Journal of Economics and Behavioral Studies
Vol. 6, No. 1, pp. 75-83, Jan 2014 (ISSN: 2220-6140)

The Perceptions of Small Businesses in the Implementation of Cash Management Techniques

*Avika Mungal, Hari Lall Garbharran
Durban University of Technology, South Africa
*avikam@dut.ac.za

Abstract: The purpose of this paper is to ascertain the perceptions of small business owners on the implementation of cash management techniques in their businesses. This paper also highlights the importance of managing cash inflow and outflow in the business and examines the impact on business profitability and sustainability. The study focused on small businesses in the Tongaat area, South Africa. This research was quantitative, descriptive and cross-sectional in nature. The instrument used to extract the relevant data from respondents was a Likert type questionnaire. The findings of this research identified the perceptions of small business cash management techniques. A short course on cash management could be offered by the Durban University of Technology to small business owners and managers to enhance their basic cash management knowledge in the implementation of cash management techniques.

Keywords: *Cash management, cash flow, cash, profitability, sustainability*

1. Introduction

The purpose of this paper is to ascertain the perceptions of small business owners on the implementation of cash management techniques in their businesses. Cash flow management is essential for every business as it would contribute towards increasing profitability, future planning and sustainability (Patel, 2010). The implementation of basic principles of cash flow management would aid in planning for the unforeseen eventualities that most businesses experience. Research by Statistics South Africa (2002) found that approximately 9 out of 10 businesses fail within the first ten years of operation, with 40% of the failures being in the first year of operation.Moore, William and Longeneck (2010:11) emphasised that small businesses are under the misconception that high revenues result in high profits. However, owners fail to realise that if the physical cash isn't obtained from those revenues, businesses will have insufficient cash to pay off expenses. Ultimately, businesses will face liquidity problems. Many newly formed small businesses are not sustainable for a lenghty period of time, due to the inability of being profitable for a period (Skills & Expertise Development, 2013). Wallace (2013) revealed that 40% of small businesses are profitable; 30% break-even; 30% are continually losing money; and 9% have a chance of surviving 10 years.

Significance and Purpose of the study: A study by Radipere and Van Scheer (2005:402) found a high business failure rate amongst start-up businesses in South Africa. Fin (2010) indicated that 63% of small businesses fail within two years of start-up due to a lack of skills to sustain their businesses. These small businesses cannot be the platform for growth and development if they are not sustainable. One possible reason for this prevalence could be that small business owners are not equipped to identify the problem areas within their businesses, due to the lack of necessary skills and tools to do so. Likewise, many small business owners do not perform many cash management practices simply because they feel they are not necessary and are very time consuming. Nordmeyer (2013)emphasised that cash management is deemed to be the lifeline of every small business. A small business will be forced to shut down if it incurs insufficient cash to operate at normal levels. Moreover, Baggetta & Co (2012) view proper management of cash to be the chief contributor to the survival of businesses. The purpose of this paper is to ascertain the perceptions of small business owners on the implementation of cash management techniques in their businesses. This paper also highlights the importance of managing cash inflow and outflow of the business as well as their effect on business profitability and sustainability. The study investigates whether these businesses undestand the importance of effective and efficient management of their cash.

2. Literature Review

Cash Management practices in small businesses: A discussion of cash management practices of businesses includes the ingredients of cash budgets and cash flows. Consequently, a discussion of cash budgets and cash flows has been incorporated in the literature review, which commences with the definition and importance of cash management.

Definition and importance of cash management: The term cash management is used to describe the movement of cash, from the receiving cycle to the payment cycle. Zions Business Resource Centre (2005:3) explained that cash management describes the collecting, concentration and expenditure of money. The author also stated that the objective is to achieve the target cash balances of a business to get the most out of cash available which is not used to purchase fixed assets or stock and minimise the risk of insolvency. Zions Business Resource Centre (2005:4) indicated that the level of liquidity of a business and its management of cash balances will indicate if a business is properly managing its cash. Bobitan and Mioc (2011:302) emphasized the importance of cash flow statements. They stated that cash flow embodies all incomes and payments made within a certain period and highlighted that potential inconsistencies can appear for that period. Cash flow management is the most crucial task for business managers. The business becomes insolvent when it fails to pay back the money owed timeously. Such failure is the primary reason for bankruptcy among small businesses. The prospect for such an implication should compel businesses to efficiently manage their cash with caution. Proper cash management prevents bankruptcy, thereby ensuring profitability and sustainability of businesses (Inc., 2013).

