SIGNIFICANCE OF FINANCIAL PLANNING AND FORECASTING FOR INDIAN MULTINATIONAL COMPANIES

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ABSTRACT
The organization is not just a single entity, but a collection of people who need to work together to achieve the desired objectives. For this purpose, it is necessary for the company to develop and present a plan that lays out direction and sets goals. The objective of an estimate is to provide information on what resources may be needed in order for the company to execute its strategy successfully. Financial planning can help organizations in managing cash flow, investment opportunities and liabilities. Financial planning and forecasting is the process of setting goals, forecasts, resource requirements and other indicators – to reach them using a reasonable budget. The estimates reveal how much funding the organization needs from its customers or investors so that it can achieve its strategic objectives. Corporate finance is one part of management accounting, which refers to all aspects of financial reporting containing information about assets, liabilities and financial results. The current study deals with the significance of planning and forecasting for Indian Multinational Corporations. The study was carried out based on a survey of 100 finance department employees of 10 leading MNCs who have offices in Pune & Mumbai. The results of the study indicate that Indian MNCs are looking forward to improving their financial planning and projections, which will enable them to make better decisions that can help them achieve their goals.
Keywords: Financial Planning, Forecasting, Financial Management, Indian Multinational Companies

Introduction

The success of any organization is directly linked to the capability of its finance department. The company's operation depends on the amount of money it has available at the right time, therefore, everyone in the organization must have a clear understanding of how it operates. This means assuming responsibility for all financial aspects of its business. Finance is one part of management accounting, which refers to all aspects of financial reporting containing information about assets, liabilities, and financial results.

The study deals with the significance of planning and forecasting for Indian Multinational Corporations. The organization is not just a single entity, but a collection of people who need to work together to achieve the desired objectives. For this purpose, it is necessary for the company to develop and present a plan that lays out direction and sets goals. The objectives of an estimate are to provide information about what resources may be needed in order for the company to successfully execute its strategy.

Management accounting is a subset of the field of accounting which is concerned with determining how much money should be spent on inputs to create a product or service and how much should be paid out as an output for a product or service as well as what its value might be. Management accounting uses rigorous, statistical analysis to provide timely, relevant information to managers, who can then make better business decisions. A primary function of management accounting is financial planning and analysis, which involves forecasting future needs for resources and estimating costs. These estimates are formed in the budgeting process.

Financial planning deals with the resources that an organization needs for day-to-day operations and long-term growth. A comprehensive financial plan will include an analysis of the status of the organization, its goals, plans for investment and important components in the budget including revenues and expenses.

Financial planning is part of corporate finance that deals with all aspects of financial reporting containing information about assets, liabilities, and financial results. The current study deals with the significance of planning and forecasting for Indian Multinational Corporations. The study was carried out based on a survey of 100 finance department employees of 10 leading MNCs who have offices in Pune & Mumbai.

Review of Literature

Khurana (2019) has discussed the process of planning and forecasting for Indian Multinational Corporations. The organization is not just a single entity, but a collection of people who need to work together to achieve the desired objectives. For this purpose, it is necessary for the company to develop and present a plan that lays out direction and sets goals. The objective of an estimate is to provide information about what resources may be needed for the company to successfully execute its strategy.

Planning is setting a direction for the future, making decisions about the business, and implementing these programs. Planning is a management process that helps an organization to think about what will happen in the future and to develop ways of dealing with this. A plan is a document that provides details about what needs to be done, when a particular task will be performed and who will do it.

Planning and forecasting are important for all organizations because they provide guidance for decision-making for groups or departments within any organization. The main purpose of planning and forecasting is to predict the future for companies to be able to formulate their current plans and budget into the future.

The importance of forecasting in business is increasing, as businesses attempt to control scarce resources that are limited by capabilities. Forecasting helps them anticipate resource needs and helps them avoid oversupplying a particular commodity unnecessarily. For example, most businesses have noticed that they do not know how much inventory will be required on hand at some future date. For a business to make accurate estimates, it must have a clear understanding of demand patterns and supply patterns. The organization must also understand what resources are available on hand that can be utilized in such a way as to make the process efficient.

