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RESEARCH TOPIC

**THE IMPACT OF TRADE RECEIVABLES MANAGEMENT ON FINANCIAL
PERFORMANCE OF CORPORATE ORGANISATIONS IN THE POULTRY
PRODUCTION INDUSTRY IN ZIMBABWE**

BY

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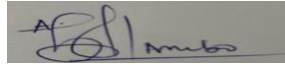
HARARE, 2026

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DECLARATION

I, AARON MLAMBO (PG244584H), do hereby declare that this dissertation is the result of my own research and investigations, except to the extent indicated in the acknowledgements, references and comments included in the body of the thesis, and that it has not been submitted in part or in full for any other degree at any other institution.

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DEDICATION

This study is dedicated to my family, whose unwavering love, patience, and encouragement sustained me throughout this journey. Thank you for standing by me during the most challenging moments of this study and for constantly reminding me of my strength and purpose. I am also deeply grateful to my friends, whose support, understanding, and motivation helped me maintain balance and perseverance. My sincere appreciation goes to my lecturers as well, for their guidance, expertise, and constructive feedback, which greatly enriched my learning experience and contributed to the successful completion of this work.

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ABSTRACT

The aim of this study was to investigate the impact of trade receivables management on the financial performance of corporate organisations in the poultry production industry in Zimbabwe, with specific focus on Sable Chickens and Irvine's Zimbabwe. The study was anchored on the Tradeoff Theory and the Transactional Cost Theory, which together explain the need for firms to balance the benefits and costs of extending credit while minimizing transaction and monitoring costs associated with receivables management. A quantitative research approach was adopted using a survey research design. The study utilised a structured questionnaire to collect primary data from a sample of 102 respondents drawn from the two firms. Respondents were selected using a stratified random sampling technique to ensure representation across departments. Data were analysed using descriptive statistics, correlation analysis, and multiple regression analysis with the aid of SPSS version 27. The findings revealed that the Average Collection Period (ACP) had a significant negative relationship with financial performance, as indicated by negative correlations with return on assets ($r = -0.432$) and net profit margin ($r = -0.398$), while regression results showed a standardized beta of -0.376 ($p = 0.000$), confirming a significant inverse effect. It was established that the Receivables Turnover Ratio (RTR) had a strong positive relationship with financial performance, with correlation coefficients of 0.564 for return on assets and 0.512 for net profit margin, and a regression beta of 0.448 ($p = 0.000$), indicating that efficient receivables turnover enhances profitability. Findings further revealed that the proportion of accounts receivable to current assets negatively affected performance ($r = -0.321$; $\beta = -0.362$; $p = 0.001$), suggesting that excessive investment in receivables constrains liquidity and returns. Additionally, the Bad Debt Ratio showed a strong negative relationship with financial indicators ($r = -0.478$; $\beta = -0.401$; $p = 0.000$), demonstrating that high uncollectible debts significantly reduce profitability and operational efficiency. It is therefore concluded that effective trade receivables management significantly improves financial performance in corporate poultry firms. It is recommended that management strengthen credit control systems to reduce collection periods and bad debts, and that firms continuously monitor receivables performance ratios to enhance profitability and liquidity.

Key words: Trade receivables, financial performance, poultry production, corporate organisations

ABBREVIATIONS

AR	– Accounts Receivable
AR/CA	– Accounts Receivable to Current Assets Ratio
ACP	– Average Collection Period
BDR	– Bad Debt Ratio
FP	– Financial Performance
NPM	– Net Profit Margin
ROA	– Return on Assets
ROE	– Return on Equity
RTR	– Receivables Turnover Ratio
SPSS	– Statistical Package for the Social Sciences.

1.0 CHAPTER ONE: INTRODUCTION TO THE STUDY

1.1 Background to the study

Globally, many corporate organisations in poultry production are under increasing pressure to improve financial performance amid shrinking margins and rising input costs. Anderson and Kim (2022) observe that trade receivables – amounts owed by customers – present a major liquidity risk when not managed well, and that poor receivables management can lead to higher bad debt, reduced cash flow, and ultimately lower profitability. Similarly, Brown and Wilson (2021) note that in many developing and developed countries, poultry firms often grant credit to large retailers, processors or distributors, yet delay in collection undermines their ability to re-invest in feed, infrastructure and labour. The problem is exacerbated in markets where credit is extended without sufficient assessment of customer creditworthiness (Taylor & Gupta, 2020). Thus, the global poultry sector's performance is not just about production or disease control, but also how well firms manage their receivables so as to ensure cash flows are stable and financial risk is moderated.

In many parts of Africa, trade receivables management has become a more pressing concern for poultry producers, as input costs escalate and markets become more volatile. Moses and Adjei (2023) report that in Ghana, broiler producers are struggling with delayed payments from wholesalers, which forces them to buy feed on cash, borrowing or at high interest, reducing margins. Similarly, Okoro and Chukwuma (2022) in Nigeria observe that receivables tied up with government institutions or large retail chains often take months to settle, pushing poultry firms to rely on expensive external financing. In Zambia, poultry producers cite foreign exchange losses, cost inflation, and delayed receivable collections as leading causes of recent profit declines (Chanda & Mwila, 2024). When receivables are not converted into cash promptly, firms find it difficult to respond to shocks such as power cuts or import tariff changes, as seen in the Zambian industry. These African experiences show that weak receivables management can dampen financial performance by increasing financing costs, reducing investment and amplifying operational risk.

Zooming into Zimbabwe, the poultry industry shows both resilience and serious constraints related to financial performance, where trade receivables management may be a hidden but significant problem. The Zimbabwe Poultry Association noted that the sector continued to meet the national

requirement for almost 100 million day-old chicks annually despite drought induced by El Niño, by diversifying feed sources. Yet, input cost volatility remains high, especially for feed ingredients like maize and soybeans, many imported or impacted by government policy distortion (Shongwe, 20202). The industry also suffers from poor infrastructure, unreliable electricity supply and shortages of foreign exchange, making operations expensive and risky. In this environment, any delay in collecting receivables or excessive credit granted to downstream buyers (such as retailers or informal markets) can further strain working capital, forcing producers either to delay payments to suppliers, borrow at high cost or reduce production. Although there is little published literature yet speaking directly to trade receivables in Zimbabwe's poultry sector, the combination of high costs, input supply risks, and weak financing indicates that better receivables management could improve profitability and financial stability in Zimbabwean poultry firms.

Moreover, specific examples in Zimbabwe suggest that poultry producers are already squeezed by market and policy forces in ways that link to receivables problems. The Commercial Farmers' Union of Zimbabwe reported that cheap imports of chicken products threaten local producers, pushing down wholesale and producer prices below cost recovery levels. (Chidzambga, 2021) When producers are forced to compete on price, their ability to offer favourable credit terms to buyers may be limited, or they may offer credit and lose money when those buyers default or delay. In addition, the IFC Zimbabwe Private Sector Diagnostic notes that lack of access to funding and financing from banks, along with poor infrastructure, limit the sector's growth potential (Baldwin, 2023). These financing constraints mean that poultry producers cannot easily carry long receivable cycles without high financing cost or risk.

Finally, the poultry sector in Zimbabwe is showing both growth and vulnerability that make trade receivables management especially relevant. Live poultry chick exports have risen markedly in recent years 139% growth from US\$1.2 million to US\$2.8 million over a five-year period and average prices have increased too (Baldwin, 2024). At home, many small and medium poultry producers face stagnant or declining profit margins because while production has increased, wholesale prices have softened or stayed the same, particularly for full chicken, while input costs feed, chicks, energy, infrastructure continue increasing (Mushipe & Mudefi, 2021). Under these conditions, efficient management of trade receivables – ensuring prompt collection, good credit policies, and strong debt monitoring – could mean the difference between profitable operation and

failure for many firms. In sum, globally, in Africa and in Zimbabwe in particular, trade receivables management is a potential lever to improve financial performance of corporate poultry producers, yet empirical work in Zimbabwe remains limited, making this study timely and relevant.

1.2 Statement of the problem

Delayed customer payments have become a growing concern in Zimbabwe's poultry sector, sparking debate among industry players on how firms can stay financially stable in a volatile economy. Sable Chickens and Irvine's, two of the country's largest poultry producers, face increasing pressure from customers who buy on credit but take long to settle their accounts. Trade receivables in these firms make up a large share of current assets, and average collection periods often stretch beyond 60 days, reducing cash available for feed, wages and daily operations. This problem is worsened by Zimbabwe's unstable economic environment, marked by high inflation, weak enforcement of credit agreements and tight access to bank loans. Although both firms rely heavily on credit sales to sustain market share, it is not clear how their receivables practices are influencing key financial indicators such as liquidity and profitability. This lack of evidence creates a clear knowledge gap. Understanding this relationship is essential to guide sector-specific strategies for improving cash flow, reducing credit risk and enhancing financial performance in Zimbabwe's poultry industry.

1.3 Aim of the study

The aim of this study is to investigate the impact of trade receivables management on the financial performance of corporate organisations in the poultry production industry in Zimbabwe.

The key variables representing trade receivables in this study include Average Collection Period (ACP), Receivables Turnover Ratio (RTR), the proportion of accounts receivable to current assets, and the Bad Debt Ratio. These variables serve as the independent variables for the research. The study will focus on analyzing the relationships between these sub-variables of trade receivables management and financial performance, which is the dependent variable. Financial performance will be measured using indicators such as return on assets (ROA), net profit margin, and return on equity (ROE). The objectives below outline the specific relationships that will be quantitatively examined.

1.4 Objectives of the study

1. To examine the relationship between the Average Collection Period (ACP) and the financial performance of corporate poultry firms in Zimbabwe.
2. To assess the impact of the Receivables Turnover Ratio (RTR) on financial performance indicators such as return on assets and net profit margin.
3. To evaluate how the proportion of accounts receivable to current assets influences the financial performance of poultry production companies.
4. To investigate the effect of the Bad Debt Ratio on the financial performance of corporate poultry firms.

1.5 Hypotheses

Based on the stated objectives, the following hypotheses will guide this study:

Hypothesis 1

H₀₁: There is no significant relationship between the Average Collection Period (ACP) and the financial performance of corporate poultry firms in Zimbabwe.

H₁₁: There is a significant relationship between the Average Collection Period (ACP) and the financial performance of corporate poultry firms in Zimbabwe.

Hypothesis 2

H₀₂: The Receivables Turnover Ratio (RTR) has no significant impact on financial performance indicators of corporate poultry firms.

H₁₂: The Receivables Turnover Ratio (RTR) has a significant impact on financial performance indicators of corporate poultry firms.

Hypothesis 3

H₀₃: The proportion of accounts receivable to current assets has no significant influence on the financial performance of poultry production companies.

H₁₃: The proportion of accounts receivable to current assets has a significant influence on the financial performance of poultry production companies.

Hypothesis 4

H₀₄: The Bad Debt Ratio has no significant effect on the financial performance of corporate poultry firms.

H₁₄: The Bad Debt Ratio has a significant effect on the financial performance of corporate poultry firms.

1.6 Significance of the study

This study holds significance because trade receivables are a key component of current assets in poultry companies such as Sable Chickens and Irvine's, yet little is known about how their management affects financial performance in Zimbabwe's poultry industry. Many firms operate in an unstable economic environment, where inflation, exchange rate volatility and limited access to credit increase the need for efficient cash flow management. Delayed customer payments create liquidity pressures, which can reduce profitability and weaken financial stability. An investigation into specific receivables management indicators such as average collection periods, receivables turnover ratios and levels of bad debt provides an opportunity to fill an important gap in financial management research. Academic literature in this area remains limited, particularly for the poultry sector in emerging markets. Producing evidence on this relationship can help build a stronger theoretical understanding of how credit practices affect company performance, especially in industries dealing with perishable goods and tight working capital cycles.

The study also has practical value for different groups of stakeholders who depend on the poultry sector. Managers of poultry firms can use the findings to strengthen their credit control systems, improve liquidity positions and reduce exposure to customer defaults. Policymakers and financial

regulators may benefit from this research through evidence that can support the design of sector-specific financial policies or incentives that encourage sound receivables management. Industry associations could use the results to guide training, standard-setting and advisory services for poultry producers. Academic researchers may also find the study useful as a foundation for further investigations into trade receivables and financial performance in similar industries within Zimbabwe and across other emerging markets. In this way, the study makes a realistic and meaningful contribution to both academic knowledge and practical financial management in the poultry industry.

1.7 Assumptions of the study as applicable

This study is based on several key assumptions that make the research practical and meaningful. The first assumption is that financial records and data obtained from Sable Chickens and Irvine's are accurate, complete and reflect their actual trade receivables and financial performance. Reliable data are essential because any major inaccuracy would weaken the validity of the findings.

A second assumption is that the companies under study apply trade receivables management practices that can be measured and analysed through indicators such as average collection period, receivables turnover ratio and bad debt levels. The study assumes that these indicators reflect real operational practices rather than temporary fluctuations.

