

## ***INVESTMENT DECISIONS IN A FIRM AS THE PART OF BUSINESS FINANCIAL DECISION SYSTEM***

Author **Melles Hagos Tewolde**

N/A

### ***Abstract:***

*While the tools and techniques covered in this paper are discussed and demonstrated in details, the user must not be tempted to view them as the ends in themselves. It's simply not enough to master the techniques alone! Financial and economic analysis is both an analytical and judgment process which helps answering questions that have been carefully posed in management context. The process is at its best when the analyst's efforts are focused primarily on the structuring the issue and its context, and only secondary on the data manipulation. Selecting the appropriate tools from the financial decisions is clearly an important part of the analytical task. Yet, experience has shown again and again that developing a proper perspective for the problem or issue is just as important as the choice of the tools themselves. Apart from the providing specific numerical answers the "solutions" to financial problems and issue depends significantly on the points of view of the parties involved on the relative importance of the issue, and the nature and reliability of the information available.*

**Keywords:** *strategic perspective, decisional framework, components of analysis, economic analysis methods.*

**JEL codes::** *G10*