INVENTORY MANAGEMENT AND FIRM PERFORMANCE NEXUS: THE INFLUENCE OF CAPITAL INTENSITY

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Appendix 1. Variable measurement

Factor	Variables	Symbol	Measurement	Expected Sign	Source
Performance	ROA	roa	Net income / Average Total Asset		Koumanakos (2008); Cannon (2008)
	ROE	roe	Net income / Average total equity		Chen et al. (2005); Cannon (2008)
Inventory	Average inventory	inv	Average inventory value	+	Sahari et al. (2012)
	Average invetory days	ind	Average invetory days	-	Rajagopalan & Malhotra (2001); Sharma et al. (2022)
Capital intensity	Capital intensity	ins	Fixed asset / Total asset	-	Sharma et al. (2022)
Leverage	Leverage	lev	Total debt / Total asset	-	Modigliani & Miller (1958); Jensen & Meckling (2019)
Liquidity	Liquidity	liq	Free cash flow / Total asset	+	Chen et al. (2005)
Growth	Growth	grow	Grow in sales compare to last year	+	Koumanakos (2008)
Size	Firm size	size	Natural logarithm of total asset	+	Chen et al. (2005)
Covid 19	Covid 19 period	cov_19	Dummy variable: 0 if not in Covid19 period, 1 if in Covid19 period	-	Do et al. (2020)

Appendix 2. Descriptive Analysis

Variable	count	mean	std	min	25%	50%	75%	max
roa	4004	0.055	0.088	-0.675	0.013	0.047	0.097	0.722
roe	4000	0.135	2.344	-6.794	0.036	0.107	0.195	3.562
inv	4004	0.245	0.151	0	0.129	0.226	0.338	0.772
ind	4004	99.179	81.661	0.021	48.219	78.932	124.688	198.374
ins	4004	0.624	0.457	0	0.316	0.503	0.800	5.286
grow	4004	0.071	0.408	-0.876	-0.052	0.031	0.138	19.336
lev	4004	0.491	0.224	0.003	0.319	0.498	0.669	0.993
liq	4004	0.064	0.134	-0.962	-0.005	0.054	0.136	0.743
size	4004	27.102	1.577	22.908	25.951	26.938	28.056	32.866