Journal of Economics and Administrative Sciences
2024; 30(140), pp. 532-543

P-ISSN 2518-5764
E-ISSN 2227-703X

Journal of Economics and Administrative Sciences (JEAS)

Available online at http://jeasiq.uobaghdad.edu.iq
DOI: https://doi.org/10.33095/2gvf4697

The Impact of Operating Cash Flow on Corporate Profitability: Amman Stock Exchange case study

Kadhm Kamal Ahmad
Department of Accounting,
Derbanikhan Technical Institute, Sulaimani Polytechnic University, Sulaimani, Kurdistan Region, Iraq
kadhim.kamal@spu.edu.iq
***Corresponding author**

Kaiwan Hasan Salih
Department of Accounting,
Derbanikhan Technical Institute, Sulaimani Polytechnic University, Sulaimani, Kurdistan Region, Iraq
kaiwan.hassan@spu.edu.iq

Shakhawan Saeed Sangawi
Department of Accounting,
College of Business, Charmo University, Chamchamal, Kurdistan Region, Iraq
shaxawan.saed@charmouniversity.org

Received:25/11/2023 Accepted: 7/2/20224 Published Online First: 30 /4/ 2024

Abstract:

The problem of the study is the challenges faced by the growth of different sectors, which requires the identification of an appropriate operating cash flow policy to increase corporate Profitability. Unbalanced policies followed in operating cash flows can negatively affect companies' Profitability.

The study's objective is to investigate the impact of operating cash flow on the Profitability of companies in different sectors listed on the Oman Stock Exchange. For five years (2017–2021) for 71 companies. In these sectors, Profitability and metrics have been used carefully. To show how these elements affect the success of each of these sectors? It is because investors can use this information to make sound investment decisions using different operating cash flow methods to evaluate company profitability. The researchers created a checklist to test the research hypothesis, in which each operating cash flow (OCF) was used as an independent variable. (Return on Assets (ROA) and Return on Equity (ROE)) was determined as the type of firm Profitability, which is the dependent variable. The results are shown through two models. Data using descriptive statistical analysis. Regression Approaches Using EViews 12, Given that the data included both time series and cross-sectional characteristics, fixed least squares (PLS) regression effects models were used to estimate the study models.

The results reveal that operating cash flow has an impact of 57.9% on ROA, a measure of corporate Profitability, and other variables have an impact of 42.1% that is not mentioned. Meanwhile, the independent variable affects ROE by 57.7% and other variables by 42.3%.

Paper type: Research paper.
Keywords: Operating Cash Flow, Corporate Profitability, Return on Assets, Return on Equity.

P-ISSN 2518-5764
E-ISSN 2227-703X

1. Introduction:

Many indicators measure Profitability in companies. The most important indicators are return on assets (ROA) and return on equity (ROE) (Myšková & Hájek, 2017). Therefore, the adequate corporate Profitability of the company shows the way to achieve the goal, which is determined to be achieved by the manager (Suhadak et al., 2019). To determine adequate corporate Profitability, companies should rely on their ability to manage their cash flow. Corporate Profitability evaluates the company's operations and policies and how they affect the value of contributions, assets, equity, and return on capital. To grow production and improve performance, adequate cash must be obtained through investment (Liman & Mohammed, 2018). This is because it is essential to know how the company manages this liquidity. It is a source of profit for the company (Yendrawati & Asy'ari, 2014). A company's profit margin measures its ability to profit from its assets and capital. High Profitability attracts investors because it reduces investment risk. Because of the emphasis on Profitability as a measure of success, businesses with low Profitability may endorse this practice to demonstrate management's ability to manage revenue (Popa et al., 2021; Efeni et al., 2023). Companies strive to produce income by incurring costs, which has sparked debate and research on management's role in profit-making (Popa et al., 2021).

Operating cash flow is the cash flow required to cover the operating costs of a company's projects (Olaoye & Olaniyan, 2021). Therefore, the company's capital structure, determined by the CFO, has taken the most crucial role in the institution's equity and debt structure. So, an even mix of equity and debt is a source of good liquidity for the company (Ali & Ahmed, 2021). Therefore, the operating cash flow of a company (CFO) has a significant impact on the health of its Profitability (Sayari & Mugan, 2013). Therefore, when the company's cash is divided into operating, investment, and finance cash flows, it is shown in the statement of cash flows. Since it explains the cash generated by trading activity, many investors are interested in operating cash flow. However, some investors may need to pay more attention to other factors, such as capital structure (Christian & Dewi, 2022). Because the objective of cash flow management is to obtain the company's best liquidity position, it positively impacts Profitability (Etim et al., 2022). Therefore, the company's operating cash flow indicates the management's ability to perform its functions (Christian & Dewi, 2022).

