Research Paper
Impact Factor: 6.462
Peer Reviewed & Indexed Journal
www.ijmsrr.com

IJMSRR
E- ISSN - 2349-6746
ISSN -2349-6738

OVERVIEW OF WORKING CAPITAL MANAGEMENT AND ITS DETERMINANTS: A THEORETICAL ANALYSIS

Disha Singh
Research Scholar, Faculty of Commerce, Banaras Hindu University, Varanasi, U.P.

Abstract:
The study investigates the significance of working capital management concepts and components, particularly receivable management, inventory management, and payable management. The objective of working capital management is to achieve the highest possible level of liquidity and profitability, which is contingent on the availability of cash, inventory, and other current assets. The optimal level of working capital increases the company's value, necessitating a compromise between profitability and liquidity. Working capital management could be best explained ethically through the application of theories because of its significance. This paper is descriptive in nature which basically aims to study the significance and determinants of working capital management. This paper aims to explain various theories which will help us to practically implement them on the various components i.e., cash, inventories, receivable and payable management towards the growth and performance of the firms.

Keywords: Working Capital Management, Determinants, Components, Theories.

"Working capital management typically entails things like the management of current assets, such as stocks and marketing, receipts, and inventories."

Howard and Upton

Introduction

Working capital is regarded as life, humanitarian figure for any profitable exertion, which plays a vital part in commercial operation. An effective working capital operation may lead to success and survival of the establishment, whereas poor or careless operation might lead to ruin the establishment (Padachi et al. 2008). The high ideal of working capital operation is to furnish acceptable liquidity needed for the survival and operation of the establishment and to meet the financial commitment (Ajao and Alu 2012). Management of a company's working capital has a significant impact not only on its value but also on its risk and profitability (Smith 1980). It is expected of businesses to fulfill their financial obligations to all stakeholders in the business and corporate sector as a whole, both now and in the future. Working capital administration concerns fundamentally with the administration of current resources and likewise the current liabilities of a business. (Van Horne and Wachowicz 2004) point out that a company's profitability may suffer from a high level of current assets, whereas a low level may result in lower levels of liquidity and stock-out, making it difficult to maintain smooth operations. Regardless of a company's size or industry, financial managers must pay close attention to working capital management (WCM) because it has a big impact on a company's performance (Matinovicova and Motlicek 2014). Despite the fact that poor working capital decisions account for a significant portion of business failures, working capital appears to be neglected (Smith,1980). Capital Budgeting and Capital structure are part of the fiscal operation which substantially focuses on managing the long term investment, whereas the working capital operation largely focuses on short term backing and short term investment opinions (Ching et al. 2011; Ruichao 2013). According to (Kurfi 2006) Working capital operation refers to all aspects of the administration of both current assets and current liabilities. According to (Aremu, Ekpo, Mustapha and Adedoyin 2013) the capability to identify applicable capital conditions and source of raising financing will help in strengthening their operations as inadequate capital is the major causes of business failure.

While to the financial decisions making process, working capital is considered an important issue since it consider the investment which is a crucial part of investment (Francis, 2015).

Working Capital is the difference between Current Assets and Current Liabilities

Working Capital = Current Asset – Current Liabilities

Current Assets

The company's current assets are the financial benefits it anticipates receiving in the coming year. The company has a claim or right to the financial benefit, and the working capital calculation assumes that the company will convert all of the items below into cash.

1. Inventory: Everything that hasn't been sold is stored. This includes finished goods that have not yet been sold, inventory that is being assembled in part, and raw materials purchased for manufacturing.
2. Accounts Receivables: All claims to cash for items sold on credit from inventory. This ought to be included even if there is a provision made for uncertain payments.
3. Cash and its substitutes: Everything the business owns in cash. This includes investing in foreign currency and money market accounts, which have very low investment term periods and very little risk.
4. Others: any other asset for the short term. For instance, a short-term deferred tax asset that reduces a future liability may be recognized by some businesses.