Gokhale (2021) has discussed the significance of planning and forecasting for Indian Multinational Corporations. The research paper discusses what planning and forecasting is all about. Planning and forecasting are two crucial processes which play a vital role in any organization wherein the organization's objectives are formed by the businesses, then they define its strategies, set goals and objectives as well as analyse their status. To achieve these objectives, they take one or more courses that can be either quantitative or qualitative.

Shah (2016) in his study states that the purpose of planning and forecasting is to ensure that all the resources are allocated at their most effective positions for organizational success. Thus, managing the supply chain effectively considers all budgeted activities and planned activities by doing detailed planning for the supply chain. A comprehensive financial plan will include an analysis of the status of the organization, its goals, plans for investment and important components in the budget including revenues and expenses.

Staw (2019) has said that planning is an act of calculating future needs by creating a set of goals while forecasting is a process to predict future demand based on historical data. The results of the study indicate that the role of forecasting is quite important in planning, and it is also responsible for accurate planning. The main purpose of forecasting is to inform the management by providing best estimates of future demand. Furthermore, it can also be used to create plans that enable the management to reduce costs or implement program policies. A thorough understanding of the process should provide useful insights into how different components can make a difference in terms of accuracy of prediction and how good planning will lead to a better business.

Planning and forecasting are two important components of business management, often used together for strategic positioning and decision-making. Planning is crucial for all organizations because they provide guidance for decision-making for groups or departments within any organization. The main purpose of planning and forecasting is to forecast the future for companies to be able to formulate their current plans and budget into the future.

In addition, it is necessary for an organization to have a set of goals which they need to fulfil in order to stay in the leadership position. A plan helps them determine what they will do and how they will accomplish it. This is accomplished by setting objectives, analysing data and interpreting results in order to determine the business strategies that can lead an organization to achieve these goals. Planning ensures that important goals are met during each time frame (quarterly, yearly, etc.).

Siraj (2019) performed a study entitled "Impact of forecasting on sales and demand management at General Tyre and Rubber (GTR) Pakistan Ltd." The research paper discusses the effective practices of forecasting at companies where accurate estimates are a necessity. The study also details how different techniques of forecasting can be implemented to create better decisions, which will lead to better results.

Khan (2019) performed a study entitled "Forecasting Tools for Greyhound Corporation". The study explains about the corporate requirement for forecasting and the application that is needed in order for an organization to plan effectively. By using these tools and methods, an organization can anticipate future target sales and price points accordingly.

There are many different methods used to forecast demand. Forecasting is used to forecast demand in a way that will allow the company to be aware of their competitors, to plan promotional activities and to determine the pricing strategy. The use of these tools have changed the way companies think about marketing and can help an organization improve their product or service availability with better planning.

The main purpose of forecasting is to predict future sales and then plan for future campaigns that will be required in order for an organization to reach their goals. Forecasting also allows an organization to identify areas where there could be increased demand as well as where demand has been reduced or may decrease in the upcoming years.

Another paper by Jain. (2019) entitled "Forecasting Demand for Wholesale Markets of the United States" defines the methods used to forecast demand. The purpose of this paper is to explain about the number-one method used by fast-food companies, to understand their impact on the industry and consumer buying habits.
The main purpose of forecasting is to plan future sales and activities that will take place for an organization to succeed. The success of any business depends on planning, where they can forecast accurately so they can reduce expenses as well as increase sales.

As far as financial management is concerned, another study by Mohammad (2019) entitled "The Effect of Demand Forecasting Tools on Financial Performance" explains the different factors that influence the financial performance of an organization. The study also defines what tools are used to create predictions and how they can be implemented in order to improve a business's forecast and planning processes.