Proper and efficient management of cash are imperative to recently established and growing small businesses. According to Kunz and Dow Iii (2010: 76-79), almost 80% of small businesses regarded keeping cash management records as important to them. The cash flow of a small business could become problematic when the business deals with a number of customers who are difficult to track and when the business sells products that are higher in demand than their competitors. Inc. (2013) suggested that small businesses, which experience cash flow difficulties, have no margin of safety for any unforeseen expenses. Inc. (2013) also indicated that businesses encounter difficulties in obtaining money for improvement or expansion. The irony is that it is simpler to obtain a loan when the business has money that when the business doesn't have the money and really needs the loan to fund the business. When experiencing poor cash management, it also becomes challenging to employ and maintain skilled and knowledgeable employees.

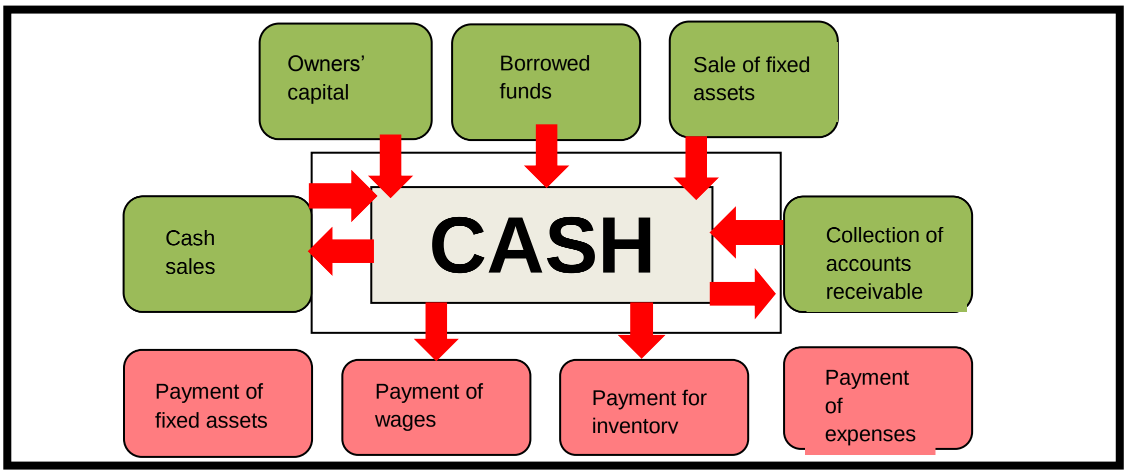
Cash Budgets: A cash budget is a management plan of the cash position of a business and is one of the essential aspects leading to a business's sustainability. A business's cash position will ultimately indicate how suppliers will be paid back the money owed to them and will shed light on how financing institutions will respond to a loan application as well as influence the profitability and growth of the business. This allows managers and owners of small businesses to prepare for any unexpected cash uses (Zions Business Resource Centre, 2005:4). A cash budget requires estimation about different aspects such as: future sales and income to the business will be dependent on factors such as competition; the local economic climate; and the business's internal operations and capacity. After the expected sales are predicted, prospective costs should also be derived. Moreover, past experience and intuition are important factors to take into account. The estimations used in developing the cash budget should be realistic, creative and optimistic. A cash budget cannot be developed in a vacuum. Therefore, before and during the budgeting process, business owners must check with managers and suppliers to ensure that the most appropriate estimations are made regarding the connection between the aims and objectives for the period and the impact on cash inflow and outflow (Zions Business Resource Centre, 2005:3). The ability to manage cash is an important element that differentiates a successful business from an unsuccessful business (Nordmeyer, 2013). The importance of a cash budget is to identify and highlight the cash incomes and expenses of a business so that it can make necessary adjustments to overcome a deficit, if necessary. Baggetta& Co. (2012) stated that a healthy cash flow will enable a business to have sufficient money to pay for its obligations.

This budget not only monitors the expenses in the business but also assists the business in planning for capital needs. The cash budget assists the business managers as a planning tool by assessing whether or not the business requires additional funding in the form of short-term borrowing. The budget also assists the business in assessing whether the business requires any long-term loans to sustain the business (Zions Business Resource Centre, 2005:3-4). It is vitally important for start-up businesses to draw up budgets which are like roadmaps to plan out the goals and objectives as well as to determine how the business is performing from period to period. When budgets are available, it is easy to determine potential shortfalls or financial backlogs and difficulties. A clear and concise budget facilitates approval of business loans from financial companies. Budgets provide an insight into the future where businesses can foresee possible difficulties and opportunities. This understanding would assist with everyday activities (Inc., 2013). Another important component of cash management is the cash flows of business which is the subject of discussion in the next section.

