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Cash Management Practices and Corporate Sustainable Longevity: A Correlational Study on Retail SMEs in Davao City

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Abstract. Small and Medium-Sized Enterprises (SMEs) have faced consistently high closure rates worldwide. This raised the question of their ability to sustain longevity. Thus, this study aimed to examine the influence and relationship between cash management practices and corporate sustainable longevity of retail SMEs in Davao City. Using a descriptive-correlational research design, 304 retail SMEs were selected with a simple random sampling technique to meet the study objectives. Slovin's Formula was used to calculate the required minimum respondents. A survey-based approach and a 5-point Likert Scale were employed to collect data, which was later analyzed using descriptive statistics, Pearson's Correlation Coefficient (r), and Multiple Regression Analysis. The results revealed that Cash Management Practices have a direct and positive relationship with Corporate Sustainable Longevity in alignment with the Resource-Based View. Furthermore, all domains under Cash Management Practices have a significant influence on a business' ability to last. Therefore, such foundational internal practices should be viewed as more than day-to-day tasks, as they are crucial in sustaining businesses over time.

Keywords. Financial Budgeting, Sustainability, Business Longevity, Internal Resources, Resource-Based View, Organizational Life Cycle Theory, Pecking Order Theory, Business Closures

1. Introduction

Over the years, Small and Medium Enterprises (SMEs) have consistently faced high failure and closure rates, threatening their long-term survivability. The number of closures is on an upward trend. In 2024, 7,325 businesses shut down and, by early 2025, over 2,000 closures had already been announced. Closure announcements for this year are three times higher compared to the same period last year, whilst store openings are 30% fewer (Danziger, 2025). Furthermore, this trend is reflected in global closure rates where business closure hovers around 20–40% within the first five years of operation (ProfileTree, 2024). These rates are consistent over time, highlighting an ongoing and persistent issue with enterprise sustainability.

As these businesses develop, they contribute to job creation, regional development, and economic growth. However, in cities like Davao, many Micro, Small, and Medium

Enterprises (MSMEs) are observed to close down within just six months of operation. According to L. G. Alba, President of UseMints International, the inability of these businesses to sustain operations has been a long-standing problem (Casamayor, 2019). This persistent trend raises important questions about the internal practices and resource strategies employed by SMEs, emphasizing the need to understand how they may relate to their long-term viability.

This study is anchored on several organizational theories that help explain the broader issue of business sustainability and the persistent closure of SMEs. The Resource-Based View (RBV) by Barney (1991) states that firms gain a sustainable competitive advantage by developing internal resources and capabilities, emphasizing the importance of strengthening what is within a firm's control. Ichak Adizes' Organizational Life Cycle Theory (1988) adds that businesses naturally go through stages like startup, growth, maturity, and decline, and that each phase requires specific responses. A firm's ability to recognize its stage and respond appropriately can determine long-term viability. Finally, the Pecking Order Theory (Myers and Majluf, 1984) suggests that companies prefer to finance their operations using internal funds first, then debt, and finally equity. This is driven by minimal risks and costs associated with internal financing compared to external sources. Together, these theories provide a lens for understanding the context surrounding SME closures.

While several studies have examined business closures, many focus primarily on short-term effects of external shocks such as the COVID-19 pandemic or changing consumer behavior. However, there remains a limited study on internal financial practices in relation to long-term sustainability and viability of SMEs in the local context of Davao City, particularly the retail sector. Addressing this gap, the study investigates the role of cash management practices in association to corporate sustainable longevity among retail SMEs. By doing so, it provides valuable insight demonstrating how effective cash management relates to long-term sustainability traits among retail SMEs. This is in alignment with Sustainable Development Goal (SDG) 8, which promotes sustained economic growth and productive employment, and 17, which emphasizes the importance of partnerships and cooperation to achieve the Sustainable Development Goals.

2. Review of Related Literature

2.1. Theories

The Resource-Based View (RBV) was formalized by Barney (1991) through the VRIN/O (Valuable, Rare, Inimitable, Non-Substitutable/Organization) framework that became widely recognized in strategic management. The model states that firms gain sustainable competitive advantage by effectively managing key internal resources. A company is more likely to succeed by maximizing existing resources to benefit from external opportunities rather than developing entirely new skills for each new trend.