Current Liabilities

A company's current or future debts are referred to as its current liabilities. Understanding whether a company will be able to pay off all of these debts with the short-term assets it already possesses is the overarching objective of working capital.

1. Accounts Payable: all unpaid invoices to vendors for supplies, raw materials, utilities, property taxes, rent, or other operating costs owed to a third party. Most invoices have credit terms of net 30 days, so most of them are captured here.
2. Long-Term Debt: Long-term debt was the subject of all short-term payments. Consider a scenario in which a business finances its warehouse and owes debt payments on a 10-year debt. The remaining nine years of payments are long-term debt, while the next twelve months of payments are short-term debt. When calculating working capital, only the next twelve months are taken into account.
3. Accrued Tax Payable: All responsibilities to government agencies. These could be accruals for taxes that haven't been filed in months. However, the nature of these accruals is typically always short-term due within the next 12 months.
4. Dividend Payables: All payments to shareholders that have been authorized that have been made. A company can decide not to pay dividends in the future, but it must pay back dividends it has already authorized.

Working Capital Cycle

The time it takes for a company to generate cash after producing goods or providing services is known as the cash operating cycle. The working capital cycle is directly linked to this cycle.

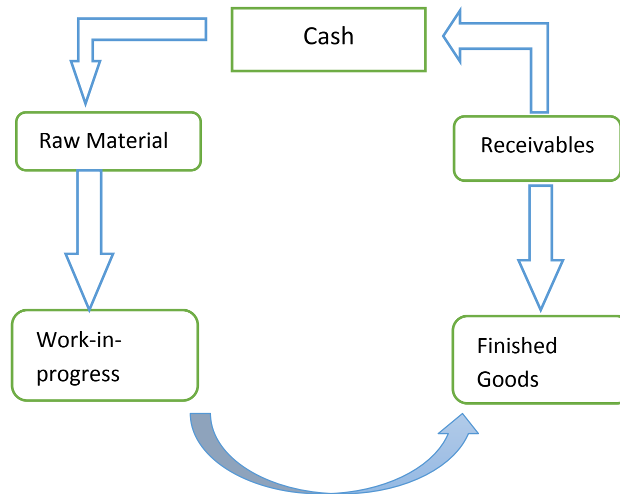

Fig.1 Operating Cycle of Working Capital Management
Source: Jain, P. K., & Khan, M. Y. (2005). *Basic financial management*.Tata McGraw-Hill.

Being able to free up cash and reduce working capital is the most cost-effective method of business expansion. By shortening its credit period to customers, offering cash discounts, streamlining the production process, increasing sales, and negotiating for a longer credit period from creditors and suppliers, businesses can shorten their working capital. A positive working capital cycle, in which cash inflows and cash outflows are balanced to reduce the net working capital cycle and maximize free cash flow, is necessary for a business to function effectively and efficiently.

2. Significance of Working Capital Management

When it comes to building shareholder value, efficient working capital management is seen as crucial to a company's strategy (Deloof, 2003). From the perspective of how much time financial managers of businesses spend managing short-term assets, the relevance of working capital management can be seen.