Cash and cash flows: Reuters (2011) differentiated between cash and cash flow. Cash refers to the physical money that the business possesses at the bank or is held on the business premises. It is not in the form of stock, accounts receivables or fixed assets. These assets have the potential to be converted into cash but cannot be used to settle outstanding debts with suppliers or to pay rent and employees' wages.
An increase in profits does not automatically mean that there will be an increase in cash available. A profit is the expected amount of turnover that a business sets out to obtain over a period, while cash is the physical money one has on hand to keep one's business running by paying off expenses. Businesses' profits are of inferior value if they don't go along with a positive net cash flow. Businesses' cannot spend the business profits; businesses could only spend the cash available (Reuters, 2011). Page and Associates (2013) indicated that the one thing that can break the business when it is small is cash flows. Cash flow refers to the inflow and outflow of money in the business. Observing the money coming in and going out of the business is one of the most time consuming responsibilities of management for any business. Money flows out of the business when expenses need to be paid, suppliers' bills are settled and employees' wages need to be issued. Money flows into the business when cash is received from lenders or customers pay off their outstanding debts. If there is a greater cash inflow than a cash outflow, the business has a positive cash flow. A positive cash flow indicates that the business has some controls in place to monitor cash, but this does not mean that there are proper cash management procedures put in place (Reuters, 2011). If there is a greater cash outflow than a cash inflow, the business has a negative cash flow. This could be due to damaged or expired inventory and poor collections of payments from debtors. If a business does not qualify for additional loans at this point, it could face serious financial difficulty (Reuters 2011). The main objective is to manage the cash inflow and cash outflow so that the business has sufficient cash not only for day-to-day operations but also to cover unanticipated expenses (Reuters, 2011). Now that the difference between what cash and cash flow has been established, the elements of cash flow will be examined.

Elements of cash flow: The core of working capital management is to monitor cash flows of a business. Moore, William and Longeneck (2010:578) emphasised the phrase "Cash is King", by saying that cash is constantly moving through the business. Cash enters the business as the customers pay for the products bought and cash leaves the business as payments are made to suppliers and for other operating expenses incurred by the business. The authors highlighted the importance of cash management by saying that it's vitally crucial to have a good knowledge of cash flows due to the uneven nature of the cash inflows and cash outflows. They also emphasised that an inadequate cash flow could lead to business failure. The amount of time spent on understanding cash flow and the attention given to it can literally determine whether the business will survive or not. Figure 1 illustrates the flow of cash through a business, that is, how the money enters the business and how it leaves the business.

Figure 1: Cash inflow and outflow



Note. From Managing Small businesses: An entrepreneurial emphasis p. 583, by Moore, William and Longeneck, 2010, Australia: South-Western/Cengage Learning.

Moore, William and Longeneck (2010:583) believe that cash flow of a business can only be derived once the difference is distinguished between sales revenue and cash receipts. When a transaction occurs, the revenue is recorded. The cash flow is not affected at this point, unless the transaction was a cash sale. Only when the cash is generated from the sale, or when the customers pay off the outstanding amount due, cash receipts are generated and cash inflows increase. In the same way, it is necessary to differentiate between expenses and disbursements. Expenses include accrued electricity and wages. Payments occur when cash is paid for those expenses that were used, e.g., payments for water and electricity. Once the differentiation between the cash flows and profits are made, it is vitally important that all small business managers and owners draw up cash budgets to easily forecast when the cash will enter and leave the business. Sound cash flows are imperative for business success. On the contrary, poor management of cash budgets and cash flows can have disastrous consequences on business profitability and sustainability.

