

ADFJ ISSN 2522 - 3186.

African Development Finance Journal

VOLUME 9 (IV)

*Does Scale Strengthen Value Creation from Liquidity?
Firm Size and the Conditional Liquidity: Value Nexus in
Kenya*

Anthony Njoroge NJENGA

Prof. Cyrus IRAYA

Prof. Kennedy O. OKIRO

Date Received: August 02, 2026

Date Published: October 01, 2026

Does Scale Strengthen Value Creation from Liquidity?

Firm Size and the Conditional Liquidity: Value Nexus in Kenya

By: Anthony Njoroge NJENGA¹, Prof. Cyrus IRAYA (PhD, CPA)² and Prof. Kennedy O. OKIRO (PhD, CPA)³

Abstract

This study investigates the influence of firm size on the relationship between liquidity and market valuation for firms listed on the Nairobi Securities Exchange in Kenya. The debate in corporate finance over the impact of firm liquidity on market valuation is unresolved, with research yielding mixed outcomes: some studies find a positive relationship, while others indicate a weak, negative, or context-dependent connection. By examining whether the scale of a firm amplifies or mitigates the value obtained from maintaining liquid assets, this research seeks to provide clarity on this unresolved issue. Using a 16-year balanced panel (2007–2022) of 51 firms listed on the NSE, with a total of 816 firm-year observations, the study operationalized firm liquidity using three metrics: short-term liquidity, asset convertibility, and new debt capacity, which were combined into a composite liquidity index. Firm size was measured through the natural logarithm of total assets and number of employees, resulting in a composite size index. Firm value was assessed using Tobin's Q. A battery of diagnostic tests confirmed the effectiveness of a robust, clustered fixed-effects estimator utilizing standardized interaction terms. The findings indicate that composite liquidity has a strong, positive, and significant direct effect on firm value ($\beta = 0.962$, $p < 0.001$). Furthermore, this relationship is significantly enhanced by firm size, with total assets exhibiting a coefficient of $\beta = 0.038$ ($p < 0.001$), the number of employees showing statistical significance ($p = 0.003$), and a composite size index registering $\beta = 0.016$ ($p = 0.013$). Larger firms are more effective in converting liquidity into value compared to smaller firms, aligning with Size Effect Theory and the concept of economies of scale in financial flexibility. This indicates that liquidity policy must be assessed in relation to firm size, highlighting important considerations for investors, corporate treasurers, and regulators, particularly in emerging markets.

Keywords: Firm liquidity, firm size, firm value, panel fixed effects model.

1. INTRODUCTION

Firm value serves as a crucial indicator for shareholders, creditors, and managers to evaluate corporate performance, with ongoing research in corporate finance focusing on the mechanisms that influence this metric (Xu, 2023; Faradila & Effendi, 2023). Within the spectrum of factors impacting firm value, liquidity holds a unique role, acting both as a safeguard against short-term

¹Department of Finance and Accounting, Faculty of Business and Management Sciences, University of Nairobi, e-mail: njengaantony18@gmail.com

²Professor, Department of Finance and Accounting, Faculty of Business and Management Sciences, University of Nairobi, e-mail: cyrus.mwangi@uonbi.ac.ke, ORCID: 0009-0007-2883-3580

³Professor, Department of Finance and Accounting, Faculty of Business and Management Sciences, University of Nairobi, e-mail: kennedy.okiro@uonbi.ac.ke, ORCID: 0009-0003-4148-0215

financial distress and as a means of strategic flexibility. This liquidity enables firms to capitalize on investment opportunities that may arise, highlighting its dual function as both a protective buffer and a tool for proactive investment strategies (Sanjayyana et al.,2025; Parsi et al., 2025). A substantial body of evidence indicates that stronger liquidity positions are correlated with higher firm value, particularly because liquidity can mitigate perceived risk and reassure investors regarding a firm's ability to fulfill its obligations (Auliyah & Agit, 2024; Shamsi et al.,2022). However, academic literature presents a lack of consensus on this matter. Some studies report that the effects of liquidity can be negligible, sector-specific, or even negative, especially when idle cash is perceived as indicative of under-investment rather than a prudent financial strategy (ur Rehman & Khan, 2025; Bagana et al.,2024).

