CURRENT ASSET MANAGEMENT METHODS AND THEIR APPLICATION: CASE OF LATVIA

Iluta Arbidane[a], Anita Puzule[a]

[a]Rezekne Academy of Technologies, Latvia

ABSTRACT

In order to ensure the companies' financial sustainability in current economic conditions, a successful management of the current assets is crucial. In practice, it is quite often observed that the decisions related to the current asset management in Latvian companies are made with the short-term perspective, without appropriate analysis. Though, an efficient management of working capital is a vital condition to increase the company's profitability. The aim of the article is to explore the opinion and attitude of the companies' management regarding the practical aspects of the current asset management, as well as to explore the actual situation in the companies. The expert survey, correlation analysis and factor analysis, as well as Kaiser – Meyer – Olkin and Bartlett's test were used in the research; the current asset management tendencies were assessed and their impact on the performance of the Latvian companies was identified. In the result of factor analysis, the main factor groups affecting the results of the current asset management in companies were identified.

Keywords: current assets, current asset management, current asset management methods.

INTRODUCTION

Methods of financial analysis are a set of economic information processing techniques, analytical approaches, and quantitative methods aimed at solving analytical tasks. These methods serve as the analytical instrumentation providing technical implementation of the objectives of the analysis. Choice of the financial analysis methods depends on the specific objective and situation rather than on a single, strictly defined, and universal system that would include the methods for achieving the objective.

The economic category – current assets – is interpreted within the framework of the finances management in scientific and practical research. The authors consider that functions of the current assets in entrepreneurship and their significance in growth of the national economy are of the same importance. On the macro level, the current assets are elements of the economic growth, their specific quantity and quality may influence changes in demand and supply within a particular geographical area. From the business perspective, the current assets are an important precondition for the company's development and value creation. From 2017 to 2020, the particular share of the current assets in the total assets of Latvian companies was 35,7% - 37,5% (Central Statistical Bureau of Latvia, 2021).

The economists believe there are motivating factors stimulating the executives' understanding of the current assets analysis basic principles at the management level. A professional executive, regardless his/her functional level, benefits from practical knowledge on the most significant elements of analysis. Steven S., John G., Malcom R., and Marilyn W. (1997) assume that the managers of different executive levels and sectors have their own approach to the analysis of the current assets. Marketing manager would analyse the current assets taking into account the sales volume, pricing and discount systems, as well as customer attraction opportunities. In turn, production manager would analyse inventory level to avoid downtime. Financial manager would analyse production costs, cash management aspects, volume and composition of receivables and payables.

To assess quality of the current assets, to identify and to interpret efficiency indicators, various methods of analysis, that have developed historically, are used. Hoff K.G., Marinska K. (2002) consider that, in the result of the financial statement analysis, the company obtains a range of key indicators that both separately and in a multi-period context provides a valuable information and offers a basis for decision-making on the current asset management possibilities.

The aim of the article is to explore the opinion and attitude of the companies' management regarding the practical aspects of the current asset management, as well as to explore the actual situation in the companies. The tasks of the article: evaluate theoretical viewpoints about current assets methodology; examine regularities of application of current asset management methods at enterprises in Latvia.

The object of the research is current asset management and the companies' executive managers as individuals in position to define the company's current asset management strategy and as parties being directly interested in the companies' performance. The research subject is the company's management opinions on the possibilities of the current asset management and its necessity in the company. The period of the research from 2019 to 2021.

The expert survey method, which is one of the most common methods for retrieval of the empirical information, was used in the research. Use of the method makes it possible to obtain

information on the respondent's views and the actual behaviour. The correlation analysis, factor analysis and *Kaiser - Meyer - Olkin and Bartlett* test, were used in the research; trends in the current asset management and their impact on the performance of Latvian companies were examined.

1. LITERATURE REVIEW

Each type of the current assets is managed by different management executives representing different interests; therefore it is important that the company's management would ensure a common understanding on the role of the role of the current assets and the current asset management in the company. Management of the current assets of various categories is an important stage of management affecting economic performance indicators. In the theoretical and practical studies, the researchers and other authors most often discuss the methodology or a method related to the management of a particular type of the current assets, and possibilities of application of this particular method, without providing the complex evaluation of the problem. That happens due to the diversity of the current assets and their different management options. Understanding of the methodology on the management of various types of the current assets and its appropriate application is an important management component because it provides an opportunity to affect the indicators of the current asset management reflecting the efficiency of business performance. There are two stages in the current asset management:

1) management focused on the specific types of the current assets;
2) management focused on the business performance.

Both approaches are closely related since the results are directly affected by the management of specific types of the current assets as a complex measure that forms subsequent stages of the current asset management methodology.

