



Linking working capital efficiency to profit maximisation: A conceptual analysis

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Abstract. The survival of a company is highly dependent on the management of its working capital. Effective working capital management can lead to greater profitability. Insufficient working capital or liquidity shortages can severely hinder profitability and operational sustainability. The primary objective of this research was to examine the relationship between efficient working capital management and profitability. To explore this connection, inventory, the cash conversion cycle, accounts receivable, and accounts payable were used as key indicators of working capital management. Profitability was evaluated using return on equity and return on assets, supported by a conceptual framework based on secondary data. The findings revealed a strong correlation between efficient working capital management and enhanced profitability. Effective management of cash inflows and outflows reduced financing costs and enhanced liquidity, leading to higher returns on equity and assets for companies with shorter cash conversion cycles. Companies with efficient accounts receivable processes significantly reduced their day's sales outstanding, improving cash flow and operational flexibility. Maintaining optimal inventory levels enabled companies to increase turnover rates, improve profit margins, and lower inventory holding costs. Moreover, efficient accounts payable management, particularly through negotiated credit terms with suppliers, optimised payment schedules without damaging supplier relationships, further enhancing profitability. The results highlighted that businesses can achieve long-term profitability by aligning their working capital components with operational goals. Companies that actively manage their cash conversion cycle are better equipped to meet financial obligations without excessive debt, enabling them to invest in expansion opportunities. From a practical perspective, this study underscored the strategic importance of working capital management in driving profitability. Businesses can improve financial stability and strengthen their competitive position by adopting data-driven approaches to optimise cash flow, inventory, and credit management. These insights offer valuable guidance for managers aiming to enhance their company's operational resilience and financial performance

Keywords: firm performance; inventory management; liquidity management; profitability; working capital management

Introduction

Effective business administration is essential for maximising profitability, which is a fundamental objective for all organisations. According to I.M. Islam *et al.* (2022), effective management of working capital (WC) played a critical role in determining profitability, significantly impacting a business's financial health and operational success. Within the context of business operations, profitability referred to the financial state of an organisation

that consistently generates profits. This metric reflected a company's ability to optimally utilise its resources to generate financial returns. Profitability measures a company's operational efficiency and its capacity to create value. A business achieves profitability, when it was able to generate profit through the effective allocation and utilisation of resources. Improving resource utilisation had been demonstrated to enhance productivity

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and profitability across various industries (Sharma *et al.*, 2021). Therefore, M.G. Abebe (2022) emphasised that asset-liability management must receive adequate attention to ensure optimal performance.

The author D. Kušter (2022) noted that WC was an essential concept in financial management, representing the disparity between a company's current assets and current obligations. Current assets were those that can be readily converted into cash within a short period, whereas current liabilities referred to financial obligations that were due for settlement in the near future. Ensuring sufficient WC was crucial for the continued profitability of a business. The efficient administration of WC affected both short-term profitability and the long-term growth of shareholder value. WC fluctuated daily based on the operating needs of the enterprise. A firm must fulfil its daily financial commitments and sustain seamless operations. Working capital management (WCM) referred to the approach through which a corporation maintained equilibrium between its current assets and current liabilities. The principal objective of WCM was to ensure that the enterprise had adequate cash to meet its short-term liabilities, while maintaining operational efficiency.

According to O.M.A. Enad & S.M.A. Gerinda (2022), performance was a significant objective for any firm, as it demonstrated the firm's ability to efficiently manage and allocate resources. Thus, effective administration of WC was essential, as both excessive and insufficient WC can negatively impact a company's financial performance. Efficient WCM prevented excessive investment in current assets, thereby enhancing financial stability and operational efficiency.