In addition, the Organizational Life Cycle (OLC) Theory was developed by Ichak Adizes (1988) in his book "Corporate Lifecycles" where he stated that organizations go through five stages of development. These stages are birth, growth, maturity, decline, and death with each stage having distinct internal structures and challenges. In the context of business closures, it is easy to assume they are simply a result of reaching their natural life cycle decline. However, Mosca, Gianecchini, and Campagnolo (2021) challenged this linear perspective emphasizing that real-world firm growth and environmental uncertainty often led to non-sequential, adaptive directions. They treat OLC as a flexible, ongoing process driven by a firm's ability to adapt to changes. Therefore, just because a business starts a shift down decline, does not mean it is

inevitable. This shift highlights the importance of internal responsiveness, especially for retail SMEs navigating sustainability challenges.

Lastly, the Pecking Order Theory (POT), introduced by Myers and Majluf (1984), suggests that companies prefer to finance their operations using internal funds first, then debt, and finally equity. This is due to incurring less costs when sourcing from within than from external sources. In relation to business closures, this highlights the complex relationship between funding sources and business sustainability. Effective cash management practices become crucial as it optimizes internal resource utilization, ensuring sufficient liquidity. Thus, it complements the theory by helping retail SMEs better sustain operations during financial challenges, contributing to business longevity.

2.2. Cash Management Practices

Cash management is a key function within treasury management, which aims to optimize cash availability, enhance earnings on idle funds, and minimize delays in fund transfers. By ensuring adequate cash flow for operational requirements, effective cash management techniques improve liquidity and increase profitability by strategically allocating surplus funds. For big businesses, maintaining this balance is essential to not only preserving financial stability but also to drive business growth (Feriandy, 2024). Similarly, Fiel-Miranda and Miranda (2021) pointed out that strong control mechanisms in cash management are essential, including verifying and validating cash receipts to ensure accuracy. Financial instability in businesses often stems not only from poor profitability but also from ineffective financial resource management, such as weak oversight of expenditures, misallocation of funds, and poor investment choices. Such issues can lead to insolvency, not necessarily due to operational losses, but because of a breakdown in financial control and management.

2.2.1. Preparing Cash Budget. Effective budget management is essential for optimal resource allocation, especially in the case of small and medium-sized enterprises (SMEs), which often encounter financial challenges during their early stages (Srbinoska, Hristova, and Kazic, 2023). Poor budgeting is identified as a major factor contributing to the failure of many SMEs, and its effective execution depends on two main factors: the enterprise's ability to respond to changes in the broader economic environment and its internal capacity to manage resources efficiently.

Additionally, Okeke, Bakare, and Achumie (2024) emphasize the importance of strategic budgeting in aligning financial planning with organizational objectives, mitigating risks, and adapting to evolving market conditions. Techniques such as zero-based budgeting, activity-based budgeting, and rolling budgets are noted for giving SMEs the flexibility to manage resources effectively and maintain steady cash flow. Financial stability, in this context, is seen as the ability of a business to sustain sound financial health over time while fulfilling its obligations and advancing toward long-term growth.

2.2.2. Cash Inflow Monitoring. Cash inflow is the revenue a business earns from various activities, primarily from the sale of goods and services. Additional sources of cash inflow include returns on investments, financing activities, and other profitable ventures. Its management is closely tied to a company's strategic planning and involves systematic oversight of both cash inflows and outflows. Moreover, Egwu, Orugun, and Adelakun (2021) noted that cash is vital to any organization, as it is immediately available for meeting financial obligations. Allowing cash to sit idle represents a missed opportunity, as potential interest or investment income is lost. He also observed that there are instances when cash inflows can temporarily surpass cash outflows, such as during periods of high-volume sales or accelerated receivables collection.

2.2.3. Cash Outflow Control. Enterprises with strong cash flow management practices are more likely to meet their financial responsibilities. A key component of cash flow management is controlling cash outflow which is the movement of cash or cash equivalents leaving a business, typically due to operating expenses, debt repayments, interest payments, and other financial obligations (Egwu, Orugun, and Adhlakun, 2021). They also noted that cash outflows may temporarily exceed inflows due to obligations such as tax payments, dividend distributions, and the procurement of raw materials. According to Zakirova et al. (2022), effective internal cash flow control keeps accounting stable and prevents resource loss. It also emphasizes the importance of confirming cash transactions and putting in place a liquidity management system in order to improve the effectiveness of cash spending and deal with problems related to financial resource management. These situations highlight the need for proactive planning to maintain liquidity and avoid financial strain.