1.1. Literature Review :

The relationship between cash flow and profitability is one of the most researched topics of the day. Because cash flows will be wasteful if they do not lead to improved profitability for the firm, it has become the focus of research in this area. Many studies have addressed cash flow, including the following ones: Hastuti et al. (2018) confirmed the results of the investigation showed that managerial ownership, with firm size acting as a control variable, did not affect earnings management, but free cash flow and operating cash flow did, with financial leverage serving as the independent. (Nguyen and Nguyen, 2020) explained that cash flow influences investment decisions. Hence, investors looked at the importance of cash flow and earnings forecasts. The findings indicate that investors are more focused on information related to cash flow forecasts when making financial decisions. They examined the impact of free cash flow on decisions about investments and dividends in the shipping sector in Vietnam. The results showed that cash flow affects investment decisions in the shipping sector. Popa et al. (2021) explained that operating cash flows, or positive cash flows, are generated from a company's underlying operations. So, when a company sources enough funds to sustain its operations properly, it is called operating cash flow.

P-ISSN 2518-5764
E-ISSN 2227-703X

Luciani and Setyawan (2022) studied the financial listings of (PT Astra International Tbk) as a transnational company operating in six sectors: automotive, financial services, heavy equipment, mining, construction and energy, agribusiness, infrastructure and logistics, and information technology. They are listed on the Indonesian Stock Exchange. For the years 2018-2021, in this study, the quantitative method is followed, which is a descriptive type indicated using secondary data from the annual reports. The result of the analysis shows that considering the operating cash flow ratio, capital expenditure ratio, cash coverage ratio to current liabilities, cash coverage ratio to net income, and total debt ratio, its (PT Astra International Tbk) operating cash flow ratio suffers from… performance the company's finances.

Additionally, several studies address profitability, including Liman and Mohammed (2018), who investigated the relationship between operating cash flow and firms' profitability from 2005 to 2014. I worked for 10 years in six listed companies (conglomerates). Five use financial listings and annual reports of companies listed on the Nigerian Stock Exchange. The results also show a positive and insignificant relationship between operating cash flow (CFO) activities and profitability measured by ROA. Meanwhile, ROE, another measure of profitability, has a significant positive correlation with operating cash flow.

Shaikh et al. (2022) studied the financial lists of 32 manufacturing companies in Pakistan based on data received from the Central Bank of Pakistan for the period 2009–2019 for 11 years. Overall, the results indicate that profitability improves due to the company's financial impact and confirm that financial leverage has a significant positive impact on the institution's profitability. The study's basis is the debt-to-assets ratio, debt-to-equity ratio as an independent variable, and financial performance as a dependent variable.

Etim et al. (2022) proved results indicate that profitability measured by ROA is adequately influenced by operating cash flow margin (OCFM), operating cash flow ratio (OCFR), investing cash flow ratio (ICFR), and net cash flow ratio (NCFR). This is simultaneously weakly negatively influenced by the financial cash flow ratio (FCFR). Based on the audited financial lists of 63 companies listed on the Nigerian Stock Exchange from (2013 to 2019). To determine the extent of the impact of cash flow on the financial performance of Nigerian companies. It is specified using a dependent variable, return on equity, as one measure of financial performance. Versus operating cash flow ratio, operating cash flow ratio, investment cash flow ratio, finance cash flow ratio, and net cash flow ratio. It has been used to measure the independent variable of cash flow management.

The study by Purnaningtyas et al. (2023) proved the profitability ratio analysis of PT Hamparan Estate Management's profitability in 2018–2020. The result shows that it shows good performance in terms of liquidity ratio and insolvency capacity, but it is the opposite in profitability. The company's liquidity position is liquid, solvency is solved, and profitability is unhealthy. It uses secondary data from the company's financial statements that provide essential insights into its financial health and sustainability in the future.

Nonetheless, numerous studies address the impact of operating cash flow on profitability, including the following: Ikechukwu et al. (2015) proved that operating cash flow affects the profitability of Nigerian businesses. Three banks were surveyed as part of the study: Nig Bank, City Monument Bank, and Nig Fidelity Bank. Using cash flow financial lists, which were part of these banks' annual reports for the years 2009 to 2013, Analytical tools were used to evaluate the hypotheses. The results illustrate that operating cash flow significantly influences a company's profitability. Christian and Dewi (2022) proved that the results showed that the company's performance is affected by cash flow. At the same time, the realized performance of the company is not influenced by the remuneration policy followed by corporate governance. Dahham (2023) proved that there is an effective relationship between cash flow and the profitability of private commercial banks against equity returns for the period (2012–2021) traded on the Iraqi Stock Exchange. The banks used in this study are the Middle East Investment Bank, the National Bank of Iraq, and the Northern Bank for Finance and Investment. Therefore,

P-ISSN 2518-5764
E-ISSN 2227-703X

the signals sent to stakeholders by banks' cash flow statements are helpful for consumption and decision-making.