Impact of poor cash management on business profitability and sustainability

Small retail business sustainability and failures: Wallace (2013) revealed that one in every two small businesses fail within the first 12 months. Furthermore, 95% of small retail businesses close down in four years. Below, are other financial statistics revealed about small businesses: 40% of small businesses are profitable; 30% break-even; 30% are continually losing money; and 9% have a chance of surviving 10 years. Wallace (2013) also indicated that: 50% of small businesses fail within the first year; and 95% fail within the first 4 years. In the case of smaller businesses, with fewer employees, there is a 37% chance of surviving the first 4 years; and 9% chance of surviving 10 years. Business analysts from Reuters (2011) emphasised that the absence of cash management is the leading cause of the demise of several businesses.. The failure to manage cash is the most common obstacle for many small business owners. Becoming familiar and understanding the cash flow concepts would assist businesses to budget and forecast for the unanticipated eventualities that almost all businesses encounter. Shane's (2012) study indicated that 50% of businesses indicated that they were experiencing cash flow problems. Visa Inc. (2006) conducted a cash management survey that revealed that a common challenge for small businesses is the labour-intensive administrative work that cash management entails.

Barry Worth, as cited by Perry (2007), indicated that many small businesses don't have knowledge of cash budgets. Therefore, they don't do cash forecasting to anticipate some of the peaks and valleys. Mong (2011:33-34) indicated that only 28% of small businesses drew up cash budgets. Similarly, Grablowsky (1978), as cited by Mong (2012:33-34), found that just 30% of small businesses prepared a cash budget.
Nick (2009:3) revealed that three quarters of businesses did not estimate their expected cash inflow and cash outflow. This oversight directly affects the potential survival of businesses. He also noted that those businesses which budgeted for the future at least once a year had only a 36% chance of survival. The primary reasons for small businesses' demise and failure are incorrect financial forecasting, inadequate access to capital, lack of funding and accessibility to loans(Salazar, 2012:93-94). The majority of the challenges can be easily overcome with implementing cash management strategies in the business. His previous research also reflected that a number of small businesses primarily focus on obtaining capital and incomes for operating expenses; it is time consuming and challenging to develop financial strategies and budgets. The research study also concluded that many business owners and managers stipulated that they had no knowledge of how to implement budgets. Moreover, day-to-day cash difficulties overpower the manager's ability to make structured decisions. The highest priority is to eliminate cash management difficulties to increase the cash inflow of the business. The study by Salazar (2012:93-94), in Mexico, revealed that small businesses were facing financial problems. He concluded that 65% of small businesses close their doors in a period of less than 24 months, while one in four survive the 24-month period with a minimal chance of growth and expansion. He also emphasised that financial difficulties and the lack of proper planning represent a central problem that affects business growth, profitability and sustainability.
Janklow (2009:4) indicated that 40 000 small businesses close each month. The five main reasons why businesses fail are:

- Loss of revenue: this could come in the form of loss of customer base, competitors selling enhanced products and encountering customers whose debts are not repaid, thereby increasing bad debts;
- Poor business models: business models are essential to ensure that opportunity and competitiveness are optimised;

- Management issues: Many entrepreneurs do not have the skills of being managers as well as owners, they lack knowledge and, in many cases, experience;
- Lack of capital: every business should have sufficient capital to start up the business as well as to sustain the business through any unforeseen crisis; and
- Credit/debt issues: many small newly formed businesses don't qualify for loans which impact on the availability of cash to the business. They struggle financially without the assistance from a lender (Janklow, 2009:4).

The commonly used phrase "Cash is king" emphasises that many small businesses' failure is due to the lack of cash rather than the lack of customers or selling a less superior product. The accessibility of obtaining finance is a major difficulty faced by businesses (Small firms: Cashflow is king, 2011:2). Findings from a survey indicated that 30% of small business loans are still being turned down, which impacts on the survival of the business. 78% of those businesses which were turned down did not agree with the reason for refusal (Small firms: Cashflow is king, 2011:2). The majority of small business owners or managers put emphasis on generating large profit margins, a booming growth of sales and strong customer loyalty as being the crucial factors of their business success. The above factors are important contributing factors for the sustainability of businesses. However, a well-adjusted cash flow forecast is just as significant towards the success of any business. The cash inflow of the business is what is used to meet everyday expenses. Any excess, after paying off debts, can be capitalised to support growth and expansion (Flynn, 2009:22).

3. Methodology

This study followed a cross-sectional approach. A descriptive method was used to address quality initiatives. The quantitative research method was adopted for this study. The random sampling technique was used. The approach used to gather data was a questionnaire. This questionnaire consisted of open-ended as well as closed-ended Likert type questioning. This made it easy for respondents to read and understand the questions. The target population was 83 small businesses. 69 questionnaires were distributed to the selected sample. The response rate was 100% as all 69 businesses returned the completed questionnaire. A pilot study was conducted. The results of the pilot study indicated that there was no difficulty relating to ambiguity and readability of the data instrument. The data collected from the respondents were analysed using the SPSS version 20.0 statistical software.