2.3. Corporate Sustainable Longevity

In the business world, longevity means more than just keeping a company in operation for decades, requiring adaptability, strategic vision, and ongoing market relevance. According to Irawan et al. (2021) organization longevity is one of the areas that classify company sustainability. It represents the most significant shared challenge faced by companies, where operational disruptions are frequently caused by unpredictable changes in markets, demographics, technology, regulations, and industrial structure. In line with this, Ahmad, Omar and Quoquab (2019) highlights that businesses can attain operational longevity by emphasizing on sustainable practices, noting as well that most literature focuses only on a firm's long life rather than examining what enables that longevity, a concept they define as Corporate Sustainable Longevity. Organizations can use the five validated scales to evaluate their efforts to promote sustainability and match them with long-term strategic objectives.

2.3.1. Strategic Perspective. According to Suriyankietkaew, Krittayarungroj, and Iamsawan (2022), in order to attain corporate sustainability and resilience over the long term, modern sustainability leaders should embrace a long-term perspective and strategies for organization-wide management practices. Sedky (2024) supported this, by emphasizing that strategic intelligence supports businesses in anticipating and adjusting to changes to maintain a competitive edge and ethical integration.

2.3.2. Customer Orientation. Ahmad, Omar and Quoquab (2019) highlights that a business cannot function without its customers. Customer satisfaction, loyalty, perception, relationships, and customer-focused strategies are therefore essential factors that are critical to a company's survival. Similarly, Ismail (2022) emphasizes that customer orientation on SMEs' was found to be influenced by customer loyalty as customer orientation has a positive and significant effect on customer loyalty, and this customer loyalty has a positive and significant impact on SMEs' performance.

2.3.3. Financial Strength. Although mere financial performance is not enough of a measurement for longevity, it is just one aspect that contributes to the likelihood of a business' long life. A financially sound company has better chances of performing better and growing more rapidly than its rivals and growing more rapidly. Rahman, Putri, and Wilson's (2023) underscore the importance of profitability and solvency in ensuring corporate longevity by balancing short-term financial gains with long-term value creation and financial stability. Strong financial reserves help businesses last longer by acting as a buffer against shocks, allowing for flexible financing and investment options, and enabling quicker responses to changes. Furthermore, according to Manaf et al. (2024), financial strength includes effective corporate financial management, which is crucial for optimizing resource allocation and

maintaining liquidity. Having adequate finances that meet obligations and allows space for opportunities is an effective financial strategy that promotes growth. Since such matters are already answered by careful planning and management, it places less burden on internal resources. Hence, these factors are essential for achieving sustainability in business operations, driving improvement in company performance and achievement of long-term growth.

2.3.4. Learning and Growth. The study of Krylov (2022) highlights that learning and growth are crucial for companies aiming for sustainable development and maximizing market value in today's competitive economy. This emphasizes the need for organizations to focus on these aspects to thrive long-term. The ability of organizations to learn and adjust to the quickly shifting globalized environment is the main focus of learning and growth. This is why a proactive Research & Development department that can predict future customer demands and act quickly to address them gives the company a competitive edge that eventually results in long term sustainability (Ahmad, Omar and Quoquab, 2019). Furthermore, in an era of technological growth, Safitri, Winarno, and Rahayu (2025) revealed in their study that digital transformation is proven to increase business innovation and market strategy. In turn, this improves business performance, emphasizing the importance for continued learning and innovation in the form of products and business processes.

2.3.5. Internal Capabilities. In the study of Noerlina et al. (2023), It has been found that internal capabilities, especially those related to innovation and foreign ownership, significantly and positively influence firm performance. Companies with strong internal capabilities enable the firm to gain a competitive edge over its competitors while also enhancing its performance and its prospects for sustainable longevity. Internal capabilities focus on organizational capabilities and resources. All the company's resources from physical to financial, technological and human are valuable assets that can be turned into core competencies to achieve a competitive edge. According to Aleke (2024) utilizing resources, talents, and strategic assets to promote innovation and adaptability, internal capabilities increase the longevity of businesses. Organizations can enhance resilience and competitive positioning by matching these strengths with socioeconomic circumstances, guaranteeing sustainable growth in dynamic environments such as southeast Nigeria.