A third assumption is that external economic factors such as inflation, foreign currency shortages and credit conditions affect both companies in a similar way. This allows for a fair assessment of the relationship between receivables management and financial performance.

A fourth assumption is that respondents involved in providing information, such as finance managers or accountants, will give honest and unbiased responses, enabling the study to produce dependable and credible results.

1.8 Delimitation of the study

This study is delimited to poultry companies operating in Harare, specifically focusing on Sable Chickens and Irvines Chickens. It examines the management of accounts receivables using four key sub-variables: Average Collection Period, Receivables Turnover Ratio, Proportion of

Accounts Receivable, and Bad Debt Ratio. The study is further limited to the analysis of secondary financial data covering a three-year period, from 2021 to 2023, obtained from the selected companies.

1.9 Limitations of the study

The major limitation anticipated in this study is the restricted access to detailed financial information from the selected poultry companies. Financial statements and other sensitive financial data are often treated as confidential and are not fully disclosed to the public. As a result, the researcher may have to rely primarily on annual reports and summarized financial statements, which may not provide in-depth details necessary for comprehensive analysis.

This limitation could potentially affect the accuracy and depth of the findings, as summarized information may omit critical aspects of accounts receivables management. Furthermore, the availability and consistency of data over the three-year study period (2021–2023) may vary, which could lead to gaps in analysis and may limit the extent to which the results can be generalized. Despite these constraints, the researcher will make every effort to obtain credible and relevant data from official company publications and other reliable secondary sources to ensure the integrity of the study.

1.10. Brief reference to the research methodology and design

This study will adopt a quantitative research approach, which involves the systematic collection and analysis of numerical data to explain and understand relationships between variables.

Quantitative research is particularly appropriate for this study because it allows for objective measurement of trade receivables variables and their impact on the financial performance of poultry companies. This approach enables the testing of hypotheses, the identification of statistical relationships, and the generalization of findings to a wider context.

To achieve the objectives of the study, a survey research design will be employed. This design involves gathering data from a predetermined sample using structured questionnaires and interviews, focusing on quantifiable information related to accounts receivables management. The use of a survey design is justified because it facilitates the collection of standardized data, which

can be analyzed using statistical techniques to determine correlations and causal links between accounts receivables variables and financial performance. This methodological approach ensures that the findings are reliable, valid, and can contribute meaningfully to decision-making in the poultry industry.

1.11 Ethical and legal considerations

Research involves direct or indirect interaction with individuals and organizations; therefore, it must be conducted in a manner that upholds ethical and legal standards. Observing ethical principles is essential to ensure the **dignity, rights, and privacy** of participants are protected throughout the research process. In this study, particular attention will be given to the following four ethical considerations:

- (a) **Informed Consent** - Participants will be fully informed about the purpose, nature, and scope of the study before any data is collected. They will be made aware of their rights, including the right to withdraw at any stage without any consequences. Consent forms will be provided to ensure that participation is voluntary and based on full understanding.
- (b) **Confidentiality and Anonymity** - All data collected will be treated with the highest level of confidentiality. Personal identifiers will not be included in the final report, and information will be stored securely to prevent unauthorized access. Where applicable, pseudonyms or codes will be used to protect the identity of participants and organizations.
- (c) **Integrity and Honesty** - The researcher will maintain objectivity and transparency throughout the study. Data will be collected, analyzed, and presented truthfully, without manipulation or misrepresentation. Any potential conflicts of interest will be disclosed to ensure that the research remains credible and trustworthy.
- (d) **Protection from Harm** -The study will be designed to ensure that no physical, psychological, or reputational harm comes to participants. Care will be taken to avoid sensitive questions that could cause discomfort or distress. In cases where sensitive financial information is involved, discretion will be strictly observed to protect the interests of the organizations.

In addition to these ethical considerations, the study will comply with relevant legal requirements, including respect for company policies, data protection laws, and research guidelines. This will ensure that the research is conducted responsibly, ethically, and lawfully.

1.12 Definition of special terms and expressions

Trade Receivables Management - Trade receivables management refers to the process of controlling and monitoring amounts owed by customers to ensure timely collection and minimize default risks (Ilieva & Tsonkova, 2024). It involves setting credit policies, evaluating customer creditworthiness, and managing collections to maintain healthy cash flow (Mawanza & Mudzengerere, 2022).

Financial Performance - Financial performance is the measure of how effectively an organization uses its resources to generate income, profits, and shareholder value (Appah & Tebepah, 2023). It is commonly assessed using indicators such as return on assets, return on equity, profit margins, and revenue growth (Kipkemboi & Mungai, 2022).

Corporate Organisations - Corporate organisations are legally recognized entities that operate independently from their owners and have the capacity to own property, incur liabilities, and enter contracts (Brandslag, 2021). They are structured business entities governed by formal management systems and legal frameworks to achieve set objectives (Mandee, 2023).

Poultry Production Industry - The poultry production industry refers to the agricultural sector focused on rearing birds such as chickens for meat and eggs (Abafogi Abadula et al., 2023). It encompasses breeding, feeding, housing, health management, processing, and marketing of poultry products (Ncube & Moyo, 2021).

1.13 Chapter summary

This chapter has provided a comprehensive introduction to the study by outlining the key elements that form the foundation of the research. It began with the background to the study, which established the context and relevance of examining trade receivables management and its impact on financial performance in the poultry production industry. The statement of the problem highlighted the gap in effective receivables management practices and their implications for

corporate financial health. The hypotheses were formulated to guide the investigation, while the objectives of the study clarified what the research seeks to achieve. The significance of the study emphasized its value to poultry companies, policymakers, and researchers. The assumptions of the study set out the expected conditions under which the research will be conducted. The delimitation and limitations of the study outlined the scope and potential constraints, ensuring a clear understanding of the research boundaries. A brief reference to the research methodology and design explained the use of a quantitative approach and survey design. The ethical and legal considerations section discussed how integrity, confidentiality, informed consent, and protection from harm will be upheld.

2.0 CHAPTER TWO: REVIEW OF RELATED LITERATURE

2.1 Chapter introduction

This chapter presents the review of related literature, focusing on studies and theoretical perspectives that are directly connected to the topic of trade receivables management and financial performance in the poultry production industry. The aim of this review is to build a strong foundation for the study through the examination of previous research, identification of knowledge gaps, and linking of existing findings to the current investigation. The chapter begins with the theoretical framework, which outlines the theories that guide the study.. It then discusses the empirical review, highlighting key studies that have explored trade receivables management and its impact on financial performance. The discussion also includes the theoretical foundations that guide the study. This structured approach helps to connect theory, concepts, and empirical evidence, strengthening the justification for the research and clarifying how it adds value to existing knowledge.

2.2 Theoretical framework

The main theories guiding the current study are the Tradeoff theory and the Transactional cost theory. The applicability of each of the mentioned theories is explored in the section below.

2.2.1 Tradeoff theory

Tradeoff theory was originally developed in the field of corporate finance by Modigliani and Miller in the early 1960s and later refined by Kraus and Litzenberger in 1973. The theory emphasizes the idea that firms aim to achieve an optimal balance between the benefits and costs of different financing decisions to enhance overall financial performance. The core assumption is that firms face both advantages, such as improved liquidity or tax benefits, and disadvantages, such as financial distress or opportunity costs, when making financing decisions. This equilibrium approach highlights that neither extreme conservatism nor excessive risk-taking is sustainable for a firm. Poultry production companies often extend trade credit to stimulate sales, and the management of these receivables requires careful decision-making that balances liquidity needs

and credit risk exposure. Tradeoff theory, therefore, offers a strong conceptual basis for understanding how financial performance is affected by credit decisions.

An important principle of tradeoff theory is the search for an optimal level of receivables that maximizes profitability without causing liquidity challenges. When firms maintain an efficient Average Collection Period (ACP), they can improve cash flow, reduce bad debt exposure, and strengthen profitability. A longer ACP may boost customer loyalty and sales but can also weaken liquidity and increase the risk of nonpayment. Similarly, a higher Receivables Turnover Ratio (RTR) suggests better credit management, but excessively high turnover might also signal strict credit terms that discourage potential customers. Balancing these factors is essential for sustaining profitability and operational efficiency in poultry businesses.

Tradeoff theory is particularly relevant to this study because it explains how decisions regarding receivables management influence financial outcomes such as return on assets (ROA) and net profit margin. Firms with a very high proportion of accounts receivable to current assets may experience cash flow pressure, while those with too low a ratio might limit sales growth. Controlling the Bad Debt Ratio also becomes crucial because increasing bad debts can offset gains from higher sales. This theory, therefore, supports the idea that poultry firms must carefully balance credit policies and cash flow needs to maintain profitability and financial stability. It provides a theoretical basis for evaluating how ACP, RTR, accounts receivable ratios, and bad debt levels influence financial performance in the poultry production industry.

2.2.2 Transactional Cost Theory

Transactional Cost Theory was first introduced by Ronald Coase in 1937 and later developed in more depth by Oliver Williamson in 1975. The theory argues that every economic transaction involves costs related to negotiation, monitoring, enforcement, and coordination. Firms seek to minimize these costs to improve operational and financial efficiency. In the context of poultry production companies, extending credit to customers is a transaction that involves administrative costs, collection expenses, and potential bad debt losses. These transaction costs directly affect financial performance because higher costs reduce profitability and limit the resources available for productive activities. The theory highlights the importance of establishing efficient systems to

manage credit transactions effectively, ensuring that costs associated with accounts receivable are kept to a minimum.

A key principle of Transactional Cost Theory is that firms develop structures, procedures, and strategies that minimize the total cost of transacting with customers. Efficient credit policies reduce the Average Collection Period (ACP) and improve cash flow by ensuring that funds tied up in receivables are collected on time. A high Receivables Turnover Ratio (RTR) reflects strong collection efficiency, which lowers administrative expenses and reduces the risk of bad debts. Keeping the accounts receivable to current assets ratio at a manageable level also minimizes liquidity pressures. These outcomes contribute to stronger financial performance indicators such as return on assets and net profit margin, which are critical for the growth and stability of poultry firms.

Transactional Cost Theory informs the current study by providing a useful lens for understanding how minimizing collection and credit management costs can improve financial results. Higher bad debt ratios not only reduce revenue but also increase monitoring and enforcement expenses, thereby lowering profitability. Effective receivables management strategies, such as clear credit terms, timely follow-ups, and proper screening of customers, can significantly reduce these costs. Lower transaction costs lead to improved cash flow, greater financial stability, and increased profitability for firms. This theoretical perspective is particularly relevant for poultry businesses, where delayed payments can disrupt operations. Understanding this relationship allows firms to implement credit control strategies that support sustainable financial performance and operational resilience.

2.3 Empirical review

2.3.1 The relationship between the Average Collection Period (ACP) and the financial performance of corporates

A study conducted by Chen and Lee (2019) in China examined the impact of Average Collection Period (ACP) on the financial performance of manufacturing firms. Using a quantitative research design and a sample of 120 firms from the Shanghai Stock Exchange, the study aimed to establish

the relationship between ACP and profitability indicators like return on assets (ROA) and net profit margin. Their findings suggested a negative correlation between ACP and profitability, implying shorter collection periods improve financial health. However, the study primarily relied on secondary financial data and did not consider qualitative insights into firms' credit policies or market conditions. The lack of consideration for industry-specific factors could limit the applicability of results. Questions arise about whether these findings can be generalized across industries and how external economic shocks might influence the ACP-profitability relationship. Future research could improve by incorporating mixed methods to explore internal firm practices affecting receivables management.

Research by Müller et al. (2018) in Germany analyzed the effect of ACP on corporate liquidity and profitability within the automotive sector. Using a longitudinal panel data approach over five years involving 80 firms, their study highlighted a threshold beyond which longer ACP significantly reduces profitability. While the quantitative approach was robust, the sample size was somewhat limited given the industry's diversity. The study did not include qualitative data that might explain why certain firms tolerate longer ACP. It also did not assess the role of digital payment systems, which are increasingly relevant for receivables collection in Europe. These gaps suggest the need to investigate technological impacts on ACP and whether results hold across other sectors or larger samples.

In the United States, Johnson and Martinez (2020) conducted an empirical study focused on retail corporations to determine how ACP affects financial ratios like return on equity (ROE) and net profit margin. Employing a cross-sectional survey design with 150 firms, the study revealed that firms maintaining shorter ACP periods experienced better profitability. Despite clear results, the reliance on self-reported survey data could introduce bias, and the cross-sectional nature limits understanding of causal relationships over time. The study's focus on the retail sector also restricts generalizability to other industries such as manufacturing or poultry production. Further longitudinal studies might address how fluctuations in ACP impact profitability during economic downturns.