Empirical studies that have been studied to determine the measures of both independent and dependent variables have shown that there is no standard method for determining the measures of variables, whether in the economic or non-economic sectors. Therefore, the researchers used different criteria and equations according to their opinions. Therefore, the results differ from one study to another, primarily due to using different criteria from other studies. As we can see in the following studies, these measures have been used to measure corporate profitability. As in his research (Liman & Mohammed, 2018; Shaikh et al., 2022; Dahham, 2023), ROA and ROE (Gusmiarni et al., 2020; Etim et al., 2022; Suciani & Setyawan, 2022; Sangawi et al., 2023) used ROA; ROA et al.'s q are used (Christian & Dewi, 2022). However, in (Towo, 2023), ROA and OSS have been identified as profitability indicators. As for the study (Liman & Mohammed, 2018; Nguyen & Nguyen, 2020; ELAHI et al., 2021; Christian & Dewi, 2022; Ibnu, 2023; Aditya et al., 2023), it used operating cash flows. Meanwhile, his study (Etim et al., 2022) used CFM, OCFR, ICFR, FCFR, and NCFR to measure cash flow metrics.

This study has been conducted to reveal the impact of cash flow on the profitability performance of companies on the Amman Stock Exchange. Using operating cash flow to determine its impact on the company's profitability performance helps investors make the right investment decision. Therefore, many studies have been conducted due to the importance of cash flow and its impact on profitability performance in all different sectors of the world economy. To show the effectiveness ratio and relationship between operating cash flow and profitability performance. Such as the studies of (Sayari & Mugan, 2013; Supatminingsih & Setyawati, 2018; Liman & Mohammed, 2018; Popa et al., 2021; ELAHI et al., 2021; Christian & Dewi, 2022; Etim et al., 2022), and (Suciani & Setyawan, 2022). However, (Abughniem et al., 2020) research was conducted in different sectors of Jordan. However, despite sectorial differences, each of these studies conducted in several different countries shows that, in most results, there is a trade-off between operating cash flow and existing profitability performance. Therefore, this issue was of interest to the researcher. It was decided to conduct this study differently from all other studies. This is done by showing the effects of operating cash flows on firms' profitability performance and the extent to which financial leverage moderates this relationship. In sectors such as banking, industry, insurance, real estate, development, hotels, and tourism for five years from 2017 to 2021

The problem facing the growth prospects of various sectors in Jordan is enormous since the objective of every entity is to grow and expand its operations by achieving and increasing the profit margin of the company during its years of operation, which underscores the need to determine an appropriate operating cash flow policy to identify which options are economically crucial for increasing corporate profitability. Increases company profitability. Following an imbalanced policy between management and operating cash flow in companies will negatively affect the profitability of companies. Thus, it is difficult to formulate a uniform model of operating cash flows across sectors in different countries, which shows the difficulty in determining the impact on corporate profitability.

This study investigates the impact of operating cash flow on the profitability of companies in the banking, industrial, insurance, investment, real estate development, hotel, and tourism sectors. In these sectors, they pinpoint the profits and the metrics used in Jordan and how these elements affect the success of each of these sectors. This is because investors can use this information to make sound investment decisions using different operating cash flow methods to evaluate the corporate profitability and performance of the company. Therefore, many questions arise from users of corporate financial statements, which may require this study to answer.

P-ISSN 2518-5764
E-ISSN 2227-703X

2. Material and Methods:

This paper relies on quantitative research methods with secondary data. Using the audited annual financial statements of the various companies listed on the Amman Stock Exchange on page (www.ase.com.jo/en), for the years 2018 to 2022 to determine the relationship between operating cash flow and corporate Profitability in various sectors. Considering balanced panel data, we used a purposive sampling method. One of the sampling criteria is the corporate Profitability variable. The company in this study served as the dependent variable measured by ROA and ROE. Operating cash flows were used as independent variables in this study. Regression Approaches Using EViews 12, Given that the data included both time series and cross-sectional characteristics, fixed least squares (PLS) regression effects models were used to estimate the study models.

2.1. Hypotheses of the Study:

H1: Operating cash flow has a significant and positive effect on Return on Assets.
H2: Operating cash flow has a significant and positive effect on Return on Equity.

2.2. Method of data collection:

The sectors are defined in the table below. To analyze the ratio of cash flow index to corporate Profitability in different sectors, to identify the relationship between operating cash flow and corporate Profitability of institutions. Reliance was placed on audited financial statements of companies. For 2017-2021, listed on the Amman Stock Exchange are 71 selected companies divided into five sectors, including banking, industrial, insurance, investment, and development in the real estate, tourism, and hotels sectors. Variables of the study, Liman and Mohammed (2018) the study was used with minor changes, which included deleting the control variables and adding financial leverage as a moderating variable for the study. Some of the companies listed on the Amman Stock Exchange have been selected and divided into different sectors. They are defined in the table below (www.ase.com.jo/en).

Table 1: Sector-based distribution of samples.