3. Conceptual Framework

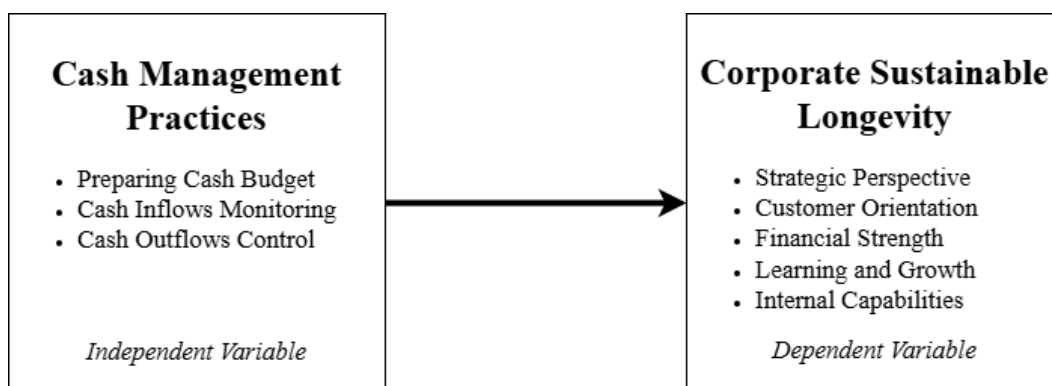


Figure 1. Conceptual Framework

In reference to the conceptual framework, this study examined the relationship between Cash Management Practices and Corporate Sustainable Longevity (CSL) among retail SMEs

in Davao city. Cash Management Practices served as the independent variable and were assessed through three key components: cash budgeting, cash inflows, and cash outflows. These reflected how businesses manage liquidity, plan future operations, and ensure stable financial processes. On the other hand, Corporate Sustainable Longevity served as the dependent variable and it encompassed five dimensions: strategic perspective, customer orientation, financial strength, learning and growth, and internal capabilities. These elements represent the characteristics associated with long-term business survival and resilience.

4.Objective of the Study

This study aims to examine the relationship between the Cash Management Practices and Corporate Sustainable Longevity of Retail SMEs in Davao City. Specifically, it seeks to:

1. To determine the level of cash management practices among retail SMEs in Davao City in terms of: Preparing Cash Budget, Cash Inflow Monitoring, and Cash Outflow Control.
2. To determine the corporate sustainable longevity traits among SMEs in terms of: Strategic Perspective, Customer Orientation, Financial Strength, Learning and Growth, and Internal Capabilities.
3. To examine the relationship between the Cash Management Practices and Corporate Sustainable Longevity of Retail SMEs in Davao City.
4. To determine the significant influence of Cash Management Practices to the Corporate Sustainable Longevity traits of Retail SMEs in Davao City.

5.Statement of Hypothesis

H₀: There is no significant relationship between the Cash Management Practices and Corporate Sustainable Longevity of Retail SMEs in Davao City.

H₀: There is no significant influence of Cash Management Practices on the Corporate Sustainable Longevity of Retail SMEs in Davao City.

6.Methodology

6.1.Research Design

A descriptive-correlational research design was employed. It is a quantitative research method that tries to explain the relationship between two or more variables. In application, the study aimed to describe the cash management practices employed and the corporate sustainable longevity present amongst retail SMEs, providing a snapshot on current state of affairs. Furthermore, this study examined how the presented variables interact and associate with each other. In using this design, it assisted the researchers in achieving the objectives that had been set out.

6.2.Research Respondents

From the broader category of SMEs, this study specifically focused on retail SMEs operating in Davao City. The target respondents were their respective business owners, managers, or supervisors who were knowledgeable of the business' operations and structure. According to Davao City's Business Bureau, there was a known population of 1,261 registered retail businesses in Davao City. To ensure statistical accuracy, it was important to determine a

sample size that appropriately represented the population, especially in a quantitative research design. For this purpose, Slovin's Formula was used to calculate the required sample size.

$$n = N/(1+Ne^2)$$

Where:

n - Sample Size

N - Total Population

e - Level of Error Tolerance

Using a confidence level of 95% and a margin of error of 5% ($e = 0.05$), the sample size was computed as follows:

$$n = 1,261/1 + (1,261)(0.05)^2 = 304$$

Therefore, this study targeted a minimum of 304 retail SMEs in Davao City. This ensured that the findings were statistically representative and provided reliable insights into the sector's business longevity. A simple random sampling technique was employed, allowing each qualified retail SME an equal chance of being selected. Specifically, a random number generator was used to select the 304 respondents, of which excess was chosen in cases where some respondents were unable to answer. This method helped eliminate selection bias and supported the generalizability of the results within the population.

6.3. Research Instrument

This study used a structured survey questionnaire as the primary tool for data collection from retail SMEs in Davao City. The questionnaire consisted of mainly two sections: Cash Management Practices and Corporate Sustainable Longevity. The items related to Cash Management Practices were adapted from the study by Catampongan, Dela Cerna, and Villaganes (2024). On the other hand, items under Corporate Sustainable Longevity adapted the measurement tool constructed by Ahmad, Omar, and Quoquab (2019) based on a validated conceptual model. The specific items were extracted from the measurement model table (Table 3) found in their published study. Each item was measured using a five-point Likert Scale. Furthermore, the instrument covered key dimensions including cash budget preparation, cash inflow, cash outflow under Cash Management Practices, and strategic perspective, customer orientation, financial strength, learning and growth, and internal capabilities under Corporate Sustainable Longevity.