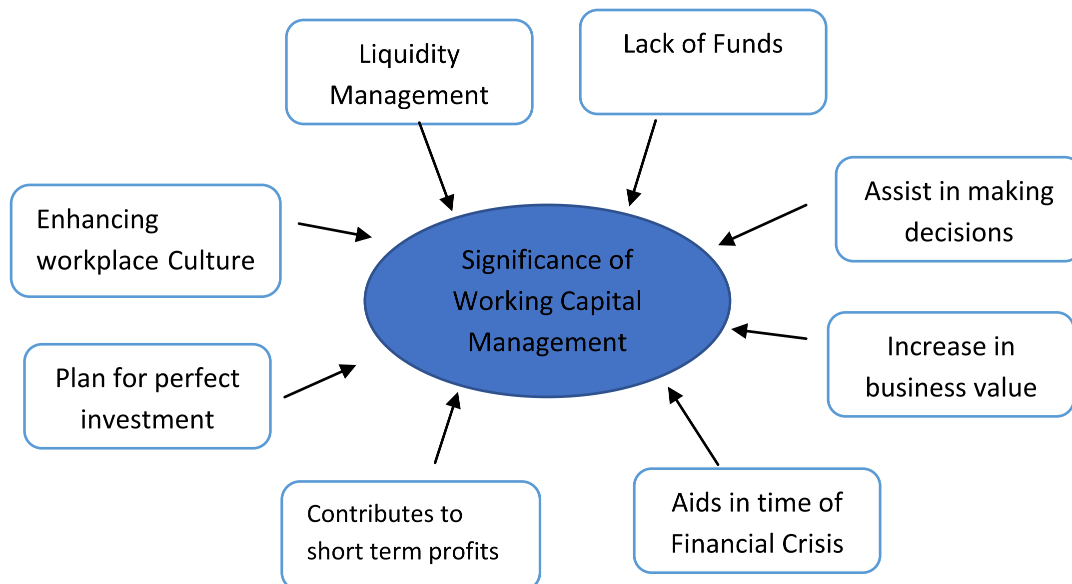

Fig.2 Significance of Working Capital Management
Source: Author Compilation

1. **Liquidity Management**: The financial and accounting team of an organization is able to easily plan for their funds in accordance with a thorough analysis of the income, expenses, and payables.
2. **Lack of funds:** Enterprise liquidity issues may arise as a result of improper expense management. Therefore, such a circumstance can be avoided through planned working capital management.
3. **Assists in making decisions**: The finance team is able to appropriately manage the funds and choose between the funds that are available and those that are required by conducting an accurate analysis of the funds that are required for day-to-day operations.
4. **Increase in the business's value**: When working capital is managed well, lenders are paid on time, which builds goodwill in the market. Efficient working capital will always help the organisation to manage their funds which ultimately help in proper management of the organisation, thus increasing business value.
5. **Aids in times of financial crisis**: One can assist the organization in avoiding any cash crunch and timely payment of its day-to-day expenses by effectively managing the liquid funds. The proper management of funds will help the organisation to undergo unforeseen events and intercept the financial crisis.
6. **Contributes to Short-Term Profits:** In addition to the required amount of working capital, some businesses keep a sizable reserve of funds as working capital. The additional funds can be invested in additional projects that may result in higher profits by accurately estimating the required working capital.
7. **Plans for perfect investments:** When the funds or working capital are properly managed, the business can plan its investments appropriately and maximize its return. This will help the firm to plan for a perfect investment which will ultimately benefit the organisation structure through a planned investment
8. **Enhancing the Entity's workplace culture:** Workplace culture plays a crucial role for any organisation setup. A good and motivated work culture will infuse positive vibration among all the workforce. The employees are encouraged to work harder and a positive work environment is created when all day-to-day expenses, including their salaries, are paid on time.

3. Contributing factors or Determinants of Working Capital Management:

According to (Chiou and Cheng 2006) attempted to identify the key factors that influence WCM in Taiwanese businesses. Firm-specific and microeconomic variables were both included in the study. Their finding suggested that businesses require more WCM during economic downturns. (Hill, Kelly and Highfield 2010) in their study identified a positive correlation between working capital requirements and operating cash flow in US businesses.