The cash conversion cycle (CCC) was a widely used metric for assessing WCM. T. Ishikawa *et al.* (2025) measured that the CCC quantified the duration required for a corporation to transform its investments in accounts receivable into cash, while simultaneously considering the time needed to settle accounts payable obligations. The CCC provided critical insights into the efficiency of a company's WCM by measuring the time required to convert assets into cash and discharge liabilities. A reduced CCC indicated a faster cash turnover, typically viewed as an indicator of effective WCM. Researchers D. Sastararaji *et al.* (2022) emphasised that effective WCM was vital not only for sustaining liquidity, but also for enhancing a business's competitiveness and financial prosperity. R.P. Boisjoly *et al.* (2020) asserted that effective WCM can foster a competitive edge by optimising cash flow, reducing reliance on external finance, and increasing profitability. WCM involved managing a company's short-term capital, including current assets and liabilities that were essential for daily operations.

Effective management of assets and liabilities was essential for a firm to meet its short-term financial commitments, while preserving long-term growth prospects. A crucial element of proficient WCM was the

meticulous examination of key factors, such as liquidity, credit management, inventory control, and debt management. Each of these aspects significantly influenced the overall effectiveness of a company's WCM strategies. For instance, maintaining sufficient liquidity ensured that a corporation can meet its immediate financial commitments, whereas proficient credit management reduced the risk of bad debts. Inventory management helped ensure that a corporation maintains an adequate stock level, preventing both stockouts and surplus inventory that might tie up operating capital.

Scientists I.A. Umar *et al.* (2023) argued that effective WCM directly affected a company's profitability by maximising resource utilisation, enhancing cash flow, and minimising reliance on external finance. Similarly, A.M. Habib (2022) a positive and significant correlation between WCM and entrepreneurial profitability. Effective management of WCM ensured that a business retained adequate liquidity to meet its operational requirements while preventing overinvestment in nonproductive assets. By balancing liquidity and profitability, organisations can improve their financial performance and secure long-term sustainability.

Nonetheless, managing WCM poses certain challenges. A primary issue for firms was the possibility of insufficient WCM or excessive investment in WCM. Insufficient WCM can cause liquidity issues, hindering a company's ability to meet its short-term obligations and potentially resulting in operational disruptions. Conversely, excessive investment in WCM can diminish profitability by tying up resources that could be more effectively deployed elsewhere in the organisation. Consequently, organisations must achieve an appropriate balance between these two extremes to ensure both liquidity and profitability. I. Makarchuk *et al.* (2022) noted that, when compared to average market liquidity levels, opportunities for asset liquidity management emerged, such as increasing it by offering price discounts or reducing markups.

The purpose of this study was to investigate the relationship between effective WCM and corporate profitability, emphasising how optimising key metrics such as the CCC, accounts payable, inventory and accounts receivable can enhance cash flow, reduce borrowing costs, and improve profitability, providing practical insights for managers to achieve better financial performance and long-term sustainability.

The methodology of this review paper involved collecting and analysing existing studies on the relationship between profitability and effective WCM. First, clear research goals were set, and relevant sources were identified using keywords such as profitability, WCM, liquidity, CCC, return on assets, return on equity, and accounts receivable. Next, the collected studies were assessed for quality and relevance, and their findings were categorised by themes or trends. Finally, the results were summarised to draw conclusions and suggest areas for future research.

Discussion on profitability and its representatives

A company's overall financial position can be broadly determined by evaluating its economic growth over a particular period. According to M.M. Mohammad & M. Elaheh (2014), this approach can be used to compare industries or sectors in general or to assess similar companies within the same industry. Analysing financial performance provides information about the company's financial situation, the level of industry competitiveness, and a thorough understanding of the organisation's cost structure and profit areas.

The fundamental objective of a company was its profit-generating capacity, which required implementing strategic policies and operations to attain specific goals (Olaoye *et al.*, 2019). The primary objective of any firm was to achieve maximum profitability (Ojha, 2019). The concept of financial performance was crucial in the study of financial management, as it reflected the effectiveness of management in utilising resources to generate profits.