Larger firms exhibit a unique liquidity-value relationship due to advantageous factors such as economies of scale, enhanced access to capital markets, reduced transaction costs, and increased bargaining power with suppliers and creditors. This suggests that the relationship may vary across firms of different sizes, with larger entities benefiting disproportionately (Huang, 2025; Novitasyara & Fadilah, 2025). Large firms may convert liquidity into value more efficiently than smaller firms due to their superior operational infrastructure and market position. They also often have easier access to financing, rendering their internally held liquidity less valuable compared to that of smaller firms, which may face more constraints. Consequently, the impact of firm size on liquidity use presents conflicting predictions and should be regarded as an open empirical question rather than a definite control variable.

This study explores the relationship between firm size and the value extracted from liquidity in the context of the Nairobi Securities Exchange (NSE). Notably, liquidity ratios, dividend behavior, and market capitalization show considerable variance among the listed firms, signaling a heterogeneous environment for analysis. The study utilizes a comprehensive panel of NSE-listed firms, examining various independently measured proxies for both liquidity and size. The objective is to determine how firm size influences the value derived from available liquidity, thereby contributing to the understanding of market dynamics within the NSE.

2. METHODOLOGY

The study employed a positivist philosophy alongside a descriptive longitudinal (panel) research design, focusing exclusively on data from audited financial statements to enhance reliability and verifiability (Sekaran, 2003). The population consisted of all 63 firms listed on the NSE as of December 31, 2022. A census approach was utilized due to the manageable size of the population, moving away from traditional sampling methods. Over a span of 15 years, from 2008 to 2022, secondary data were meticulously hand-collected from audited annual financial statements, corporate websites, and the NSE database. The specific duration was selected to provide a clearer understanding of how liquidity management impacts firm value (Collins, 2010), with the intention of observing these effects over an extended period for greater reliability. After correcting missing observations and accounting for firm attrition to achieve a balanced panel, the final estimation sample consisted of 51 firms. This resulted in a total of 912 firm-year observations, providing a robust dataset for analysis.

2.1 Variable Measurement

This document examines the measurement of firm liquidity using three established indicators. First, short-term liquidity is assessed through the current ratio, as referenced by Khan & Ali (2016). Second, asset convertibility is evaluated via the ratio of cash to current assets, following the framework of Lins, Servaes & Tufano (2010). Third, the new debt capacity is represented by a debt-capacity measure, as outlined by Mildred (2010). These three indicators are standardized and combined into a composite liquidity index, offering a comprehensive overview of a firm's liquidity status, in addition to providing separate estimates for each individual component.

The analysis also considers firm size as a moderating variable, quantified using the natural logarithm of total assets, drawing on the findings of Audretsch & Elston (2000), alongside the natural logarithm of the number of employees, as discussed by Muigai & Muriithi (2017). These measures are averaged to create a composite size index. Finally, the dependent variable, firm value, is represented by Tobin's Q. This metric is calculated as the ratio of the market value of a firm's assets, which includes both equity and debt, to the book value of those assets. This approach, endorsed by Chung & Pruitt (1994) and Gatzert & Schubert (2022), highlights Tobin's Q's capacity

to merge market perceptions with fundamental accounting values, yielding a singular, forward-looking approach to firm valuation.

2.2 Model Specification

The baseline relationship between liquidity and firm value was estimated as:

$$Y_{it} = \beta_0 + \beta_1 (Liquidity)_{it} + \varepsilon_{it}$$

To examine how firm size moderates' relationships, the liquidity and size measures were standardized and multiplied to create an interaction term, utilizing a moderated multiple regression method.

$$Y_{it} = \beta_0 + \beta_1 (Liquidity)_{it} + \beta_2 (Size)_{it} + \beta_3 (Liquidity \times Size)_{it} + \varepsilon_{it}$$

In the analysis of Tobin's Q for firm *i* at time *t*, the coefficient β_3 on the interaction term reveals the impact of firm size on the liquidity-value relationship. A positive and significant β_3 suggests that larger firm sizes enhance this relationship, whereas a negative and significant β_3 implies a weakening effect. The model was estimated individually for three size proxies: total assets, number of employees, and composite size, in addition to a joint model that assesses the direct effects of composite liquidity and composite size without the interaction term.