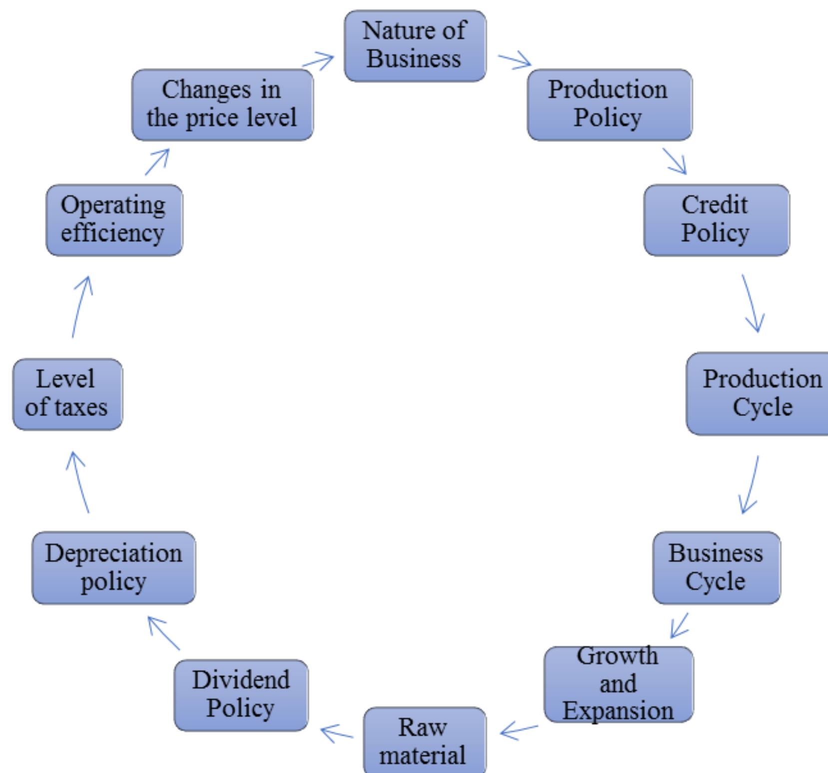

Fig.3 Determinants of Working Capital Management

Source: Jain, P. K., & Khan, M. Y. (2005). *Basic financial management*. Tata McGraw-Hill.

1. **1.Nature of Business:** The nature of the business depends on the availability of working capital management. This means that the firm should maintain a sufficient amount of cash to meet its obligations. A huge amount of working capital management is required by the industrial unit based on the dependency of the asset structure from industry to industry.
2. **Production Policy:** In case of seasonal business, two options are available, firstly to restrict the period of production when the stock is purchased and secondly, to follow a constant production policy throughout the year. Therefore, the best substitute is to follow a steady production policy irrespective of the changes in the demand.
3. **Credit Policy:** Working capital requirements can change depending on how long a company gives its customers a credit, and if a company gives a longer credit, working capital requirements can get pretty high as well.
4. **Production Cycle:** Production Cycle refers to the time frame from the procurement of the raw materials to the completion of finished goods. So to undergo such activity, the need for working capital is evident. Technological consideration can lead to a difference in the operating cycle. A shorter manufacturing cycle should be selected for economizing the Working Capital. Effectiveness and Coordination in the organisation is required to ensure that the production cycle is completed at the scheduled time. To minimize the working capital requirement, effective credit policy of raw material is required.
5. **Business Cycle:** Another factor which affect the quantum of working capital management is the business cycle. Any changes in the business cycle leads to fluctuations in the working capital requirements. These requirements of working capital during recession is said to decline and vice versa. The size of working capital is affected by the business fluctuations mainly through inventories. The type of business cycle determines whether the effect of it is light or harsh.