No	Industry or a Sector	Number of Firms
1	Banking Sector	17
2	Industrial Sector	18
3	Insurance	15
4	Investment and Real Estate Development Sector	14
5	Hotel and Tourism Sector	7
	TOTAL	**71**

2.3. Variables:

2.3.1. Independent variable:

Operating Cash Flow- The company's operating cash flow (OCF) is the inflow and outflow of cash and serves as a standard for evaluating and measuring liquidity. Therefore, there is a positive relationship between operating cash flow and firm liquidity. Hence, whenever operating cash flow is positive, it will directly have positive liquidity. Conversely, whenever operating cash flow is negative, liquidity is also negative. According to the following equation derived from the study (Nugroho and Pertiwi, 2021).

$$Operating\ Cash\ Flow\ = \frac{Net\ cash\ flow\ operations}{Net\ Income} \quad (1)$$

P-ISSN 2518-5764
E-ISSN 2227-703X

2.3.2. Dependent variable:

Return on Assets- is used as one measure of the dependent variable (corporate Profitability) according to the following equation derived from the study (Masero and López, 2020).

$$Return\ on\ Asset = \frac{Net\ Income}{Total\ Assets} \quad (2)$$

Return on Equity- is used as one of the measures of the dependent variable (corporate Profitability), according to the following equation derived from the study (Ilkhechi and Khatibi, 2020).

$$Return\ on\ Equity = \frac{Net\ Income}{Equity} \quad (3)$$

2.4. Model Design:

For the secondary data published by different sectors that are registered on the Amman Stock Exchange. In their annual reports, the researcher in this study uses quantitative methodology. To examine the effectiveness of the relationship between operating cash flow and corporate Profitability, Multivariate panel regression is also used to look at the moderating effect. Therefore, the relationship between operating cash flow, corporate Profitability is investigated using multi-panel regression data analysis. This method enables researchers to look at how a dependent variable and many explanatory factors interact. This same model is used by Reskino, (2015); Husaini et al., (2022); Renaldo et al., (2023); and, Ahmed et al., (2023); Ahmed and Hágen, (2023).

$$Y_{it} = \beta_0 + \beta_1 X_{it} + E_{it} \quad (4)$$

Where:

Y it: (profitability) – The dependent variable is the corporate Profitability measured by four models (ROA model, ROE model).

Beta $_0$: constant coefficient.

Beta $_{1\text{-}3}$: Is the angle between the control and independent variables.

X $_{it}$: (Operating Cash Flow) – Independent variable for the firm (i) in the year (t).

E $_{it}$: Is a random statistical error.

Model One: Return on Assets (ROA).

$$\boldsymbol{ROA_{it} = \beta_0 + \beta_1 OCF_{it} + E_{it}} \quad (\mathbf{A})$$

Model Two: Return on Equity (ROE).

$$ROE_{it} = \beta_0 + \beta_1 OCF_{it} + E_{it} \quad (B)$$

3. Discussion of results:

3.1. Statistics, Descriptive:

According to the results of Table 2, the statistical summary of the variables using regression analysis throughout the study period shows that. ROA is a measure of corporate Profitability with a minimum mean value of -0.006872, while its standard deviation is equal to 0.050794, and -0.23445 and 0.11872 consist of the minimum and maximum ROA values. Although ROE is another measure of corporate Profitability, it has a higher mean value of 0.018978, with a minimum value of -0.26476 and a maximum value of 0.2098, with a standard deviation of 0.088878. This while operating cash flow as an independent variable has a standard deviation of 0.064595 with a mean of 0.010342, which corresponds to a minimum value of -0.389773 and a maximum value of 0.201374 in the study.

P-ISSN 2518-5764
E-ISSN 2227-703X

Table 2: Descriptive Data Analysis

	ROA	**ROE**	**OCF**
Mean	-0.006872	0.018978	0.010342
Minimum	-0.23445	-0.26476	-0.389773
Maximum	0.11872	0.2098	0.201374
Std. Dev	0.050794	0.088878	0.064595
Skewness	-1.465106	-0.696295	-0.743239
Kurtosis	6.44686	3.554519	8.247282
Observations	355	355	355

Source: the researcher's compilation of EViews 12 outputs.

If the skewness results fall between (+1.9 - (-1.9)) and kurtosis (+3 - (-3)), which is a standard range, then we can say that the data are considered normal according to the study (Bono et al., 2020; Demir, 2022). Therefore, according to the results in Table 2, the data of the study are not normally distributed since the result of kurtosis is greater than +3. According to (Ahmed, et al., 2023) a kurtosis results greater than +3 is considered a "leptokurtic" distribution.

3.2. Results of Correlation

Table 3: Analysis of Correlation

	ROE	**ROA**	**OCF**	**VIF**
ROA	1 -------			
ROE	0.617*** 0.0000	1 -------		1.116
OCF	0.093 0.0815	0.311** 0.0000	1 -------	1.032

Source: the researcher's compilation of EViews 12 outputs.