2.3 Estimation Strategy

A battery of diagnostic tests was employed to choose the suitable panel estimator and mitigate biased inference. Consequently, all models were estimated using a robust, clustered fixed-effects panel regression in Stata.

3. RESULTS

3.1 Descriptive Statistics

Table 1 provides descriptive statistics for liquidity, size, and value variables based on 816 firm-year observations in the study.

Table 1: Descriptive Statistics (N = 816)

Variable	Mean	Std. Dev.	Minimum	Maximum
Short-term liquidity	0.472	0.266	-0.156	1.232
Asset convertibility	0.189	0.099	0.021	0.367
New debt liquidity	0.390	0.210	-0.067	0.988
Composite liquidity	0.350	0.191	-0.068	0.862
Firm size (Ln total assets)	16.605	4.556	9.341	24.866
Firm size (Ln employees)	2.785	1.647	0.035	5.659
Composite size	9.695	3.102	4.688	15.263
Firm value (Tobin's Q)	1.569	0.815	0.040	3.938

Source: Author's computation from NSE audited financial statements (2007–2022).

On average, the sampled firms exhibited moderate liquidity (mean = 0.350, SD = 0.191) and substantial variability in size, with total assets ranging from e9.34 to e24.87 in natural-log terms. Workforce size also showed considerable variation, representing a mix of small, closely held companies and large conglomerates. The average Tobin's Q of 1.569 indicates that the market value of these firms generally surpasses the book value of their assets, aligning with previous NSE-based findings (Odongo et al., 2018; Kerongo et al., 2020).

3.2 Diagnostic Tests

Prior to the estimation process, a series of diagnostic tests were performed to select the appropriate panel estimator and to prevent biased outcomes. The Chow test results indicated a rejection of the poolability of the data, with a significance level of $p < 0.001$, thereby excluding pooled Ordinary Least Squares (OLS) in favor of a panel-specific estimator. The modified Wald test demonstrated group-wise heteroskedasticity with a p-value of less than 0.001, while Pesaran's test showed cross-sectional dependence with a p-value of 0.023. These findings necessitated the use of robust, clustered standard errors in the model. Meanwhile, the Wooldridge test revealed no signs of first-order autocorrelation, yielding a p-value of 0.053. Additionally, the Hausman test supported the choice of a fixed-effects specification over random effects, with a p-value less than 0.001. The variance inflation factors for all independent variables remained below 10, indicating the absence of harmful multicollinearity. Finally, the Augmented Dickey-Fuller tests confirmed that all series

were stationary, with p-values less than 0.001 for each variable, thus eliminating the need for co-integration testing.

Table 2: Summary of Diagnostic Tests

Diagnostic Test	Purpose	Test Used	Result	Implication
Poolability	Assess suitability of pooled OLS	Chow test	$p < 0.001$	Pooled OLS rejected; panel estimator required
Heteroskedasticity	Assess constant error variance	Modified Wald test	$p < 0.001$	Heteroskedastic; robust standard errors used
Autocorrelation	Assess serial correlation of residuals	Wooldridge test	$p = 0.053$	No significant autocorrelation
Cross-sectional dependence	Assess correlation across firms	Pesaran's test	$p = 0.023$	Present; clustered standard errors used
Model selection	Choose fixed vs. random effects	Hausman test	$p < 0.001$	Fixed-effects model preferred
Multicollinearity	Assess inter-correlation of regressors	VIF test	All VIF < 10	No injurious multicollinearity
Stationarity	Assess unit roots in panel series	ADF test	$p < 0.001$ (all variables)	All series stationary

Source: Author's computation from NSE panel data (2007–2022).