6. **Growth and Expansion:** A large amount of working capital is requires when a company grows. Based on economic conditions and business practices, the arrangement of working capital of a growing company also changes. In other words, growth industries require more working capital than stable ones.
7. **Availability of Raw material:** The uninterrupted availability of raw material can sometimes affect the availability of raw material. The business may be required to purchase and stock them far in excess of actual production requirements to maintain smooth production. As a result, there is too much inventory of these materials.
8. **Dividend Policy:** The payment of dividends uses up cash, which has an effect on working capital. Working capital rises if the company keeps the profit but does not distribute dividends. Regarding the relationship between dividend payments and working capital requirements, industry practices vary greatly. Occasionally, a lack of working capital has been a significant factor in the reduction of cash dividends. As a result, dividend policy plays a significant role in determining an organization's working capital level.
9. **Depreciation Policy:** Depreciation policy also exerts an influence on the amount of working capital. Depreciation charges donot involve any cash exodus. Depreciation is permissible expenditure in calculating net gains. Enhanced rates of depreciation lower the profit and thus duty liability and therefore further cash gains.
10. **Level of taxes:** Payment or provision for tax is the first appropriation from profit. The current tax regulations determine the amount of taxes that must be paid. In this regard, the management does not have any discretion. Working capital planning must therefore include a sufficient tax payment provision. Working capital requirements rises in response to an increase in tax liabilities and vice versa.
11. **Operating Efficiency:** The level of working capital is also largely determined by the management's operational effectiveness. Through operational efficacy, management can contribute to sound working capital positions. Although management is unable to control the rise in prices, it can ensure the effective utilization of resources. Planning effectively and constantly assessing the requirements for an effective working capital strategy are necessary for effective working capital management.
12. **Changes in the level of prices:** Changes in the price position also affect the conditions of working capital operations. Rising prices bear the use of further finances for maintaining an living position of exertion. For the same position of current means, advanced cash expenses are needed. Price increases do not have the same impact on all products. Depending on the nature of their operations, the effect of changing price level on their working capital position varies from company to company.

4. Components of Working Capital Management

The various components of working capital management has been categorised into four components i.e; Cash management, Inventory management, Receivable management and Payables management.

4.1 Cash Management

Cash is considered the most important current asset business operation (Olowe, 1998). Cash management is a business strategy that deals with cash for the purpose of optimizing liquidity (Linert, 2009). Holding cash comes with an opportunity cost for businesses. But with financial crises and uncertain times comes great crises. Cash on hand will help companies to survive the crisis easily (Chen et al., 2018; Tekin & Polat, 2020a, 2020b, 2021). Cash is the company's most important asset, so managing it is more important than other short-term assets. Unlike fixed assets and inventory, cash does not produce goods. For resale even though management spends a lot of time managing cash (Uwuigbe, Uwalomwa and

Egbide 2011). Due to market instability or unpredictable business activities, managers may hold on to cash in order to meet frequent payment requirements (Gakondi & Muturi, 2019).

4.2 Inventory Management

In his study, (Pradeep Singh 2008) attempted to investigate the inventory and working capital management of National Fertilizer Limited (NFL) and Indian Farmers Fertilizer Cooperative Limited (IFFCO). He came to the conclusion that NFL and IFFCO's working capital is in a satisfactory overall state. In the case of IFFCO, however, inventory needs to be improved. IFFCO, on the other hand, lacked proper inventory management and utilization throughout the study period. The administration of NFL should attempt to appropriately use the stock and attempt to keep up with the stock according to the necessities, with the goal that liquidity will not intrude. (Kasisomayajula 2014) in his study examines the performance of inventory management in Indian Commercial Vehicle. The size, composition and growth of inventory was analysed for a period of ten years. The study suggested a proper inventory management to improve the overall health of the firm. To alleviate the profitability of the firm, efficient and effective management of inventories is crucial. (Atnafu, D., and Balda, A. 2018) explain the connection between inventory management practices, competitive advantage, and organizational performance. Their focus is on inventory management. Based on the analysis of the data, the study concluded that inventory management performance and competitive advantages are positively correlated. (Maheswari and Kalyan 2020) in their study analysed the inventory management pattern of JSW Steel. The study examines that the inventory conversion period is moderate which needs to improve. Better implementation of inventory policies is simultaneously required to minimize the inventory cost.

4.3 Receivable Management

The time frame within which debtors are expected to pay back accounts receivable is known as the average collection period. A company's total unpaid credit to its customers is represented by its accounts receivable. Trade credit, which is credit extended to other businesses, consumer credit, which is credit extended to a consumer, or both are examples of accounts receivable (Moles, et al, 2011). In addition, a significant credit policy variable is the credit period. This is about how long it takes for customers to pay for their purchases (Prasana 2000). (Rao and Gaglani 2014) in their study examines the impact of Receivable management on Working Capital Management. The study highlights a significant difference in the ratio of current assets, total asset and sales. To pay off the current liabilities, the firm need to increase the working capital ratio to have sufficient amount of current assets to pay off the debts. (Mahmood and Nobanee 2020) in their paper analysed how the idea of sustainability is put into practice and the pros and cons that come with it for management. (Ejike and Agha 2018) suggest that the current assets owed to a company as a result of the sale of goods and services on credit in the normal course of business are called accounts receivable.