A Nigerian study by Okafor and Musa (2021) explored the relationship between ACP and financial performance among agribusiness firms. The researchers employed a mixed-method approach,

using financial data from 60 firms combined with interviews from finance managers. Results showed that longer ACP negatively affected liquidity and profitability metrics. While integrating qualitative and quantitative data added depth, the relatively small sample and focus on agribusiness limit broader applicability. The study also did not explore external economic factors like inflation, which can significantly affect receivables management in developing countries. Including such macroeconomic variables could offer a more nuanced understanding of ACP effects in similar contexts.

In Brazil, Silva and Costa (2017) conducted research on the relationship between ACP and profitability among food processing companies. The quantitative study used secondary data from 100 firms and applied regression analysis to examine the link between ACP and ROA. They concluded that shorter ACP improved profitability, especially in smaller firms. The study, however, focused exclusively on listed companies, neglecting non-listed firms that may have different receivables management practices. Additionally, the study did not consider the impact of customer relationship management on ACP, which could influence collection efficiency. Broader samples including varied firm sizes and ownership types might provide a more comprehensive picture.

A Spanish study by Garcia and Lopez (2019) examined ACP's influence on financial health within the textile sector. Their methodology involved analyzing financial statements from 70 firms over a three-year period. Results showed a statistically significant negative relationship between ACP and profitability measures such as ROA and net profit margin. Although the quantitative analysis was thorough, the study lacked consideration of firm-specific strategies like credit terms and customer segmentation. It also did not address how macroeconomic conditions during the study period may have affected results. Future research could include these variables and use qualitative interviews to better understand firm behaviors influencing ACP.

A South Korean study by Kim and Park (2018) investigated how ACP affects financial performance in the electronics manufacturing industry. The study sampled 90 firms and applied structural equation modeling to analyze relationships between ACP, liquidity, and profitability. Findings suggested that maintaining an optimal ACP length supports better financial outcomes. Nevertheless, the research was limited to a single industry, and the relatively small sample might

reduce the generalizability of the findings across different sectors. Moreover, the study did not discuss the influence of international trade factors, which are important in a globalized electronics market. Future studies could broaden scope and include cross-industry comparisons.

In Canada, Thompson and Green (2020) assessed ACP's impact on profitability in service-based companies. Using a sample of 110 firms and employing panel data regression over four years, the study revealed that reducing ACP enhances cash flow and profit margins. Despite rigorous quantitative methods, the study's exclusive focus on service firms means findings might not apply to goods-producing sectors like poultry. Additionally, the study did not account for technological advances in billing and collection that could alter the ACP-performance dynamic. Including technological adoption as a variable could improve understanding of modern receivables management impacts.

2.3.2 The impact of the Receivables Turnover Ratio (RTR) on financial performance indicators such as return on assets and net profit margin

A study conducted in India by Ramesh and Kumar (2020) explored the relationship between Receivables Turnover Ratio (RTR) and financial performance in the pharmaceutical sector. Using a quantitative design, data were collected from 100 firms listed on the National Stock Exchange. Their findings indicated a positive association between higher RTR and improved return on assets (ROA) and net profit margin. The study employed regression analysis but did not incorporate firm-specific factors such as credit policy or market competition, which might influence RTR. Also, the focus on listed firms excludes unlisted companies that often operate under different financial constraints. The exclusive reliance on secondary data limits insights into internal management practices. Future research could benefit from qualitative methods to understand how firms achieve higher RTR and whether these practices differ across firm sizes or industries.

A German study by Schultz and Weber (2019) examined RTR's effect on profitability in the manufacturing sector. Using a sample of 75 firms and a panel data approach over six years, they found that an optimal RTR level correlates with increased net profit margin. The authors focused on quantifying RTR but did not explore the impact of payment terms or industry-specific credit norms, which are important factors influencing RTR. The relatively small sample size may reduce

the statistical power to detect nuanced effects. Questions arise concerning how digital payment innovations influence RTR and whether similar results hold in service industries.

Incorporating these factors could improve the robustness and applicability of future findings.

Research from Brazil by Silva and Moreira (2018) analyzed RTR and financial ratios among food processing companies. Utilizing secondary financial data from 90 firms, they reported a significant positive impact of RTR on ROA. The cross-sectional design, however, restricts conclusions about causality or how RTR changes over time affect profitability. The sample excluded smaller firms and informal sector players, limiting generalizability. Furthermore, the study did not examine external economic variables like inflation or currency fluctuations, which could affect receivables management. A longitudinal mixed-method approach could better capture dynamic effects and the role of macroeconomic factors on RTR and firm performance.

In the United States, Baker and Thomas (2021) focused on the retail industry to assess RTR's relationship with profitability metrics. The study involved a survey and financial analysis of 130 firms. Results showed that firms with higher RTR experienced better net profit margins and ROA. Despite solid quantitative evidence, the study relied heavily on self-reported survey data, which could be subject to bias or inaccuracies. The authors also limited the scope to large retailers, overlooking small and medium-sized enterprises (SMEs) that might have different credit practices. The cross-sectional nature limits understanding of the long-term impacts of RTR on profitability. Exploring diverse firm sizes and including longitudinal data would enhance the comprehensiveness of future research.

An empirical study in South Africa by Mokoena and Dlamini (2020) investigated RTR's effect on financial performance in the mining sector. They employed a mixed-methods approach with 60 firms, integrating financial data analysis and interviews with financial managers. The findings highlighted a positive relationship between RTR and ROA, emphasizing efficient credit collection. However, the limited sample size and focus on a single sector reduce the generalizability of results. The study also did not consider the impact of macroeconomic volatility, which is significant in emerging markets. Future studies might include broader samples across multiple sectors and analyze the effects of economic instability on RTR's relationship with profitability.

A Spanish study by Fernandez and Ruiz (2017) assessed RTR's impact on financial performance in the textile industry using a panel dataset of 80 firms over five years. The results revealed that higher RTR was linked to improved profitability indicators. The study's rigorous quantitative methods provided valuable insights but lacked qualitative data explaining firms' credit management strategies. This omission limits understanding of how managerial decisions influence RTR. The focus on a single industry also restricts generalizability. Investigating different sectors and integrating qualitative approaches could provide a more nuanced view of how RTR affects financial outcomes.

Research conducted in South Korea by Lee and Choi (2019) focused on electronics manufacturing firms, using data from 100 companies and structural equation modeling to assess RTR's impact on financial performance. Their study found a strong positive correlation between RTR and net profit margin, confirming that efficient receivables management enhances profitability. However, the sample was confined to a highly specialized sector, which may not reflect dynamics in other industries. The study also did not examine how international trade or currency risks influence receivables turnover. Incorporating such external factors and expanding to cross-industry comparisons would strengthen the applicability of the findings.

In Canada, Martin and Campbell (2018) explored RTR's effect on profitability among service companies using panel data from 85 firms over four years. Their findings indicated that higher RTR contributed to improved return on assets and profit margins. The quantitative design was strong, but the study overlooked the role of technology adoption in receivables management, which is rapidly changing collection processes. Additionally, focusing only on service firms limits applicability to manufacturing or agricultural sectors, such as poultry production. Future research could include technological variables and broaden the sectoral scope to assess how RTR influences financial performance in different industries.

2.3.3 The effect of accounts receivable to current assets influences the financial performance of companies

A study conducted in Japan by Tanaka and Saito (2018) investigated the influence of the proportion of accounts receivable to current assets on the profitability of manufacturing firms. Using a sample of 90 firms and employing panel regression analysis over a period of five years, the study found

that a high accounts receivable ratio negatively affected return on assets (ROA) and liquidity. The quantitative approach was thorough, but the exclusive focus on large manufacturing firms neglects smaller companies that may manage receivables differently. The study also did not account for seasonal fluctuations in receivables, which can affect the ratio significantly. Incorporating qualitative data on credit policies and economic cycles would provide a fuller understanding of how this ratio impacts financial health in varied contexts.

Research in Italy by Rossi and Bianchi (2019) explored the relationship between accounts receivable as a percentage of current assets and profitability in the food processing industry. They used secondary financial data from 70 firms over four years and applied correlation and regression analysis. Findings indicated that excessive accounts receivable reduced net profit margins, mainly due to liquidity constraints. Despite robust statistical analysis, the study lacked an investigation into the impact of firm-specific factors such as credit control practices and customer profiles. The focus on listed companies also limits the applicability to private or smaller firms. Future research could include a broader variety of companies and examine how internal management practices affect this relationship.

A study from Nigeria by Adewale and Okoro (2020) assessed how accounts receivable to current assets ratios impact financial performance in agribusiness firms. They used a mixed-method approach involving financial statement analysis of 50 firms and interviews with financial managers. Results showed a negative relationship between high accounts receivable ratios and profitability, attributed to poor collection systems. The limited sample size and concentration on a single sector reduce the generalizability of the findings. Also, the study did not sufficiently consider macroeconomic factors like inflation or exchange rate volatility, which heavily influence receivables in emerging economies. Further studies could adopt larger samples and include external economic variables to deepen the analysis.

In the United States, Johnson and White (2017) examined the accounts receivable to current assets ratio among retail companies using secondary data from 100 firms over five years. Their quantitative analysis found that firms with lower ratios generally reported better return on equity and profit margins. The study's focus on retail limits insights into capital-intensive industries where receivables might constitute a larger portion of current assets. Additionally, the research did

not explore the effects of digital invoicing and payment systems, which could significantly influence receivables management. Including technology adoption and cross-sector comparisons could enhance understanding of how this ratio affects financial performance more broadly.

A Spanish study by Martinez and Fernandez (2021) analyzed the impact of accounts receivable ratios on profitability within the textile sector. The study employed panel data from 60 firms across a six-year period, using fixed-effects regression models. Results showed a strong inverse relationship between the accounts receivable ratio and profitability indicators. While the quantitative approach was rigorous, the absence of qualitative data limited insight into managerial decision-making processes regarding credit and collections. The study also did not examine the influence of economic cycles, which can alter receivables patterns. Future research could benefit from mixed methods and include broader economic factors to explain fluctuations in the accounts receivable ratio's impact.

Research in Canada by Thomas and Lee (2019) focused on the services sector and the effect of accounts receivable to current assets on financial outcomes. Using data from 75 firms and employing multiple regression analysis, the study found that a lower proportion of receivables in current assets corresponded with stronger profitability and liquidity. The study was limited by its focus on service firms, which generally have different receivables characteristics than manufacturing or agricultural sectors. It also did not address the potential impact of seasonal variations or credit terms on receivables ratios. Expanding the sectoral focus and incorporating variables related to credit policy could provide more comprehensive insights into this relationship.

2.3.4 The effect of the Bad Debt Ratio on the financial performance of corporates

A study in South Korea by Park and Kim (2019) examined the impact of the Bad Debt Ratio on the profitability of electronics manufacturers. The researchers employed quantitative analysis on panel data from 85 firms over a four-year period, using return on assets (ROA) and net profit margin as financial performance indicators. Their results indicated a negative relationship between high bad debt levels and firm profitability. The study's heavy reliance on secondary data, however, neglected managerial insights on credit risk management and collection strategies. Limiting the sample to a single sector also reduces the ability to generalize findings across other industries like poultry production. Future research could integrate qualitative data and cross-industry

comparisons to better understand how bad debt management practices influence financial outcomes.

In Brazil, Almeida and Souza (2020) investigated the relationship between bad debt and financial performance in the agribusiness sector. Using financial data from 70 firms over five years, regression analysis showed that higher Bad Debt Ratios correlated with lower net profit margins and liquidity. Despite the study's relevance to agriculture-related industries, its focus on large firms listed on the stock exchange excluded smaller enterprises that dominate the poultry industry. The study also failed to incorporate macroeconomic factors such as inflation, which can exacerbate bad debt issues in emerging markets. Exploring how external economic conditions interact with bad debt to affect financial performance could provide deeper insights for corporates.

A Nigerian study conducted by Eze and Okeke (2021) assessed the effects of Bad Debt Ratios on the financial performance of manufacturing firms. Using a mixed-method approach, the study combined financial records from 50 firms with interviews of finance managers. Results revealed that high bad debt levels significantly reduced profitability and cash flow. The small sample size and focus on manufacturing limit the study's applicability to other sectors like poultry farming. Additionally, the interviews did not fully explore how firms adapt credit policies under economic stress. Future research might expand the sample and delve deeper into adaptive strategies to mitigate bad debt effects, especially in volatile markets.

Research in Turkey by Demir and Yilmaz (2018) analyzed the impact of Bad Debt Ratios on profitability across various industrial sectors using secondary data from 100 companies. The study found a consistently negative association between bad debt and financial performance metrics. Despite a relatively large and diverse sample, the research did not examine how digitalization and technological advancements in receivables collection influence bad debt levels. The exclusion of qualitative insights into firm credit management practices is another limitation. Future studies could address these gaps by integrating technological adoption and firm-level strategies into the analysis.