4. Results and Analysis

The empirical findings of this study are presented below. These findings indicate the perceptions of the business owners in the implementation of cash management techniques in small businesses. Table 1 identifies the duration that businesses have been operating and the persons responsible for the accounting records.

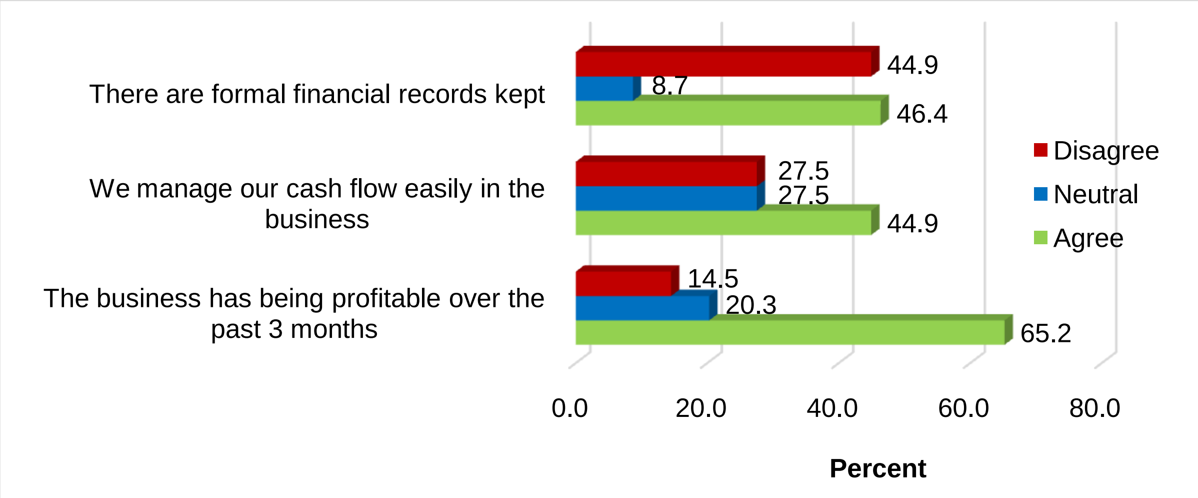
Table 1: Responsibility of accounting records

			Duration business is operating				
			0 - < 1 year	**1 - 2 years**	**3 - 5 years**	**At least 6 years**	**Total**
Who handles the accounting records?	Accountant	Count	0	1	2	13	16
		% of Total	0.0%	1.4%	2.9%	18.8%	23.2%
	Owner/ Manager	Count	14	5	7	13	39
		% of Total	20.3%	7.2%	10.1%	18.8%	56.5%
	Other	Count	4	1	2	2	9
		% of Total	5.8%	1.4%	2.9%	2.9%	13.0%
	Nobody handles it	Count	1	2	2	0	5
		% of Total	1.4%	2.9%	2.9%	0.0%	7.2%
Total		Count	19	9	13	28	69
		% of Total	27.5%	13.0%	18.8%	40.6%	100.0%

Table 1 shows that the longer the business has been operating, the more likely the records are being done by an accountant or the owner or manager (37.6%). It is also evident that the longer the businesses are operating, the more financially stable they are to employ an accountant. A total of 5.8% of the newly opened businesses get assistance from a family member or friend to assist with the accounting records.

Start-up businesses tend to have the owner or manager doing most of the record keeping (20.3%). It is concerning to note that 7.2% of the businesses indicated that nobody handles the accounting records. The length of existence of a business appears to have an impact on record-keeping and stability of the business. Hence, the longer the existence of the business, the greater the likelihood that the business will keep accurate records which will enhance its cash management techniques, particularly in respect of its cash flow situation. Moreover, accurate records would ensure stability of the business since shortcomings could be detected and solved at an early stage. This findings in Table 1 concur with Salazar (2012:93-94) who stated that small businesses do not have specialised staff to assist with financial records which were managed by the owner without a solid foundation. Figure 2 is a summary regarding financial information of the business.

