea prioritization

Use this template in your own brainstorming sessions so your team can unleash their imagination and start shaping concepts even if you're not sitting in the same room.

⌚ 10 minutes to prepare  
👥 1 hour to collaborate  
👤 2-8 people recommended

### Before you collaborate

Finding the solution on Business Expense Management

- Team gathering**  
Define who should participate in the session and send an invite. Share relevant information or pre-work ahead.
- Set the goal**  
Think about the problem you'll be focusing on solving in the brainstorming session.
- Learn how to use the facilitation tools**  
Use the Facilitation Superpowers to run a happy and productive session.  
[Open article](#)

### 1 Define your problem statement

Lack of control in business expense management

(It will ease the burden on the finance team by documenting the transaction history of having to dig through receipts)

**PROBLEM**  
Lack of control in Business expense Management

**Key rules of brainstorming**  
To run a smooth and productive session

- Stay in topic.
- Encourage wild ideas.
- Defer judgment.
- Listen to others.

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### 2 Brainstorm

Idea is to find some solutions for the problem LACK OF CONTROL IN BUSINESS EXPENSE.

**S Madhumitha**

- Keep a detailed track of your expense
- Managing cash flow & review, adjust regularly
- Lack of planning-- realization of budgets

**S Nagaeswari**

- Create & stick to a budget, establish a contingency plan
- Effective marketing within limited budget
- Eliminate unnecessary purchase

**A Kavya**

- Complex approval process
- Monitor & measure expenses in real time
- Seek professional help & handover to educated employee

**A Mahalakshmi**

- Negotiate with supplier & vendors
- Implement spending control & prioritise expenses
- Implement an efficient data collection process

**TIP**  
You can select a sticky note and hit the pencil icon to start drawing!

### 3 Group ideas

Take turns sharing your ideas while clustering sticky notes have been grouped, give each bigger than six sticky notes, try and see if you

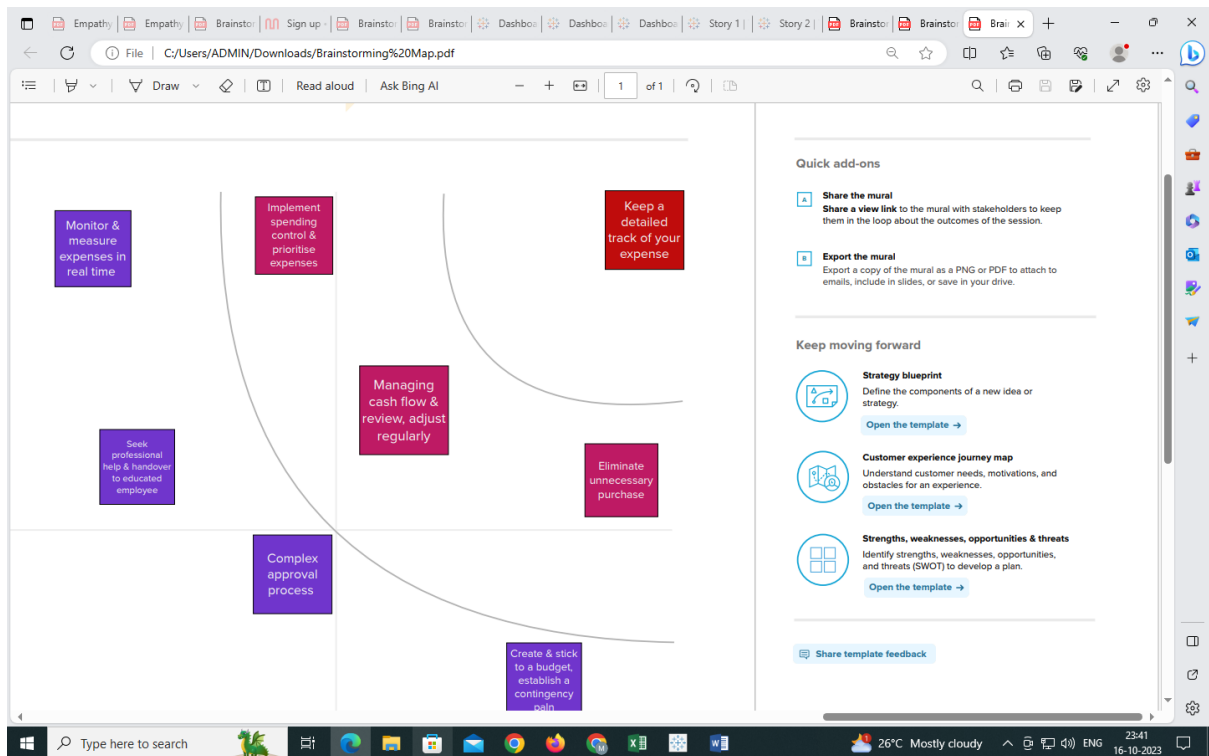
⌚ 20 minutes

Keep a detailed track of your expense ( Whenever any expenses are incurred, you should be keeping the receipts & filing them.)