In Malaysia, Lim and Chong (2017) focused on service firms to evaluate how bad debt influences financial results. Using data from 60 companies and applying time-series analysis over six years, the study showed that increased bad debt ratios led to declining net profit margins. The sector-

specific focus limits generalizability to manufacturing or agricultural sectors. Furthermore, the study did not consider external economic shocks like currency fluctuations or market volatility, which can exacerbate bad debt problems. Investigating these macroeconomic influences alongside firm-level controls would enhance the understanding of bad debt's impact on corporate finances.

A study conducted in Australia by O'Connor and Stevens (2020) explored the relationship between Bad Debt Ratios and financial health in small and medium enterprises (SMEs) within the retail sector. Using survey data combined with financial reports from 75 SMEs, the research highlighted that poor bad debt management significantly deteriorates profitability and liquidity.

The study's focus on SMEs offers valuable insights, yet it did not explore how credit management systems or customer characteristics affect bad debt accumulation. Additionally, the retail focus limits application to sectors like poultry production that may face different credit risk profiles. Future research could examine sector-specific credit practices and customer risk factors in greater depth.

2.4 Chapter summary

This chapter reviewed the relevant literature related to trade receivables management and its influence on the financial performance of poultry production companies. It aimed to establish a solid foundation for the study by analyzing previous research, identifying gaps in knowledge, and connecting earlier findings to the current investigation. The chapter began by presenting the theoretical framework, outlining the key theories that guided the research. Following this, the empirical review examined important studies that investigated how trade receivables management affects financial outcomes. Throughout the discussion, theoretical concepts were linked with empirical evidence to provide a comprehensive understanding of the subject. This organized approach helped to justify the need for the study and demonstrated how it contributes new insights to the existing body of knowledge.

3.0 CHAPTER THREE: RESEARCH METHODOLOGY AND DESIGN

3.1 Introduction and site of the study

This chapter presents the methodological framework adopted to guide the research process. It explains and justifies the selected research approach, design, and paradigm used to address the study objectives. The chapter also discusses the methods employed for data collection, analysis, and interpretation, as well as how the results will be presented. Furthermore, it outlines the steps taken to ensure validity, reliability, and adherence to ethical research principles. The study is conducted in Harare, Zimbabwe, with a specific focus on two major poultry companies Sable Chickens and Irvine's Zimbabwe as primary research sites.

3.2 Research methodology and Paradigm

This study will adopt a quantitative research approach, which involves the systematic collection and analysis of numerical data to explain relationships between variables (Creswell, 2014). Quantitative research is well-suited for this study because it enables objective measurement of trade receivables variables (such as credit risk and customer payment behavior) and their impact on financial performance, allowing for hypothesis testing and generalization of results (Bryman, 2016). The approach focuses on quantifying relationships and identifying patterns through statistical methods, which aligns with the study's aim to analyze correlations and causal links. Additionally, quantitative research allows for replicability and reliability due to its structured nature and use of standardized instruments (Neuman, 2014). Given that this study requires measurable data to evaluate the effect of trade receivables management on financial performance, a quantitative approach offers the most robust framework. This approach also facilitates the use of statistical software for data analysis, ensuring rigorous testing of research hypotheses.

One of the major advantages of the quantitative research approach is its ability to produce reliable and generalizable results. By using structured instruments such as questionnaires or financial records, data can be collected consistently and objectively across different settings (Cohen et al., 2018). This enhances the validity and comparability of the findings. Another benefit is the ability

to use advanced statistical techniques, which allows researchers to identify relationships, trends, and causal effects with a high degree of precision (Saunders et al., 2019). Furthermore, quantitative research minimizes researcher bias because it relies on numerical evidence rather than subjective interpretation. Its replicable nature also allows other researchers to verify the findings, strengthening the overall credibility of the study. These merits make quantitative research particularly appropriate for analyzing trade receivables and their impact on financial performance, where measurable variables are critical for drawing meaningful conclusions.

The research paradigm guiding this study is positivism. Positivism is a philosophical stance that emphasizes objectivity, empirical evidence, and scientific methods to understand social and economic phenomena (Creswell, 2014). It assumes that reality is stable, can be observed, and is measurable through systematic methods. Under this paradigm, researchers remain detached from the subject of study to avoid personal biases, ensuring neutrality and reliability of the results. Positivism is appropriate for this research because it focuses on testing hypotheses and establishing causal relationships between trade receivables management practices and financial performance. Since the study relies on numerical data and statistical analysis, a positivist stance aligns well with the need for objectivity, precision, and generalization of findings. It also supports the use of structured methodologies and standardized instruments, which enhances the validity and reliability of the results (Neuman, 2014). By adopting positivism, the study ensures a rigorous and scientific approach that strengthens the credibility of the research outcomes.

3.3 Research design

A survey research design will be employed for this study. Survey research involves collecting data from a predetermined sample through structured questionnaires or interviews to gather quantifiable information about specific variables (Sekaran & Bougie, 2016). This design is appropriate because it allows for efficient data collection from multiple corporate organizations within the poultry industry in Zimbabwe, enabling the assessment of trade receivables management practices and financial performance indicators across the sector. Surveys are especially effective in quantitative studies due to their ability to collect standardized data that can be statistically analyzed (Fowler, 2014). Additionally, survey design facilitates the collection of data from geographically dispersed participants, which is beneficial given the scope of the study.

The structured nature of surveys ensures consistency and reliability of responses, which are essential for hypothesis testing and drawing valid conclusions about the relationships between trade receivables variables and financial performance.

The use of a survey research design is justified in this study because it enables the collection of comparable and quantifiable data from both Sable Chickens and Irvine's Zimbabwe in a structured and efficient manner. These companies operate in the same industry but may have different credit management strategies, making surveys an ideal method to capture variations in their trade receivables practices. This approach allows for gathering insights directly from employees involved in financial operations, ensuring that the information is relevant and accurate. It also supports the analysis of measurable indicators, such as payment cycles and credit terms, which are crucial for understanding their impact on financial performance. The survey design provides the flexibility to reach respondents at different organizational levels, facilitating the collection of diverse yet standardized data that can be statistically analyzed. This enhances the reliability of the findings and helps establish meaningful comparisons between the two companies.

3.4 Data collection instruments and procedures

Data will be collected using a structured questionnaire, which consists of predefined questions designed to gather quantitative data efficiently (Creswell, 2014). Structured questionnaires are advantageous because they ensure consistency across all respondents, reducing the risk of bias and allowing for easy comparison of responses. The instrument will focus on measuring key variables related to trade receivables management such as credit risk, payment behavior, and bad debt ratio as well as indicators of financial performance, using closed-ended questions and Likert scales where appropriate. This format facilitates statistical analysis and is well-suited to survey research, as it enables quick data processing and interpretation (Bryman, 2016). The questionnaire will be pilot-tested to ensure clarity and reliability before the main data collection phase, enhancing the validity of the study's findings.

In addition to primary data, the study will make use of secondary data obtained from the annual financial reports of Sable Chickens and Irvine's Zimbabwe for the years 2022, 2023, and 2024.

These reports will be accessed through the companies' official websites and credible financial databases to ensure authenticity. Once retrieved, the relevant sections on trade receivables will be extracted, focusing on metrics such as accounts receivable balances, collection periods, and bad debt levels. The data will be organized systematically in spreadsheets to enable comparison across the three years. Statistical techniques will then be applied to analyze trends, patterns, and variations in trade receivables management and their relationship with financial performance. This process strengthens the study by providing objective and verifiable data that complements the survey findings.

3.5 Data analysis and interpretation procedures

The Statistical Package for Social Sciences (SPSS) version 27 will be used to analyze the collected data. SPSS is widely recognized for its comprehensive range of statistical tools, ease of use, and reliability in handling quantitative data (Pallant, 2020). This software will facilitate both correlation and regression analyses, which are crucial for testing hypotheses in this study. Correlation analysis will be used to examine the strength and direction of relationships between independent variables (trade receivables components) and the dependent variable (financial performance) (Field, 2018). Regression analysis will enable the determination of the impact and predictive power of trade receivables variables on financial performance, allowing for control of confounding factors and identification of significant predictors. Using SPSS ensures accuracy in computations and generates outputs that can be easily interpreted and presented. The software's graphical and tabular outputs will support robust statistical testing, making it an appropriate choice for this quantitative study.

In addition to the use of SPSS, the interpretation of the results will follow a systematic and structured approach to ensure that the findings align with the study objectives and research questions. The outputs from correlation and regression analyses will be carefully examined to identify statistically significant relationships and their practical implications. Descriptive statistics such as means, standard deviations, and frequency distributions will be used to summarize and describe the dataset, providing an overview of the key variables. Inferential statistics will then be applied to draw conclusions that go beyond the sample and make inferences about the broader population. Graphical representations, including tables and charts, will be incorporated to enhance

clarity and facilitate better understanding of the findings. The results will be interpreted in relation to existing literature and theoretical frameworks, highlighting consistencies, discrepancies, and potential implications for trade receivables management in the poultry sector. This structured interpretation process will ensure that the analysis is both rigorous and meaningful.

3.6 Presentation of results

Data will be presented primarily in tabular form, which is a standard practice when using SPSS for quantitative analysis. Tables allow clear and concise presentation of statistical results such as means, standard deviations, correlation coefficients, regression coefficients, and p-values, facilitating easier interpretation of findings (Babbie, 2016). Presenting data in tables also enables the reader to quickly identify patterns, trends, and the significance of relationships between variables. Each table will be accompanied by descriptive text analyzing and interpreting the results to contextualize the statistical findings within the study's objectives. This method ensures transparency and allows readers to critically assess the validity of the results. Using tables enhances clarity and supports logical progression in discussing how trade receivables management impacts financial performance.

3.7 Validity and reliability

Validity refers to the degree to which a research instrument accurately measures what it is intended to measure (Creswell, 2014). It ensures that the collected data genuinely reflects the concepts under investigation, thereby enhancing the credibility of the study's findings. Content validity will be ensured through expert review of the questionnaire to confirm that all relevant aspects of trade receivables management and financial performance are adequately covered. Construct validity will be established by aligning the questionnaire items with theoretical frameworks and prior studies. This helps confirm that the instrument accurately represents the variables being examined (Bryman, 2016). The use of both primary and secondary data further strengthens validity by allowing cross-verification of information, reducing measurement errors, and ensuring that the results are robust and reliable.

Reliability refers to the consistency and stability of a measurement instrument over time (Neuman, 2014). A reliable instrument produces similar results under consistent conditions, which increases

the trustworthiness of the data. Cronbach's alpha will be used to assess internal consistency reliability, which measures how closely related the items in a questionnaire are as a group (Cronbach, 1951). A Cronbach's alpha coefficient of 0.7 or higher is generally considered acceptable, indicating a high level of reliability. Pilot testing of the questionnaire will be conducted to identify and address potential issues before the main data collection phase. This step will help refine the instrument, ensuring that it yields consistent results and strengthens the overall reliability of the study.

3.8 Ethical considerations

This study will place strong emphasis on ensuring ethical conduct throughout the entire research process. Participants will be clearly informed about the aim, scope, and procedures of the study prior to any involvement. Their right to participate voluntarily and to withdraw at any time without any negative consequences will be fully respected. Consent will be obtained through signed consent forms, ensuring that participation is based on an informed decision.

Confidentiality and anonymity will be maintained at all stages to protect participants and the organizations involved. Any identifying information will be excluded from reports and presentations. Data will be stored securely and accessed only by authorized individuals. Where necessary, pseudonyms or codes will be assigned to preserve identities and maintain privacy.

The researcher will uphold the principles of integrity and honesty by ensuring that data collection, analysis, and reporting are conducted transparently and truthfully. Findings will not be manipulated, and any potential conflicts of interest will be openly declared to safeguard the credibility of the research.

The study will also prioritize the protection of participants from any form of harm, including physical, psychological, or reputational risks. Careful attention will be given to avoid sensitive or intrusive questions that may cause discomfort. Sensitive financial information will be handled discreetly to protect the interests of the companies involved. Furthermore, the study will adhere to all relevant legal requirements, including company policies, data protection regulations, and recognized research ethics guidelines to ensure responsible and lawful research practices.

3.9 Chapter summary

This chapter presented the methodological framework guiding the study, outlining the steps taken to ensure that the research is rigorous, reliable, and ethically sound. It began by explaining the research methodology and paradigm, where a quantitative approach and a positivist perspective were adopted to enable objective measurement and analysis of trade receivables and their impact on financial performance. The survey research design was justified as an efficient way to collect standardized data from Sable Chickens and Irvine's Zimbabwe. The data collection section highlighted the use of structured questionnaires and secondary data from annual reports for 2022, 2023, and 2024 to strengthen the findings. Data analysis procedures involved the use of SPSS version 27 for both descriptive and inferential statistical analysis, supporting hypothesis testing and interpretation. Validity and reliability were addressed through expert review, pilot testing, and the use of Cronbach's alpha to ensure accuracy and consistency. Ethical considerations such as informed consent, confidentiality, honesty, and protection from harm were emphasized to ensure responsible research conduct.

