

Working Capital Efficiency and Firm Profitability: Nigeria and Kenya

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Abstract : The primary purpose of this study is to understand the differences in the relationship between working capital management efficiency, working capital investment decisions and working capital finance decisions and the profitability of firms within the context of two African developing economies, Kenya and Nigeria. The study finds that there is a significant difference in the relationship between the firm's profitability and the working capital variables which suggests different challenges for working capital management in each of these countries.

Keywords : working capital management, working capital investment, working capital finance, profitability, cash conversion cycle

Conference Title : ICAFE 2014 : International Conference on Accounting, Finance and Economics

Conference Location : Copenhagen, Denmark

Conference Dates : June 12-13, 2014