Lack of planning: (The realization of budgets & projections in the short, medium and long term is necessary to maintain control of the business.)

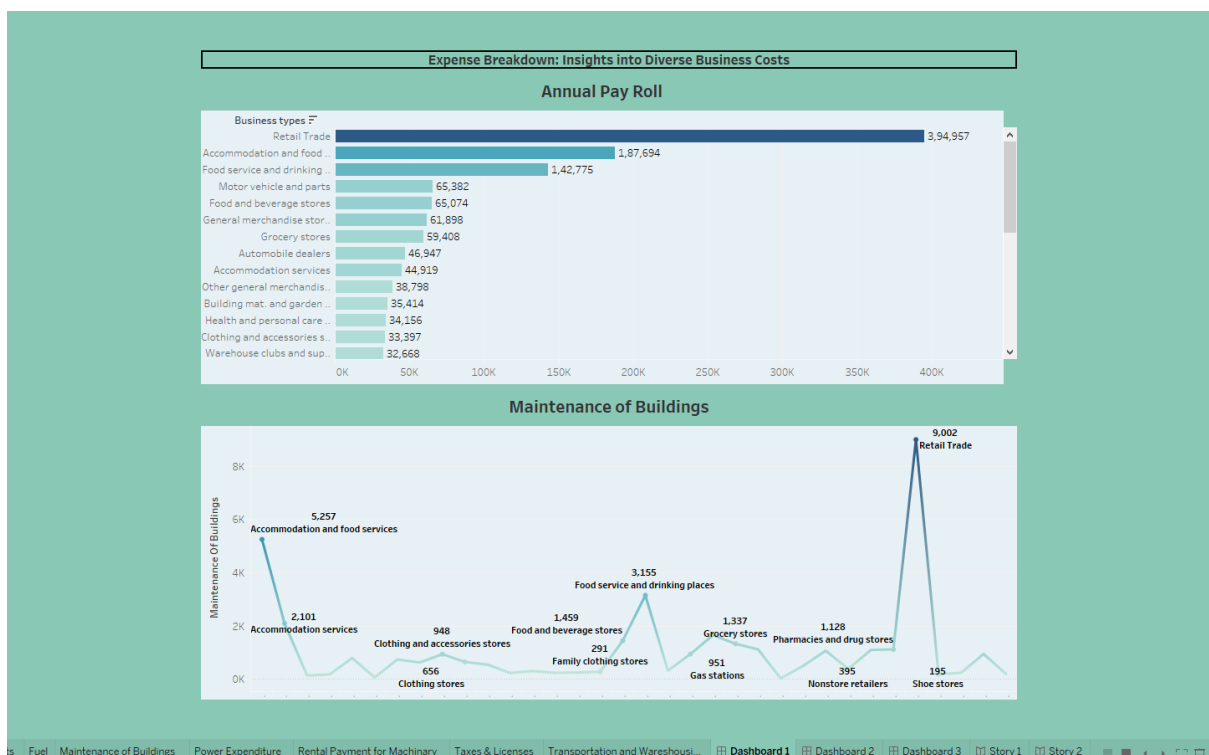
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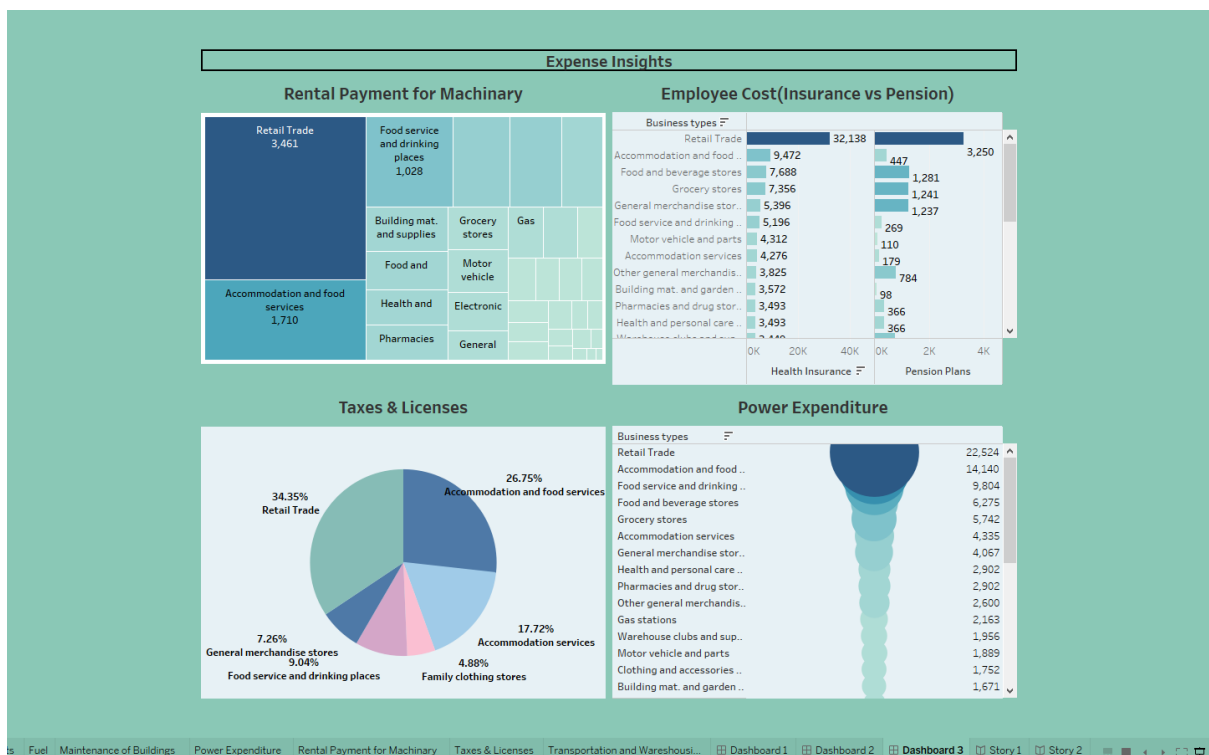
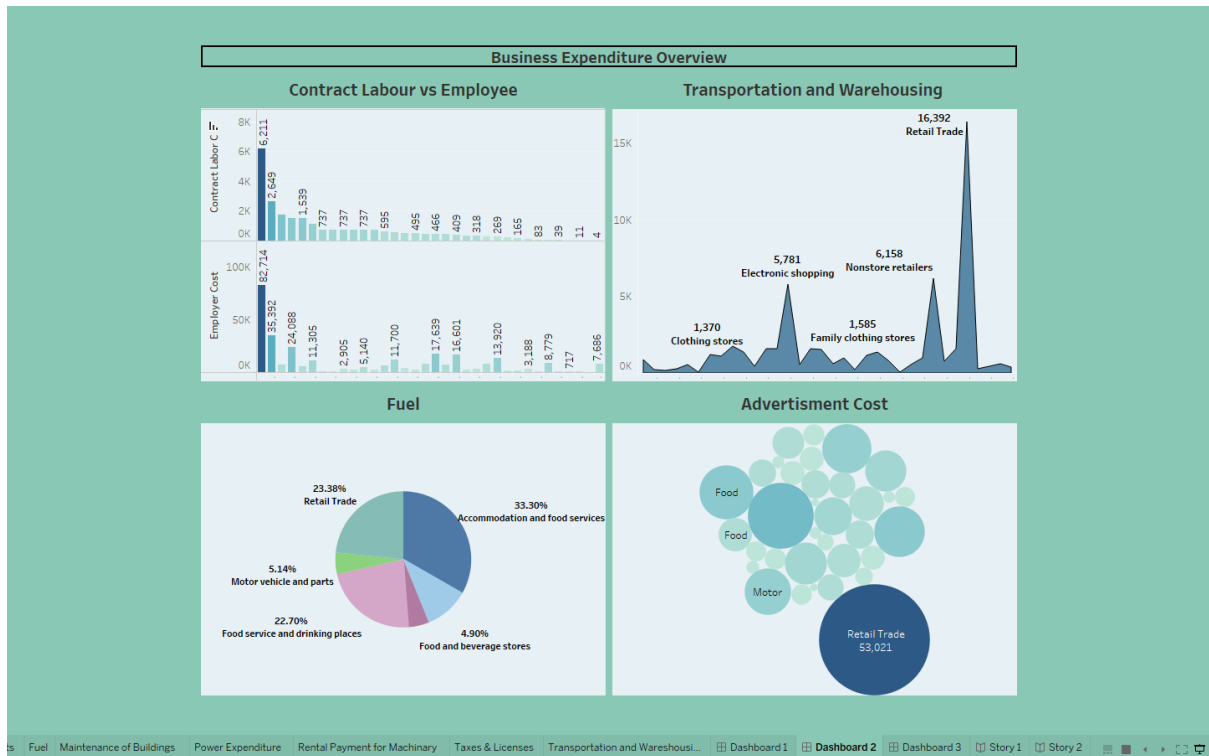