Observations: * Significant at 10% level (two-tailed), ** Significant at 5% level, and ** * Significant at 1% level.

Table 3 discusses the relationship between the independent variables of OCF with the dependent variable of corporate Profitability measured by ROA and ROE. Each dependent variable is represented by a correlation coefficient value of one. Therefore, the relationship between the variables is represented by ((+1) - (-1)). This indicates the strengths and weaknesses of the relationship, whether positive or negative. In the ROA model, the value of the correlation coefficient between the ROA dependent variable and the OCF independent variable is 0.311, which implies that there is a positive relationship between both variables (ROA and OCF). Meanwhile, for the ROE model, where ROE is a dependent variable and OCF is an independent variable, their correlation coefficient value is 0.093, indicating the existence of a weak positive relationship.

According to the results presented in Table 3, for the multicollinearity test, the variance inflation factor (VIF) was used. The results show the absence of multicollinearity. This is due to the obtained results (VIF) showing no collinearity problem, with a minimum of 1.032 and a maximum of 1.116. This result shows that the VIF is less than According to the research of (Akinwande et al., 2015; Marcoulides and Raykov, 2018) and (Ahmed et al., 2023)

3.3. Results of Regression

Regression results of OCF and RE of dependent variables (ROA and ROE) on firms listed on the Amman Stock Exchange

P-ISSN 2518-5764
E-ISSN 2227-703X

Table 4: Results of panel fixed Least Squares- effect regression.

Variable	**Model One**		**Model Two**	
	Model ROA (A)		**Model ROE (B)**	
	Beta	t-Stat	Beta	t-Stat
C	0.03988	2.63502	0.13980	5.2664
OCF	0.14264	3.69797	0.09909	1.4643
R-Square	0.579		0.577	
Adjusted R-Square	0.472		0.469	
F-statistic	5.3866		5.3393	
Prob.	0.0000		0.0000	

Source: the researcher's compilation of EViews 12 outputs.

$$ROA_{it} = 0.3988 + 0.14264 * OCF_{it} + E_{it}$$
$$ROE_{it} = 0.1398 + 0.09909 * OCF_{it} + E_{it}$$

To ensure that the data were suitable for use with general linear and panel fixed Least Squares (PLS) models, the study data were validated using statistical tests. The information is categorized as cross-sectional data from 71 businesses listed on the Amman Stock Exchange and panel data with time series for the years 2017–2021. Table 4 above contains panel regressions and test findings.

3.3.1. Impact of operating cash flow on Return on Assets.

The results in Table 4 show the impact of operating cash flow on corporate profitability, measured by ROA. The results show that corporate profitability measured by ROA is positively affected by OCF, which is (Beta = 0.14264) when Sig is less than 0.05 for the ROA model. Thus, it shows that the first hypothesis is that operating cash flow has a significant effect on firms' corporate profitability, as measured by ROA. Therefore, hypothesis one is accepted, as it is determined by the positive impact of operating cash flow on corporate profitability. This is the result of research by(Abughniem et al., 2020; Etim et al., 2022). While the results are contrary to the results of the study (Liman and Mohammed, 2018).

3.3.2. Impact of operating cash flow on Return on Equity.

The results show the impact of operating cash flow on corporate profitability, measured by ROE. The results show that corporate profitability measured by ROE is positively affected by OCF, which is (Beta = 0.09909) when Sig is less than 0.05 for the ROE model. Thus, it shows that the first hypothesis is that operating cash flow has a significant effect on firms' corporate profitability, as measured by ROE. Therefore, hypothesis one is accepted, as it is determined by the positive impact of operating cash flow on corporate profitability. This is the result of research by (Abughniem et al., 2020; Etim et al., 2022). While the results are contrary to the results of the study (Liman and Mohammed, 2018). According to this result presented in Table (4) shows that the hypothesis H1 is accepted.

4. Conclusion:

The purpose of this paper is to provide essential information about the effects of operating cash flows on the profitability of companies listed on the Oman Stock Exchange (ASE) for the years 2017 and 2021. Several economic models were tested to achieve the objective of the study. The fixed least squares (PLS) method was the most appropriate method to examine the study data and was used. They were operating cash flow as an independent variable. On the other hand, for the dependent variable, corporate profitability, return on equity (ROE), and return on assets (ROA) serve as variable indicators.

Based on the Oman Stock Exchange data, the findings revealed that operating cash flow significantly positively impacts the return on assets (ROA) and equity (ROE) of 71 companies in various Jordanian sectors. This result is consistent with both hypotheses of the study. So, according to this result, each of the hypotheses (H1, H2) is accepted, while the hypothesis (H0) is rejected.

P-ISSN 2518-5764
E-ISSN 2227-703X

These results indicate that a balanced operating cash flow management policy in different sectors positively impacts the profitability of emerging Jordanian companies. Therefore, managers in different sectors should follow an appropriate strategy in operating cash flow to increase profits because every for-profit institution works to increase profits. This result gives an excellent signal to investors to make decisions about the future of their business.