The analysis of Pearson correlations revealed a significant positive relationship between various liquidity components and Tobin's Q. Specifically, short-term liquidity demonstrated a correlation coefficient of $r = 0.460$ ($p < 0.01$), asset convertibility exhibited a stronger correlation at $r = 0.575$ ($p < 0.01$), and new debt liquidity showed a correlation of $r = 0.559$ ($p < 0.01$). Furthermore, firm liquidity was found to have a robust correlation with firm size, $r = 0.625$ ($p < 0.01$), indicating that larger firms generally maintained stronger liquidity positions. This finding adds credence to the theoretical argument for considering firm size as a relevant variable in liquidity analysis, rather than merely treating it as a control variable. Importantly, all observed correlations were well below the threshold that would indicate multicollinearity issues, which aligns with results reported in Table 2 based on the Variance Inflation Factor (VIF) analysis.

Table 3: Correlation Analysis

Variable Pair	Correlation Coefficient (r)
Short-term liquidity – Tobin's Q	0.460**
Asset convertibility – Tobin's Q	0.575**
New debt liquidity – Tobin's Q	0.559**
Firm liquidity – Firm size	0.625**

Source: Author's computation. ** Correlation is significant at the 0.01 level (2-tailed).

The analysis conducted through fixed-effects regression on Tobin's Q in relation to composite liquidity yielded a robust positive relationship, represented by a coefficient of $\beta = 0.962$. This result, with a standard error of 0.014, produces a t-value of 63.47 and achieves statistical significance ($p < 0.001$), bolstered by a 95% confidence interval ranging from [0.933, 0.991]. This indicates that for each one-unit increase in composite liquidity, there is an approximate corresponding increase of 0.962 units in Tobin's Q, while controlling firm-specific effects.

Further, the three-component liquidity model, comprising short-term liquidity, asset convertibility, and new debt liquidity, demonstrated significant effectiveness, with an F-statistic of $F(3, 50) = 586.24$ ($p < 0.001$) and an R^2 value of 0.957. These findings underscore the presence of a significant relationship between firm size and the conditional strength of liquidity's impact on Tobin's Q, forming a foundational basis for subsequent explorations of this conditional relationship.

Table 4: Moderating Effect of Firm Size on the Liquidity–Value Relationship

Size Proxy	Liquidity Coefficient	Size (Direct) Coefficient	Interaction Coefficient (β)	p-value (interaction)	Decision on H_0
Total assets	0.785 ($p < 0.001$)	0.082 ($p < 0.001$)	0.038	< 0.001	H_{0a} rejected
Number of employees	significant ($p < 0.001$)	not separately significant	positive	0.003	H_{0b} rejected

Source: Author's computation from robust fixed-effects panel regressions. n.s. = not statistically significant at conventional levels.

Firm size moderates the liquidity–value relationship, assessed through total assets, employee count, and a composite size index using robust, clustered fixed-effects regression. Results are compiled in Table 4.

The analysis presented highlights the significant interactions between liquidity and various firm characteristics, using multiple regression models to assess their impact on Tobin's Q, which serves as a measure of firm value. For total assets, the model demonstrates a strong explanatory power, accounting for 95.97% of the variation within firms ($F = 14,626.88$, $p < 0.001$; $\rho = 0.291$). A significant positive interaction term ($\beta = 0.038$, $p < 0.001$) indicates that firms with larger asset bases derive a more substantial value benefit from increases in liquidity compared to smaller firms. Similarly, the analysis for the number of employees shows a significant positive interaction ($p = 0.003$), suggesting that a larger workforce enhances the liquidity-value relationship, likely due to superior operational capacity and resource management in larger organizations.

In terms of composite size, the interaction term remains positively significant at the 5% level ($\beta = 0.016$, $p = 0.013$); however, it is noteworthy that the direct effect of composite size on firm value alone is not significant ($p = 0.451$). This finding underscores that firm size by itself does not dictate value in this specific sample. Instead, its impact is contingent upon its interaction with liquidity, thereby confirming the study's objective that the relationship between size and liquidity is critical in understanding firm value. Overall, these results emphasize the importance of examining firm-specific characteristics in conjunction with liquidity to fully grasp their combined effects on value creation.