Examining the current assets, the method of financial indicator analysis is considered as important and significant in the professional literature and researches. Indicators are the instruments used to perform a quantitative analysis of the company's annual report. Indicators are calculated for the reported period in comparison with the data of the previous periods and/or data of the other companies of the same sector. Mainly, the fundamental analysis is used for the indicator analysis. Financial coefficients are relative indicators that allow carry out evaluation of dynamics, as well as to perform the indicator analysis by sector (Arbidane, 2015). The results of the previous researches allow the authors to presume that the Latvian researchers consider the method of financial indicators is the most important. American researcher R.C. Higgins (2007) recognizes that the company's efficient economic performance can be ensured by having knowledge of the management techniques and activities. In turn, to explore these management aspects in-depth, the earlier performance, impact of the decisions on the company's financial state shall be studied using analysis of the financial indicators.

Financial ratio calculation is one of the most known and used methods of the financial report analysis. This technique allows to see the link between the indicators and to evaluate their trends.

The researchers Arnold, (2008), Drake, (2010), Gill et al. (2010), Atseye et al. (2015), Ergashevich (2021) have devoted their researches to exploration of the financial analysis indicators, for instance, structure, liquidity, profitability, and their interrelations. Their ideas currently create the essence of the financial analysis regarding the current assets as well.

Indicator analysis traditionally has the main role in the analytical procedures applied to the analysis of the financial state of the company. Comparative base for the financial indicator could be:

- standard indicators provided in the legislation and in the regulatory documents;
- scientifically proved optimal values;
- average characteristic values in the sector;
- indicators at the comparable companies;
- dynamics of the company indicators in comparison with the previous periods.

Efficiency of the application of the financial indicator calculation method depends on the calculation technique, ability to understand information to be used and to interpret the results of calculation. Yefimova (2006) distinguishes the financial indicators that are used in the analysis into certain groups in accordance with their economic content:

- liquidity and current solvency;
- business activity and capital turnover (circulation);
- financial structure and long-term solvency;
- business efficiency;
- activities in the securities market.

According to the English – American system of the indicator analysis, the authors distinguish 34 financial indicators, among them providing a major role to the current assets turnover. In practice, there is no need to calculate a large number of indicators of each group. Typically, the analyst selects some the most important indicators, and if necessary supplements them with other tools of analysis.

To achieve the goal, the current asset management is an integral part of the company's financial management affecting the company's liquidity and profitability (Zimon, 2019; Dong and Su 2010). As the Mathuva (2010) indicates, focus on the liquidity certainly reduce profitability, and vice versa.

In the scientific and professional literature, many of the researchers agree on the choice of indicators for the current assets analysis. The current asset analysis is based on the systematic analysis of liquidity, circulation, and profitability indicators (Trach and Tuhari, 2020; Polyanskaya, 2019; Petchrompo and Parlikad, 2019; Kovalchuk and Verhun, 2019; Lim, Porras-Alvarado and Zhang, 2019). The current assets and possibilities of their management in the context of business have not been practically studied in Latvia. While in Russia, the EU, USA, and other countries, these researches are broadly represented. During the research, the authors found that the relationships between the current asset management and profitability are an important object of the study in a wide range of aspects.

Each company's primary financial goal is to increase sales volume and profit. To achieve the goal, the current asset management is an integral part of the company's financial management affecting the company's liquidity and profitability (Yasmin and Mohiuddin, 2021; Dong and Su, 2010). The company's liquidity and profitability are mutually competing for goals, so it is important to find a compromise between these objectives and the current asset management. When making decisions on ensuring liquidity, the profitability indicators must also be assessed at the same time. As the Mathuva (2009) indicates, focus on the liquidity certainly reduce

profitability, and vice versa. In researches, it is noted that both objectives are essential and need equal attention, it is necessary to be able to find a balance between liquidity and profitability.

Spanish researchers indicate that by the crisis derived from COVID-19 make working capital management a driving force behind small and medium enterprises performance. The findings also identify a convex relationship between investment in inventory and economic profitability (Rey-Ares et al., 2021).

In their research papers, Greek professors Lazardis and Tryfonidis (2007) express their views on the aspects of management of the components of the current assets in the enterprises:

- small businesses are more focused on the management of inventories;
- profitable companies to a lesser extent use credit management policy;
- companies have a negative ratio between the receivables and the company's profits;
- among the companies that are focused on cash management, there are more seasonal businesses facing with cash flow problems.