4.4 Accounts Payable

To get the most out of suppliers' financing so that they can turn purchased inventory into products that can be sold, the payment period should be extended as long as possible (Maness & Zietlow, 2005). (Maness and Zietlow 2015) states that beneficial discounts ought to have rates that are higher than the interest rates the company pays for credit supplies during the discount period. (Shin and Soenen 1998) looked into the connection between working capital management and profitability using a sample of 58,985 firm years from 1975 to 1994. (Afza and Nazir 2009) attempted to investigate the traditional policies of aggressiveness, conservatism, and profitability in working capital management.

5. Theories of Working Capital Management

1. **Agency Theory:** Agency theory is the crucial theoretical standards in the field of finance and accounting. Agency theory is the relationship between principal and agent to carry out certain task or services with regard to decision making (Jensen and Mecking,1976). The fundamental features of agency theory is to incorporate conflict of interest, incentive problem into our model. This theory was adopted to illuminate the conflicts within a business.
2. **Risk and Return Theory:** The risk and return theory has gained significant attention in the field of economics, business and finance (Mukherji, Desai and Wright, 2008). The theory explains that with an increase in risk, the chances of return also increases. This principle states that low level of risk leads to low level of return and vice-versa. Every relationship with respect to investment rely on risk and return theory (Richard, Stewart and Franklin, 2008)
3. **Operating Cycle theory**: One of the most significant theories in working capital management is the operating cycle theory. One way that working capital management efficiency is measured is by operating cycle. The operating cycle starts from the receipt of raw materials and ends with the collection from the debtors. It takes into account working capital-related receivables and inventories. It is important to note that changes in collection and credit policy directly affect the balance of outstanding accounts receivable in relation to annual sales (Richard & Laughlin, 1980). According to this theory, a liberal or flexible credit policy has less liquid investment in the cycle.
4. **Resource-based theory**: Resources are the fundamental unit of analysis because they are inputs into the production process. A company's resources include things like capital equipment, patents, brand names, employee expertise, financial resources and so on. In order to ensure efficient management of a company's short-term asset, resource-based theory is applied in this setting to include the cognitive abilities of individual managers (Alvarez & Busenitz, 2001).
5. **Trade off theory of liquidity:** According to the trade-off theory, businesses try to find a balance between the costs and benefits of keeping cash by aiming for the optimal level of liquidity. There are two advantages to holding the cash:
    a. Businesses avoid having to sell assets in order to make payments because they can avoid paying transaction costs and increase their funds.
    b. In the event that there is no other source of funding, businesses use the liquid assets to fund their activities and investments.
6. **Transaction motive theory:** There are two factors that affect the relationship between inventory holding period and profitability. Maintaining a minimum level of inventory is required to keep a balance between expected demand. The companies can improve and increase the profitability only by lowering the inventory holding period. The second factor is to create the inventory in bulk to create a positive link between inventory holding period and profitability. This leads to increase in stock which increases the inventory holding period and ultimately reduces the cost of production.
7. **Pecking order theory of Liquidity:** According to this theory, a firm examines various ways to finance their investment in a well-defined order (Donaldson, 1961). There is asymmetric information between managers and investors when we discuss the attributes of Pecking order theory (Lucas & McDonald, 1990). According to (Narsimhan & Vijayalakshmi, 1999) the source of financing the working capital as per the conventional practice is derived from the long term capital.
8. **Cash Conversion Cycle Theory:** This proposition states that when all factors are held constant, the association profitability and liquidity will increase when cash conversion cycle is short therefore effective working capital managements (Gitman 1991). The time period between cash collection and cash disbursement is known as cash conversion cycle. It can also be defined as the time taken to convert companies resources into cash (Sadia, 2018).

