

## **SUMMARY OF NEW CONCLUSIONS FOR DOCTORAL THESIS**

**1. Thesis topic:** *"Working capital management at enterprises under Corporation 319"*

Major: *Banking and Finance*

Code: 9.34.02.01

**2. Researcher:** Ha Quoc Thang

**3. Instructor:** Assoc., PhD. Nguyen Van Nam

**4. New conclusions of the thesis:**

### ***4.1. New contributions in theory***

- The thesis contributes to clarify the theoretical issues related to working capital management, linking the theory of working capital management with the characteristics of enterprises operating in the construction sector. This includes characterizing tasks like determining the demand for working capital according to the construction stage, managing inventory by the method of direct allocation to the construction site, etc. At the same time, selecting econometric models based on suitable variables for evaluating impact of working capital management on business performance (ROE targets).

- The thesis studies methods of managing working capital used by foreign construction and installation enterprises. Thereby, concluding what can be done to improve working capital management for domestic enterprises.

### ***4.2. New contributions to analyzing and evaluating current situation***

The thesis contributes to properly assessing the current status of working capital management in construction companies under Corporation 319 in the period of 2012-2017, in which the shortcomings in managing working capital are:

+ Insufficient attention to working capital management of enterprises under Corporation 319, especially the joint stock companies. The available balance was not used efficiently; the large carrying cost is contributed by expenses on uncompleted tasks. On the other hand, one-member limited enterprises have better working capital management and business performance are better than joint stock companies. These findings serve as a basis for researcher to develop a econometric model that allows to assess the impact of working capital management on business performance.

+ Experimental results through the econometric model show that: carrying

duration, time of payment, and cash conversion have an effect on ROE. Enterprises that are 100% government funded have better business performance compared to joint stock companies, which contradicts the trend of state-owned enterprises after equitization.

#### **4.3. New contributions to the proposed solutions**

Based on strategy and development plans for construction enterprises under Corporation 319 combined with experience from international enterprises and the socio-economic conditions in the period of 2020-2025 in mind, this thesis propose new suitable and more feasible solutions to improve working capital management for enterprises under Corporation 319, which consist of:

- Determine the working capital demand by the direct method, having working capital needs of each project as the basis.
- Promote working capital management of equitized enterprises.
- Develop and strictly manage the cash flow plan associated with cost estimation for winning projects and construction progress.
- Give recommendations for effective implementation of proposed solutions. These solutions may apply to construction enterprises that are not under Corporation 319, especially those under the Ministry of Defense.

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