As a robustness check, a joint fixed-effects model was utilized to investigate the relationship between Tobin's Q and two key variables: composite liquidity and composite size, analyzed simultaneously without interaction terms. The results indicated a strong fit of the model to the data, exemplified by an R^2 of 0.951 and an F statistic of 4,128.45 with a significance level of $p < 0.001$. Notably, composite liquidity emerged as a strong and statistically significant predictor of firm value, with a coefficient (β) of 1.006 and a significance of $p < 0.001$, supported by a 95% confidence interval of [0.983, 1.028]. In contrast, composite size, when considered as a direct effect, did not prove to be an independent significant factor ($p = 0.451$). These findings reinforce

the central conclusion of the moderation analysis, suggesting that while firm size may not independently influence firm value within this sample, it significantly moderates the relationship, affecting how much value firms derive from their liquidity.

4. DISCUSSION

The findings indicate a strong, positive impact of composite liquidity on firm value, aligning with the Cash Conversion Cycle framework and supported by recent studies by Kamau and Njoroge (2022) and Mukherjee, Dutta, and Sen (2023). These studies suggest that liquidity facilitates effective operational management and allows firms to capitalize on investment opportunities, thereby enhancing their market valuation. However, this finding contrasts with earlier research by Leslie (2025) and Endraria and Sagara (2025), which concluded that liquidity's predictive power on firm value diminishes or becomes insignificant when accounting for other firm characteristics. This discrepancy is not merely contradictory; it highlights the possibility that the liquidity-value relationship's strength may vary based on firm scale. Specifically, samples predominated by small or homogeneous firms could underestimate the liquidity effect compared to broader samples, such as those from the NSE, which include a diverse range of firm sizes.

The study presents robust evidence that firm size enhances the liquidity-value relationship, leading to the rejection of null hypothesis H_0 and its sub-tests (H_{0a} , H_{0b} , H_{0c}). This conclusion is supported by research conducted in the Kenyan market (Kamau and Njoroge, 2022; Otieno and Njuguna, 2023) and in Indonesia (Ishak and Selamat, 2024), which indicates that larger firms derive greater value from their liquidity than smaller ones. The underlying explanation, consistent with Size Effect Theory (Banz, 1981) and economies-of-scale literature (Huang, 2025; Novitasyara & Fadilah, 2025), suggests that larger firms have superior operational capacity, credit ratings, and market presence, allowing them to transform liquid assets into productive investments more effectively compared to their smaller counterparts. Furthermore, the analysis reveals that while firm size has no direct significant effect on value, its interaction with liquid resources is critical, emphasizing that it is not the size alone that generates value, but rather the synergy between scale and liquidity.

These findings contrast with earlier research, such as Sulalman (2022) and Wiyani et al. (2023), which suggested that firm size plays a minimal role in moderating financial metrics within Nigerian and Indonesian contexts, respectively. The analysis highlights differences due to various factors, such as the type of financial variable under consideration specifically contrasting cash conversion cycle and leverage with liquidity. Additionally, the concentration of sectors plays a role; while the prior studies focused on single-sector samples, this analysis incorporates a broader range of sectors. Additionally, the shorter time frames of those studies (ranging from two to eleven years) contrast with the 15-year duration employed here, potentially affecting the outcomes. Institutional factors could also contribute to this divergence; the NSE is characterized by a relatively shallow capital market and significant variation in the size of firms. This includes a spectrum of market capitalizations, from those reaching tens of billions of Kenyan shillings to much smaller entities, highlighting that the advantages associated with scale in managing liquidity may hold greater importance in Kenya compared to more uniform, developed market samples.

The study aimed to assess how firm size influences the connection between liquidity and the value of companies listed on the NSE. Analyzing a balanced panel of 51 firms over 15 years using a robust, clustered fixed-effects estimator, it was determined that liquidity serves as a significant, positive, and statistically strong factor in enhancing firm value. Notably, this effect is amplified by firm size, which is measured through metrics such as total assets, the number of employees, or a composite size index. The research rejects the null hypothesis (H_0) asserting that firm size has no notable moderating impact on the relationship between liquidity and firm value, including its sub-tests (H_{0a} , H_{0b} , H_{0c}). The findings indicate that larger firms derive more value from increased liquidity, implying that the liquidity-value relationship on the NSE is context-dependent and varies across different firms rather than being uniformly applicable.