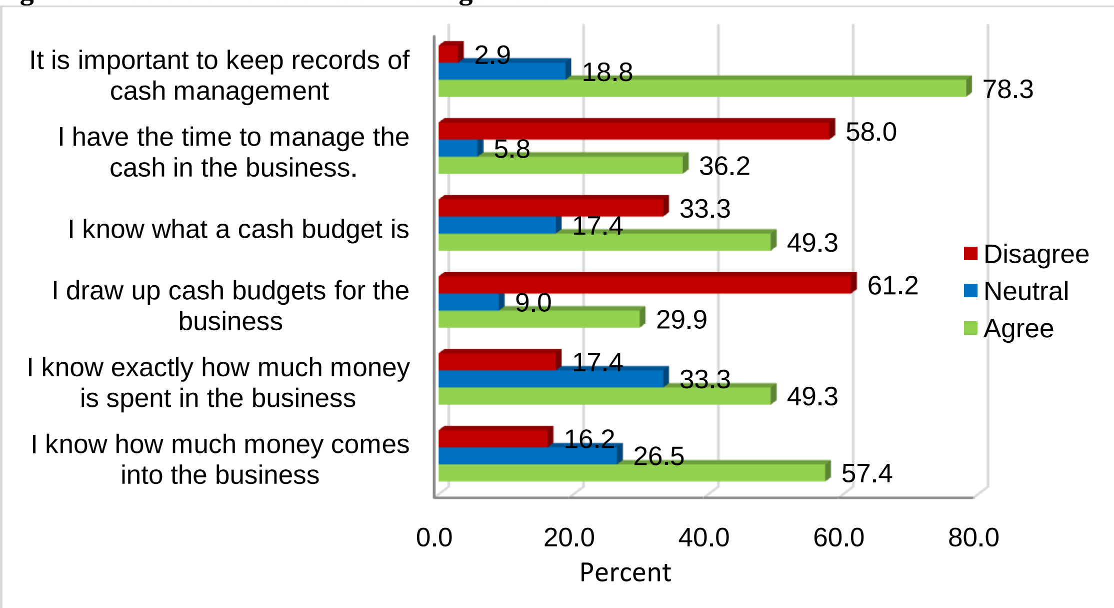
Figure 2: Financial information



There were as many respondents who indicated that financial records were kept as there were those who did not (44.9% and 46.4%). Only 7.2 % of the respondents indicated that nobody handles the accounting records. The majority of respondents don't keep proper financial records in the business. This finding could indicate that there is a perception of unimportance regarding cash management in these businesses. Moreover, the absence of records could be one of the major contributing factors for the high failure rate of small businesses. A total of 8.7% of the respondents were neutral. A little less than half of the respondents (44.9%) believed that they were able to manage their cash flow. Approximately a quarter (27.5%) were unable to manage their cash flow. This finding differs from the study by Shane (2012), who indicated that 50% of businesses stated that they were experiencing cash flow problems. There were twice as many businesses in the author's study that indicated the same difficulty than the businesses in this study. Management of the cash flow of the business is imperative to ensure that money due is received timeously to pay for business expenses. Being unable to manage the cash flow will create a climate for business failure. Approximately two-thirds (65.2%) of the respondents indicated that the operation had been profitable in the previous quarter. It is evident that profitability is not a concern for these businesses. Only 14.5% of the businesses indicated that they did not make a profit in the past three months. However, without proper financial records in the business, these businesses were merely estimating and assuming that they were generating a profit for the past three months. Keeping accurate financial records would enable a business to calculate its profits accurately. Moreover, accurate records would enable a business to identify its stronger areas of trade in which it could increase its volume and, consequently, profits. This finding contradicts the study by Wallace (2013) which revealed that only 40% of small businesses are profitable and 30% break even.

Cash flow analysis/forecasting: This section deals with components of a cash flow analysis tackling each component of forecasting within the business. Figure 3 is a summary of the scoring patterns regarding cash management of the respondents.

Figure 3: Basic elements of cash management



In Figure 3, four statements show greater levels of agreement than disagreement. The strongest of these is the realisation that it is important to keep records of cash management (78.3%). Just 2.9% of the respondents disagreed with the statement. 18.8% were neutral. These findings show a level of disagreement similar to Kunz and Dow Iii (2010:76-79), since almost 80% of these businesses regarded keeping cash management records as important to them. The businesses have acknowledged that it is vital to keep track of cash management records but 58% of businesses have indicated that there is no time to handle these records. However, 36.2% did have time to manage their cash and 5.8% were neutral. These results concur with Visa Inc. (2006) who conducted a cash management survey which indicated that a common challenge for small businesses is the labour-intensive administrative work that cash management entails. Businesses do not have the time to handle the normal running of the business as well as perform cash management techniques (Grablowsky 1978, as cited by Mong, 2011:33-34). Business owners need to be smarter with efficient and effective time management so that they could devote some time in keeping records relating to cash management.