Analysing the results presented by the foreign researchers, it can be concluded that there is a relationship between the current asset management and the company's profitability. The researches carried out in different time periods and in various countries indicate similar interconnections demonstrated by the companies of different countries, sectors and sizes.
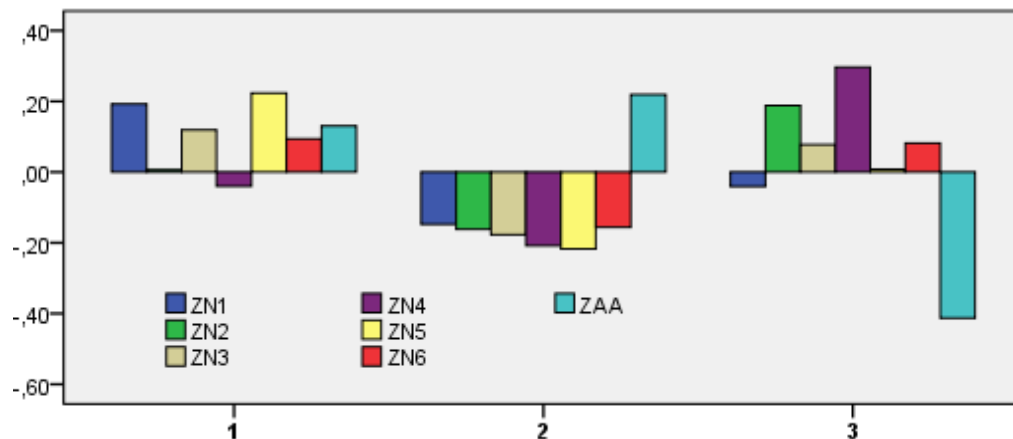
2. METHODOLOGY

The authors have used the method of survey in the research. The data received have demonstrated quite unvaried results and do not express significant difference in opinions, attitudes, and assessments amongst entrepreneurs. Stability of the results related to the application of various tools of analysis points out the tendencies of the current asset management at the enterprises in Latvia.

The research is conventionally conducted into two parts; the first, the authors have brought forward six conditions and several criteria explaining the factors influencing the current asset management and describing the indicators of the current asset types. The second, the authors have provided 10 statements on the realistic aspects of the current assets management at each surveyed enterprise to be evaluated, in addition the respondents were asked to indicate the annual account indicators characterising the enterprise's activity.

The data was obtained after summarising the assessment of the companies' managers. 226 questionnaires were received. After carrying out the primary data processing, the authors selected 194 questionnaires (85.83% of the total number of the questionnaires) according to the business sector of the companies represented by the respondents:

- production sector: NACE codes A, B, C, D (further in the text – 1) – 66 respondents - 29.2%;
- trade sector: NACE codes G, J (further in the text – 2) – 70 respondents 30.97%;
- service sector: NACE codes: E, H, I, K, M, N, O (further in the text – 3) – 58 respondents - 25.66% (Figure 1).

Figure 1: Grouping average assessments by sectors in relation to the average survey
results into condition groups using Kruskal-Wallis Test

Source: authors' data calculations, processed by SPSS
*ZN1, ZN2, ZN3, ZN4, ZN5, ZN6, ZAA symbols for conditions according to the questionnaire grouping
by sectors 1 – production, 2 – trade, 3 – services.

The estimates of the average indicators reflect similar evaluation both in the entire sample and in the particular sectors. Average assessments indicate similar evaluation to define tendencies, then counted aggregated factors according to condition groups are standardised according to the average, which is 0, but the mean squared deviation is 1. After standardisation the average indicators get 0
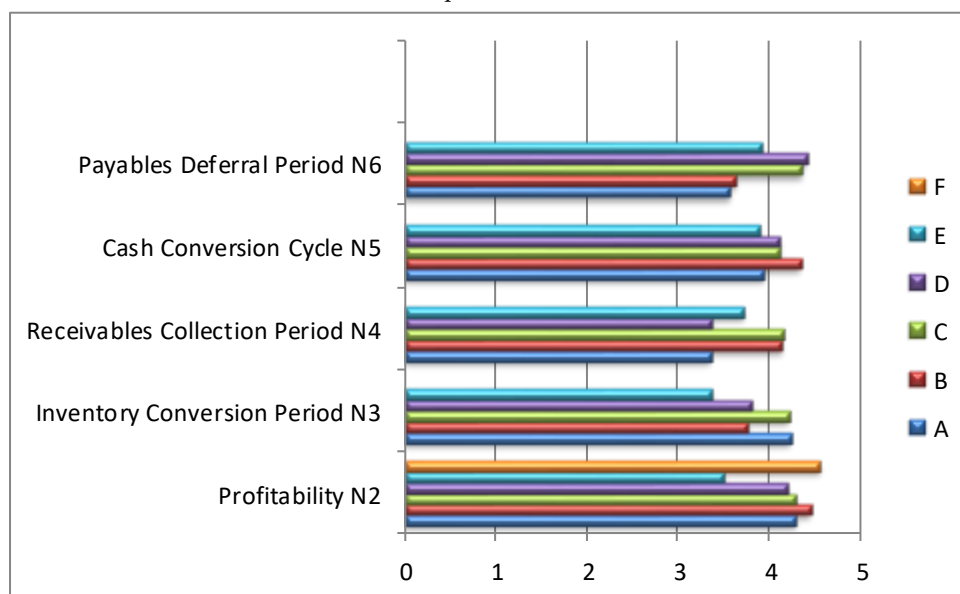
3. RESULTS AND DISCUSSION