6.4. Data Gathering Procedures

The data was collected through a set of steps to proceed with the study. Validation of the questionnaires was done by the research panel in order to check if the adopted questions were appropriate. Once validated, the finalized questionnaire was distributed to the identified respondents through physical distribution. Given the time constraints and availability of the respondents, in some occasions, the data collection did not occur immediately. Instead, it proceeded based on a mutually agreed schedule to ensure quality responses while respecting respondents' commitments.

After collecting the data from the number of respondents, it was tallied and recorded in preparation for the next step. The researchers made sure that the stored data was handled with utmost care and confidentiality in compliance with RA 10173, or popularly known as the Data Privacy Act of 2012. When the data was properly tabulated, analysis began to acquire needed information on the study.

6.5. Statistical Tool

The collected data was analyzed using statistical tools to ensure an accurate interpretation of the results. Descriptive statistics such as **standard deviation and mean** were used to summarize responses related to Cash Management Practices and Corporate Sustainable Longevity. These values were interpreted using the scoring guidelines prepared to identify common trends and practices.

To examine the relationship between variables, **Pearson's Correlation Coefficient (r)** was employed. This determined whether a statistically significant relationship existed between the variables. Afterwards, the **Multiple Linear Regression Analysis (MRA)** alongside the **Analysis of Variance (ANOVA)** was used to assess the extent of influence to which Cash Management Practices have on the Corporate Sustainable Longevity of retail SMEs in Davao City.

6.6. Data Interpretation

Table 1. Data Interpretation for Cash Management Practices

Mean Range	Descriptive Level	Interpretation
1.00 - 1.79	Very Low	Cash management practices were not employed
1.80 - 2.59	Low	Cash management practices were rarely employed
2.60 - 3.39	Moderate	Cash management practices were occasionally employed
3.40 - 4.19	High	Cash management practices were generally employed
4.20 - 5.00	Very High	Cash management practices were consistently and effectively employed

Table 2. Data Interpretation for Corporate Sustainable Longevity

Mean Range	Descriptive Level	Interpretation
1.00 - 1.79	Very Low	The SME lacked sustainable longevity traits.
1.80 - 2.59	Low	The SME showed minimal presence of sustainable longevity traits.
2.60 - 3.39	Moderate	The SME showed a moderate presence of sustainable longevity traits.
3.40 - 4.19	High	The SME demonstrated strong sustainable longevity traits.
4.20 - 5.00	Very High	The SME showed very strong and consistent sustainable longevity traits.

To facilitate meaningful analysis and interpretation, weighted mean scores were computed and categorized using descriptive levels as shown in Table 1 and 2. For Cash Management Practices, the interpretation reflected the extent to which retail SMEs employed effective cash management. A higher mean score indicated stronger internal financial control. Meanwhile, for Corporate Sustainable Longevity, the interpretation captured the extent to which retail SMEs exhibited characteristics associated with long-term business survival. A higher mean score suggested a greater likelihood of enduring success and lower vulnerability to closure risks.

7. Results and Discussion

7.1. Level of Cash Management Practices of Retail SMEs in Davao City

Table 3: Descriptive Statistics of Cash Management Practices of Retail SMEs

	Min	Max	Mean	Std. Deviation	Descriptive Level
Preparing Cash Budget	3.10	5.00	4.5819	.38060	Very High
Cash Inflow Monitoring	3.00	5.00	4.6092	.38174	Very High
Cash Outflow Control	3.30	5.00	4.5842	.39176	Very High
Overall Cash Management Practices	3.13	5.00	4.5918	.34313	Very High

Table 3 presented the descriptive statistics for the level of Cash Management Practices among Retail SMEs. With an overall mean of 4.59 and standard deviation of 0.34, findings revealed that Cash Management Practices were highly utilized among retail SMEs in Davao City.

Preparing the Cash Budget results showed a mean of 4.58, indicating a very high level of usage. This suggested that retail SMEs consistently and effectively plan their cash budget for various purposes that help keep the business running. This included having available funds for meeting current obligations as well as enough reserves to take advantage of business opportunities. Applying conservatism in preparing the budget ensured that funds were available in the required amount at the correct time and at the correct place. Therefore, when faced with challenges or dreaded closure, effective budget management became essential for optimal resource allocation.

