

Abstract

This research explores the relationship between corporate liquidity management and financial performance, using a mixed-methods approach to examine how effective liquidity strategies influence a company's financial outcomes. The study focuses on understanding how firms manage cash flows, working capital, and short-term assets and liabilities, and the impact these strategies have on profitability, solvency, and overall financial stability. By analyzing various liquidity management practices, the research aims to uncover key factors that contribute to optimal financial performance.

The research integrates quantitative analysis, using financial ratios and performance metrics, with qualitative data gathered through interviews with corporate financial managers, CFOs, and financial analysts. The quantitative component evaluates how different liquidity management strategies correlate with financial performance indicators such as return on assets (ROA), return on equity (ROE), and current ratio. The qualitative part examines the decision-making processes, challenges, and strategic considerations that influence liquidity management, providing insights into how companies align their liquidity practices with broader financial goals.

Findings from this research offer valuable insights into the role of liquidity management in achieving financial success. The study highlights best practices in managing liquidity and presents practical recommendations for companies seeking to optimize their cash flow and working capital strategies. The results contribute to the field of strategic financial planning by providing a clearer understanding of how effective liquidity management can support long-term financial health and performance.