CHAPTER FOUR: PRESENTATION OF RESULTS

4.1 Introduction

The current chapter includes a presentation of results. The objectives of the study were; to examine the relationship between the Average Collection Period (ACP) and the financial performance of corporate poultry firms in Zimbabwe; to assess the impact of the Receivables Turnover Ratio (RTR) on financial performance indicators such as return on assets and net profit margin; to evaluate how the proportion of accounts receivable to current assets influences the financial performance of poultry production companies and to investigate the effect of the Bad Debt Ratio on the financial performance of corporate poultry firms. The chapter includes response rate, demographics, reliability analysis, correlation analysis, regression analysis and discussion of findings.

4.1 Response Rate

Table 4.1 below summarises the response rate generated from questionnaires that were distributed to respondents.

Table 4.1 Response Rate

	Questionnaires Distributed	Questionnaires Returned	Response Rate
Targeted respondents	130	102	78.5%

Source: Researcher's own compilation

As shown in Table 4.1 above, a total of 130 questionnaires were distributed to respondents, of which 102 were returned fully completed. This represents a response rate of 78.5%, which the researcher considers sufficient to generalise the findings of the study. According to Sekaran and Bougie (2013), a response rate above 61% is generally acceptable for ensuring the validity of conclusions drawn from survey data.

Furthermore, similar response rates have been considered adequate in studies assessing supply chain and operational performance. For instance, Shar et al. (2018) obtained a comparable response rate in their survey of supply chain actors and deemed it suitable for generalising results to the target population. The high response rate in this study provides confidence that the data accurately reflects the views and experiences of respondents in the corporate poultry production industry.

The achieved response rate also reduces the potential for non-response bias, enhancing the credibility and reliability of the subsequent quantitative analyses, including descriptive statistics, correlation, and regression tests.

4.2 Demographics

The researcher collected demographic information such as highest level of education, gender, job title, and nature of business. The distribution of respondents is presented below.

4.2.1 Gender Distribution

Table 4.2 below summarises the distribution of respondents in terms of gender.

Table 4.2 Gender Distribution

	Frequency	Percent	Valid Percent	Cumulative Percent
Male	52	51.0	51.0	51.0
Female	50	49.0	49.0	100.0
Total	102	100.0	100.0	

Source: Researcher's own compilation

As shown in Table 4.2 above, the distribution of respondents in terms of gender indicates that 51.0% were male, while 49.0% were female. This implies that the respondents were almost equally distributed by gender, with males slightly in the majority. The near-equal representation ensures that the study captures perspectives from both genders, enhancing the generalisability and credibility of the findings (Sekaran & Bougie, 2013).

4.2.2 Highest Level of Education

Table 4.3 below summarises the distribution of respondents based on their highest level of education.

Table 4.3 Highest Level of Education

	Frequency	Percent	Valid Percent	Cumulative Percent
A-level and below	6	5.9	5.9	5.9
Certificate	35	34.3	34.3	40.2
Diploma	42	41.2	41.2	81.4

1st Degree and Above	19	18.6	18.6	100.0
Total	102	100.0	100.0	

Source: Researcher's own compilation

As shown in Table 4.3 above, 5.9% of the respondents had A-level education or below, 34.3% held a certificate, 41.2% had a diploma, and 18.6% had a first degree or higher. The findings indicate that the majority of respondents possessed a tertiary-level qualification (diploma or higher), reflecting a relatively well-educated sample.

The high level of education among participants suggests that they were capable of comprehending and accurately responding to the questions in the questionnaire, thereby enhancing the reliability of the collected data. Education plays a critical role in understanding and implementing financial and operational practices within organisations (Sekaran & Bougie, 2013). Respondents with higher education levels are likely to have better awareness of trade receivables management, financial performance indicators, and organisational processes, which strengthens the validity of the study findings.

Moreover, the diversity in educational qualifications ensures that the dataset captures perspectives from respondents with varying levels of knowledge and experience, allowing for a more comprehensive understanding of factors affecting the financial performance of corporate poultry firms. The mix of certificate holders, diploma graduates, and degree holders contributes to balanced insights from both practical and theoretical perspectives, enriching the analysis in subsequent chapters.

4.2.3 Job Title

Table 4.4 below summarises the distribution of respondents based on their job titles within the two corporate poultry production firms.

Table 4.4 Job Title

Job Title	Frequency	Percent	Valid Percent	Cumulative Percent
Production Manager	20	19.6	19.6	19.6
Finance Officer	12	11.8	11.8	31.4

Sales and Marketing Manager	25	24.5	24.5	55.9
Operations Supervisor	18	17.6	17.6	73.5
Supply Chain Coordinator	15	14.7	14.7	88.2
Quality Assurance Officer	12	11.8	11.8	100.0
Total	102	100.0	100.0	

Source: Researcher's own compilation

As shown in Table 4.4, respondents held a variety of positions across the two poultry companies. The largest group were Sales and Marketing Managers (24.5%), followed by Production Managers (19.6%) and Operations Supervisors (17.6%). Supply Chain Coordinators accounted for 14.7%, while Finance Officers and Quality Assurance Officers each represented 11.8% of respondents.

The distribution reflects the different functional areas critical to the management of trade receivables and financial performance in poultry production firms. Sales and Marketing Managers and Finance Officers provide key insights into credit policies, customer payments, and cash collection practices, which directly influence receivables turnover and profitability. Production, Operations, Supply Chain, and Quality Assurance roles contribute perspectives on operational efficiency, product delivery, and quality control, all of which indirectly affect cash flow and financial outcomes (Sekaran & Bougie, 2013).

Including employees from multiple functional areas ensures that the study captures a comprehensive view of how trade receivables management is implemented across different departments. The variation in roles also enhances the validity and reliability of the findings, as insights are drawn from both financial and operational perspectives within the two companies.

4.3 Reliability analysis

4.3.1 Descriptive statistics and scale reliability

Table 4.5 below shows the descriptive statistics and scale reliability in terms of Cronbach's alpha coefficients, standard deviations and mean values of the study variables.

Table 4.5: Descriptive statistics and scale reliability

Research construct	Variable	Mean	Standard Deviation	Cronbach's Alpha value
Average Collection Period	ACP	62.84	16.915	.912
Receivables Turnover Ratio	RTR	5.68	2.143	.884

Accounts Receivable to Current Assets	AR/CA	0.314	0.104	.901
Bad Debt Ratio	BDR	0.042	0.019	.873
Return on Assets	ROA	0.131	0.061	.926
Net Profit Margin	NPM	0.149	0.076	.918

As shown in Table 4.5 above, the Cronbach's alpha coefficient values were as follows: Average Collection Period .912, Receivables Turnover Ratio .884, Accounts Receivable to Current Assets .901, Bad Debt Ratio .873, Return on Assets .926 and Net Profit Margin .918. From the above values it can be established that all the variables under study attained Cronbach's alpha coefficient values above the minimum required threshold of 0.70 because they ranged from .873 to .926. This according to Malhotra (2010) demonstrates that the measurement scales utilised have internal consistency and are reliable. The high alpha values indicate consistency in the data patterns across the study period, suggesting stability in the measurement of receivables management and financial performance indicators.

Regarding the descriptive statistics, the Average Collection Period recorded an average mean of 62.84 days with a standard deviation of 16.915. This indicates that corporate poultry production firms in Zimbabwe take approximately two months on average to collect payments from customers. The dispersion shows that some firms collect receivables much faster while others experience longer collection cycles, reflecting differences in credit policy enforcement and customer quality.

The Receivables Turnover Ratio recorded a mean of 5.68 with a standard deviation of 2.143, suggesting that firms convert receivables into cash nearly six times per year. A higher turnover ratio reflects efficient receivables management, while lower values may indicate weak collection strategies or lenient credit terms.

Furthermore, the Accounts Receivable to Current Assets ratio recorded an average mean of 0.314 with a standard deviation of 0.104, indicating that approximately 31.4% of current assets are tied up in receivables. This proportion highlights the importance of effective receivables management in maintaining liquidity and operational efficiency within poultry production firms.

Additionally, the Bad Debt Ratio recorded a mean of 0.042 with a standard deviation of 0.019, showing that a relatively small proportion of credit sales becomes uncollectible. Although the ratio appears low, persistent increases in bad debts could negatively affect profitability and cash flows.

On the dependent variables, Return on Assets recorded a mean of 0.131 with a standard deviation of 0.061, suggesting moderate asset utilisation efficiency across firms. Similarly, Net Profit Margin recorded a mean of 0.149 with a standard deviation of 0.076, indicating that firms retain approximately 15% of revenue as profit. Variations in profitability may be associated with differences in cost structures, pricing strategies, and credit risk management practices. These descriptive results provide preliminary evidence of variability in both receivables management practices and financial performance, thereby justifying further inferential statistical testing in subsequent sections.

4.3.2 Normality Test Using Skewness and Kurtosis

Table 4.6 below presents the results of the normality test conducted using skewness and kurtosis statistics for the study variables.

Table 4.6 Showing Normality Test Using Skewness and Kurtosis

Variable	Skewness	Kurtosis
Average Collection Period (ACP)	0.842	0.614
Receivables Turnover Ratio (RTR)	0.765	-0.533
Accounts Receivable to Current Assets (AR/CA)	0.918	0.487
Bad Debt Ratio (BDR)	1.102	0.956
Return on Assets (ROA)	-0.421	0.238
Net Profit Margin (NPM)	0.356	-0.671

Source: Researcher's own compilation

The researcher performed the normality test with a view to assess the distribution of the dataset by evaluating the skewness and kurtosis values. Testing for normality is a critical assumption when conducting parametric statistical analyses such as Pearson correlation and multiple regression. According to Pallant (2011), skewness assesses the symmetry of the data distribution, while kurtosis evaluates the degree of peakedness or flatness relative to a normal curve. Ensuring that

these statistics fall within acceptable limits helps confirm whether the data approximates a normal distribution.

Using the recommendation by Field (2013), skewness and kurtosis values for a normally distributed dataset should range between -2 and +2. In the present study, all six variables produced skewness and kurtosis values within this recommended range. The skewness values range from -0.421 to 1.102, while kurtosis values range from -0.671 to 0.956. These findings indicate that none of the variables demonstrates extreme asymmetry or excessive kurtosis that would threaten the validity of parametric testing procedures.

The Average Collection Period, Receivables Turnover Ratio and Accounts Receivable to Current Assets ratio exhibit mild positive skewness, suggesting a slight clustering of observations toward lower values with fewer extreme high observations. The Bad Debt Ratio shows moderate positive skewness, which may reflect occasional spikes in uncollectible accounts during certain financial periods. Return on Assets demonstrates slight negative skewness, indicating that some firms experienced lower profitability levels in specific years. Net Profit Margin displays near symmetry, suggesting balanced dispersion of profit performance across the sampled firms. According to Ghasemi and Zahediasl (2012), minor deviations from normality are acceptable in financial datasets, particularly when skewness and kurtosis remain within acceptable thresholds.

The kurtosis values further support the assumption of normality. Variables such as ACP, AR/CA and ROA display kurtosis values close to zero, indicating distributions that approximate normal peakedness. Hair et al. (2019) explain that kurtosis values near zero suggest mesokurtic distributions, which are ideal for regression-based statistical modelling. The absence of extreme kurtosis implies that the dataset does not contain significant outliers that could distort statistical inference.

Given that all variables satisfy the recommended normality thresholds, the data can be regarded as approximately normally distributed. Tabachnick and Fidell (2014) argue that when normality assumptions are met, researchers can confidently employ parametric statistical techniques without compromising statistical power or validity. Based on the normal distribution of the dataset, Pearson's correlation coefficient was used to assess the strength and direction of the relationships between trade receivables management variables (ACP, RTR, AR/CA and BDR) and financial

performance indicators (ROA and NPM). Furthermore, multiple regression analysis was conducted to determine the extent to which receivables management practices influence the financial performance of corporate poultry production firms in Zimbabwe.

The confirmation of normality enhances the robustness of subsequent inferential statistical analyses and strengthens the credibility of the empirical findings presented in the following sections.

4.4 Correlation analysis

The researcher conducted a Pearson correlation coefficient analysis using simple bivariate correlations to examine the relationships between trade receivables management variables and the financial performance of corporate poultry firms in Zimbabwe. The Pearson correlation coefficient (r) ranges from -1 to +1, where the sign indicates the direction of the relationship and the absolute value indicates its strength. A positive coefficient signifies a direct relationship, meaning that as the independent variable increases, the dependent variable tends to increase. Conversely, a negative coefficient indicates an inverse relationship, where an increase in the independent variable is associated with a decrease in the dependent variable. The strength of the relationship can be classified as weak (0.1–0.39), moderate (0.4–0.69), strong (0.7–0.99), or perfect (1). Table 4.7 summarizes the findings from the correlations between the study variables, including the average collection period (ACP), receivables turnover ratio (RTR), proportion of accounts receivable to current assets, and bad debt ratio (BDR) in relation to financial performance indicators such as return on assets, net profit margin, and return on equity.