Assessing profitability was essential for determining the effectiveness and performance of assets and ensuring the organisation's survival (Chong, 2016). Profitability was crucial for enterprises since it determined their survival. If a firm failed to generate profit, it will eventually collapse. However, if resources were utilised correctly, it will result in profitability (Chemis, 2015). According to L.C. Uguru *et al.* (2018), a company's profitability was a measure of its capacity to generate profit and depend on effective WCM. According to F.O. Olaoye *et al.* (2019), profitability measures, how effectively and efficiently assets such as machinery, plants, and current assets were converted into profit. Figure 1 illustrated the analytical framework. K.B. Prempeh & G. Peprah-Amankona (2020) defined profitability as a corporation's ability to generate profit. Profit referred to the surplus of revenue over expenses. They also stated that profitability evaluates a company's efficiency and ability to generate profits. According to N. Ponsian *et al.* (2014) and H. Shahid & A. Saad (2016), profitability was a measure of return on investment, a view supported by R. Khalid *et al.* (2018).

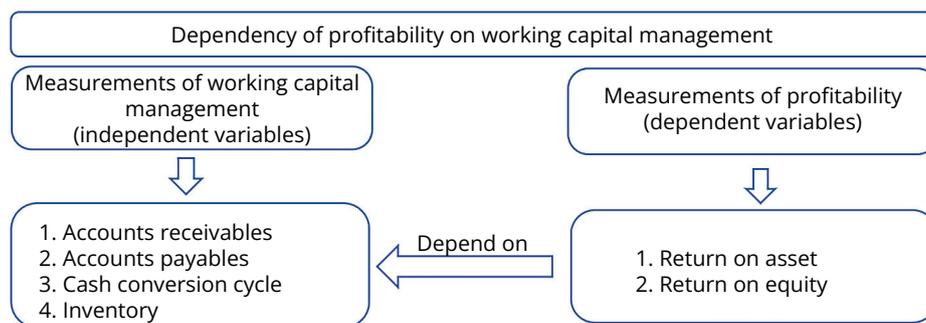


Figure 1. Dependency of profitability on working capital management

Source: developed by the author

The relationship between WCM and profitability had been widely studied, with researchers employing various profitability metrics to analyse this connection. Financial managers often assessed changes in retained earnings, reserves, and surplus to evaluate improvements in profitability. L.C. Uguru *et al.* (2018) emphasised that effective WCM significantly affected a company's profitability. Similarly, J.M. Kurawa & A. Abubakar (2014) and N.R. Ojeani (2014) highlighted that the efficient utilisation of WC components contributed to enhanced profitability, with increased efficiency correlating with higher profit margins. They further argued that profitability was best measured using metrics such as return on assets (ROA), return on equity (ROE), and return on capital employed (ROCE).

I.M. Pandey (2015) posited that the profitability of an organisation can be evaluated through the rate of return on the wealth contributed by its owners, with ROE serving as a key indicator, of how efficiently this capital was utilised. ROE was determined by dividing net profit, calculated after deducting interest and taxes, by total

equity. N.A. Alsulayhim (2019) underscored the significance of ROE as a crucial metric for analysing the relationship between profitability and WCM. This assertion was supported by F. Şamiloğlu & A.I. Akgün (2016), alongside the articles of M. Siraj *et al.* (2019) and I.M. Islam *et al.* (2022), who employed ROE in their respective studies. Consequently, ROE was an indispensable financial measure for assessing the effectiveness, of how organisations utilise the resources provided by their shareholders.

This ratio was a critical measure of a business's profitability, reflecting how effectively financial assets were utilised to generate returns. ROA assesses management's efficiency in using a company's assets to generate profits, calculated by dividing net revenue before taxes by total financial assets. Numerous studies had employed ROA as a methodological tool – for instance, B. Shah *et al.* (2018) and I. Abdeljawad & L. Dwaikat (2021), who applied ROA to measure profitability. Therefore, ROA was a key indicator of a company's profitability and operational efficiency. A higher ROA indicated better asset utilisation and management efficiency.