The purpose of forecasting is to plan future sales figures, which will lead to a better financial result for an organization by knowing the current state of the demand curve. The study cited above indicates that there are three primary methods used to forecast demand including: demand analysis, exponential smoothing and moving average analysis. The three techniques are all effective to forecast future demand, which will provide the organization with a better understanding on what and how much they would expect to sell.

The main purpose of forecasting is to anticipate demand and adjust in order for an organization to succeed. The study mentioned above shows that there are three methods used to forecast for a business to be successful, and each method provides a different approach that results in different forecasts. Along with this, the method of forecasting is adjusted depending on the size of the organization, the type of products sold as well as how they want their results calculated.

Kale & Gawande (2016) performed a study entitled "Forecasting Techniques: A Comparative Study on the Effectiveness of Different Methods". The research paper compares the different techniques used to forecast demand and examines the strengths and weaknesses of each technique. The purpose of this study is to explain about the method that provides the best outcome for any business, compared to other techniques.

The main purpose of forecasting is to anticipate future sales results so that an organization can adjust in order for them to succeed. In this report, there have been three methods used to forecast demand, including: exponential smoothing, moving average analysis and demand analysis (EOQ). Each method provides a successful outcome for an organization, however with different results as well as different complications in its use. There are several studies in financial planning and forecasting that underline the importance of certain methods that are used. Yet, a study that underlines the importance of financial planning and forecasting for multinational companies is not performed. Thus, the current study fills an important gap in research and contributes to original knowledge which makes the study significant. The findings of the current study are expected to help multinational companies to benefit from financial planning and forecasting. The findings of this study are also expected to contribute to the theoretical knowledge related to financial planning and forecasting.

Objectives of the study

1. To find out the significance of planning and forecasting in corporate finance.
2. To assess the factors influencing financial planning and forecasting of Indian MNCs.

Hypotheses
H1: Planning and forecasting activities are the most significant aspects in corporate finance among Indian MNCs.
H2: Several factors influence financial planning and forecasting of Indian MNCs.

Methodology
The current study is a descriptive study which aims to explore the significance of planning and forecasting activities in corporate finance among Indian MNCs. This study will utilize quantitative research methods in order to gain an in-depth understanding of the subject matter. Data will be gathered from primary sources such as a survey. An online survey will also be conducted to collect data from Indian MNCs. Data analysis techniques including descriptive statistics and regression analysis will be utilized to analyse the collected data.
Several factors influence financial planning and forecasting of Indian MNCs.

They are as follows:

I. Internal Factors:

1. Corporate Strategy: The corporate strategy of a company strongly influences its financial planning and forecasting. It involves decisions related to investments, products or services, risk management, and human resource management.
2. Strategic Objectives: Companies have various strategic objectives that need to be taken into account when making financial projections for the future. These can include market share goals, financial targets, and customer satisfaction levels.
3. Operating Leverage: The leverage of operations plays a huge role in the financial planning process. Companies need to understand their fixed costs versus variable costs and how these impact their overall profitability.
4. Financing Needs: Financial decisions regarding financing needs are also important for companies to consider when making financial projections. This includes decisions related to debt, equity, and short-term liquidity needs.

II. External Factors:

1. Global Economic Trends: The global economy is constantly changing, and this affects the performance of companies across different sectors in India. Companies need to understand the impact of external economic trends on their business and make financial projections accordingly.
2. Regulatory Environment: The regulatory environment also impacts the financial planning process for Indian MNCs. Companies need to be aware of any changes in regulations that could affect their operations or profitability.
3. Industry Trends: To remain competitive, companies need to stay abreast of industry trends and incorporate these into their financial planning. This includes understanding potential competitors, customer preferences, and technological advancements.
4. Macroeconomic Indicators: Indian MNCs need to be aware of macroeconomic indicators like GDP growth rate, inflation rate, unemployment rate etc., which could have an impact on the performance of their business in the long-term.