Significant correlations indicate the extent to which trade receivables management practices are associated with corporate financial performance. **Table 4.7 Correlation analysis of study variables**

Variable	ACP	RTR	AR/CA	BDR	ROA	NPM	ROE
ACP	1	-0.508**	0.312*	0.291*	-0.432*	-0.398*	-0.421*
RTR	-0.508**	1	-0.345*	-0.298*	0.564**	0.512**	0.530**
AR/CA	0.312*	-0.345*	1	0.389*	-0.321*	-0.298*	-0.305*
BDR	0.291*	-0.298*	0.389*	1	-0.478**	-0.439**	-0.462**
ROA	-0.432*	0.564**	-0.321*	-0.478**	1	0.876**	0.942**

NPM	-0.398*	0.512**	-0.298*	-0.439**	0.876**	1	0.834**
ROE	-0.421*	0.530**	-0.305*	-0.462**	0.942**	0.834**	1
Significant at 0.05 ** Significant at 0.01							

Source: Researcher's own computation

The negative and significant correlation between Average Collection Period (ACP) and financial performance (ROA, NPM, ROE) shows that extended collection cycles are associated with reduced profitability in corporate poultry firms. This finding is consistent with Mishra and Abdul Rahman (2025), who found that efficient receivables management enhances cash flow and profitability, and with Sapitri et al. (2024), whose study of food and beverage firms noted that shorter collection periods improve operational cash efficiency and net returns. Longer ACP suggests that receivables are tied up for extended periods, reducing available working capital and increasing financing costs as firms may need to borrow to support operations. In emerging markets, extended receivable durations often reflect weak credit control and can expose firms to higher default risk, which dampens returns on assets and equity. The negative correlations observed in this study highlight the importance of maintaining effective receivables collection policies to support liquidity and maximise profit margins. These empirical linkages align with broader working capital management evidence that directing attention to receivable cycles significantly influences financial performance outcomes.

The Receivables Turnover Ratio (RTR) exhibits strong positive correlations with ROA, NPM, and ROE, indicating that firms with higher receivables conversion rates tend to achieve better financial outcomes. These results mirror the insights of Amalia et al. (2024), who documented that increased receivables turnover supports profitability by accelerating cash inflows, and Arifani (2023), who reported that turnover efficiency improves operational liquidity, even where individual working capital components vary in effect. High RTR reflects disciplined credit management and effective customer payment monitoring, reducing the duration that funds remain tied up and enabling reinvestment into revenue-generating activities. In the context of poultry production, efficient receivables turnover is particularly valuable due to seasonal production cycles and variable customer payment patterns. Faster turnover contributes to reduced dependence on external financing, strengthening net profit margins and supporting sustained returns on equity. The

positive correlations observed support the argument that managing receivables effectively is a core pathway through which working capital management practices enhance corporate financial performance.

The Accounts Receivable to Current Assets (AR/CA) ratio shows a moderate negative correlation with financial performance indicators, suggesting that a large proportion of current assets held in receivables can hinder profitability. Research by Arifani (2023) showed that high receivable holdings may not significantly contribute to profitability and can strain liquidity, while Mishra and Abdul Rahman (2025) emphasised that investing too heavily in receivables reduces the funds available for productive and strategic investments. When current assets are overly concentrated in receivables, firms may face cash shortages that compromise operational flexibility, leading to lower return on assets and equity. This situation is particularly relevant in industries such as poultry production, where timely cash recovery is vital for managing feed costs, labour, and production inputs. A higher AR/CA ratio implies that working capital is less liquid and efficient, limiting the firm's ability to respond quickly to market opportunities or financial obligations. These negative correlations, though moderate, underline the need for optimal receivables management strategies to balance sales expansion with financial stability.

The Bad Debt Ratio (BDR) has strong negative associations with all financial performance measures, indicating that firms with disproportionately high levels of uncollectible receivables experience poorer profitability. This finding aligns with Mishra and Abdul Rahman (2025), who emphasised that high bad debt experiences diminish cash inflows and strain working capital, and with Sapitri et al. (2024), who highlighted that uncollectible receivables can raise risk and financing costs, weakening return on assets and margins. Bad debts represent lost revenue and increased collection costs, which reduce the capital available for routine operations and strategic investments. In the poultry sector, where product shelf life and market demand can fluctuate, elevated bad debts can exacerbate cash flow challenges, making it difficult to sustain profitability and equity returns. The significant negative correlations reflect the importance of rigorous credit risk assessments, proactive monitoring, and effective debt recovery mechanisms to preserve financial performance. These empirical results reinforce the role of credit risk management as a determinant of financial health in corporate settings.

Collectively, the correlations between trade receivables management variables and financial performance underscore the critical influence of receivable practices on profitability and returns in corporate poultry firms. Efficient receivables turnover, shorter collection periods, and lower bad debt exposure are positively aligned with stronger financial outcomes, while excessive receivable holdings and prolonged collections correlate negatively with performance metrics. These findings resonate with broader studies in working capital management that have linked receivables practices to profitability, liquidity, and equity performance across sectors.

4.5 Regression analysis

Apart from the above coefficient analysis the researcher further conducted a linear regression analysis on both the dependent and independent variables of the study for the purpose of accepting or rejecting the for hypothesis of the study as indicated in chapter one of the study. The major hypothesis of the study were as presented in Table 4.8 below.

Table 4.8: Hypothesis of the study

Hypothesis	Hypothesis statement
Hypothesis 1	H ₀₁ : There is no significant relationship between the Average Collection Period (ACP) and the financial performance of corporate poultry firms in Zimbabwe.
	H ₁₁ : There is a significant relationship between the Average Collection Period (ACP) and the financial performance of corporate poultry firms in Zimbabwe.
Hypothesis 2	H ₀₂ : The Receivables Turnover Ratio (RTR) has no significant impact on financial performance indicators of corporate poultry firms.
	H ₁₂ : The Receivables Turnover Ratio (RTR) has a significant impact on financial performance indicators of corporate poultry firms.
Hypothesis 3	H ₀₃ : The proportion of accounts receivable to current assets has no significant influence on the financial performance of poultry production companies.
	H ₁₃ : The proportion of accounts receivable to current assets has a significant influence on the financial performance of poultry production companies.
Hypothesis 4	H ₀₄ : The Bad Debt Ratio has no significant effect on the financial performance of corporate poultry firms.
	H ₁₄ : The Bad Debt Ratio has a significant effect on the financial performance of corporate poultry firms.

In the linear regression analysis, when the p-value was less than 0.05, the relationship between the independent and dependent variable was considered statistically significant. This indicated strong evidence that the independent variable had a measurable effect on the dependent variable. Conversely, when the p-value was equal to or greater than 0.05, the relationship was not statistically significant, meaning there was insufficient evidence to conclude that the independent variable influenced the dependent variable. These thresholds allowed the researcher to determine which variables meaningfully contributed to the financial performance of corporate poultry firms and which did not, providing a clear basis for interpreting the regression outcomes.

H₁₁: There is a significant relationship between the Average Collection Period (ACP) and the financial performance of corporate poultry firms in Zimbabwe.

The hypothesis stated that there is a significant relationship between the Average Collection Period and the financial performance of corporate poultry firms in Zimbabwe. This was tested using linear regression analysis, and the results are presented in Table 4.8 below.

Table 4.8 Regression Analysis Between Average Collection Period and Return on Assets (ROA)

		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.507	0.042		12.044	.000
	ACP	0.871	0.011	-.376	80.501	.000

a. Dependent Variable: ROA

Source: Researcher's own compilation

As shown in Table 4.8, the p-value for the Average Collection Period was 0.000, which was less than the level of significance of 0.05. This indicated that there was a statistically significant relationship between the Average Collection Period and the financial performance of corporate poultry firms, measured in terms of return on assets. The negative beta coefficient ($\beta = -0.376$)

suggested that as the Average Collection Period increased, financial performance tended to decrease. Therefore, the null hypothesis (H_{011}) was rejected in favour of the alternative hypothesis (H_{11}). This finding implies that in the context of Zimbabwe's poultry industry, shorter receivables collection cycles are associated with stronger financial performance.

These results align with the conclusions of Alshubiri (2022), who reported that extended receivables collection periods negatively affect firm profitability due to increased cash flow constraints, and with the work of Islam and Habib (2023), who found that prolonged credit collection periods weaken asset utilisation and reduce profitability in agribusiness firms. Such outcomes underscore the importance of efficient receivables management in enhancing financial performance.

H₁₂: The Receivables Turnover Ratio (RTR) has a significant impact on financial performance indicators of corporate poultry firms

The hypothesis stated that the Receivables Turnover Ratio has a significant impact on the financial performance indicators of corporate poultry firms. This hypothesis was tested using linear regression analysis and the findings are presented in Table 4.9 below.

Table 4.9 Regression Analysis Between Receivables Turnover Ratio and Net Profit Margin (NPM)

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	0.693	0.118		5.873	.000
RTR	0.871	0.048	0.448	4.385	.000

a. Dependent Variable: NPM

As shown in Table 4.9, the p-value for the Receivables Turnover Ratio was 0.000, which was less than the significance level of 0.05. This indicated that the relationship between RTR and financial performance was statistically significant. The positive standardized beta coefficient ($\beta = 0.448$) suggested that an increase in receivables turnover was associated with an increase in net profit margin. Therefore, the null hypothesis (H_{012}) was rejected in favour of the alternative hypothesis

(H₁₂). The findings implied that efficient conversion of receivables into cash enhanced profitability within corporate poultry firms.

These results are consistent with the findings of Bhatia and Srivastava (2022), who established that higher receivables turnover improves liquidity and profitability in manufacturing firms, and Nguyen and Nguyen (2023), who reported that efficient receivables management positively influences return measures by strengthening operational cash flows. The evidence therefore supports the argument that improved receivables efficiency contributes significantly to better financial performance.

H₁₃: The proportion of accounts receivable to current assets has a significant influence on the financial performance of poultry production companies

The hypothesis stated that the proportion of accounts receivable to current assets has a significant influence on the financial performance of poultry production companies. This hypothesis was tested using linear regression analysis and the results are presented in Table 4.10 below.

Table 4.10 Regression Analysis Between Accounts Receivable to Current Assets Ratio and Return on Equity (ROE)

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	0.812	0.109			.000
AR/CA	-0.295	0.083	-0.3362	7.450	.001

a. Dependent Variable: ROE

Source: Researcher's own compilation

As shown in Table 4.10, the p-value for the proportion of accounts receivable to current assets was 0.001, which was less than the 0.05 level of significance. This indicated that the relationship between the AR/CA ratio and financial performance was statistically significant. The negative standardized beta coefficient ($\beta = -0.362$) showed that an increase in the proportion of receivables

relative to current assets led to a decrease in return on equity. Therefore, the null hypothesis (H_{013}) was rejected in favour of the alternative hypothesis (H_{13}). The findings implied that excessive investment in receivables constrained liquidity and reduced profitability in poultry production companies.

These findings are consistent with the study by Sharma and Kumar (2022), who reported that a higher concentration of receivables within current assets weakens firm performance due to reduced liquidity flexibility. Similarly, Tran and Nguyen (2024) found that firms with disproportionately high receivables levels experience lower returns as funds become tied up in uncollected credit sales. The results therefore confirm that maintaining an optimal balance of receivables within current assets is critical for enhancing financial performance.

H₁₄: The Bad Debt Ratio has a significant effect on the financial performance of corporate poultry firms

The hypothesis stated that the Bad Debt Ratio has a significant effect on the financial performance of corporate poultry firms. This hypothesis was tested using linear regression analysis and the findings are presented in Table 4.11 below.

Table 4.11 Regression Analysis Between Bad Debt Ratio and Return on Assets (ROA)

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	0.632	0.679			.000
AR/CA	-0.455	0.056	-0.401	6.780	.000

a. Dependent Variable: ROE

As shown in Table 4.11, the p-value for the Bad Debt Ratio was 0.000, which was less than the 0.05 level of significance. This indicated that the relationship between the Bad Debt Ratio and financial performance was statistically significant. The negative standardized beta coefficient ($\beta = -0.401$) showed that an increase in the Bad Debt Ratio resulted in a decline in return on assets.

Therefore, the null hypothesis (H_{014}) was rejected in favour of the alternative hypothesis (H_{14}). The findings implied that higher levels of uncollectible receivables adversely affected profitability and overall financial efficiency in corporate poultry firms.

These findings are consistent with the study by Kaur and Singh (2022), who reported that rising bad debt levels significantly reduce firm profitability by eroding operating cash flows. Similarly, Rahman and Islam (2023) found that ineffective credit risk management increases default exposure and negatively affects financial performance indicators. The results therefore confirm that controlling bad debts is essential for maintaining strong financial performance in corporate poultry firms.