In addition, Cash Inflow Monitoring and Cash Outflow Control showed means of 4.60 and 4.58, respectively. In a similar manner, both also fell under a very high level of usage. This indicated that revenue sources and expenses were closely monitored and tracked by SMEs. Actively monitoring inflows ensured that businesses had an accurate understanding of their available cash to meet financial obligations and seize future investment opportunities. Likewise, keeping track of outflows allowed businesses to allocate resources efficiently, reducing the risk of overburdening internal capabilities.

Overall, this showed a shared recognition amongst retail SMEs in Davao City regarding the importance of sound financial practices amidst existing closure rates. Cash management is a core financial function, where a business' long-term survival relies on its ability to stay

solvent. As such, it is not just a day-to-day task and routine to be taken for granted but a fundamental practice applied within SMEs. These findings were in alignment with previous studies on the importance of cash management and budgeting (Okeke, Bakare, and Achumie, 2024; Srbinska, Hristova, and Kazic, 2023; Egwu, Orugun, and Adedokun, 2021; Fiel-Miranda and Miranda, 2021).

Level of Corporate Sustainable Longevity Traits of Retail SMEs in Davao City

Table 4: Descriptive Statistics of Corporate Sustainable Longevity Traits of Retail SMEs

	Min	Max	Mean	Std. Deviation	Descriptive Level
Strategic Perspective	3.20	5.00	4.7882	.34295	Very High
Customer Orientation	2.67	5.00	4.6112	.43011	Very High
Financial Strength	2.57	5.00	4.6134	.44296	Very High
Learning & Growth	3.00	5.00	4.7039	.43979	Very High
Internal Capabilities	2.83	5.00	4.7207	.36914	Very High
Overall Corporate Sustainable Longevity	2.92	5.00	4.6874	.33920	Very High

Table 4 showed the descriptive statistics for five traits under Corporate Sustainable Longevity among Retail SMEs. The results showed consistently high mean scores with an overall mean of 4.68 and a low standard deviation of 0.33. This indicated a strong presence of CSL-related characteristics among retail SMEs which were associated with long-term business survival.

Among the traits, Strategic Perspective recorded the highest mean at 4.78, reflecting that most SMEs valued long-term thinking and recognized the importance of adapting to evolving market conditions. In line with this, Customer Orientation presented a mean of 4.61, highlighting the significance placed on customer-centered strategies. These two come hand in hand, complementing each other as implementing a customer-oriented perspective in their strategies could contribute to corporate goodwill and longevity. It allowed them to see changes in their market and adjust appropriately to gain loyalty, turning challenges into opportunities.

Similarly, Financial Strength also had a high mean of 4.61, showing that retail SMEs considered themselves financially resilient in terms of internal control and structure. When looking at longevity merely in a financial perspective, they have enough capital for the long run and have a proper system in place for accurate financial reporting. Lastly, Learning and Growth with Internal Capabilities had strong results with means of 4.70 and 4.72, respectively.

The business landscape is always exposed to changes, considering its dynamic nature. Therefore, this shared consensus amongst retail SMEs suggested a proactive mindset toward continuous growth and innovation. This drive for the betterment of quality products and services, involvement of employees in long-term decisions, and consideration of waste reduction, grew businesses not only in terms of performance but as a whole entity. It drove them to be structured and foundationally resilient to grow and meet challenges going forward,

especially with a going-concern existence. This was supported by previous studies concerning resilience and longevity (Sedky, 2024; Manaf et al., 2024; Aleke, 2024).

7.3. *Significant Relationship Between the Cash Management Practices and Corporate Sustainable Longevity of Retail SMEs in Davao City*

Table 5: Correlations of Cash Management Practices and Corporate Sustainable Longevity of Retail SMEs

		Overall Cash Management Practices	Overall Corporate Sustainable Longevity
Overall Cash Management Practices	Pearson Correlation	1	.665**
	Sig. (2-tailed)		.000
	N	304	304

** Correlation is significant at 0.01 level (2-tailed).

Table 5 presented the results of the Pearson Correlation analysis conducted to determine the relationship between Cash Management Practices and Corporate Sustainable Longevity among retail SMEs in Davao City. The Pearson correlation coefficient showed a value of 0.665, which indicated a strong and positive relationship between the two variables. This suggested that SMEs with high levels of Cash Management Practices tend to also show high levels of Corporate Sustainable Longevity. In other words, the more effectively retail SMEs implemented cash management practices, the more likely they were to sustain long-term operations.