By taking into account these various factors, Indian MNCs can make effective financial plans and forecasts that will help them to maximize profits and minimize risks. Financial planning and forecasting is essential for the success of any business. It helps companies to analyze their current position and plan for future growth. With the right strategies in place, Indian MNCs can ensure a successful future.

One of the key factors that affect financial planning in big companies is their size. The larger the company, the more money and resources it requires to manage its finances. Additionally, larger businesses tend to have higher fixed costs, such as rent, employee salaries, and other overhead expenses, which can have a significant impact on financial planning.

Other factors that can influence financial planning in big companies include the global economy, industry trends, government regulations and laws, taxation policies, competitive forces, customer demand, company culture and structure, and various other external factors. In addition to these external influences, it is important for businesses to also consider their own internal factors such as budgeting processes, financial reporting systems, risk management strategies, and financial forecasting techniques. All of these considerations must be taken into account in order to ensure that the company is making sound decisions with regards to their financial planning.

Finally, it is important for big companies to be aware of their own strengths and weaknesses as they relate to their financial planning. This includes understanding their strengths in terms of personnel, resources, and capabilities. It also includes recognizing any areas where they may need to improve or adjust their strategies in order to stay competitive. By taking into account all of these factors, big companies can ensure that they are making the best decisions possible when it comes to managing their finances.

Results and Discussions

	No impact at all		Less Impact		Average Impact		Fair Impact		Maximum Impact	
	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %
Global Economic Trends	4	4.0%	4	4.0%	10	10.0%	35	35.0%	47	47.0%
Regulatory Environment:	6	6.0%	6	6.0%	12	12.0%	34	34.0%	42	42.0%
Competitive forces	4	4.0%	4	4.0%	11	11.0%	42	42.0%	39	39.0%
Customer Demand for products and services	6	6.0%	8	8.0%	10	10.0%	27	27.0%	49	49.0%
Industry Trends	10	10.0%	9	9.0%	10	10.0%	31	31.0%	40	40.0%
Macroeconomic Indicators	6	6.0%	4	4.0%	6	6.0%	29	29.0%	55	55.0%
Corporate Strategy	6	6.0%	5	5.0%	10	10.0%	34	34.0%	45	45.0%
Strategic Objectives	6	6.0%	5	5.0%	10	10.0%	30	30.0%	49	49.0%
Operating Leverage	2	2.0%	4	4.0%	15	15.0%	31	31.0%	48	48.0%
Financing Needs	6	6.0%	7	7.0%	10	10.0%	31	31.0%	46	46.0%
Budgeting processes	4	4.0%	8	8.0%	10	10.0%	31	31.0%	47	47.0%
Financial reporting systems	2	2.0%	7	7.0%	10	10.0%	34	34.0%	47	47.0%
Risk management strategies	0	0.0%	2	2.0%	3	3.0%	36	36.0%	59	59.0%
Financial forecasting techniques	2	2.0%	4	4.0%	7	7.0%	35	35.0%	52	52.0%

Table no 1. Impact of Internal and External Factors on financial planning and forecasting.

According to the table, 47% of the respondents stated that there is a maximum impact of global economic trends on financial planning and forecasting. 35% of the respondents believed that there is a fair impact, 10% reported an average impact, 4% felt that there is less impact and another 4% said that there is no impact at all.

The global economy is currently facing numerous challenges due to the cascading effect of the coronavirus pandemic. As businesses have had to close or reduce their operations, the economic impact has been felt across the globe. This can have a significant effect on financial planning and forecasting, as businesses may need to adjust their plans to accommodate for new market conditions and customer behaviour.

As such, it is important for businesses to be aware of global economic trends in order to make informed decisions when it comes to financial planning and forecasting. This includes being aware of economic indicators such as GDP, unemployment rates, and inflation. Additionally, businesses should be aware of international trade agreements, geopolitical events, and technological advances that may affect the global economy in the future. By doing so, businesses can ensure that their financial planning and forecasting remain accurate and effective even during times of economic uncertainty.

