

Abstract

This research explores the role of capital structure in influencing firm performance, using a comparative mixed-methods approach across different industries. Capital structure decisions, such as the mix of debt and equity financing, are critical for optimizing financial performance and achieving long-term business sustainability. The study aims to provide a deeper understanding of how various capital structure strategies impact key performance indicators (KPIs) such as profitability, growth, and market value, while also considering industry-specific dynamics.

In the quantitative phase, financial data from firms across multiple industries are analyzed to identify correlations between capital structure ratios (e.g., debt-to-equity, leverage) and performance metrics. Statistical techniques, including regression analysis, are applied to test hypotheses and determine the strength of these relationships in sectors like manufacturing, technology, and services. The analysis further explores whether industry characteristics, such as capital intensity and market volatility, influence the effectiveness of different capital structure strategies.

The qualitative component involves interviews with financial managers, industry experts, and investors to gain insights into how capital structure decisions are made and perceived across industries. These interviews provide context for understanding the practical considerations, challenges, and strategic choices involved in capital structure management. By integrating both quantitative and qualitative approaches, this study aims to offer valuable recommendations for firms seeking to optimize their capital structure for improved performance in a variety of industry settings.