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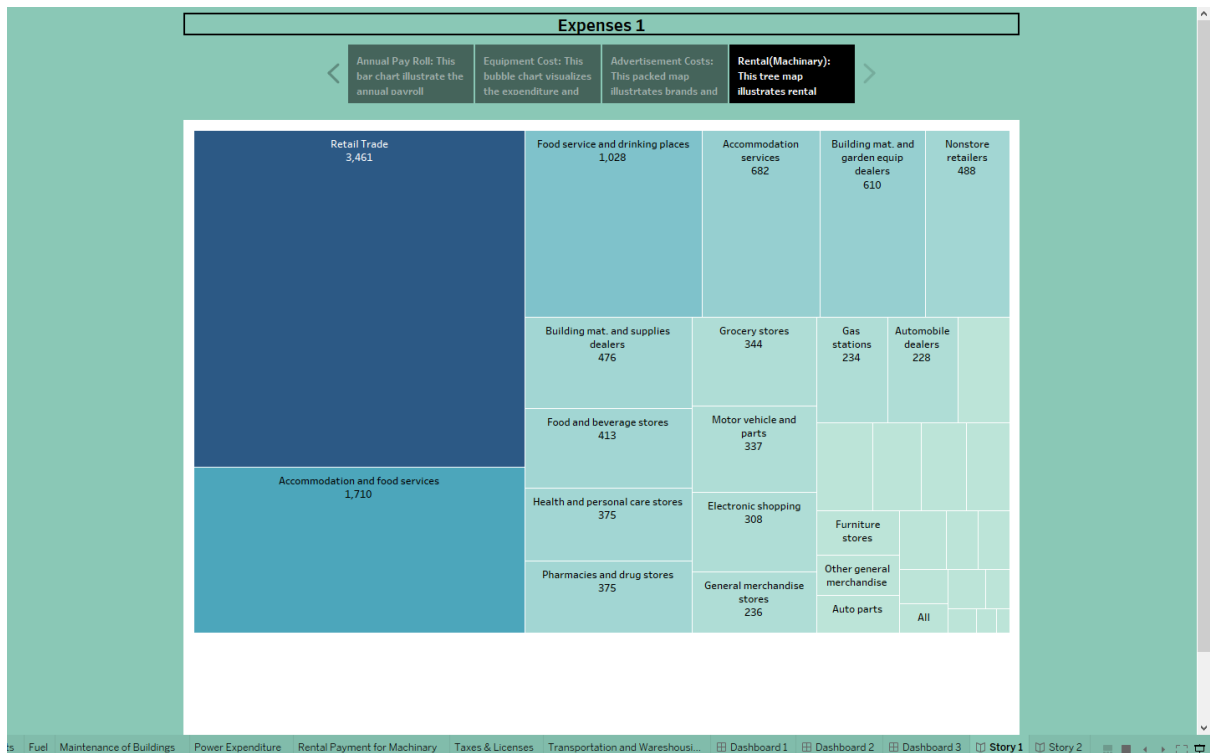
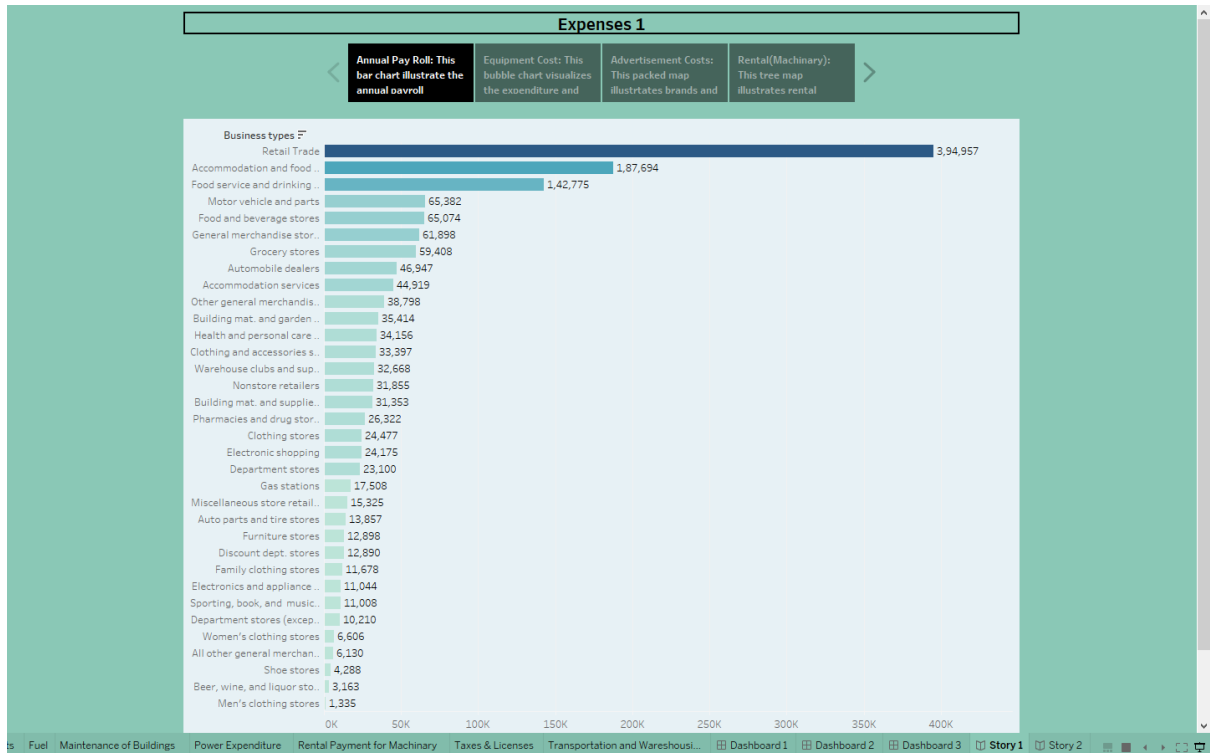
# RESULTS