Working capital management and its components

WC was a crucial asset required by a corporation to support its ongoing operations (Akindele & Odusina, 2015). According to O. Aregbeyen (2013), it was essential for the smooth functioning of daily business activities. H. Kusuma & A.D. Bachtiar (2018) defined WC as the total amount of funds a business allocated to its current assets during the accounting period. E.S. Agbi & I. Yusuf (2017) further clarified that WC represented the difference between current liabilities and current assets, a distinction that A.A. Almazari (2014) highlighted as fundamental to effective financial management.

When implemented effectively, WCM served as a strategic tool that enabled businesses to mitigate financial challenges, while improving profitability and competitiveness (Gill, 2011). It involved managing current liabilities – financial obligations due within a year – and current assets, which consisted of resources convertible into cash within the same accounting period. This framework examined the relationship between these two components to ensure a business can cover its operational expenses and short-term commitments (Ukaegbu, 2014). WCM encompassed all decisions that affect current assets and liabilities, directly influencing a firm's liquidity (Sensini, 2020). The objective was to optimise the management of these elements to maintain each at an optimal level. According to O. Aregbeyen (2013), this process included managing cash, inventories, accounts receivable, and accounts payable. Its fundamental goal was to maintain adequate cash flow to sustain operations, while reducing the risk of defaulting on short-term obligations.

The effective management of accounts receivable (AR) was a crucial aspect of WCM in any organisation (Jindal *et al.*, 2017). It was primarily influenced by a company's credit policy and collection procedures, which determined the efficiency of receivables recovery (Ikechukwu & Nwakaego, 2015). The primary objective of AR management was to reduce the time lag between transaction completion and payment receipt from customers (Hardiansyah & Trisnarningsih, 2025). Businesses can enhance their value by extending payment periods, as this approach helped cultivate long-term relationships with clients. However, prolonging the accounts payable term poses a risk of losing key suppliers, making it essential for companies to maintain strong relationships with them to achieve effective WCM (Pandey, 2015). N. Ponsian *et al.* (2014) similarly underscored the significance of supplier relationships in this context. The management of accounts payable involved optimising cash flow by extending payment obligations, while simultaneously maintaining a favourable credit rating.

The CCC was a key metric used to assess the duration required for a business to complete its WC cycle. According to M. Singhania & P. Mehta (2017), the CCC represented the time lag between cash inflows from the

sale of finished goods and cash outflows for the procurement of raw materials. Firms with shorter CCC periods were able to generate sufficient internal cash flow to sustain daily operations, thereby reducing reliance on external financing and ultimately enhancing profitability (Fatimatu Zahra & Kusumastuti, 2016). The CCC measured the period between cash disbursement and subsequent cash recovery, which was determined by calculating the difference between the conversion period of inventory and receivables, subtracting the payable conversion period (Mathuva, 2010). H. Tran *et al.* (2017) highlighted that the CCC quantified the time taken for firms to convert cash outflows into cash inflows, while K.B. Prempeh & G. Peprah-Amankona (2020) defined it as the sum of the days required to collect AR and hold inventory (INV), minus the days taken to settle accounts payable (AP). Companies often procure goods on credit, leading to accounts payable, while simultaneously engaging in credit sales, which results in AR. Consequently, cash transactions occur only when the firm collects receivables and settles its financial obligations.

One of the main challenges for the financial manager was to maintain inventory at an optimal level. The primary objective of inventory management was to reduce inventory-related costs, while maintaining production efficiency (Ponsian *et al.*, 2014). Given its substantial share of current assets, manufacturing firms allocate significant financial resources to inventory (Mittal *et al.*, 2014). Effective WCM, facilitated by timely and strategic inventory control, ensured an optimal balance between profitability and liquidity, both of which were essential for business success and growth. O.H.D. Isaksson & R.W. Seifert (2014) argued that efficient inventory management provided a competitive advantage and improved financial performance. Similarly, P.J. García-Teruel & P. Martínez-Solano (2010) suggested that maintaining lower inventory levels can enhance profitability, as capital that would otherwise be tied up in stock could instead be invested or deposited to generate interest. Ultimately, the goal of inventory management was to maintain adequate stock levels to support production, meet sales demands, and minimise both operating expenses and financing costs.

