

Financial strategy for successful management of minikitchen restaurant using cash flow management

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Article Info	ABSTRACT
Keywords: Cash Flow Management, Financial Strategy, Financial Management	Effective cash flow management enables restaurants to guarantee the availability of adequate funds for day-to-day operations and prospective business expansion; therefore, the administration of Minikitchen restaurants utilizing cash flow management requires a financial strategy. This research employs qualitative methodologies to assist Minikitchen Restaurant in the implementation of strategies for revenue management, appropriate pricing, SWOT analysis, and meticulous inventory management. The findings indicated that financial strategies such as preparing a realistic financial budget, effectively managing cash flow, enhancing financial management knowledge and skills, establishing a competitive advantage, and adjusting to changes in the digital age can all contribute to the success of Minikitchen restaurant management.
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INTRODUCTION

Minikitchen restaurants are a type of restaurant that is increasingly popular in Indonesia. This restaurant has a simple concept, namely serving food and drinks with a buffet concept. The success of restaurant management is not only determined by food and beverage quality factors, but also financial factors. Good financial management will help minikitchen restaurants to manage cash flow, manage costs, and minimize the risk of loss[1], [2].

There is a research urgency, namely that minikitchen restaurants are a type of restaurant that is increasingly popular in Indonesia. Good financial management is an important factor in the success of a minikitchen restaurant. Cash flow management is an important aspect of minikitchen restaurant financial management.

One important aspect of minikitchen restaurant financial management is cash flow management[3], [4]. Cash flow is the inflow and outflow of money from a business. Good cash flow management will help minikitchen restaurants to ensure that they have enough cash to meet their operational needs.

Some related research by[5]–[9]which discusses planning a restaurant business, including in terms of finances, capital sources and mental readiness. This journal also discusses strategy and implementation in order to achieve business goals. Next, research on the application of information systems and pricing strategies in selling the right place to

customers. This journal also discusses revenue management strategies in identifying and resolving problems that arise[10]–[13]. Other research on management strategies in fast food restaurants uses SWOT analysis[14]which discusses the importance of strategy in improving digital business continuity[15]–[18].

The research objectives are:aims to provide guidance for restaurant owners in managing their finances more effectively and efficiently. The restaurant business must face big challenges in maintaining business continuity. Therefore, good financial management is essential to ensure the success of a restaurant. This article will discuss financial strategies that can help Minikitchen restaurants better manage their cash flow, thereby increasing profits and strengthening their position in the market.

METHODS

The present study will employ qualitative research methodologies. A comprehensive comprehension of the financial and cash flow management practices of Minikitchen restaurants can be attained through the use of qualitative research. Conversely, quantitative research offers a more quantifiable depiction of the restaurant's financial performance [19]–[21]. In the context of Minikitchen restaurants, a comprehensive comprehension of effective financial strategies can also be obtained through the application of combined research methods. Information will be gathered via interviews with Minikitchen restaurant managers, a review of the relevant literature, and an analysis of secondary data.

Cash Flow Management

Cash flow management is a strategy and process for managing effectively and efficiently short-term cash flows and existing cash balances in a company [2]. Cash flow is a term used to describe any change in the amount of cash a company has over time[22]. Cash flow management has several important components, namely: Cash flow from operating activities: Cash flow from operating activities is cash receipts and payments related to the company's main activities, such as sales and purchases of raw materials, employee salaries, and other operating costs.[23]–[26]. Cash flows from investing activities: Cash flows from investing activities are cash receipts and payments related to a company's investing activities, such as sales and purchases of long-term assets such as property and facilities[27]. Cash flows from financial activities, namely cash flows from financial activities, are cash receipts and payments related to the company's financial activities, such as equity and debt financing.[14]. Cash flow management has several objectives, namely: Ensuring business continuity and obtaining stable profits[28], Helping investors determine the value of company shares, Helping lenders or creditors discuss the company's financial performance. Cash flow management is very important for the success of a business, as it helps maintain business continuity and earn stable profits[29].

RESULTS AND DISCUSSION

In implementing cash flow management, it is necessary to know the financial strategy first which is a long-term plan for managing business finances. A good financial strategy will help a business to achieve its financial goals, such as increasing profitability, maintaining business continuity, and meeting operational needs. In relation to cash flow management, it is an important aspect of financial strategy. Effective cash flow management will help businesses to ensure that they have enough cash to meet their operational needs.

Cash Flow Management is carried out by restaurants in monitoring their cash flow carefully and managing their expenses carefully to ensure the availability of sufficient funds for daily operations and future business growth. Meanwhile, in terms of Revenue Management, restaurants can implement revenue strategies management to increase their revenue by optimizing prices and table capacity. The importance of setting appropriate prices, can be done by implementing the right pricing strategy for their menu, taking into account raw material costs, labor costs, and other factors that influence prices. Restaurants can conduct a SWOT analysis to identify their strengths, weaknesses, opportunities, and threats, and use this information to plan appropriate financial strategies. Restaurants can manage their inventory carefully to avoid waste and ensure there are enough raw materials to meet customer demand.

Based on the results of the literature review carried out, there are several financial strategies that can be applied for successful minikitchen restaurant management using cash flow management, as follows.

Prepare a realistic financial budget

A financial budget is a financial plan used to predict business income and expenses. A realistic budget will help a minikitchen restaurant to manage its finances effectively and avoid losses. In preparing a financial budget, minikitchen restaurants need to consider various factors, such as sales, costs and investment needs. Minikitchen restaurants also need to make regular budget adjustments to anticipate changes in business conditions.

Manage cash flow effectively

Cash flow is the inflow and outflow of money from a business. Effective cash flow management will help minikitchen restaurants to ensure that they have enough cash to meet their operational needs. Minikitchen restaurants need to conduct cash flow analysis periodically to determine their financial condition. Cash flow analysis can be done using a cash flow report. Minikitchen restaurants also need to manage cash flow proactively to anticipate lack of funds. Several strategies that can be used to manage cash flow effectively include: Purchase raw materials in sufficient quantities to meet short-term needs, postpone debt payments and seek alternative funding sources.

Improve understanding and financial management skills

Minikitchen restaurant owners and managers need to have adequate understanding and skills about financial management. This understanding and skills will help them to make informed financial decisions and increase business profitability. Minikitchen

restaurant owners and managers can improve their understanding and financial management skills by taking financial management training or courses.

Create a competitive advantage

Minikitchen restaurants need to create a competitive advantage to face high competition. Competitive advantage can be created by offering quality products and services, competitive prices, or strategic locations. Minikitchen restaurants also need to innovate and develop new products and services to attract customers.

Adapt to changes in the digital era

The development of digital technology influences consumer behavior and the way restaurants do business. Minikitchen restaurants need to adapt to these changes by leveraging digital technology to increase profitability and adjust financial strategies. Several strategies that minikitchen restaurants can use to utilize digital technology include: Implementing an online ordering system, accepting digital payments and conducting online marketing

CONCLUSION

A solid financial strategy is essential for achieving the financial objectives of the business, including increasing profitability, ensuring business continuity, and meeting operational needs, when implementing cash flow management. By effectively managing cash flow, Minikitchen restaurants can guarantee the availability of adequate funds for both day-to-day operations and prospective expansion of the business. In addition to revenue management strategies, prudent inventory management, and SWOT analysis, restaurants must also implement pricing that is appropriate. The literature review identifies several financial strategies that can be implemented to enhance the performance of Minikitchen restaurant management. These strategies encompass the following: developing a pragmatic financial budget, efficiently managing cash flow, enhancing comprehension and proficiency in financial management, establishing a competitive edge, and adjusting to developments in the digital age.

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