In examining the hypotheses, the first null hypothesis was rejected as the correlation was statistically significant at the $p < 0.01$ level, meaning the result held true with 99% confidence. Therefore, there was a statistically significant positive relationship between Cash Management Practices and Corporate Sustainable Longevity. These findings were consistent with previous studies that emphasized how efficient cash management contributed to SME growth and performance, factors closely linked to corporate resilience and long-term sustainability (Feriandy, 2024; Rahman, Putri, and Wilsony, 2023).

Significant Influence of Cash Management Practices on the Corporate Sustainable Longevity of Retail SMEs in Davao City

Table 6: Model Summary of the Significant Influence of Cash Management Practices on the Corporate Sustainable Longevity of Retail SMEs

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.665 ^a	.443	.437	.25447

a. Predictors: (Constant), Cash Outflow Control, Preparing Cash Budget, Cash Inflow Monitoring

To assess the extent to which Cash Management Practices influenced Corporate Sustainable Longevity, a Multiple Regression Analysis was conducted. Based on the results, the model's R-squared value was 0.443. This signified that Cash Management Practices indicators, namely Preparing the Cash Budget, Cash Inflow Monitoring, and Cash Outflow Control, explained 44.3% of the variance in Corporate Sustainable Longevity among retail SMEs in Davao City. Nearly half of the SMEs' ability to sustain long-term operations could be connected to how effectively they manage their cash. The remaining 55.7% could be explained by other internal and external factors.

Table 7: ANOVA of the Significant Influence of Cash Management Practices on the Corporate Sustainable Longevity of Retail SMEs

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	15.436	3	5.145	79.463	.000 ^b
	Residual	19.426	300	.065		
	Total	34.862	303			

a. Dependent Variable: Overall Corporate Sustainable Longevity

b. Predictors: (Constant), Cash Outflow Control, Preparing Cash Budget, Cash Inflow Monitoring

Table 7 presented the results of the ANOVA conducted due to the presence of multiple independent variables, specifically the domains of Cash Management Practices. The analysis revealed a statistically significant difference among the groups with an F-value of 79.463 and a significance level of $p < 0.01$. As such, there was sufficient evidence to reject the null hypothesis and say that the level of Cash Management Practices employed causes statistically significant differences in Corporate Sustainable Longevity scores.

Table 8: Coefficients of the Significant Influence of Cash Management Practices on the Corporate Sustainable Longevity of Retail SMEs

Coefficients ^a					
Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.

1	(Constant)	1.657	.197		8.412	.000
	Preparing Cash Budget	.257	.054	.288	4.795	.000
	Cash Inflow Monitoring	.225	.065	.254	3.475	.001
	Cash Outflow Control	.178	.060	.205	2.970	.003

a. Dependent Variable: Overall Corporate Sustainable Longevity

Table 8 presented the coefficients concerning the individual contributions of each Cash Management Practice indicator on an SMEs' Corporate Sustainable Longevity, whether their influence was significant. Results showed that all three indicators, namely Preparing Cash Budget ($B = 0.288$, $p = .000$), Cash Inflow Monitoring ($B = 0.254$, $p = .001$), and Cash Outflow Control ($B = 0.205$, $p = .003$), had a positive significant influence on Corporate Sustainable Longevity. Among the three, Preparing the Cash Budget had the strongest impact, indicating that SMEs who strategically plan their finances tend to achieve better long-term sustainability. This reinforced the decision to reject the null hypothesis of the study.

For further analysis, the unstandardized coefficient beta values reflected the expected change in the Corporate Sustainable Longevity score for every unit increase in the Cash Management Practices indicators. Specifically, assuming all other variables remain constant, a one point increase in Preparing the Cash Budget was connected with a 0.257 point increase in the Corporate Sustainable Longevity score. Similarly, Cash Inflow Monitoring and Cash Outflow Control were linked to increases of 0.225 and 0.178, respectively. These values displayed each variable's contribution to the overall model and further emphasizes their role in influencing SME longevity as supported by the strong correlation discussed earlier.

8. Findings, Conclusions, and Recommendations

Summary of Findings

This study aimed to examine the relationship between the Cash Management Practices and Corporate Sustainable Longevity among retail SMEs in Davao City. The first objective was to determine the level of Cash Management Practices in terms of Preparing Cash Budget, Cash Inflow Monitoring, and Cash Outflow Control. Results revealed that all three are highly practiced with Cash Inflow Monitoring having the highest, the other two showing equally strong usage.

The second objective focused on identifying the level of Corporate Sustainable Longevity across five traits: Strategic Perspective, Customer Orientation, Financial Strength, Learning and Growth, and Internal Capabilities. Among the traits, Strategic Perspective obtained the highest mean, while Customer Orientation had the lowest. Nonetheless, all traits showed high mean scores, indicating strong presence of sustainable longevity characteristics among SMEs.