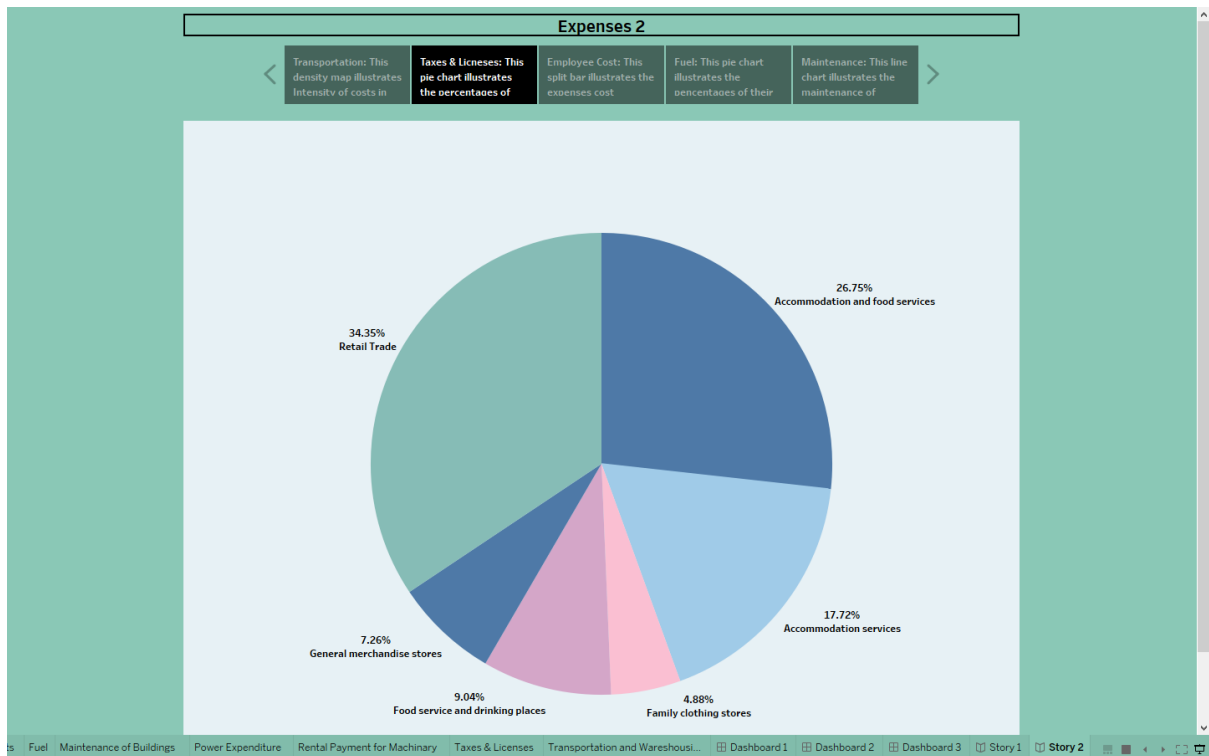
## DASHBOARD:





