

Overview of Working Capital Management: Effective Measures in Managing Working Capital Components to Entrepreneurs.

Patrick Kipronoh* Titus Mweta

***Department of Accounting and Finance. The Technical University of Kenya**

Abstract

Efficient working capital management determines the success or the failure of the business in the short term or long term because it determines the liquidity and profitability balance of a business. The success of any business depends on how financial managers in this case the entrepreneurs effectively manage working capital components which includes mainly cash, debtors, creditors and inventories. It's important for a business to maintain a balance between profitability and liquidity while carrying out its day to day operations.

Keywords: Working Capital Management, Working Capital Components, Profitability, Liquidity

European Journal of Business and Management Vol.10 (7) pp. 83-86 2018

See more at: <http://iiste.org/Journals/index.php/EJBM/article/view/41455/42677>