Comparing the respondents' assessments of the current asset management using *Kruskal-Wallis test*, the authors came to the conclusion that there are differences between sectors. Assessments by the trade sector representatives are lower than the average, though the assessments in the production and services sectors are above the average. The statistical significance by the sectors is observed in relation to the actual aspects of the current asset management at the enterprise (AA) (*Kruskal-Wallis Test, p<0.082*). The authors conclude that at the enterprises of services sector, the management of the current assets is not paid much attention to, and, on the contrary, the evaluation performed by the production and trade companies indicates the application of methods of the current asset management.

According to the results of the survey, it is possible to conclude that the managers' opinions differ in evaluation of the criteria (Figure 2)

Profitability of the enterprise is affected by costs. The average management's assessment is 4.55. The lowest average evaluation 3.5 was given to accessibility of loan resources. Indicators of inventory conversion period are mostly influenced by application of inventory management methods, average 4.24, followed by cash conversion cycle indicators, average 4.21 points. Assessment of receivables turnover indicators is similar. Managers of enterprises note that these indicators are mostly affected by application of methods of receivables management – average 4.24 and cash conversion indicators – 4.21. Indicators of cash conversion are influenced by receivables collection, average – 4.35, and application of cash management methods – 4.11 points. Indicators of payables turnover is influenced by usage of methods of creditors' debt management, average – 4.41, and cash conversion indicators – 4.11 point.
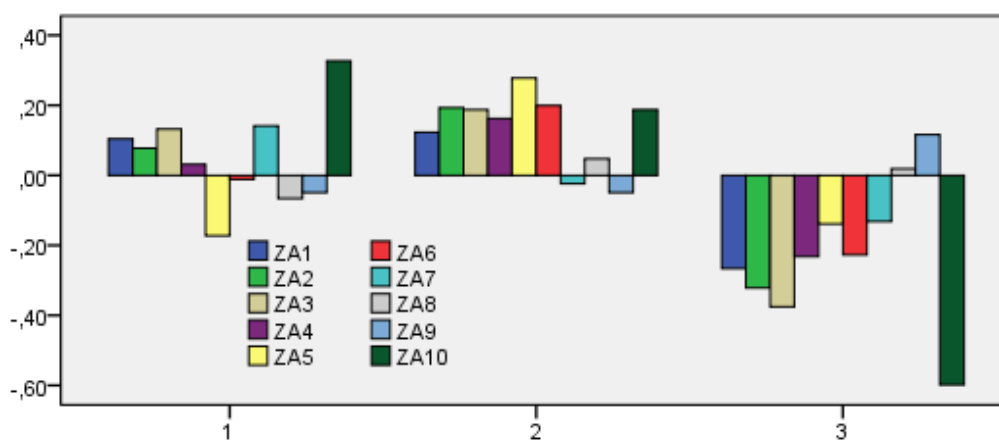
Figure 2: Average evaluation of criteria by condition groups according to the questionnaire, n=194 enterprises of Latvia, 2021

Source: the authors' data calculations, processed by SPSS
* N2, N3, N4, N5, N6 symbols for conditions according to the questionnaire grouping according to the explained criteria A; B;C; D; E; F.

Figure 3: Grouping of average assessments by sectors in relation to average results of the questionnaire about management of current assets using Kruskal Wallis Test, n=194 enterprises of Latvia, 2021

Source: the authors' data calculations, processed by SPSS
*ZA1, ZA2, ZA3, ZA4, ZA5, ZA6, ZA7, ZA8, ZA9, ZA10 symbols for statements in the questionnaire, grouping by sectors 1 –production, 2 – trade, 3 – services.

In a result of the analysis, the authors conclude that evaluating criteria according to each indicator, the enterprise management believes that application of methods of management of each composing element of the working capital, i.e. inventory, receivables, cash and payables, and cash turnover indicators. When criteria influencing profitability are evaluated higher than the average 4, both significance of costs and turnover indicators are evaluated.