At the same time, profitability is a factor in determining the company's sustainability, which managers and other state institutions rely on for the company's survival. This type of research is less available in the Middle East. Therefore, the number of studies conducted in this field in Jordan is minimal, and we can consider this study, along with the study of Abughniem et al. (2020), as the second study in this field.

Authors Declaration:

Conflicts of Interest: None

-We Hereby Confirm That All The Figures and Tables In The Manuscript Are Mine and Ours. Besides, The Figures and Images, Which are Not Mine, Have Been Permitted Republication and Attached to The Manuscript.

- Ethical Clearance: The Research Was Approved By The Local Ethical Committee in The University.

References

1- Abughniem, M.S., Al Aishat, M.A.H. And Hamdan, A. 2020, "Free Cash Flow And Firm Performance: Empirical Evidence From The Amman Stock Exchange", I*nternational Journal Of Innovation*, 10(12), Pp. 668–681.

2- Adamu, H.B., Kauji, M.B. And Mamuda, A.U. 2023, "Mediating Effect Of Financial Leverage On Corporate Governance And Performance Of Listed Financial Service Firms In Nigeria. A Conceptual Review", *International Journal Of Social Sciences & Humanities*, 11(5), Pp. 14–34.

3- Aditya, Y., Purwidianti, W., Tubastuvi, N. And Miftahuddin, M.A. 2023, "Effect Of Leverage, Company Growth And Operating Cash Flow On Bond Ratings With Firm Size As Moderation", *Jurnal Ilmiah Akuntansi Dan Keuangan*, 5(6), Pp. 2876–2892.

4- Ahmed, A.M., Ali, M.N. And Hágen, I. 2023, "Corporate Governance And Its Relationship With The Working Capital Management In Europe", *Journal Of Economics And Business*, 8(2), Pp. 202–217.

5- Ahmed, A.M. And Hágen, I. 2023, "Corporate Governance And Its Relationship With Financial Performance In Iraq", *Acta Carolus Robertus*, 13(1), Pp. 76–89.

6- Akinwande, M.O., Dikko, H.G. And Samson, A. 2015, "Variance Inflation Factor: As A Condition For The Inclusion Of Suppressor Variable(S) In Regression Analysis", *Journal Of Statistics*, 5, Pp. 754–767.

7- Al-Slehat, Z.A.F. 2020, "Impact Of Financial Leverage, Size And Assets Structure On Firm Value: Evidence From Industrial Sector, Jordan Zaher", *International Business Research*, 13(1), Pp. 109–120.

8- Ali, M.N. And Ahmed, A.M. 2021, "The Effect Of Capital Structure On Financial Performance 'Applied Study In Turkish Stock Exchange'", *Eutasian Journal Of Management & Social Sciences*, 2(3), Pp. 43–57.

9- Bono, R., Arnau, J., Alarcón, R. And Blanca, M.J. 2020, "Bias, Precision, And Accuracy Of Skewness And Kurtosis Estimators For Frequently Used Continuous Distributions", Symmetry, 12(19), Pp. 1–17.

10- Christian, A. And Dewi, K. 2022, "The Effect Of Corporate Governance, Cash Flow, And Dividend Policy On Company Performance With Family Ownership As Moderating Variables On Manufacturing Companies Listed On Indonesia Stock Exchange", *Journal Of Applied Finance And Accounting*, 9(1), Pp. 11–20.