A total of 33.3% of businesses indicated that they did not have any knowledge of a cash budget. This finding is alarming as a cash budget is a vital statement that businesses should implement and draw up. 17.4% were neutral on this statement and 49, 3% agreed that they had knowledge of a cash budget. Barry Worth, as cited by Perry (2007), indicated that many small businesses don't have knowledge of cash budgets. Therefore, they don't do cash forecasting to know when they will have some of the peaks and valleys. A knowledge of forecasting will enable a business owner to "save for a rainy day" since he/she will be able to anticipate booms and slumps in the economy via the economic indicators. A strong negative response (61.2%) was obtained for respondents drawing up cash budgets. Half as many (29.9%) of the respondents drew up cash budgets compared to those that did not. This finding is in agreement with Mong (2011:33-34),who indicated that only 28% of small businesses drew up cash budgets. Similarly, the statistics revealed by Grablowsky (1978), as cited by Mong (2012:33-34), indicated that just 30% of small businesses prepared a cash budget. The reason for not drawing cash budgets could be that business owners don't have the knowledge in drawing up cash budgets. Consequently, several businesses fail. Just half of the businesses (49.3%) are aware of the actual business expenses.

This finding is very alarming because there appears to be no control over the cash outflow from the business. 33.3% of the respondents were neutral on this statement and 17.4% did not know the value of their outflow. A total of 57.4% of the respondents indicated that there were aware of the cash inflow into the business and 16.2% of businesses did not know how much money was coming into the business. Nick (2009:3) revealed that three quarters of businesses did not forecast their expected cash inflows and cash outflows. This shortcoming directly affects the potential survival of businesses. He also noted that those businesses who budgeted for the future at least once a year had only a 36% chance of survival. Those that budgeted once a month for the future had increased their chance of survival to 80%. This finding shows the importance of a cash budget, yet the majority of small retail businesses in the Tongaat area choose not to draw up these statements in spite of being aware of the importance of cash management. A chi square test was performed to determine whether there was a statistically significant relationship between the variables (rows vs. columns). The chi square goodness of fit test is presented on Table 2.

Table 2: Pearson Chi Square test of the questionnaire statements

	Duration worked in the business	**Do you have basic cash management knowledge?**
Who handles the accounting records?	.005*	.001*
There are formal financial records kept in the business	.000*	.000*
We manage our cash flow easily in the business	.001*	.000*
The business has being profitable over the past 3 months	.001*	.018*
It is important to keep records of cash management	.000*	.000*
I have the time to manage the cash in the business.	.000*	.000*
I know what a cash budget is	.000*	.000*

There is also a significant relationship between the variable "there are formal financial records kept in the business" and "do you have cash management knowledge". The p-value between these two variables is 0.000. The knowledge of cash management impacts on whether there are formal financial records kept in the business. Likewise, there is a relationship between businesses with cash management knowledge and identify that it is important to have records of cash management. This also has a p-value of 0.000.

5. Conclusion

This study examined the perceptions of small businesses in the implementation of cash management techniques. The study revealed that cash management knowledge and the implementation of sound practices were essential in determining small business success. There should be more emphasis on proper cash management techniques in small businesses as the need and importance of it has been evident in this study. The findings of this study revealed that having cash management knowledge alone will not result in a successful business. Although cash management has been proven to be the lifeblood of every business, it takes proper implementation and practice of cash management to ensure business sustainability. The findings of this study revealed that a little less than half of the respondents (44.9%) believed that they were able to manage their cash flow. The findings indicated that the greater the knowledge and implementation of cash management procedures in the businesses, the greater the chance of them being profitable. Approximately two-thirds (65.2%) of the respondents, who managed cash efficiently, indicated that their businesses had been profitable in the previous quarter. The findings also revealed that, although 78.3% of the businesses acknowledge the importance of keeping cash management records, 58% of them indicated that they do not have the time to manage records. Time management has being identified as a restraining factor among small businesses. The more familiar businesses are with good time management, the greater is their chances of survival in the long-run. Therefore, it is vital that every small business owner has the necessary cash management skills to ensure the sustainability and profitability of his/her business.