6. Conclusion

Working capital management, or efficient management of a company's current assets, has always been essential to a company's profitability and survival. This paper aims to review the theoretical background of effective working capital management. The working capital management is analysed through various indigenous and extrinsic factors. Firms profitability and survival is dependent on the effective management of current assets of a firm. The study also analysed how various factors affect the implication of working capital management. Working capital management is not just a good financial practice; rather it should be viewed as a comprehensive strategy for increasing profitability and efficiency across the organization.

References

1. Ajao, O.S., Alu, C.N.: Effective working capital management: a study of selected quoted manufacturing companies in Nigeria. Econ. Bus. Rev. **2**(6), 55–67 (2012)
2. Al-Mahmoud, M., & Nobanee, H. (2020). Sustainability and Accounts Receivable Management: A Mini-Review. Available at SSRN 3538711.
3. Alvarez, S. A., & Busenitz, L. W. (2001). The entrepreneurship of resource-based theory. Journal of management, 27(6), 755-775.
4. Aminu, Y., & Zainudin, N. (2015). A review of anatomy of working capital management theories and the relevant linkages to working capital components: a theoretical building approach. European Journal of Business and Management, 7(2), 10-18.
5. Anake, F. A., Ugwu, J. I., & Takon, S. M. (2015). Determinants of working capital management theoretical review. International Journal of Economics, Commerce and Management, 150(3).
6. Aremu, M. A., Ekpo, I. C., Mustapha, A. M., & Adedoyin, S. I. (2013). Determinants of capital structure in Nigerian banking sector. International Journal of Academic Research in Economics and Management Sciences, 2(4), 27.
7. Atnafu, D., & Balda, A. (2018). The impact of inventory management practice on firms' competitiveness and organizational performance: Empirical evidence from micro and small enterprises in Ethiopia. Cogent Business & Management, 5(1), 1503219.
8. Ching, H.Y., Novazzi, A., Gerab, F.: Relationship between working capital management and profitability in Brazilian listed companies. J. Glob. Bus. Econ. **3**(1), 74–86 (2011)
9. Chiou, J and Chen, L (2006). The Determinants of Working Capital Management. Journal of American Academy of Business. 10(1), 149-155
10. Deloof, M.: Does working capital management affect profitability of Belgian firms? J. Bus. Financ. Account. **30**(3&4), 573–587 (2003)
11. Donaldson, G. (1961). Corporate debt capacity: A study of corporate debt policy and the determination of corporate debt capacity. Boston: Division of Research, Graduate School of Business Administration, Harvard University
12. Ejike, S. I., & Agha, N. C. (2018). Impact of operating liquidity on profitability of pharmaceutical firms in Nigeria. International Journal of Academic Research in Accounting, Finance and Management Sciences, 8(3), 73-82.
13. Francis, O. A. (2015). Relationship between Working Capital Management and Profitability of Cement Companies in Kenya. Journal of Finance and Accounting, 6(7), 154-182.
14. Gakondi, E. W., & Muturi, W. (2019). Effects Of Working Capital Management On Financial Performance Of Private Manufacturing Firms In Kenya. International Journal of Social Sciences and Information Technology, 5, 321-335.
15. Gitman, L. (1991). Principles of Managerial Finance. New York: Collins Publishers Inc. Harper