# STORY:





## ADVANTAGES

### 1. Cost Estimation

These benefits include budget planning, resource allocation, risk management, improved decision-making, and competitive advantage. Using cost estimation, organizations can ensure the success of their projects and maintain a competitive edge in their respective industries.



2. Estimates are important because they allow businesses to set expectations for their customers. They also help businesses determine whether or not a project is feasible and how much profit they can expect to make. Estimating also allows businesses to plan for unforeseen expenses and keep track of spending.

3. An estimate is a document that provides potential customers with an approximation of the cost of goods or services. An estimate can be used to provide an approximate price for a project, product, or service. Estimates are often used in the construction industry, but can be found in other industries as well.

4. Optimum utilization of available resources: It reduces waste of natural resources. It helps each country to make optimum use of its natural resources. Every country produces those goods for which it has maximum advantages.

5. Estimation takes into consideration all expenditure involved in the design and manufacturing along with all related service facilities such as machines setting; tool making as well as a portion of sales marketing and administrative expenses or what we call overhead costs.

## DISADVANTAGES

1. Budget could be inflexible, and not allow for unexpected circumstances. creating and monitoring a budget can be time consuming. budgeting could create competition and conflict between teams or departments. if targets are unrealistic, employees could become stressed and under pressure.
2. The company can be expensive to establish, maintain and wind up. the reporting requirements can be complex. your financial affairs are public. if directors fail to meet their legal obligations, they may be held personally liable for the company's debts.
3. Financial risk: The financial resources needed to start and grow a business can be extensive. You may need to commit most of your savings or even go into debt to get started. If things don't go well, you may face substantial financial loss. In addition, there's no guaranteed income. There might be times, especially in the first few years, when the business isn't generating enough cash for you to live on.

4. Undesirable duties: When you start up, you'll undoubtedly be responsible for either doing or overseeing just about everything that needs to be done. You can get bogged down in detail work that you don't enjoy. As a business owner, you'll probably have to perform some unpleasant tasks, like firing people.

5. It can waste precious time and money:

Creating a business plan can take a lot of time and money to produce. It may require the help of third-party experts, such as business advisors, lawyers and accountants, all of which will charge for their services. Additionally, it can also take you and other employees away from the day-to-day tasks involved with launching a new business. This can lead to precious resources being wasted on a task whose cost may exceed its benefits.

## APPLICATION OF BUSINESS EXPENSE:

1.. Making it easier to allocate funds: Tracking business expenses can help you determine how to allocate funds more easily, including funds for travel, office supplies or employee bonuses.

2.. Simplifying the tax process: Establishing a method for tracking business expenses can make it easier to apply for a tax deduction since it allows you to list all the business expenses in a clear format.

3.. Streamlining bookkeeping practices: Tracking business expenses can be an especially useful way to ensure accuracy when creating and maintaining financial records, which is often crucial for bookkeeping.

## CONCLUSION:

This entire project defines about the Estimation of Business expenses , This report delves into the fascinating realm of business expenses & provides a visual exploration of the various expenditure incurred by different business it showcase the distribution of expenses, identifies key cost drivers, and highlights areas of potential optimization or concern. It allow for intuitive analysis, facilitating a deeper understanding of expenditure patterns & their implications for business performance.

## **FUTURE SCOPE:**

The key functions in expense management are filling in expense requests, reviewing and approval of requests, employee reimbursement, and gathering and validating data for auditing and budgeting. The Finance department, employees, and the team/department manager are the key players in the expense management process.