Dependency of working capital management components on profitability

The CCC had a significant impact on profitability. According to N. Ponsian *et al.* (2014), a company's profitability can increase significantly with a longer CCC. The CCC was calculated by adding the inventory conversion period and the accounts receivable period and then subtracting the accounts payable period. Several studies had examined the relationship between the CCC and profitability, including those by R. Khalid *et al.* (2018) and K. Fijabi *et al.* (2023). Their data indicated a considerable negative correlation between the CCC and profitability. However, N. Ponsian *et al.* (2014) reported a strong positive

relationship between the CCC and profitability, a conclusion that was also supported by P.K.Y. Nastiti *et al.* (2019).

Inventory management (IM) was a crucial element of current assets and played a significant role in the efficient management of WC (Sitienei & Memba, 2015). Inventory was integral to WCM and had a substantial impact on a company's financial performance. According to V. Tauringana & G. Afrifa (2013), corporations that maintain optimal inventory levels often experience enhanced profitability, as increased investment in inventory helped to prevent stockouts. To maximise WC and operational performance, firms must strike a balance between keeping enough inventory to meet sales demands and reducing excess stock.

Effective inventory management aims to reduce inventory costs, while ensuring production efficiency. In an ideal scenario, organisations may not need to maintain inventory (Mathuva, 2010). However, firms must keep inventories at a precautionary level. To calculate the inventory conversion period, inventory was divided by the cost of sales and multiplied by 365 days. Studies by H. Shahid & A. Saad (2016) and K. Fijabi *et al.* (2023) identified a negative correlation between stock levels and operational efficiency. Managers can enhance shareholder value by reducing the AR period, as this directly impacts profitability. A.K. Sharma & S. Kumar (2011) established a positive correlation between the duration of AR and a company's financial success, suggesting that the faster a company collects payments from its clients, the higher its profitability was likely to be. D.M. Mathuva (2010) found a significant negative correlation between a company's productivity and the time taken to recover outstanding payments from clients.

The accounts receivable processes (ARP) were calculated by dividing AR by sales and multiplying the result by 365 days. Studies by H. Shahid & A. Saad (2016) and K. Fijabi *et al.* (2023) identified an inverse relationship between AR and profitability, indicating that a longer receivables recovery period was associated with reduced profitability. However, this finding contrasted with the conclusions of P.K.Y. Nastiti *et al.* (2019), who discovered a substantial positive relationship between AR and profitability. These differing results highlight that, while reducing the AR period generally enhances profitability, the correlation may vary depending on industry standards, corporate strategies, and market conditions. The AP referred to unpaid bills for supplies or services that had been delivered but not yet paid for. As the use of debt financing increases, a company's efficiency tends to decrease. A.A. Almazari (2014) found a strong positive correlation between profitability and the average payment term, noting that extending payment periods benefits the organisation, while shortening them restricts cash availability for other profitable opportunities.

Organisations must carefully assess the potential risks associated with delaying payments, particularly the risk of damaging long-term supplier relationships.

The accounts payable period (APP) was determined by dividing accounts payable by the cost of sales and multiplying the result by 365 days. According to M. Sharma *et al.* (2021), the time required for a business to settle its accounts had a negative correlation with its profitability. In contrast, D.M. Mathuva (2010) suggested that longer delays in paying corporate bills were associated with higher profitability.

A study by K. Fijabi *et al.* (2023) found an unfavourable correlation between profitability and AP. However, research by A.A. Almazari (2014) yielded differing results. P.K.Y. Nastiti *et al.* (2019) demonstrated a positive correlation between AP and profitability, suggesting that extended payment terms may have a beneficial impact on cost-effectiveness. M. Blatter & A. Fuster's (2022) research on the Swiss banking sector indicated that efficiency and profitability increase with bank size, and that there was a possible causal relationship between size and efficiency/profitability based on an instrumental variables approach for a set of geographically limited institutions. The study also found that high levels of efficiency and profitability were consistent with sound capitalisation.