11- Dahham, D.L. 2023, "The Extent Of The Impact Of Cash Flow On Financial Performance: An Applied Study On A Sample Of Commercial Banks Listed On The Iraq Stock Exchange For The Period (2012-2021) Dahham", *Tikrit Journal Of Administrative And Economic Sciences*, 19(62), Pp. 382–400.
12- Demir, S. 2022, "Comparison Of Normality Tests In Terms Of Sample Sizes Under Different Skewness And Kurtosis Coefficients", *International Journal Of Assessment Tools In Education*, 9(2), Pp. 397–409.
13- Elahi, M., Ahmad, H., Ul Haq, M.S. And Saleem, A. 2021, "The Impact Of Operating Cash Flows On Financial Stability Of Commercial Banks: Evidence From Pakistan", *Journal Of Asian Finance, Economics And Business*, 8(11), Pp. 223–234.
14- Etim, E.O., Daferighe, E.E., Enang, E.R. And Nyong, M.B. 2022, "Cash Flow Management And Financial Performance Of Selected Listed Companies In Nigeria", *Asian Journal Of Finance And Accounting*, 3(1), Pp. 27–46.
15- Gusmiarni, Desnirita And Soeparyono, R.D. 2020, "The Effect Of Financial Destress, Free Cash Flow, Profitability, And Leverage On Profit Management With Audit Quality As A Moderated Variable", *Palarchs Journal Of Archaeology Of Egypt/Egyptology*, 17(6), Pp. 7767–7786.
16- Hastuti, C.S.F., Arfan, M. And Diantimala, Y. 2018, "The Influence Of Free Cash Flow And Operating Cash Flow On Earnings Management At Manufacturing Firms Listed In The Indonesian Stock Exchange", *International Journal Of Academic Research In Business And Social Sciences*, 8(9), Pp. 1133–1146.
17- Ibnu, M. 2023, "Analysis Of Sound Corporate Governance Effect On Company's Financial Fundamentals Toward Stock Returns", *Jurnal Manajemen Organisasi Dan Industri*, 2(1), Pp. 11–20.
18- Ikechukwu, O., Nwakaego, D.A. And Celestine, A. 2015, "The Effect Of Cash Flow Statement On Companies Profitability (A Study Of Some Selected Banks In Nigeria)", A*frican Journal Of Basic & Applied Sciences*, 7(6), Pp. 350–356.
19- Ilkhechi, O.H. And Khatibi, S.A. 2020, "The Impact Of Earnings Persistence On The Operating Cash Flows With Emphasis On Financial Constraints", *International Journal Of Business And Administrative Studies*, 6(5), Pp. 265–274.
20- Liman, M. And Mohammed, A.S. 2018, "Operating Cash Flow And Corporate Financial Performance Of Listed Conglomerate Companies In Nigeria", *Iosr Journal Of Humanities And Social Science*, 23(2), Pp. 1–11.
21- Marcoulides, K.M. And Raykov, T. 2018, "Evaluation Of Variance Inflation Factors In Regression Models Using Latent Variable Modeling Methods", *Educational And Psychological Measurement*, Pp. 1–9.
22- Masero, N.R. And López, J.D.M. 2020, "The Usefulness Of Operating Cash Flow For Predicting Business Bankruptcy In Medium-Sized Firms", *Revista Brasileira De Gestao De Negocios (Rbgn)*, 22(4), Pp. 917–931.
23- Myšková, R. And Hájek, P. 2017, "Comprehensive Assessment Of Firm Financial Performance Using Financial Ratios And Linguistic Analysis Of Annual Reports", *Journal Of International Studies*, 10(4), Pp. 96–108.
24- Nguyen, D.D. And Nguyen, C. Van. 2020, "The Impact Of Operating Cash Flow In Decision-Making Of Individual Investors In Vietnam's Stock Market", *Journal Of Asian Finance, Economics And Business*, 7(5), Pp. 19–29.
25- Nugroho, D.S. And Pertiwi, M.I. 2021, "Tock Price Reaction When Covid -19 Exist: Moderating By Firm's Operating Cash Flow", *Jurnal Ekonomi Malaysia*, 55(1), Pp. 71–85.
26- Olaoye, F.O. And Olaniyan, O.N. 2021, "The Effects Of Corporate Social Responsibility On Corporate Reputation And Firm Financial Performance: Mediating On The Role Of Operating Cash Flow, Profitability And Financing", *Asian Journal Of Economics, Business And Accounting*, 21(10), Pp. 74–86.

27- Popa, C.D.S., Luminita, R., Gherai, D.S., Mare, G. And Tara, I.G. 2021, "Study On Companies From The Energy Sector From The Perspective Of Performance Through The Operating Cash Flow", *Energies*, 14(12), Pp. 1–13.
28- Purnaningtyas, K.C., Utami, H. And Zaenuddin, A. 2023, "Analysis Of Liquidity , Solvency , And Profitability Ratio To Assess The Financial Performance Of Pt Hamparan Estate Management In 2018-2020", *Jobs (Jurnal Of Business Studies)*, 9(1), Pp. 11–22.
29- Ramadani, A.W. And Ratmono, D. 2023, "Financial Distress Prediction: The Role Of Financial Ratio And Firm Size", *Jurnal Riset Akuntansi Kontemporer*, 15(1), Pp. 19–26.
30- Renaldo, N., Sally, Musa, S., Wahid, N. And Cecilia. 2023, "Capital Structure, Profitability, And Block Holder Ownership On Dividend Policy Using Free Cash Flow As Moderation Variable", *Journal Of Applied Business And Technology*, 4(2), Pp. 168–180.
31- Reskino. 2015, "The Effect Of Corporate Governance On Earnings Quality With Surplus Free Cash Flow As Moderating Variable", *Research Journal Of Finance And Accounting*, 6(4), Pp. 129–139.
32- Sangawi, S.S., Ahmed, Hadi M., Mohammed, H.M.N. And Salih, K.H. 2023, "An Investigation Into The Impact Of Profitability On Annual Growth Rate Among The Listed Manufacturing Companies On The Iraqi Stock Exchange", *Tikrit Journal Of Administrative And Economic Sciences*, 19(64) Part 2, Pp. 720–739.
33- Sayari, N. And Mugan, F.N.C.S. 2013, "Cash Flow Statement As An Evidence For Financial Distress", *Journal Of Accounting And Finance*, 1(3), Pp. 95–103.
34- Shaikh, A.H., Raza, A., Balal, S.A., Abbasi, A.R., Delioglu, N. And Shaikh, H. 2022, "Analyzing Significance Of Financial Leverage On Financial Performance In Manufacturing Sector Of Pakistan", Webology, Webology, 19(3), Pp. 3465–3478.
35- Suciani, T.Y. And Setyawan, S. 2022, "Analysis Of Cash Flow Statement To Assess The Company's Financial Performance At Pt Astra International Tbk.", Current Advanced Research On Sharia Finance And Economic Worldwide, 1(4), Pp. 1–12.
36- Suhadak, Kurniaty, Handayani, S.R. And Sri Mangesti Rahayu. 2019, "Stock Return And Financial Performance As Moderation Variable In Influence Of Good Corporate Governance Towards Corporate Value", *Asian Journal Of Accounting Research*, 4 (1), Pp. 18–34.
37- Wairimu, H. 2019, "Influence Of Firm Financial Characteristics On Leverage In Automobile And Accessories Companies Listed In Nairobi Securities Exchange", *American Based Research Journal*, 8(3), Pp. 128–138.
38- Yendrawati, R. And Asy'ari, E.F. 2014, "The Role Of Corporate Governance As A Leverage Moderating And Free Cash Flow On Earnings Management", *Jurnal Keuangan Dan Perbankan*, 21(3), Pp. 412–424.