The findings discussed in this text extend the Size Effect Theory (Banz, 1981) by applying it to the effectiveness of internal financial policies, illustrating that a firm's size influences its ability to convert financial attributes like liquidity into market value. For investors and analysts evaluating liquidity in firms listed on the NSE, it is crucial to consider the scale of the firm; a liquidity ratio will likely have a more significant valuation implication for larger firms compared to smaller ones. Consequently, corporate treasurers and management teams in smaller enterprises should not

presume that liquidity management techniques adopted from larger companies will yield equivalent value increases. Instead, smaller firms may find it necessary to accompany liquidity growth with targeted investments in operational capacity to achieve similar financial outcomes. Additionally, regulators and organizations involved in market development need to recognize the differences in firm sizes when crafting policies aimed at enhancing the NSE's liquidity. The broader market benefits from improved liquidity are likely to favor larger, established firms unless there are initiatives to assist smaller firms in developing the operational capacity necessary to take full advantage of their liquidity.

This study focuses exclusively on firms listed on the NSE and uses firm size proxies of total assets and employee counts, deliberately omitting sales-based and market-capitalization-based measures as well as non-listed firms. This limitation restricts the generalizability of the findings. It suggests that future research should further refine the sample by industry sector to determine if the impact of firm size is consistent across various industries. Additionally, the incorporation of moderators such as corporate governance quality or market liquidity could provide deeper insights. Testing the documented conditional relationship in other African securities exchanges is also recommended to enhance the confidence in the idea that scale-conditioned liquidity effects are a widespread characteristic of emerging African capital markets, rather than being unique to Kenya.

REFERENCES

- Adiputra, G. & Hermawan, A. (2020). The effect of corporate social responsibility, firm size, dividend policy, and liquidity on firm value: Evidence from manufacturing companies in Indonesia. *International Journal of Innovation, creativity, and Change*, 11(6), 234-394.
- Auliyah, I., & Agit, A. (2024). Reflective Study on Financial Statement Quality Capability to Influence Firm Performance: Literature Review. *Advances in Economics & Financial Studies*, 2(3), 165-178.
- Bagana, T. K., Lateef, S. A., Ene, E. E., & Emeka, E. (2024). Effect of Liquidity Management on Financial Performance of Nigerian Consumer Goods Manufacturing Firms. *International Journal of Research and Scientific Innovation*, 11(6), 210-229.
- Banz, R. W. (1981). The Relationship between Return and Market Value of Common Stocks.

- Cahyadi, R. U. (2025). Liquidity Management as an Effect to Operational Performance and Firm Value. *Liquidity*, 14(1), 92–102.
- Endraria, E., & Sagara, Y. (2025). When Liquidity and Governance Shape Firm Value: Evidence from Indonesia's Consumer Non-Cyclicals Sector. *Kesatuan Journal of Accounting*, 13(5), 1063-1079.
- Faradila, S., & Effendi, K. A. (2023). Analysis of financial performance and macroeconomics on firm value. *Journal of Management*, 27(2), 276-296.
- Huang, Y. (2025). The Mechanisms of Economies of Scale in the Expansion of Internet Enterprises. *Advances in Economics, Management and Political Sciences*, 185(1), 135–140.
- Ichwanudin, W., Mulyani, A. S., Ichwanudin, W., & Anwar, C. J. (2025). Improving firm value: The role of profitability-liquidity trade-off. *International Journal of Applied Economics, Finance and Accounting*, 21(1), 112–121.
- Idrus, M. I., & Ikram, M. A. (2025). Evaluation of the Liquidity Performance of IT Company CV Thenet Solusindo Consultant in Makassar. *POINT: Journal of Economics and Management*, 7(1), 30–39.
- Ishak, K., & Selamat, M. I. (2024). Liquidity and Firm Market Value: The Moderating Role of Firm Size. *Shirkah Journal of Economics and Business*, 10(1), 62–77.
- Jensen, M.C., & Meckling, W.H. (1976). Theory of the firm: Managerial behavior, agency costs, and ownership structure. *Journal of Financial Economics*, 3(4), 305-360.
- Kamau, J., & Njoroge, L. (2022). Firm size as a moderating variable in the liquidity-firm value relationship among Kenyan manufacturers. *East African Journal of Business Studies*, 7(3), 142-158.
- Mugwang'a, F. A. (2025). The Relationship Between Liquidity and Financial Performance of Commercial Banks in Kenya. *The International Journal of Humanities and Social Studies*, 5(3), 5-18.
- Mugwang'a, F. A. (2025). The Relationship Between Liquidity and Financial Performance of Commercial Banks in Kenya. *The International Journal of Humanities and Social Studies*, 5(3), 5-18.
- Mukherjee, T., Dutta, S. R., & Sen, S. S. (2023). Stock liquidity and firm value: The mediating role of capital structure. *Colombo Business Journal*, 14(2), 415-435.

