

2/ Goals of a Financial Strategy

The goals of a financial strategy revolve around optimizing a company's financial performance and ensuring it can both achieve and sustain long-term growth. A robust financial strategy aims to create a stable foundation from which a business can operate, innovate, and expand.

Common financial strategic objectives that underline those goals include:

- **Maximizing shareholder value** through [profit maximization](#) and sound capital management
- **Achieving sustainable growth** by investing in assets, projects, and products that generate long-term value
- **Maintaining financial stability** through effective risk management and financial planning
- **Managing the ratio of debt to equity** to minimize the cost of capital and balance the company's risk and return on investment
- **Identifying and mitigating financial risks** such as market fluctuations, credit risk, and operational risks are essential to protect earnings and capital
- **Controlling and reducing costs** without compromising the quality or value of the product or service offered
- **Ensuring all financial operations are compliant** with relevant laws, regulations, and standards to avoid legal penalties and damage to reputation
- **Maintaining creditworthiness and operational efficiency** through effective liquidity management

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