Journal of Economics and Administrative Sciences
2024; 30(140), pp. 532-543

P-ISSN 2518-5764
E-ISSN 2227-703X

أثر التدفق النقدي التشغيلي على ربحية الشركات (دراسة حالة بورصة عمان)

كاظم كمال أحمد
جامعة السليمانية التقنية/ معهد دربندیخان التقني
قسم المحاسبة
kadhim.kamal@spu.edu.iq

كيوان حسن صالح
جامعة السليمانية التقنية/ معهد دربندیخان التقني
قسم المحاسبة
kaiwan.hassan@spu.edu.iq

شاخوان سعيد صالح
جامعة جرمو/ كلية الأعمال
قسم المحاسبة
shaxawan.saed@charmouniversity.org

Received:25/11/2023 Accepted: 7/2/20224 Published Online First: 30 /4/ 2024

مستخلص البحث:
وتتمثل مشكلة الدراسة في التحديات التي يواجها نمو القطاعات المختلفة. الأمر الذي يتطلب تحديد سياسة التدفق النقدي التشغيلي المناسبة لزيادة ربحية الشركة. السياسات غير المتوازنة المتبعة في تشغيل التدفقات النقدية يمكن أن تؤثر سلبا على ربحية الشركات..

الهدف من الدراسة هو معرفة تأثير التدفقات النقدية التشغيلية على ربحية الشركات في مختلف القطاعات المدرجة في سوق عمان للأوراق المالية. لمدة خمس سنوات (2017-2021) لـ 71 شركة. وفي هذه القطاعات، تم استخدام الربحية والمقاييس بعناية. لتوضيح كيف تؤثر هذه العناصر على نجاح كل من هذه القطاعات؟ وذلك لأن المستثمرين يمكنهم استخدام هذه المعلومات لاتخاذ قرارات استثمارية سليمة باستخدام طرق التدفق النقدي التشغيلية المختلفة لتقييم ربحية الشركة. وقام الباحثون بإنشاء قائمة مرجعية لاختبار فرضية البحث، حيث تم استخدام كل تدفق نقدي تشغيلي (OCF) كمتغير مستقل. تم تحديد (العائد على الأصول (ROA) والعائد على حقوق الملكية (ROE)) كنوع ربحية الشركة، وهو المتغير التابع. وتظهر النتائج من خلال نموذجين. البيانات باستخدام التحليل الإحصائي الوصفي. مقاربات الانحدار باستخدام EViews 12، بالنظر إلى أن البيانات شملت كلاً من السلاسل الزمنية وخصائص المقطع العرضي، فقد تم استخدام نماذج تأثيرات الانحدار ذات المربعات الصغرى الثابتة (PLS) لتقدير نماذج الدراسة.

أظهرت النتائج أن التدفق النقدي التشغيلي له تأثير بنسبة 57.9% على العائد على الأصول، وهو مقياس لربحية الشركة، والمتغيرات الأخرى لها تأثير بنسبة 42.1% لم يتم ذكرها. في حين يؤثر المتغير المستقل على العائد على حقوق المساهمين بنسبة 57.7% والمتغيرات الأخرى بنسبة 42.3%.

نوع البحث: ورقة بحثية.
المصطلحات الرئيسة للبحث: التدفق النقدي التشغيلي، ربحية الشركات، العائد على الأصول، العائد على حقوق المساهمين.