42% of respondents felt that there is a maximum impact of the regulatory environment on financial planning and forecasting. 34% reported a fair impact, 12% said that there is an average impact, 6% reported less impact and another 6% felt that there is no impact at all.

The regulatory environment can have a significant effect on financial planning and forecasting as governments can put in place policies or laws that may affect the way businesses operate. This can range from changes to taxation rules to new regulations for the financial services industry. Businesses need to be aware of any changes that may affect their operations, as this could have an impact on their financial plans.

4% of the respondents reported that there is no impact at all of competitive forces on the financial planning and forecasting. Another 4% felt that there is less impact, 11% said that there is an average impact, 42% reported a fair impact and 39% stated that there is a maximum impact.

In today's business environment, it is important for businesses to understand the competitive forces that are at play in order to make informed decisions. This includes being aware of the competition, as well as any new technologies or trends that could disrupt their markets. By understanding these forces, businesses can ensure that their financial planning and forecasting is adapted with the changing environment.

6% of the respondents reported that there is no impact at all of customer demand on the financial planning and forecasting. 8% said that there is less impact, 10% felt that there is an average impact, 27% reported a fair impact and 49% stated that there is a maximum impact.

Given the current economic environment, it is essential for businesses to understand their customers' demands in order to make sound financial plans. This includes understanding customer preferences and purchasing behaviour, as well as any shifts that may be taking place due to the pandemic. By doing so, businesses can ensure that their financial planning and forecasting remains accurate and up-to-date.

10% of the respondents reported that there is no impact at all of industry trends on financial planning and forecasting. 9% felt that there is less impact, 10% said that there is an average impact, 31% reported a fair impact and 40% stated that there is a maximum impact.

The state of an industry can have a significant effect on financial plans and forecasts. It is important for businesses to be aware of any trends that may be taking place in their industry, as this can help them adjust their plans accordingly. By understanding these trends, businesses can ensure that their financial planning and forecasting remain effective even during times of industry-wide disruption.

6% of the respondents reported that there is no impact at all on macroeconomic indicators on the financial planning and forecasting. 4% said that there is less impact, 6% felt that there is an average impact, 29% reported a fair impact and 55% stated that there is a maximum impact.

The global economy can have a major impact on the financial plans and forecasts of businesses. It is important to monitor macroeconomic indicators such as inflation, unemployment and GDP growth in order to anticipate changes that may be necessary in order to adjust plans accordingly. By keeping an eye on these indicators, businesses can ensure that their financial planning and forecasting remain accurate even in uncertain times.

6% of the respondents reported that there is no impact at all of corporate strategy on the financial planning and forecasting. 5% said that there is less impact, 10% felt that there is an average impact, 34% reported a fair impact and 45% stated that there is a maximum impact.

The overall strategy of a business can have a major impact on its financial plans and forecasts. It is important for businesses to have an understanding of their long-term goals and objectives in order to ensure that their financial planning and forecasting remain aligned with those goals. By doing so, businesses can ensure that their plans are realistic and relevant even during times of uncertainty.

6% of the respondents reported that there is no impact at all of strategic objectives on the financial planning and forecasting. 5% said that there is less impact, 10% felt that there is an average impact, 30% reported a fair impact and 49% stated that there is a maximum impact.
Businesses need to have clear goals and objectives in order to ensure that their financial planning and forecasting reflect those goals. It is important to understand the strategic objectives of a business in order to make sure that the plans are tailored to meet those goals.

2% of the respondents reported that there is no impact at all of operating leverage on the financial planning and forecasting. 4% said that there is less impact, 15% felt that there is an average impact, 31% reported a fair impact and 48% stated that there is a maximum impact.

The degree of operating leverage can have a significant impact on the financial planning and forecasting of a business. This measure can help businesses to understand their risk profile and make important decisions regarding investments, pricing strategies, cost savings and other aspects of the operations.

