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A REVIEW OF BUSINESS FINANCING SOURCES

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Abstract: *This paper explores the financing sources of a business as a strategic decision, evaluated both in terms of immediate costs and benefits, but also through the long-term impact on the company's financial indicators. Ensuring adequate financing plays an important role in the development of commercial operations, market expansion and capitalizing on opportunities to advance a business.*

During the work, I deepened each financing source, presenting their important characteristics, eligibility criteria and other considerations for an understanding of the available financing sources in order to provide support in making informed decisions regarding the field of business financing in order to contribute to the growth and prosperity of businesses.

• Introduction

Essentially, financing a business involves providing the necessary funds (capital) to support various operational and business growth activities in a particular market. This includes providing capital for the initial start-up costs of the business, financing ongoing commercial operations, expanding market share, investing in research and development, upgrading technological or business support infrastructure and taking advantage of new growth opportunities that may arise.

Financing sources have a number of advantages and disadvantages. Understanding the advantages and disadvantages of each source of finance for an enterprise is essential for making informed decisions that align with the entrepreneurs' business objectives and the concrete financial needs of the current activity.

• Material and method

The article is based on the study and consultation of bibliographical resources consisting of specialized books, articles and scientific papers.

The methods used in support of the authors' research, involved documentation from various sources, tabulation, interpretation, charting, and drawing conclusions.

• Results and discussions

Financing a business is a crucial aspect of its success and growth. The ability to secure adequate finance plays a vital role in securing commercial operations, expanding market coverage and capitalizing on opportunities to grow a business .

In general, the sources (possibilities) of financing a business can be grouped as in Figure 1.

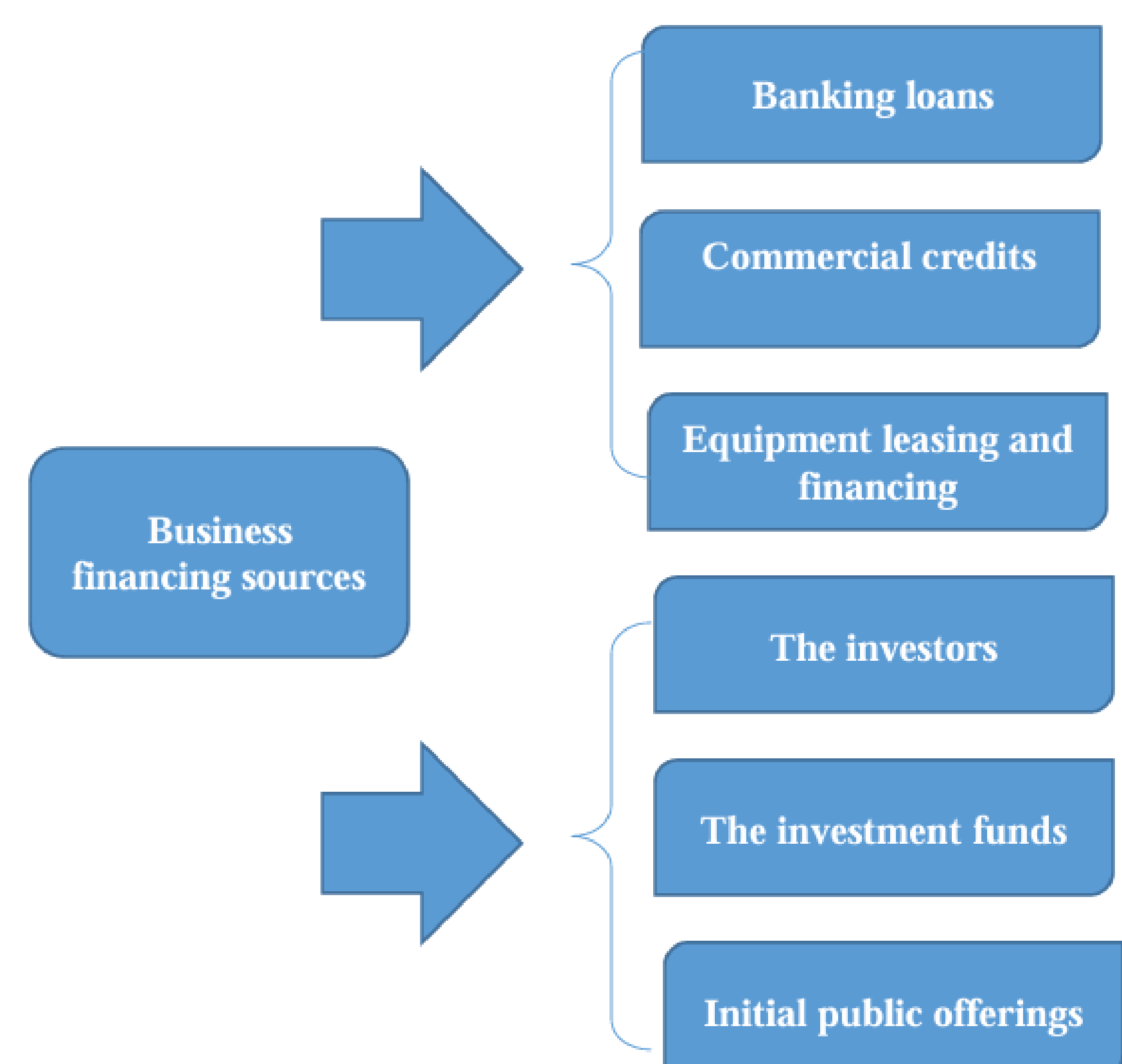


Figure 1.The main sources of business finance

• Conclusions

By analyzing the financial landscape of your business, assessing risk-profit scenarios and establishing a strong credit profile, you can make informed decisions about the financing options that best suit your business objectives.