Evaluating application of management of current assets at enterprises divided into sectors, the authors conclude that the highest assessment – above the average – is given at enterprises working in the sector of trade and partly in the production sector. At enterprises of the service
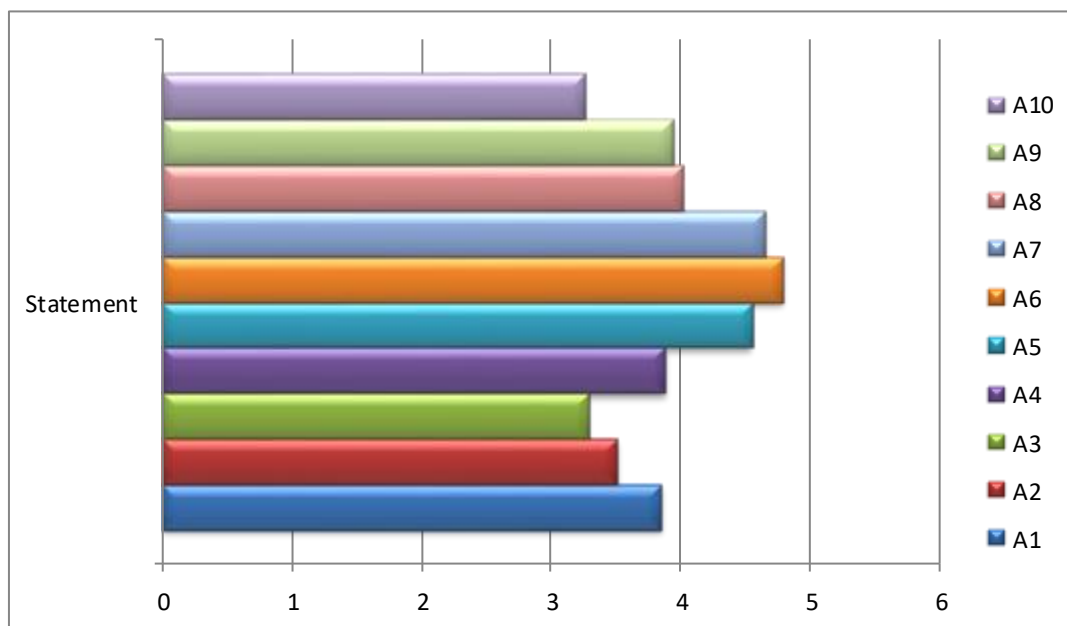
sector the evaluation of some statements characterising the management is below the average (Figure 3).

Statistical significance has been noted in relation to the following statements:

- at the enterprise, methods of current asset management are used (A3) (*Kruskal-Wallis Test, p<0.074*);
- the enterprise realises management of receivables (A5) (*Kruskal-Wallis Test, p<0.047*);
- the enterprise applies the credit facility (A10) (*Kruskal-Wallis Test, p<0.000*).

In other statements, there is no statistical significance.

Figure 4: Average evaluation of statements in the questionnaire, n=194, enterprises of Latvia, 2021

Source: the authors' data calculations from SPSS software
* A1, A2, A3, A4, A5, A6, A7, A8, A9, A10 symbols for statements according to the questionnaire

Analysing the managers' opinion about process of management of current assets at the enterprise, the authors conclude that more attention is paid to management of cash, the average assessment is 4.79, followed by management of receivables – 4.65 points and inventory management – 4.55 points.

Assessment of analysis and planning of current assets is 3.85 and 3.51 respectively. Usage of methods of current asset management is also evaluated quite low – 3.28 points.

Significance of provision of profitability and liquidity indicators is evaluated with average assessment 4.01 and 3.94 respectively (Figure 4).

There is a strong connection between various aspects of the management of current assets (N1, N2, N3, N4, N5, N6). It means that managers of enterprises understand well the significance, necessity, and methodology of the current asset management.

Table 1: Results of Pearson's correlation of entrepreneurs' assessments in the survey by conditions, n=194 enterprises of Latvia, 2021

	N1	N2	N3	N4	N5	N6	AA
N1	1						
N2	0.460**	1					
N3	0.373**	0.562**	1				
N4	0.326**	0.529**	0.683**	1			
N5	0.434**	0.520**	0.700**	0.690**	1		
N6	0.243*	0.606**	0.573**	0.639**	0.651**	1	
AA	0.168	0.090	0.098	0.059	0.117	-0.034	1

* Correlation is significant with 0.05 level
** Correlation is significant with 0.01 level
***N1, N2, N3, N4, ZN5, N6, AA symbols for conditions according to the questionnaire
Source: *the authors' data calculations, processed by SPSS*