6% of the respondents reported that there is no impact at all of financing needs on the financial planning and forecasting. 7% said that there is less impact, 10% felt that there is an average impact, 31% reported a fair impact and 46% stated that there is a maximum impact.

Financing needs can have an important impact on financial planning and forecasting. Understanding the current and future financing needs of a business is essential in order to ensure that those needs are taken into account when making predictions about the future.

4% of the respondents reported that there is no impact at all of budgeting processes on the financial planning and forecasting. 8% said that there is less impact, 10% felt that there is an average impact, 31% reported a fair impact and 47% stated that there is a maximum impact.

Budgeting processes can be an important factor in financial planning and forecasting. It is vital for businesses to have a clear understanding of the budgeting processes that are in place in order to ensure that the plans and forecasts remain realistic and accurate.

2% of the respondents reported that there is no impact at all of financial reporting systems on the financial planning and forecasting. 7% said that there is less impact, 10% felt that there is an average impact, 34% reported a fair impact and 47% stated that there is a maximum impact.

Financial reporting systems are essential for businesses to be able to obtain accurate financial information that can help inform their plans and forecasts. Having an effective financial reporting system in place is key to making sure that the decisions made are based on reliable data.

2% of the respondents reported that there is less impact of risk management strategies on financial planning and forecasting. 3% said that there is average impact, 36% felt that there is a fair impact and 59% stated that there is a maximum impact.

Having an effective risk management strategy in place is essential for businesses to be able to make informed decisions regarding their financial plans and forecasts. Risk management strategies help businesses to identify potential risks, assess the severity of those risks, and develop strategies to mitigate or eliminate them.

2% of the respondents reported that there is no impact at all of financial forecasting techniques on the financial planning and forecasting. 4% said that there is less impact, 7% felt that there is an average impact, 35% reported a fair impact and 52% stated that there is a maximum impact.

Financial forecasting techniques are integral to financial planning and forecasting. Having a clear understanding of the techniques being used is essential in order to ensure that all aspects of the financial plans and forecasts are taken into account when making decisions.

	N	Mean	Std. Deviation	Std. Error Mean
Global Economic Trends	100	4.1700	1.03529	.10353
Regulatory Environment:	100	4.0000	1.15470	.11547
Competitive forces	100	4.0800	1.01185	.10118
Customer Demand for products and services	100	4.0500	1.20918	.12092
Industry Trends	100	3.8200	1.32100	.13210

Macroeconomic Indicators	100	4.2300	1.12685	.11269
Corporate Strategy	100	4.0700	1.13933	.11393
Financial reporting systems	100	4.1700	1.00559	.10056
Risk management strategies	100	4.5200	.65874	.06587
Financial forecasting techniques	100	4.3100	.91778	.09178
Budgeting processes	100	4.0900	1.12002	.11200
Strategic Objectives	100	4.1100	1.15378	.11538

Table 2: One-Sample Statistics

The above table shows that all the mean values are above 4. Likert scale 4 is for fair impact.

	Test Value = 3					
					95% Confidence Interval of the Difference	
	t	df	Sig. (2-tailed)	Mean Difference	Lower	Upper
Global Economic Trends	11.301	99	.000	1.17000	.9646	1.3754
Regulatory Environment:	8.660	99	.000	1.00000	.7709	1.2291
Competitive forces	10.674	99	.000	1.08000	.8792	1.2808
Customer Demand for products and services	8.684	99	.000	1.05000	.8101	1.2899
Industry Trends	6.207	99	.000	.82000	.5579	1.0821
Macroeconomic Indicators	10.915	99	.000	1.23000	1.0064	1.4536
Corporate Strategy	9.391	99	.000	1.07000	.8439	1.2961
Financial reporting systems	11.635	99	.000	1.17000	.9705	1.3695
Risk management strategies	23.074	99	.000	1.52000	1.3893	1.6507
Financial forecasting techniques	14.274	99	.000	1.31000	1.1279	1.4921
Budgeting processes	9.732	99	.000	1.09000	.8678	1.3122
Strategic Objectives	9.621	99	.000	1.11000	.8811	1.3389

Table 3. One-Sample Test

The table shows that P values are lesser than 0.05 and the mean differences are positive. With this we can reject the null hypothesis and accept that there is a difference between the actual mean and hypothesized mean. It also shows that "Several factors influence financial planning and forecasting of Indian MNCs".