16. Gupta, K. (2011). Khan, MY and Jain, PK, Financial Management: Text, Problems and Case. Journal of Services Research, 11(2).
17. Hill, M, Kelly, G and Highlighted, M (2010). Net Operating Working Capital i Behaviour: A First Look. Financial Management 39(2), 783-805
18. Ibrahim, K. Y., Usaini, M., & Elijah, S. (2021). Working Capital Management and Business Performance. Nigerian Journal of Marketing (NJM) Vol, 7(1).
19. Jain, P. K., & Khan, M. Y. (2005). Basic financial management.Tata McGraw-Hill.
20. Jensen, M. C., & Meckling, W. F. (1976). Theory of the firm: Managerial behavior, agency costs, and ownership structure. Journal of Financial Economics, 3, 305-360
21. Kasisomayajula, S. R. (2014). An Analytical study on Inventory Management in commercial vehicle Industry in India. International Journal of Engineering Research, 3(6), 378-383.
22. Kipronoh, P., & Mweta, T. (2018). Overview of working capital management: effective measures in managing working capital components to entrepreneurs. European Journal of Business and Management, 10(7), 83-86.
23. Lucas, D. & McDonald, R.L. (1990). Equity issues and stock price dynamics. Journal of Finance, 45, 1019-1043.
24. Maness, T. S., & Zietlow, J. T. (2005). Short-Term Financial Management. 3. painos. Mason, Ohio: South-Western.
25. Moles, P., Parriso, R. & Kidwell, D. (2011). Corporate finance (European ed.), John Wiley and Sons.
26. Mukherji, A., Desai, A. B., & Wright, P. (2008). A contingent relationship between risk and return: toward a behavioral model of decision making. Journal of Behavioral and Applied Management, 9(3), 240-257.
27. Narasimhan, M. S., & Vijayalakshmi, S. (1999). An inter-industry analysis of working capital management on components, efficiency and financing patter. Research Bulletin (ICWAI), 18(July-Dec), 65−75.
28. Nazir, M. S., & Afza, T. (2009). Impact of Aggressive Working Capital Management Policy on Firms' Profitability. IUP Journal of Applied Finance, 15(8).
29. Nazir, M. S., & Afza, T. (2009). Working capital requirements and the determining factors in Pakistan. IUP Journal of Applied Finance, 15(4), 28.
30. Olowe, A. R. (1998). Stock splits and the efficiency of the Nigerian stock market. African Review of Money Finance and Banking, 97-126.
31. Owolabi, S. A., & Alu, C. N. (2012). Effective working capital management and profitability: A study of selected quoted manufacturing companies in Nigeria. Economics and Finance review, 2(6), 55-67.
32. Padachi, K., Narasimhan, M. S., Durbarry, R., & Howorth, C. (2008). An analysis of working capital structure and financing pattern of Mauritian small manufacturing firms. Journal of Applied Finance, 14(7), 41-62.
33. Prasana, C. (2000). Financial management. Mc Graw Publishing Company.
34. Rao, S., & Gaglani, H. (2014). Impact of receivables management on working capital: a study on select cement companies. International Journal of Management Research and Reviews, 4(6), 651.
35. Richards, V. D., & Laughlin, E. J. (1980). A cash conversion cycle approach to liquidity analysis. Financial management, 32-38.
36. Ruichao, L. (2013). Impact of Working Capital Management on Profitability.
37. SADIA, F. T. (2018). Comparative profitability analysis and resource use efficiency of beekeeping using wooden and poly hive in some selected areas of Bangladesh (Doctoral dissertation, DEPARTMENT OF AGRICULTURAL ECONOMICS).

38. Shin, H. H., & Soenen, L. (1998). Efficiency of working capital management and corporate profitability. Financial practice and education, 8(2), 37-45.
39. Singh, P. (2008). Inventory and working capital management: An empirical analysis. The IUP Journal of Accounting Research and Audit Practices, 7(2), 53-73.
40. Smith. (1980). Profitability versus liquidity tradeoffs in working capital management, in readings on the management of working capital. New York,St. Paul: West Publishing Company
41. Tekin, H., & Polat, A. Y. (2020). Agency theory: A review in finance. Anemon Muş Alparslan Üniversitesi Sosyal Bilimler Dergisi, 8(4), 1323-1329.
42. Uwuigbe, U. N., Egbide, B. C., & Ayokunle, A. M. (2011). The effect of board size and board composition on firms corporate environmental disclosure: A study of selected firms in Nigeria. Acta Universitatis Danubius. Œconomica, 7(5).
43. Van Horne, J. C., & Wachowicz, J. M. (2004). Fundamentals of Financial Management, Prentice Hall Publishers, New York.".