T. Hossain (2020) used ordinary least squares (OLS) regression and Pearson's correlation analysis to examine the impact of WCM on profitability in 52 randomly chosen manufacturing companies listed on the Dhaka Stock Exchange between 2012 and 2017. The study revealed a significant negative relationship between ROA and the CCC, as well as between ROE and CCC. However, the inventory conversion period (ICP) exhibited a positive correlation with ROA and ROE. Using OLS and fixed effects models, A.H. Nguyen *et al.* (2020) investigated the influence of WCM on profitability using a sample of 119 companies traded on the Vietnam Stock Exchange (VNX) between 2010 and 2018. Their findings indicated a significant negative effect of the CCC, accounts receivable turnover, inventory turnover (IT), and AP on both ROA and Tobin's Q. Using a sample of 20 businesses from 2010 to 2019, K.X. Pham *et al.* (2020) investigated the impact of WCM on the profitability of steel companies listed on the Vietnam Stock Exchange (VNX). Days payable outstanding, days inventory outstanding, current ratio, days sales outstanding, company size, and growth rate were the six working capital factors that the study found to have a positive impact on profitability. In contrast, the CCC and financial leverage had a negative effect on profitability.

The author J.B. Nzitunga (2019) examined the influence of WCM practices on the profitability of Namibian state-owned enterprises (SOEs), analysing 23 institutions and 125 employees using partial least squares regression analysis. The results indicated that effective management of cash, receivables, payables, and inventory significantly contributed to improved profitability. However, other WCM factors such as the CCC, average inventory days, and average receivables days, did not have a significant effect on profitability. From 2005 to 2013,

A.Y. Salman *et al.* (2014) investigated the relationship between WCM and profitability in Nigeria. Data were collected from 20 companies listed on the Nigerian Stock Exchange. According to the study, WCM significantly reduced ROA and ROE. N. Ponsian *et al.* (2014) analysed the relationship between WCM and profitability in three manufacturing firms traded on the Dar es Salaam Stock Exchange from 2002 to 2011 using OLS regression. The study found that the CCC positively impacted profitability. In contrast, liquidity, the average collection period, and inventory turnover had a negative effect. Additionally, the average payment period was positively associated with profitability. A.A. Almazari (2014) examined the link between WCM and profitability in eight Saudi Arabian cement firms from 2008 to 2012 using linear regression and Pearson correlation analysis. The study found that gross operating profit was negatively correlated with the payables deferral period, CCC, inventory conversion period, financial debt ratio, and receivables collection period. However, it was positively correlated with firm size, fixed financial asset ratio, and the current ratio, which was identified as the most significant liquidity factor influencing profitability. T. Dinku (2013) assessed the impact of WCM on the performance of Ethiopian micro and small enterprises in the Bahir Dar municipal administration, using a sample of 67 firms from 2003 onwards. The study revealed a significant positive correlation between the length of accounts payable and profitability (ROA), while the duration of accounts receivable, inventory, and CCC negatively affected ROA. L. Rey-Ares *et al.* (2021) examined the impact of WCM on the profitability of Spanish companies and concluded that effective WCM positively affected corporate profitability. G. Eshetu (2020) noted that WCM played a crucial role in influencing the efficiency of commercial banks.

The relationship between WCM and profitability was complex, with several factors – including inventory control, accounts payable, accounts receivable, and the CCC – playing a role. Some studies argued that effective WCM, including faster receivables collection and proactive payables management, enhanced financial performance, while others suggested that a longer CCC and higher inventory levels may increase profitability. Maintaining liquidity, reducing expenses, and improving operational efficiency (all of which contribute to greater profitability) required effective WCM. To achieve optimal

financial outcomes and long-term sustainability, companies must adapt their WCM strategies to suit their specific operational and industrial contexts.