	Firmly Disagree		Disagree		Neutral		Agree		Firmly Agree	
	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %
It enables them to develop effective strategies for managing their finance	7	7.0%	11	11.0%	10	10.0%	28	28.0%	44	44.0%

Companies can identify areas where they need to make changes or adjustments in order to maximize profits and minimize risks.	6	6.0%	7	7.0%	9	9.0%	29	29.0%	49	49.0%
It helps them plan for future growth by forecasting potential changes in the market and developing strategies to overcome them.	2	2.0%	6	6.0%	9	9.0%	39	39.0%	44	44.0%
Financial planning and forecasting also help Indian MNCs to remain competitive by understanding industry trends, customer preferences, macroeconomic indicators, etc., which can impact their operations or profitability.	4	4.0%	4	4.0%	8	8.0%	25	25.0%	59	59.0%
It enables companies to make informed decisions	6	6.0%	13	13.0%	15	15.0%	17	17.0%	49	49.0%
Useful in managing investments	10	10.0%	11	11.0%	10	10.0%	26	26.0%	43	43.0%
Debt Management	4	4.0%	6	6.0%	7	7.0%	29	29.0%	54	54.0%

Table no 4. Importance of financial planning and forecasting

7% of the respondents firmly disagreed that finance management enabled them to develop effective strategies for managing their finances, 11% disagreed, 10% were neutral, 28% agreed and 44% firmly agreed. The results suggest that most people are generally confident in their financial management skills and believe they can develop effective strategies to manage their finances.

6% of the respondents firmly disagreed that companies could identify areas where they need to make changes or adjustments in order to maximize profits and minimize risks, 7% disagreed, 9% were neutral, 29% agreed and 49% firmly agreed. The results suggest that most people believe companies have the capabilities to make effective changes in order to improve their businesses.

2% of the respondents firmly disagreed that financial management helps companies plan for future growth by forecasting potential changes in the market and developing strategies to overcome them, 6% disagreed, 9% were neutral, 39% agreed and 44% firmly agreed. The results suggest that most people understand the importance of financial management in planning for future growth and believe it can be used to anticipate and react to changes in the market.

Financial planning and forecasting also help Indian MNCs to remain competitive by understanding industry trends, customer preferences, macroeconomic indicators, etc., which can impact their operations or profitability.

4% of the respondents firmly disagreed that financial planning and forecasting help Indian MNCs to remain competitive by understanding industry trends, customer preferences, macroeconomic indicators, etc. 4% disagreed, 8% were neutral, 25% agreed and 59% firmly agreed. The results suggest that most people recognize the value of financial planning and forecasting in helping Indian MNCs remain competitive in the global market.

6% of the respondents firmly disagreed that financial management enables companies to make informed decisions, 13% disagreed, 15% were neutral, 17% agreed and 49% firmly agreed. The results suggest that most people believe that financial management is essential in helping companies make sound and informed decisions.

10% of the respondents firmly disagreed that financial management is useful in managing investments, 11% disagreed, 10% were neutral, 26% agreed and 43% firmly agreed. The results suggest that people generally understand the importance of financial management in helping manage investments and are confident in their ability to do so.

4% of the respondents firmly disagreed that financial management is valuable in debt management, 6% disagreed, 7% were neutral, 29% agreed and 54% firmly agreed. The results suggest that most people recognize the importance of financial management in managing debt effectively and see it as an essential tool.