Recommendations

Short course: The findings of this research identified the perceptions of small business owners on the implementation of cash management techniques. A short course on cash management could be offered by the Durban University of Technology to small business owners and managers to enhance their basic cash management knowledge and help in implementing the cash management techniques which are not implemented.
SEDA: Small business owners should also seek financial advice and assistance from the Small Enterprise Development Agency (SEDA) to assist in business operations.
Run programmes: The Tongaat business forum should also run programmes on the implementation of cash management practices as well as time management techniques so that these businesses can attend and become familiar with basic procedures to assist them in the handling and recording of cash.
Small business coaches: The businesses could also seek assistance from small business coaches. These individuals assist with one-on-one consulting to help small business owners grow their business more profitably and ensure long-term sustainability.

References

Bobitan, N. & Mioc, A. D. (2011). Using information on the cash flow situation in substantiating entities' decisions. *Agricultural Management*, 13 (3), 299-306.

Baggetta & Co. (2012). Cash Flow - The Lifeline in your business. Retrieved from http://businessaccountantsperth.net.au/cash-flow-the-lifeline-in-your-business/

Fin 24. (2010). 63% of businesses fail. Retrieved from http://www.fin24.com/Entrepreneurs/63-of-small-businesses-fail-20101111

Flynn, R. (2009). Cash flow woes BE GONE! *Industrial Management*, 51(6), 20-24.

Inc. (2013). Cash Management : Cash Management Cash management is important for any new or growing business, and here are some tips to aid your company in the collection, concentration, and disbursement of cash. Retrieved from http://www.inc.com/guides/finance/cashmanagement.html

Janklow, C. (2009). Why businesses fail. Accounting today, 4.

Kunz, D. A. & Dow Iii, B. L. (2010). Cape chemical: cash and profits. *Journal of the International Academy for Case Studies*, 16(7), 75-83.

Mong, D. (2012). Follow the cash: Lessons for Capstone business courses. *Journal of business & Economics research*, 9(12), 33-44.

Moore, J., William, P. & Longerneck, J. (2010). *Managing Small business: An entrepreneural emphasis* (15thed.). Australia: South-Western/Cengage Learning.

Nick, S. (2009). Cashflow ignorance is big problem for firms. Domimion Post, 3.

Nordmeyer, B. (2013). Why is Cash Budgeting important to the Organisation? Retrieved from http://yourbusiness.azcentral.com/cash-flow-the-lifeline-in-your-business/

Page & Associates Ltd. (2013). Five Principles of Cash Management. Retrieved from http://www.askpage.com/index_

Patel, U. (2010). Cash Management at Indian oil Corporation Ltd. (Unpublished Master's thesis). DR. D.Y. Patil University.

Perry, G. (2007). For small businesses cash flow is king. Retrieved fromhttp://www.accountingweb.com/topic/cfo/small-businesses-cash-flow-king

Radipere, S. & Van Scheer, L. (2005). Investigating whether a lack of marketing and management skills is the main cause of business failure in South Africa: Management. *South African Journal of Economic and Management Sciences,* 8, 402-411.

Reuters, T. (2011). The importance of cash management. Retrieved fromhttp://www.reuters.com/article/2009/04/02/businesspropicks-us-findlaw-impoetance-of-cash-managment

Salazar, A. L. (2012). The impact of financial decisions and strategy on small business competitiveness. *Global Journal of business research*, 6(2), 93-94.

Shane, S. (2012). Small Business Cash Flow Problems Still Not Declining. Economic Trends. Retrieved from http://smallbiztrends.com/2010/02/small-business-cash-flow-problems-still-not-declining.

Skills & Expertise Development. (2013). 10 Reasons Small Businesses Fail in South Africa. Retrieved from http://www.sedi.co.za/blog/30-10-reasons-small-businesses-fail-in-south-africa

Small firms: Cashflow is king. (2011). Sunday business post. p.2. Retrieved from http://search.proquest.com/docview/921735329?accountid=10612

Statistics South Africa. (2002). Development of SMMEs. South Africa: Statistics South Africa. Retrieved from http:// www.statssa.gov.za/Statistical_releases.

VISA Inc. (2006). Commercial Perspectives: Small Business Cash Management Survey. Retrieved from http://usa.visa.com/download/business/resource_center/cash_management.pdf

Wallace, D. (2013). Infographic: The most tried and failed small businesses. Retrieved from http://smallbiztrends.com/2013/03/infographic-failed-small-businesses.html

Zions Business Resource Centre. (2005). How to prepare a cash budget. Retrieved from https://www.zionsbank.com/pdfs/biz_resources_book-5.pdf