Table 2: Result of the analysis of factors of current asset management – number of acquired factors and explained variances

Elements	Factor value			Extraction sums of squared loadings		
of factors	Total	Explained variances %	Cumulative %	Total	Explained variances %	Cumulative %
1	5.789	25.168	25.168	3.905	16.978	25.168
2	4.141	18.005	43.173	3.433	14.924	43.173
3	2.095	9.108	52.281	3.182	13.834	52.281
4	1.919	8.341	60.622	2.207	9.595	60.622
5	1.389	6.040	66.663	1.800	7.827	66.663
6	1.239	5.388	72.051	1.799	7.821	72.051
7	1.004	4.363	76.414	1.250	5.435	76.414

Source*: the authors' data calculations resulting from frequency analysis, processed by SPSS*

Results of the analysis show that there is no connection between the entrepreneurs' opinion, which was discovered evaluating aspects influencing current asset management, and statements that reveal practical aspects of management of current assets at enterprises.

Pearson's correlation analysis resulted in discovering the correlation between implementation of management of current assets and profitability of the enterprise.

In a result of the factor analysis, the authors got 6 groups that ensure successful management of current assets. *Kaiser – Meyer – Olkin and Bartlett's test* explains 70.2% dispersion, and the test significance is p <0.05. It indicates the importance of analysis of factors according to these data and characterises the group of statements as important.

The results of the analysis indicate that the acquired factors explain 76% of the total set of variables (Table 2).

The elements of the factor groups that can be used to name the factors or conditions and to presume their contents are displayed (Table 3).

Table 3: The results of the factor analysis on the current asset management: content
of the factors found, n=194 Latvian companies, 2021

Components of factors	Desig-nation	Factors						
		1	2	3	4	5	6	7
Accounts receivable turnover ratio	N4	0.874						
Inventory turnover ratio	N3	0.852						
Cash cycle	N5	0.818						
Payables turnover ratio	N6	0.758						
Operating profitability	N2	0.603						
Current asset management methods are used in the company	A3		0.891					
Inventory management is performed in the company	A4		0.812					
Current assets are planned in the company	A2		0.791					
Current assets are analysed in the company	A1		0.652		0.555			
Business sector	N1C			0.809				
Tax policy	N1B			0.768				
Pricing policy	N1G			0.724				
Production process	N1D	0.471		0.709				
Structure of current assets	N1H			0.566			0.429	
Economic situation in the country	N1A			0.481	0.475			
Ensuring liquidity indicators	A9				0.784			
Ensuring profitability indicators	A8				0.771			
Cash management	A6					0.804		
Payables management	A7					0.754		
Receivables management	A5		0.511			0.578		
Credit resources availability	N1F						0.857	
Company's management	N1E				-0.445		0.661	
The use of credit lines	A10							0.851

As shown in Table 3, the first factor (explaining 25% of conditions) that affects the current asset management and related decision-making involves six elements:

- receivables turnover indicator;
- inventory turnover indicator;
- cash cycle;
- payables turnover indicator;
- operating profitability;
- production process.

This group includes the indicators reflecting the specific nature of the company's operations, business performance, and the results of the current asset management. The authors' practical

experience and the study presented in the theoretical part allow formulating a common condition that characterizes the current asset management: *the company's operating and financial management policy*.

The next group of factors includes:

- current asset management methods are used in the company;
- inventory management is implemented in the company;
- current assets are planned in the company;
- current assets are analysed in the company.

This group includes the use of the current asset management methods providing the second condition: *methodology of the current asset management*.

The third group consists of:

- business sector;
- tax policy;
- pricing policies;
- structure of current assets;
- economic situation in the country.

The third group includes factors characterizing the business environment in the country in general, in the business sector, as well as the sector's specific characteristics. The factors included in this group can be joined and can be named as *the business environment and the company's market position*.

The fourth group of factors consists of:

- analysis of current assets;
- ensuring liquidity indicators;
- ensuring profitability indicators;
- the company's management.

The conditions included in this group are established by the performance results and its analysis. Overall formulation could be defined as *a company's management ability to ensure the results of the business performance*.

The next less important group includes the following elements:

- cash management;
- payables management.

This group includes only two conditions. Analysing the economic content of these conditions, it can be concluded that the cash turnover and payables management form a cycle of production and finances. Thus, the conditions included in this group can be joined and defined as *the company's production and financial cycle*.

The last two groups are comprised of one element each:

1. group – availability of credit resources;
2. group – the use of credit lines.

The established groups of factors contain elements that can be used to assign a name to the factor or conditions pointing to their content (Figure 5).