- Novitasyara, N., & Fadilah, S. (2025, August). The Effect of Company Size on Financial Performance. In *Bandung Conference Series: Accountancy*, 5(2), 909–916.
- Otieno, S., & Njuguna, K. (2023). Moderating effects of firm size on liquidity and firm value in Kenya's agricultural sector. *Journal of Agricultural Economics and Finance*, 14(1), 210-232.
- Parsi, C. A., Tampubolon, M. G., Sirait, N. J., Aurora, T. S., & Aliah, N. (2025). Literature Review: Analysis of the Impact of Asset Turnover on Operating Cash Flow and Liquidity in Multisector Companies. *Journal of Business Students*, 5(1), 54–59.
- Pratama, D. W., & Susanto, F. F. (2025). The Effect of Liquidity and Leverage Ratios on Dividend Payout Ratio in State-Owned Enterprises Listed on the Indonesia Stock Exchange for the Period 2023-2024. *AKUA: Journal of Accounting and Finance*, 4(4), 961-972.
- Rahmawati, D.V., Darmawan, A., Setyarini, F. & Bagis, F. (2021). Profitability, capital structure, and dividend policy affect firm value using company size as a moderating variable. In the consumer goods industry sector, companies were listed on the Indonesia Stock Exchange during the 2015-2019 period. *International Journal of Economics, Business and Accounting Research*, 5 (1), 678-750.
- Sanjayyana, A. R., Kamal, I., Affandi, M. R., Abdullah, M. F., & Rosid, A. (2025). Liquidity Risk Management in Corporate Finance: Strategies for Financial Resilience. *Information and Technology Journal*, 135–145.
- Saputra, I., & Kusuma, P. S. A. J. (2025). The Effect of Liquidity, Profitability, and Capital Structure on Firm Value with Firm Size as a Variable. *American Journal of Economic and Management Business*, 4(1), 24–41.
- Shamsi, N. I., Quader, S. M., & Abdullah, M. N. (2022). Investigating the Relationship between Stock Liquidity and Firm Value. *Business Perspective Review*, 4(2), 16–31
- Sulalman, S.A. (2022). Moderating effect of firm size on the relationship between cash conversion cycle and firm's value of listed industrial goods firms in Nigeria. *Advances in Economics, Business and Management Research*, 45 (9), 696-902.
- Sunarso, S., Setyawati, I., & Hasanudin, H. (2025). Determinants of Company Valuation: Empirical Base Literatures Review. *Journal of Economics, Finance and Management Studies*, 08(08) 2015-2024.

- Tretyakova, E. P., & Tretyakova, M. S. (2024). Measuring a company's capabilities and their impact on economic outcomes: Analytical tools. *Management Sciences*, 14(2), 77–89.
- Ur Rehman, M., & Khan, I. (2025). Impact of Liquidity, Profitability and Cash Holding on Firm Value (A Case of Company Listed in Pakistan Stock Exchange). *ASSAJ*, 4(02), 1354-1367.
- Xu, L. (2023). Enhancing firm value through capital structure: A case study of marks and spencer PLC. *International Journal of Multidisciplinary Research and Growth Evaluation*, 4(6), 532–547.
- Zahwa, T. I., Innayah, M. N., Rahmawati, I. Y., & Widyaningtyas, D. (2025). The Maturing Multiplier: Does Firm Age Matter in the Relationship Between Leverage, Liquidity and Profitability on Firm Value? *Journal Of Accounting and Finance Management*, 6(3), 1732–1746.