For the third objective, examining the relationship between Cash Management Practices and Corporate Sustainable Longevity, findings showed a statistically strong and positive relationship between the two variables. Lastly, in determining the significant influence of Cash Management Practices on Corporate Sustainable Longevity, the regression analysis confirmed that all three indicators of Cash Management Practices have a statistically significant and positive influence on Corporate Sustainable Longevity with Preparing the Cash Budget having the strongest impact. Therefore, the null hypotheses of this study were rejected, suggesting that Cash Management Practices are essential when it comes to building sustained longevity among retail SMEs.

8.2. Conclusion

Small and Medium Enterprises continued to face high closure rates worldwide due to difficulty in sustaining long-term operations. Global closure rates indicated that 20% fail within their first year, 50% within their fifth, and nearly 70% by their tenth. Within Davao City, closures remained common as businesses were observed to close down within just six months of operation. These closures highlighted businesses' inability to remain operating in the long run, lacking in corporate sustainable longevity. This raised important questions about the internal practices and resource strategies employed by SMEs, emphasizing the need to understand how they related to their long-term viability.

It was found that implementing proper cash management practices significantly contributed to an SME's financial resilience and supported its sustainable longevity. Aligning with the Resource-Based View, these findings emphasized the importance of strengthening internal systems in sustainable operations. Growth and longevity were not only defined by adapting to dynamic markets but also by honing existing fundamentals such as resource management, particularly in the form of cash. Therefore, cash management practices were not mere tools to be diminished as foundational tasks but were core instruments of sustainable longevity in the retail SME sector.

Limitations of the Study

This study acknowledged several limitations that might have shaped the results of this research. First, data was collected through self-answered surveys from SME managers, supervisors, or owners. Although the instruments used were validated, especially concerning Corporate Sustainable Longevity based on a known framework, a response bias might be introduced toward certain options. Second, the concept of Corporate Sustainable Longevity employed had a trait-based dimension rather than other common indicators such as firm age or financial records, causing limitations in comparability with other longevity-related studies. Additionally, the scope of respondents was limited to retail SMEs in Davao City, which may affect application of the findings to other sectors or geographical locations. Lastly, while the study focused on Cash Management Practices as the main influencing factor, other potentially more impactful variables on Corporate Sustainable Longevity were not explored.

8.4. Recommendation

Retail SME owners are encouraged to strengthen their cash management practices by regularly preparing detailed and realistic cash budgets that not only address immediate obligations but also allocate funds for future operations and expansion. To ensure accuracy and efficiency, SMEs should establish centralized systems for monitoring and controlling cash inflows and outflows, maintain optimum cash balances, and prepare contingency plans to prevent overdrafts. Furthermore, adopting digital tools and technologies is highly recommended

to simplify budget preparation, enhance monitoring, and provide timely financial insights that support informed decision-making and long-term business stability.

To strengthen their long-term viability, SMEs need to integrate Corporate Sustainable Longevity dimensions into their regular planning and decision-making. These dimensions are namely, strategic perspective, customer orientation, financial strength, learning and growth, and internal capabilities. With those aspects being traits of sustained longevity, they should be translated into specific, measurable goals, treating them as key performance indicators (KPIs) to take a balanced approach in evaluating company development and resilience over time. Cash management practices should also directly support these goals such as maintaining financial liquidity, disciplined budgeting for strategic planning, and resource allocation for upgrades in internal capabilities.

The government has a vital role to play in supporting the growth and sustainability of SMEs. It is suggested that government institutions offer easily accessible training and capacity-building exercises in financial literacy, cash management, and digital adoption. Grants and financial assistance are also helpful to encourage SMEs to adopt sustainable financial practices. A cooperation with government agencies, SMEs would greatly achieve its long-term success.

Given the possibility of bias from self-reported survey responses, future studies are recommended to combine the utilized instrument with additional methods such as interviews, environmental observations, or financial record analysis to improve validity and reduce bias. Future researchers may consider adopting a more holistic view of Corporate Sustainable Longevity by combining trait-based indicators, as used in this study, with quantitative measures such as number of operational years, revenue growth, or profitability. Additionally, expanding the study to other cities, regions, or industries may enhance generalizability of findings. Lastly, future research may explore how other independent variables could influence or contribute towards Corporate Sustainable Longevity.

9. Ethical Standards

9.1. Funding

This study was conducted without external funding involved.

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9.3. Conflicts of Interest

The researchers declared no conflict of interest.

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