Defined factors (conditions):

Factor 1 – the company's operating and financial management policy;

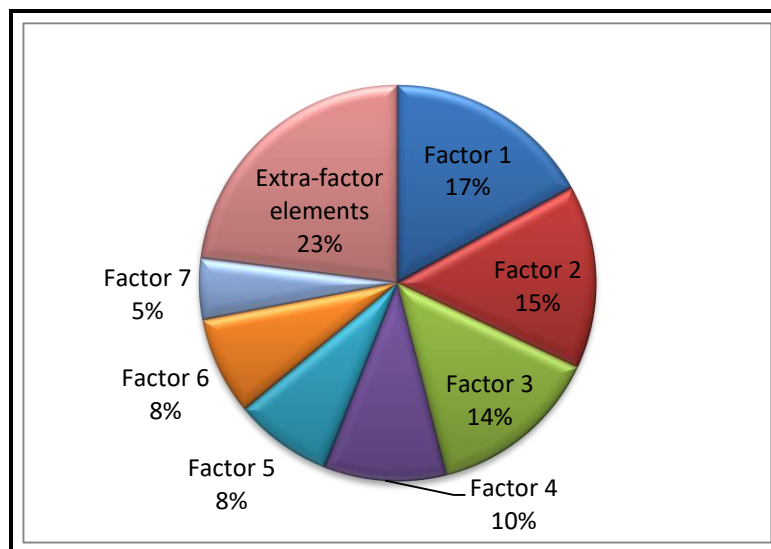Factor 2 – methodology of the current asset management;

Factor 3 – business environment and the company's market position;

Factor 4 – the company's management ability to ensure the results of the business performance;

Factor 5 – the company's production and financial cycle;

Factor 6 and 7 – possibilities of crediting.

Figure 5: Specific weight of relevance of factors identified in the result of the factor analysis, n=194 enterprises in Latvia, 2021

Source: Produced by the authors according to the results of the factor analysis

Results of the empirical research collected to prove the hypothesis confirm that the management of the companies usually ground their current asset management on the general operations of the enterprise and the basic principles of the financial policy that are focused to the achievement of the basic financial indicators. The companies' management recognize significance of specific elements of the methodology of the current asset management and admit its necessity at the company. Impact of the external environment and the enterprise's ability to adapt to it are also recognized as an important factor.

CONCLUSIONS

Summarizing the existing research findings, the authors conclude that the current asset management methodology is a complex measure, which is based on the management of various types of the current assets. There are eight subsequent steps of the current asset management formulated. The authors conclude that the proposed current asset management process is complicated enough, though four main aspects can be distinguished:

- analysis of the past events that is based on the estimates and past experience;
- development and implementation of the current asset funding policy;
- the current asset management in a specific place and time establishing and implementing particular policies for the management of particular types of the current assets;
- planning of the current asset flow, establishing structure, creating the company's value.

Each particular type of the current assets are managed by the executives of various management areas representing different interests, therefore it is important that the company's management ensure a common understanding on the role and management of the current assets in the company. In the result of the study, the authors conclude that the management of the various types of current assets is an important stage of the management. In the theoretical and practical studies, the researchers and other authors most often discuss specific methodology or methods related to the management of a particular type of current assets and their application possibilities, without providing the complex evaluation of problems. That happens due to the diversity of the current assets. Understanding of the methodology for the management of various types of the current assets and its proper application are important management components since they provide an opportunity to influence the indicators describing the current asset management reflecting the efficiency of the performance results.

The empirical research is based on the experts' survey. The obtained data demonstrate rather similar results and do not identify differentiation of opinions, attitudes, and assessments amongst entrepreneurs. Despite various and diverse analysis methods, in general, the results demonstrate similar and commensurate opinions, division of dispositions and assessments on the topic of tendencies of the current asset management in Latvian companies.

When comparing the respondents' assessments on the current asset management, a similar evaluation can be observed both in the selected group and in the sectors. Comparing assessments using *Kruskal-Wallis Test*, the differences can be observed in different sectors. Statistical significance is observed regarding the activities of the current asset management implemented at the enterprises. At the enterprises of the service sector, little attention is paid to the current asset management, and on the contrary – the evaluation provided by the managers of the production and trade companies reflects the use of the current asset management methods in the companies.

Evaluating the criteria of each conversion indicator, the managers believe that the application of management of each element composing the working capital, i.e. inventory, receivables, cash assets and payables and cash conversion indicators are important. Evaluating the criteria influencing profitability higher than the average 4, the significance of costs and conversion indicators is also evaluated. The statistical significance in the sectors is observed in the following statements: at the enterprise methods of management of current assets are used, at the enterprise debtors' debts are managed, the enterprise uses a credit facility.