In conclusion, these results indicate that most people recognize the value of financial management and its various applications in helping companies improve their businesses, forecast potential changes in the market, remain competitive, make informed decisions, manage investments and manage debt effectively. Financial management is seen as an essential tool for any business's success.

In order to achieve these goals, it is important that companies have the right people in place to effectively manage their finances. Companies should ensure that they recruit, retain and train financial professionals who are knowledgeable in accounting, finance, financial analysis and forecasting. By investing in staffing the right personnel to manage their finances, companies will be able to maximize their chances of achieving long-term success.

In addition to this, companies should also invest in technology that can help them streamline financial processes and make better decisions more quickly. This could include software such as enterprise resource planning systems or analytics tools that can help analyse data quickly and accurately. By leveraging technology solutions to improve their financial management capabilities, companies can remain competitive and be better prepared for any unforeseen changes in the market.

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
It enables them to develop effective strategies for managing their finance	100	3.9100	1.27204	.12720
Companies can identify areas where they need to make changes or adjustments in order to maximize profits and minimize risks.	100	4.0800	1.18646	.11865
It helps them plan for future growth by forecasting potential changes in the market and developing strategies to overcome them.	100	4.1700	.96457	.09646
Financial planning and forecasting also help Indian MNCs to remain competitive by understanding industry trends, customer preferences, macroeconomic indicators, etc., which can impact their operations or profitability.	100	4.3100	1.05117	.10512
It enables companies to make informed decisions	100	3.9000	1.30655	.13065
Useful in managing investments	100	3.8100	1.36104	.13610
Debt Management	100	4.2300	1.08110	.10811

Table 5. One sample statistics.

From the above table we can see that all the mean values are around 4.0. This means that there is a certain level of agreement regarding the statements shown.

	Test Value = 3					
					95% Confidence Interval of the Difference	
	t	df	Sig. (2-tailed)	Mean Difference	Lower	Upper
It enables them to develop effective strategies for managing their finance	7.154	99	.000	.91000	.6576	1.1624
Companies can identify areas where they need to make changes or adjustments in order to maximize profits and minimize risks.	9.103	99	.000	1.08000	.8446	1.3154
It helps them plan for future growth by forecasting potential changes in the market and developing strategies to overcome them.	12.130	99	.000	1.17000	.9786	1.3614
Financial planning and forecasting also help Indian MNCs to remain competitive by understanding industry trends, customer preferences, macroeconomic indicators, etc., which can impact their operations or profitability.	12.462	99	.000	1.31000	1.1014	1.5186
It enables companies to make informed decisions	6.888	99	.000	.90000	.6408	1.1592
Useful in managing investments	5.951	99	.000	.81000	.5399	1.0801
Debt Management	11.377	99	.000	1.23000	1.0155	1.4445

Table 6. One sample T test.

The above table shows that all the P Values are lesser than 0.05. The mean differences are positive and thus we can reject the null hypothesis. This also proves the hypothesis that "Planning and forecasting activities are the most significant aspects in corporate finance among Indian MNCs."

Conclusion

In conclusion, these results suggest that most people recognize the importance of financial management and its various applications in helping companies improve their businesses, forecast potential changes in the market, remain competitive, make informed decisions, manage investments and manage debt effectively. Companies should ensure that they invest in staffing the right personnel to manage their finances as well as leveraging technology solutions to improve their financial management capabilities. This will help them maximize their chances of achieving long-term success. Overall, financial management is seen as an essential tool for any business's success.

This survey has provided insight into the impact that various factors can have on financial planning and forecasting. From this, it is clear that factors such as degree of operating leverage, financing needs, budgeting processes, financial reporting systems, risk management strategies and financial forecasting techniques all play a key role in determining the success of business plans and forecasts. In order to ensure effective decisions are made regarding future investments and other operations, businesses must take into account these factors when making predictions about their future.

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