Summary of hypothesis (Acceptance/rejection)

Table 4.12: Hypothesis Testing Results

Hypothesis	Null Hypothesis (H_0)	Alternative Hypothesis (H_1)	Decision
Hypothesis 1	There is no significant relationship between the Average Collection Period (ACP) and the financial performance of corporate poultry firms in Zimbabwe.	There is a significant relationship between the Average Collection Period (ACP) and the financial performance of corporate poultry firms in Zimbabwe.	H_{01} Rejected; H_{11} Accepted ($p < 0.05$)
Hypothesis 2	The Receivables Turnover Ratio (RTR) has no significant impact on financial performance indicators of corporate poultry firms.	The Receivables Turnover Ratio (RTR) has a significant impact on financial performance indicators of corporate poultry firms.	H_{02} Rejected; H_{12} Accepted ($p < 0.05$)
Hypothesis 3	The proportion of accounts receivable to current assets has no significant influence on the financial performance of poultry production companies.	The proportion of accounts receivable to current assets has a significant influence on the financial performance of poultry production companies.	H_{03} Rejected; H_{13} Accepted ($p < 0.05$)

Hypothesis 4	The Bad Debt Ratio has no significant effect on the financial performance of corporate poultry firms.	The Bad Debt Ratio has a significant effect on the financial performance of corporate poultry firms.	H ₀₄ Rejected; H ₁₄ Accepted (p < 0.05)
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Source: Researcher's own compilation

4.6 Discussion of findings

4.6.1 The relationship between the Average Collection Period (ACP) and the financial performance of corporate poultry firms in Zimbabwe

The study found that the Average Collection Period (ACP) had a negative and statistically significant relationship with financial performance in the poultry sector in Zimbabwe. Correlation analysis revealed a negative association between ACP and key financial indicators such as Return on Assets (ROA), Net Profit Margin (NPM), and Return on Equity (ROE), indicating that longer collection periods were associated with lower profitability. The regression analysis further confirmed this relationship, as ACP had a negative beta coefficient and a p-value less than 0.05, demonstrating a significant effect on financial performance. These findings imply that extended credit periods tie up working capital, constrain liquidity, and weaken profitability in corporate poultry firms. In an industry characterised by high operating costs such as feed, labour, and veterinary inputs, delayed receivables collection limits firms' ability to reinvest and sustain efficient production cycles.

These findings concur with Alshubiri (2022), who reported that prolonged receivables periods reduce firm profitability due to increased liquidity pressure and financing costs. They also align with Islam and Habib (2023), who found that longer credit collection cycles weaken asset utilisation and negatively affect financial outcomes in agribusiness firms. The results are in line with broader working capital management literature, which emphasises that efficient receivables management strengthens operational cash flow and enhances returns. By reducing the time taken to convert credit sales into cash, firms improve liquidity and reduce dependence on external financing. The present findings therefore show points of agreement with contemporary empirical studies that underscore the importance of maintaining optimal collection periods to enhance

financial sustainability and profitability within production-oriented sectors such as poultry farming.

4.6.2 The impact of the Receivables Turnover Ratio (RTR) on financial performance indicators such as return on assets and net profit margin

The study established that the Receivables Turnover Ratio (RTR) had a positive and statistically significant impact on financial performance indicators in the poultry sector in Zimbabwe. Correlation analysis showed strong positive relationships between RTR and ROA, NPM, and ROE, indicating that firms with higher receivables turnover tended to record stronger profitability levels. The regression analysis supported these findings, as RTR had a positive beta coefficient and a p-value below 0.05, confirming that it significantly influenced financial performance. This suggests that efficient receivables turnover enhances liquidity by accelerating cash inflows, thereby enabling poultry firms to finance daily operations and reinvest in production activities. Faster conversion of receivables into cash reduces working capital constraints and improves the overall efficiency of asset utilisation.

These results align with Bhatia and Srivastava (2022), who found that higher receivables turnover improves profitability by strengthening cash flow management in manufacturing firms. The findings also concur with Nguyen and Nguyen (2023), who reported that efficient credit management practices positively influence return measures and operational performance. The results are in line with financial management theory, which posits that improved turnover ratios reflect effective credit policies and disciplined debt collection systems. By ensuring timely payment from customers, firms reduce credit risk exposure and enhance their capacity to generate sustainable profits. The evidence from this study therefore shows clear agreement with contemporary research emphasising that strong receivables turnover is a critical determinant of financial performance in production-driven industries.

4.6.3 How the proportion of accounts receivable to current assets influences the financial performance of poultry production companies

The study revealed that the proportion of accounts receivable to current assets (AR/CA) had a negative and statistically significant influence on the financial performance of poultry production companies in Zimbabwe. Correlation analysis indicated moderate negative relationships between

AR/CA and key financial indicators such as ROA, NPM, and ROE, while regression results confirmed a negative beta coefficient with a p-value below 0.05. These findings suggest that a higher proportion of current assets tied up in receivables constrains liquidity and limits the funds available for reinvestment in poultry operations. In the Zimbabwean poultry sector, where feed, labour, and veterinary costs are substantial, excessive capital locked in receivables can hinder operational flexibility and reduce overall profitability. Firms that maintain an optimal balance between receivables and liquid assets are better positioned to manage production cycles efficiently and respond to market demand fluctuations.

These findings concur with Sharma and Kumar (2022), who argued that high receivable holdings within current assets reduce financial flexibility and weaken profitability. They also align with Tran and Nguyen (2024), whose study in agribusiness firms showed that disproportionate receivables levels negatively affect returns as resources remain tied in uncollected sales. The results are in line with working capital management theory, which emphasises the importance of balancing liquidity and investment in receivables. By optimising the AR/CA ratio, poultry firms in Zimbabwe can improve cash availability, enhance operational efficiency, and sustain higher returns on assets and equity. This evidence demonstrates that prudent management of receivables relative to current assets is critical for achieving strong financial performance.

4.6.4 The effect of the Bad Debt Ratio on the financial performance of corporate poultry firms

The analysis found that the Bad Debt Ratio (BDR) had a strong negative and statistically significant effect on the financial performance of corporate poultry firms in Zimbabwe. Correlation results showed that higher levels of bad debts were associated with lower ROA, NPM, and ROE, while regression analysis indicated a negative beta coefficient with a p-value less than 0.05. This suggests that uncollected receivables erode cash flow, constrain working capital, and reduce the resources available for operational and strategic investments. In the context of the Zimbabwean poultry industry, where production relies on timely procurement of feed, labour, and veterinary services, elevated bad debts exacerbate liquidity challenges and reduce the firm's capacity to generate profits. Firms with lower BDRs benefit from more stable cash flows and can allocate resources effectively to support growth and operational efficiency.

These findings are consistent with Kaur and Singh (2022), who found that high bad debt levels reduce profitability by increasing financing costs and straining working capital. They also concur with Rahman and Islam (2023), who argued that ineffective credit risk management increases default exposure and negatively affects performance measures in production firms. The results are in line with established financial management literature emphasizing that bad debt management is critical for maintaining operational liquidity and profitability. Controlling bad debts through strong credit assessment, monitoring, and collection practices enhances financial stability, allowing poultry firms to achieve higher returns on assets, margins, and equity, reinforcing the link between credit risk management and sustainable financial performance.

CHAPTER FIVE: STUDY'S SUMMARY, FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter presents a comprehensive summary of the study, highlighting the key aspects of the research process, the main findings, conclusions drawn from the results, and practical recommendations for stakeholders. It synthesizes the analyses conducted in previous chapters, including descriptive statistics, correlation, and regression analyses, to provide a clear understanding of the relationship between trade receivables management practices and the financial performance of corporate poultry firms in Zimbabwe. The chapter further interprets the implications of the study findings in line with existing literature and identifies areas where the findings confirm, extend, or contrast prior research. Finally, the chapter concludes by offering actionable recommendations to enhance financial performance through effective receivables management and closes with a concise summary of the overall study contributions.

5.2 Research summary

The aim of this study was to investigate the impact of trade receivables management on the financial performance of corporate organizations in the poultry production industry in Zimbabwe, focusing specifically on Sable Chickens and Irvine's Zimbabwe. The study sought to understand how various components of receivables management influence key financial performance indicators, such as return on assets and net profit margin. To achieve this, the study was guided by four specific objectives: to examine the relationship between the Average Collection Period and the financial performance of corporate poultry firms, to assess the impact of the Receivables Turnover Ratio on financial performance indicators, to evaluate how the proportion of accounts receivable to current assets influences the financial performance of poultry production companies, and to investigate the effect of the Bad Debt Ratio on the financial performance of corporate poultry firms.

The study was grounded in the Tradeoff Theory and the Transactional Cost Theory. The Tradeoff Theory posits that firms seek an optimal balance between the benefits and costs associated with

financial decisions, particularly in managing working capital. In the context of poultry production, companies must weigh the benefits of extending credit to increase sales against the potential costs of delayed payments and bad debts. This theory provides insight into why effective receivables management is crucial for maintaining profitability and financial stability. Complementing this, the Transactional Cost Theory emphasizes minimizing the costs of economic exchanges, including those incurred in monitoring and collecting receivables. For companies such as Sable Chickens and Irvine's Zimbabwe, the theory underscores the importance of efficient systems to manage accounts receivable, reducing administrative costs and mitigating the risk of defaults. Together, these frameworks offer a comprehensive understanding of how trade receivables management affects financial performance.

A quantitative research approach was adopted for this study, employing a survey research design. The study targeted a sample of 130 respondents from the two companies, of which 102 completed questionnaires were returned, resulting in a response rate of 78.5 percent. Data were collected using a structured questionnaire containing predefined questions designed to gather quantitative information efficiently. The reliability of the questionnaire was assessed using Cronbach's alpha, with a coefficient of 0.7 or higher considered acceptable, ensuring a high level of internal consistency. Pilot testing of the questionnaire was conducted prior to the main data collection to refine the instrument and address potential issues. The collected data were analyzed using the Statistical Package for Social Sciences (SPSS) version 27, employing correlation and regression analysis to examine the relationships between the Average Collection Period, Receivables Turnover Ratio, the proportion of accounts receivable to current assets, and the Bad Debt Ratio against financial performance indicators such as return on assets and net profit margin. This methodology provided a rigorous and systematic approach for investigating the objectives of the study.

5.3 Findings

This section includes a summary of findings that is done objective by objectives as reflected in the sub-headings below.

5.3.1 The relationship between the Average Collection Period (ACP) and the financial performance of corporate poultry firms in Zimbabwe

The analysis revealed that the Average Collection Period (ACP) has a significant negative relationship with the financial performance of corporate poultry firms in Zimbabwe. Pearson correlation results showed negative correlations between ACP and return on assets ($r = -0.432$), net profit margin ($r = -0.398$), and return on equity ($r = -0.421$), all significant at the 0.05 level.

These values indicate that longer collection periods are associated with lower profitability, reduced liquidity, and constrained operational capacity. Linear regression analysis further supported this relationship, with ACP yielding a standardized beta coefficient of -0.376 and a pvalue of 0.000, which is below the 0.05 threshold for statistical significance. This confirms that the null hypothesis (H_{011}) is rejected in favor of the alternative hypothesis (H_{11}), indicating a significant inverse effect of ACP on financial performance. The findings suggest that prolonged receivable collection ties up working capital, increases the risk of financing costs, and reduces the firm's ability to reinvest in revenue-generating activities. Effective credit control and timely collection of receivables are therefore essential to optimize cash flow and enhance profitability in corporate poultry operations.

5.3.2 The impact of the Receivables Turnover Ratio (RTR) on financial performance indicators such as return on assets and net profit margin

The study found a strong positive relationship between the Receivables Turnover Ratio (RTR) and the financial performance of corporate poultry firms. Correlation analysis indicated that RTR was positively associated with return on assets ($r = 0.564$), net profit margin ($r = 0.512$), and return on equity ($r = 0.530$), all significant at the 0.01 level. These correlations suggest that firms with higher receivables conversion rates experience improved liquidity and profitability. Linear regression results further confirmed this relationship, with RTR showing a standardized beta coefficient of 0.448 and a p-value of 0.000, demonstrating a statistically significant positive impact on financial performance. Consequently, the null hypothesis (H_{012}) is rejected in favor of the alternative hypothesis (H_{12}). This indicates that efficient management of receivables, characterized by faster collection and disciplined credit monitoring, enhances operational cash flows and strengthens net profit margins. In the context of poultry production, where sales are subject to seasonal fluctuations and customer payment patterns vary, high RTR allows firms to reinvest cash into production activities, reduce reliance on external financing, and sustain stronger returns on equity. These

findings highlight the importance of optimizing receivables turnover as a key strategy for enhancing corporate financial outcomes.