Results of the Pearson's correlation analysis indicate that there is a close connection between the aspects of management of various elements of the current assets. It means that managers understand well the significance, necessity and methodology of the current asset management. Though, no relation has been observed between the implemented policy of management of current assets and its influence on the activity indicators at the enterprises and the entrepreneurs' opinion, when evaluating the desired criteria of the management of current assets and their influence on the indicators. If planning significance of the current asset types decreases, profitability indicators and indicators of payables and receivables turnover also decrease.

In the result of the analysis, the authors have defined groups of factors, which are considered to be important at the enterprises, ensuring efficient management of the current assets. The authors have found out that the managers ground their policy of the current asset management on the basic principles of the general activity of the enterprise and its financial policy, which are focused on the achievement of the main financial indicators. Defined factors (conditions): the company's

operating and financial management policy; methodology of the current asset management; business environment and the company's market position; the company's management ability to ensure the results of the business performance; the company's production and financial cycle; possibilities of crediting.

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APPENDIX:

QUESTIONNAIRE FOR MANAGEMENT SURVEY

CONDITION	CRITERIA	The least affected	Rather not affected	Neither yes nor no	Rather affected	The most affected
1. The company's current asset management is affected by (N1)	A. Economic situation in the country	1	2	3	4	5
	B. Tax policy	1	2	3	4	5
	C. Business sector	1	2	3	4	5
	D. Production process	1	2	3	4	5
	E. Company's management	1	2	3	4	5
	F. Availability of credit resources	1	2	3	4	5
	G. Pricing policy	1	2	3	4	5
	H. Structure of current assets	1	2	3	4	5
	I. *Other criteria (indicate)*	1	2	3	4	5
2. Profitability of business operations are (evaluation of indicators) (N2)	A. Inventory turnover indicators	1	2	3	4	5
	B. Receivables turnover indicators	1	2	3	4	5
	C. Cash turnover indicators	1	2	3	4	5
	D. Payables turnover indicators	1	2	3	4	5
	E. Availability of credit resources	1	2	3	4	5
	F. Costs	1	2	3	4	5
	G. *Other criteria (indicate)*	1	2	3	4	5
3. Inventory turnover indicators are affected by (N3)	A. Inventory management methods	1	2	3	4	5
	B. Receivables turnover indicators	1	2	3	4	5
	C. Cash turnover indicators	1	2	3	4	5
	D. Payables turnover indicators	1	2	3	4	5
	E. Profit/ loss indicators	1	2	3	4	5
	F. *Other criteria (indicate)*	1	2	3	4	5
4. Receivables turnover indicators are affected by (N4)	A. Inventory turnover indicators	1	2	3	4	5
	B. Receivables management methods	1	2	3	4	5
	C. Cash turnover indicators	1	2	3	4	5
	D. Payables turnover indicators	1	2	3	4	5
	E. Profit/ loss indicators	1	2	3	4	5
	F. *Other criteria (indicate)*	1	2	3	4	5
5. Cash turnover indicators are affected by (N5)	A. Inventory turnover indicators	1	2	3	4	5
	B. Receivables turnover indicators	1	2	3	4	5
	C. Cash management methods	1	2	3	4	5
	D. Payables turnover indicators	1	2	3	4	5
	E. Profit/ loss indicators	1	2	3	4	5
	F. *Other criteria (indicate)*	1	2	3	4	5
6. Payables turnover indicators are affected by (N6)	A. Inventory turnover indicators	1	2	3	4	5
	B. Receivables turnover indicators	1	2	3	4	5
	C. Cash turnover indicators	1	2	3	4	5
	D. Payables management methods	1	2	3	4	5
	E. Profit/ loss indicators	1	2	3	4	5
	F. *Other criteria (indicate)*	1	2	3	4	5

Please, evaluate the following statements from Your company's point of view!					
Statement	Strongly disagree	Rather disagree	Neither agree nor disagree	Rather agree	Strongly agree
1. Analysis of the types of current assets is performed in the company (AA1)	1	2	3	4	5
2. Planning of the types of current assets is performed in the company (AA2)	1	2	3	4	5
3. Current asset management methods are exploited in the company (AA3)	1	2	3	4	5
4. Inventory management is performed in the company (AA4)	1	2	3	4	5
5. Receivables management is performed in the company (AA5)	1	2	3	4	5
6. Cash management is performed in the company (AA6)	1	2	3	4	5
7. Payables management is performed in the company (AA7)	1	2	3	4	5
8. It is important for the company's management to ensure profitability indicators (AA8)	1	2	3	4	5
9. It is important for the company's management to ensure liquidity indicators (AA9)	1	2	3	4	5
10. The credit line is used by the company (AA10)	1	2	3	4	5