Conclusions

Proficient management of WC is essential for maximising profitability and ensuring the long-term sustainability of enterprises. This study had elucidated the essential elements of WCM, encompassing the CCC, AR, AP, and IM. The results indicated that these factors played a crucial role in influencing a company's financial performance. Effective management of these factors can substantially improve profitability, as evidenced by key financial metrics such as ROA and ROE. Nevertheless, the study revealed that the correlation between WCM and profitability was not necessarily linear or straightforward. The impact of each WCM component on profitability may vary depending on external conditions and the management strategies employed.

The findings highlighted that, while optimising the CCC and maintaining appropriate levels of AR, AP, and inventory can enhance profitability, the relationship was shaped by several internal and external factors. Therefore, businesses must adopt a strategic approach to WCM, carefully balancing liquid assets and profitability to avoid potential pitfalls such as excessive inventory or delayed receivables. Furthermore, while ROA and ROE were widely used to measure profitability, the study suggested that incorporating additional profitability metrics would provide a more comprehensive view of a company's financial health and performance.

Future research should explore these additional profitability indicators and examine the broader implications of WCM across different industries and business sizes. By doing so, businesses can develop more tailored strategies that not only enhance short-term profitability, but also foster long-term financial stability. Ultimately, effective WCM is a critical factor in enhancing operational efficiency, lowering financing costs, and ensuring the overall competitiveness of a business in the market.

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Conflict of Interest

None.

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Зв'язок ефективності управління оборотним капіталом із максимізацією прибутку: концептуальний аналіз

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Анотація. Вживання компанії значною мірою залежить від управління її оборотним капіталом. Ефективне управління оборотним капіталом може призвести до підвищення прибутковості. Недостатній обсяг оборотного капіталу або дефіцит ліквідності можуть суттєво перешкоджати прибутковості та операційній стійкості. Основною метою цього дослідження було вивчення зв'язку між ефективним управлінням оборотним капіталом і прибутковістю. Для аналізу цього зв'язку використано такі ключові показники управління оборотним капіталом, як запаси, цикл конверсії грошових коштів, дебіторська та кредиторська заборгованість. Оцінка прибутковості здійснювалася на основі рентабельності власного капіталу та активів, що підтримувалося концептуальною моделлю, заснованою на вторинних даних. Результати дослідження підтвердили наявність сильного зв'язку між ефективним управлінням оборотним капіталом і зростанням прибутковості. Раціональне управління грошовими потоками сприяло зменшенню фінансових витрат і підвищенню ліквідності, що призводило до зростання рентабельності власного капіталу та активів для компаній з коротшим циклом конверсії грошових коштів. Компанії з ефективними процесами управління дебіторською заборгованістю значно скоротили середній термін оплати рахунків, що покращило грошовий потік та операційну гнучкість. Оптимізація рівня запасів дозволила компаніям підвищити швидкість обігу, збільшити маржу прибутку та зменшити витрати на зберігання товарів. Крім того, ефективне управління кредиторською заборгованістю, зокрема через узгоджені умови оплати з постачальниками, сприяло оптимізації графіків платежів без погіршення відносин із постачальниками, що додатково підвищувало прибутковість. Результати дослідження підкреслили, що компанії можуть досягти довгострокової прибутковості, якщо узгодять свої компоненти оборотного капіталу з операційними цілями. Компанії, які активно керують своїм циклом конверсії грошових коштів, краще здатні виконувати фінансові зобов'язання без надмірного боргового навантаження, що дає їм можливість інвестувати у розширення бізнесу. З практичної точки зору це дослідження наголосило на стратегічній важливості управління оборотним капіталом для підвищення прибутковості. Використання підходів, орієнтованих на аналіз даних, дозволяє компаніям оптимізувати грошові потоки, управління запасами та кредитування, що сприяє зміцненню фінансової стабільності та конкурентних позицій

Ключові слова: ефективність компанії; управління запасами; управління ліквідністю; прибутковість; управління оборотним капіталом