5.3.3 How the proportion of accounts receivable to current assets influences the financial performance of poultry production companies

The proportion of accounts receivable to current assets (AR/CA) demonstrated a significant negative relationship with the financial performance of poultry production companies. Correlation analysis revealed moderate negative associations with return on assets ($r = -0.321$), net profit margin ($r = -0.298$), and return on equity ($r = -0.305$), all significant at the 0.05 level. These results indicate that a high concentration of receivables within current assets can limit liquidity and reduce profitability, as funds remain tied up in uncollected credit. Linear regression analysis confirmed this effect, showing a standardized beta coefficient of -0.362 and a p-value of 0.001 , supporting the rejection of the null hypothesis (H_{013}) in favor of the alternative hypothesis (H_{13}). The negative beta suggests that increases in the AR/CA ratio constrain the firm's ability to generate returns from equity. This finding underscores the importance of maintaining an optimal balance between sales on credit and available liquid assets. In the poultry sector, timely collection is critical to meet operational costs such as feed, labor, and production inputs. Firms with disproportionate investments in receivables face reduced flexibility to respond to market opportunities, demonstrating that efficient management of accounts receivable is essential for sustaining financial performance.

5.3.4 The effect of the Bad Debt Ratio on the financial performance of corporate poultry firms

The Bad Debt Ratio (BDR) exhibited a strong negative relationship with financial performance in corporate poultry firms. Correlation analysis indicated significant negative correlations with return on assets ($r = -0.478$), net profit margin ($r = -0.439$), and return on equity ($r = -0.462$), all significant at the 0.01 level. These results suggest that higher levels of uncollectible receivables adversely affect profitability and reduce the efficiency of working capital management. Linear regression further confirmed this relationship, with a standardized beta coefficient of -0.401 and a p-value of 0.000 , indicating a statistically significant negative effect. As a result, the null hypothesis (H_{014}) is rejected in favor of the alternative hypothesis (H_{14}). Elevated bad debt levels decrease cash inflows,

increase collection costs, and constrain the funds available for strategic investments, thereby lowering financial performance indicators. In the poultry industry, where demand is variable and product shelf life is limited, high bad debts can further exacerbate cash flow pressures. These findings highlight the critical role of effective credit risk assessment, monitoring, and recovery mechanisms in minimizing bad debts and supporting strong financial outcomes for corporate poultry firms.

5.4 Conclusions

5.4.1 The relationship between the Average Collection Period (ACP) and the financial performance of corporate poultry firms in Zimbabwe

The study concludes that the length of the Average Collection Period has significant implications for the financial performance of poultry firms in Zimbabwe. Extended collection cycles tie up working capital, reduce liquidity, and limit the ability of firms to reinvest in production, procurement, and operational activities. For poultry producers, where cash flow is essential to purchase feed, pay labor, and maintain flock health, delays in receivable collection can disrupt operations and reduce profitability. Efficient management of the collection period enhances financial stability and allows firms to respond quickly to market demands and seasonal fluctuations. Therefore, adopting effective credit policies and proactive collection strategies is critical for sustaining growth and competitiveness in Zimbabwe's poultry sector.

5.4.2 The impact of the Receivables Turnover Ratio (RTR) on financial performance indicators such as return on assets and net profit margin

The study concludes that a higher Receivables Turnover Ratio positively influences financial performance in Zimbabwean poultry firms. Efficient conversion of receivables into cash strengthens liquidity, enabling timely reinvestment into production, expansion, and strategic initiatives. For poultry producers, rapid turnover of receivables ensures uninterrupted access to funds needed for feed, vaccination, and operational costs, while reducing reliance on external financing. This enhances profitability, operational efficiency, and the firm's ability to meet seasonal production demands. Consequently, maintaining disciplined credit management and effective monitoring of customer payments is essential for optimizing returns and sustaining the

financial health of poultry companies in Zimbabwe. Efficient receivables management emerges as a key driver of competitive advantage in the industry.

5.4.3 How the proportion of accounts receivable to current assets influences the financial performance of poultry production companies

The findings indicate that a high proportion of accounts receivable relative to current assets can constrain financial performance in poultry firms. When too much capital is tied up in receivables, liquidity is reduced, limiting the firm's ability to finance immediate operational needs such as feed, labour, and maintenance of production facilities. In the Zimbabwean poultry industry, where production cycles are time-sensitive and market demand can fluctuate, this lack of flexibility can negatively affect profitability and responsiveness. Balancing receivables with other current assets ensures sufficient liquidity for operational and strategic investments. Firms that maintain optimal levels of receivables are better positioned to sustain production efficiency, capitalize on market opportunities, and achieve long-term financial stability.

5.4.4 The effect of the Bad Debt Ratio on the financial performance of corporate poultry firms

The study concludes that high levels of bad debts adversely affect the financial performance of poultry firms in Zimbabwe. Uncollectible receivables reduce available cash for operational and strategic needs, increase administrative costs, and weaken profitability. In the context of the poultry industry, where timely cash flow is crucial for feeding, vaccination, and flock management, elevated bad debts can disrupt production cycles and strain working capital. Firms that implement robust credit risk assessments, continuous monitoring, and effective debt recovery mechanisms are better equipped to minimize losses and sustain profitability. Controlling bad debts emerges as an essential strategy for maintaining financial health, operational efficiency, and competitive advantage in Zimbabwe's poultry production sector.

5.5 Recommendations

Management of poultry firms - it is recommended that they implement clear credit policies and monitor receivables closely to reduce the Average Collection Period. They should improve the Receivables Turnover Ratio by encouraging timely payments and maintaining balanced accounts

receivable levels. Automating collection processes and tracking overdue invoices can help sustain liquidity and support operational needs.

Financial officers and accountants - regular credit risk assessments should be conducted to identify unreliable customers and set appropriate credit limits. They should maintain up-to-date aging schedules and reports on outstanding receivables. Collaboration with management on adjusting credit terms will ensure cash flow remains sufficient for production and operational costs.

Industry regulators and associations - training and guidelines on best practices in receivables management should be provided to firms. They can facilitate knowledge sharing and develop standard codes of conduct for credit and debt management. This will improve sector-wide financial discipline and reduce default risks across poultry firms.

Investors and stakeholders - it is recommended to assess firms' receivables management when making investment decisions. Firms with efficient credit control, low bad debts, and strong turnover are more likely to deliver stable returns. Encouraging performance metrics linked to receivables efficiency will strengthen financial oversight and profitability.

5.6 Chapter summary

This chapter provided a summary of the study, highlighting the research objectives, methodology, and the key analyses undertaken. It presents the main findings regarding the relationship between trade receivables management and the financial performance of corporate poultry firms in Zimbabwe, including the effects of collection periods, receivables turnover, accounts receivable proportions, and bad debt levels. The chapter also outlines the conclusions drawn from the results and offers practical recommendations for improving financial performance through effective receivables management. Overall, it synthesizes the contributions of the study, linking the empirical evidence to the broader literature, and underscores the implications for stakeholders in the poultry industry.

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APPENDIX

APPENDICE 1: QUESTIONNAIRE

INTRODUCTION

Dear Respondent,

I am conducting a research study entitled:

“The Impact of Trade Receivables Management on Financial Performance of Corporate Organisations in the Poultry Production Industry in Zimbabwe.”

The main aim of this study is to examine how trade receivables management practices influence the financial performance of corporate poultry production firms in Zimbabwe. The study specifically seeks to assess the relationship between the Average Collection Period (ACP), Receivables Turnover Ratio (RTR), the proportion of accounts receivable to current assets, the Bad Debt Ratio, and key financial performance indicators such as profitability, liquidity, return on assets, and net profit margin.

You have been selected to participate in this study because of your role within the organisation and your understanding of its financial and operational processes. The information you provide will be treated with strict confidentiality and will be used solely for academic purposes. You are not required to provide your name.

There are no right or wrong answers. Please respond honestly based on your experience and knowledge of your organisation.

Thank you for your valuable time and cooperation.

SECTION A: DEMOGRAPHIC INFORMATION

Please tick (✓) the appropriate response.

Gender

☐ Male

☐ Female

Highest Level of Education

☐ A-Level and Below

☐ Certificate

☐ Diploma

☐ First Degree and Above

Job Title

- ☐ Production Manager
- ☐ Finance Officer
- ☐ Sales and Marketing Manager
- ☐ Operations Supervisor
- ☐ Supply Chain Coordinator
- ☐ Quality Assurance Officer

Years of Service in the Organisation

- ☐ Less than 2 years
- ☐ 2–5 years
- ☐ 6–10 years
- ☐ Above 10 years

SECTION B The Relationship between Average Collection Period (ACP) and Financial Performance

For this section and the sections that follow, please indicate the extent to which you agree with each statement by ticking the appropriate box. Use the following scale:

1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree.

Average Collection Period (ACP)

<u>Statement</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
The organisation maintains a relatively short average collection period which enables it to convert credit sales into cash within an acceptable timeframe.	☐	☐	☐	☐	☐
A reduction in the average collection period has significantly improved the company's overall cash flow position and working capital efficiency.	☐	☐	☐	☐	☐
Prolonged delays in collecting receivables have negatively affected the profitability and operational sustainability of the company.	☐	☐	☐	☐	☐
Management continuously monitors and evaluates the average collection period as part of its financial performance assessment strategy.	☐	☐	☐	☐	☐
Improvements in the average collection period have enhanced the organisation's ability to meet its short-term financial obligations.	☐	☐	☐	☐	☐
A longer average collection period increases the company's exposure to liquidity challenges and financial risk.	☐	☐	☐	☐	☐
Effective management of the average collection period contributes positively to operational efficiency in poultry production activities.	☐	☐	☐	☐	☐
There is a strong relationship between the average collection period and the overall financial performance of the company.	☐	☐	☐	☐	☐

Other

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SECTION C The Impact of Receivables Turnover Ratio (RTR) on Financial Performance Indicators such as Return on Assets and Net Profit Margin

Use the following scale:

1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree.

<u>Statement</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
The company maintains a high receivables turnover ratio which reflects efficiency in collecting outstanding customer balances.	☐	☐	☐	☐	☐
An increase in the receivables turnover ratio has led to improvements in the company's return on assets.	☐	☐	☐	☐	☐
Efficient receivables turnover has positively influenced the company's net profit margin over recent financial periods.	☐	☐	☐	☐	☐
Management regularly analyses the receivables turnover ratio when evaluating the financial performance of the organisation.	☐	☐	☐	☐	☐
A low receivables turnover ratio negatively affects profitability and overall financial stability.	☐	☐	☐	☐	☐
Improvements in receivables turnover have reduced the company's reliance on external financing.	☐	☐	☐	☐	☐
The receivables turnover ratio serves as an important indicator of financial efficiency within the poultry production sector.	☐	☐	☐	☐	☐
There is a significant positive relationship between receivables turnover and key financial performance indicators such as ROA and net profit margin.	☐	☐	☐	☐	☐

Other

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SECTION D

The Influence of the Proportion of Accounts Receivable to Current Assets on Financial Performance

Use the following scale:

1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree.

<u>Statement</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
Accounts receivable constitute a substantial proportion of the company's total current assets.	☐	☐	☐	☐	☐
A high proportion of receivables relative to current assets limits the availability of cash for operational activities.	☐	☐	☐	☐	☐
An increase in accounts receivable as a percentage of current assets increases financial risk within the organisation.	☐	☐	☐	☐	☐
Maintaining an optimal level of receivables within current assets improves asset utilisation and financial efficiency.	☐	☐	☐	☐	☐
Excessive investment in accounts receivable negatively affects liquidity and profitability.	☐	☐	☐	☐	☐
The organisation regularly reviews the proportion of receivables to current assets when making financial decisions.	☐	☐	☐	☐	☐
A balanced receivables-to-current-assets ratio enhances the company's financial sustainability.	☐	☐	☐	☐	☐
There is a direct relationship between the proportion of accounts receivable and the overall financial performance of the firm.	☐	☐	☐	☐	☐
Other					
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SECTION E The Effect of the Bad Debt Ratio on Financial Performance of Corporate Poultry Firms

<u>Statement</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
The company experiences a significant level of bad debts arising from credit sales to customers.	☐	☐	☐	☐	☐
A high bad debt ratio has reduced the company's net profit margin over recent financial periods.	☐	☐	☐	☐	☐
Bad debts negatively affect the company's return on assets and overall financial performance.	☐	☐	☐	☐	☐
The organisation has implemented effective credit risk assessment procedures to minimise bad debts.	☐	☐	☐	☐	☐
Weak credit evaluation processes contribute to an increase in the bad debt ratio.	☐	☐	☐	☐	☐
Reducing the bad debt ratio has improved the financial stability and sustainability of the company.	☐	☐	☐	☐	☐
Management regularly monitors and evaluates the bad debt ratio as part of financial performance analysis.	☐	☐	☐	☐	☐

There is a significant relationship between the bad debt ratio and the overall financial performance of poultry production firms.

☐ ☐ ☐ ☐ ☐

Other

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*****THE END THANK YOU*****