

Gender Impact on small firms in Latin America

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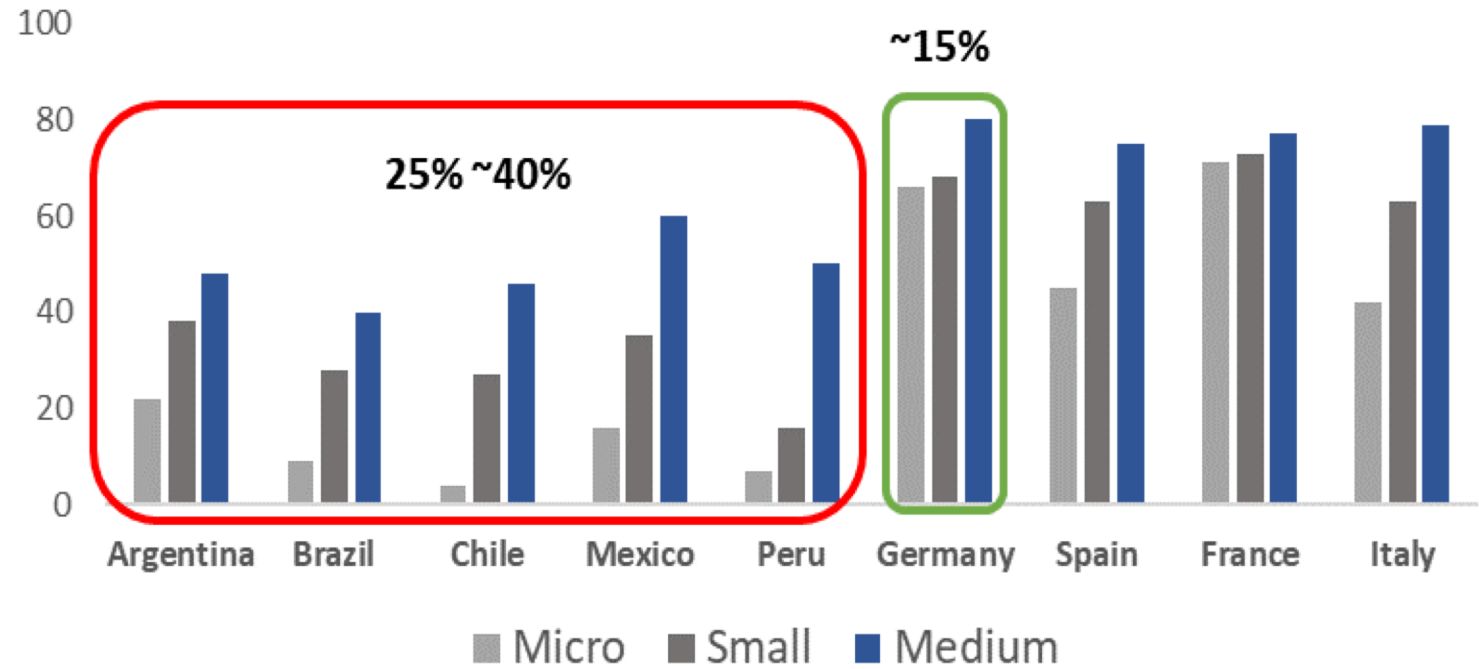
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Motivation

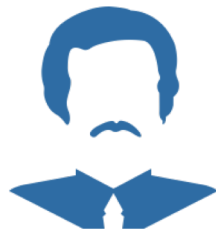
The Productivities of Different Size Business in Different Countries



- Productivity
- Survival Rate
- Operation Efficiency
- Cash management
- Gender Impact

Problems

Gender impact on cash management and business operation?



Correlation between cash management and business operation?

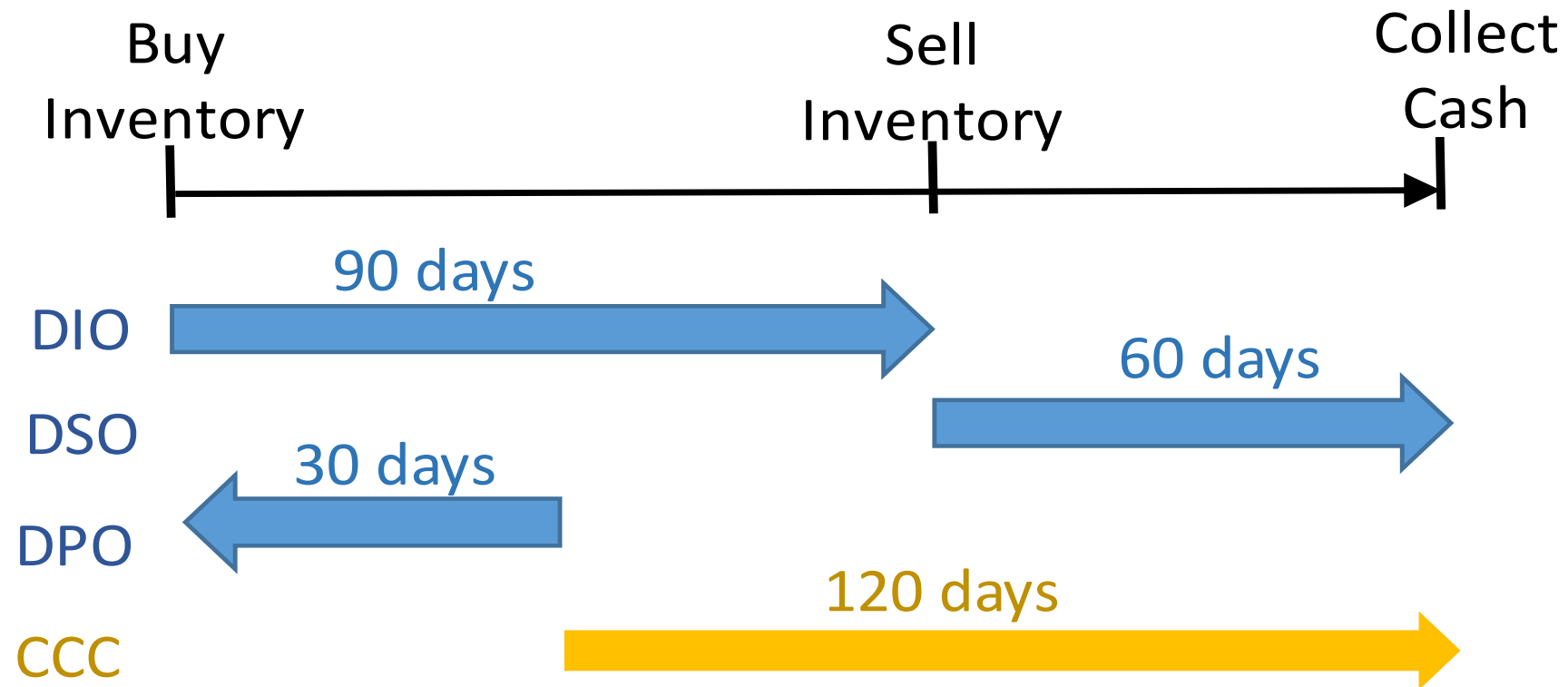


What is our advice ?



Cash Management Efficiency Indicator – CCC

$$CCC = DIO + DPO + DSO$$



Methodology

Days of Inventory Outstanding (DIO)



Inventory Management Scores

Yes/No Questions: **12**

Days of Sales Outstanding (DSO)



Customer/Sales Management Scores

Yes/No Questions: **12**

Days of Payable Outstanding (DPO)



Suppliers Management Scores

Yes/No Questions: **16**

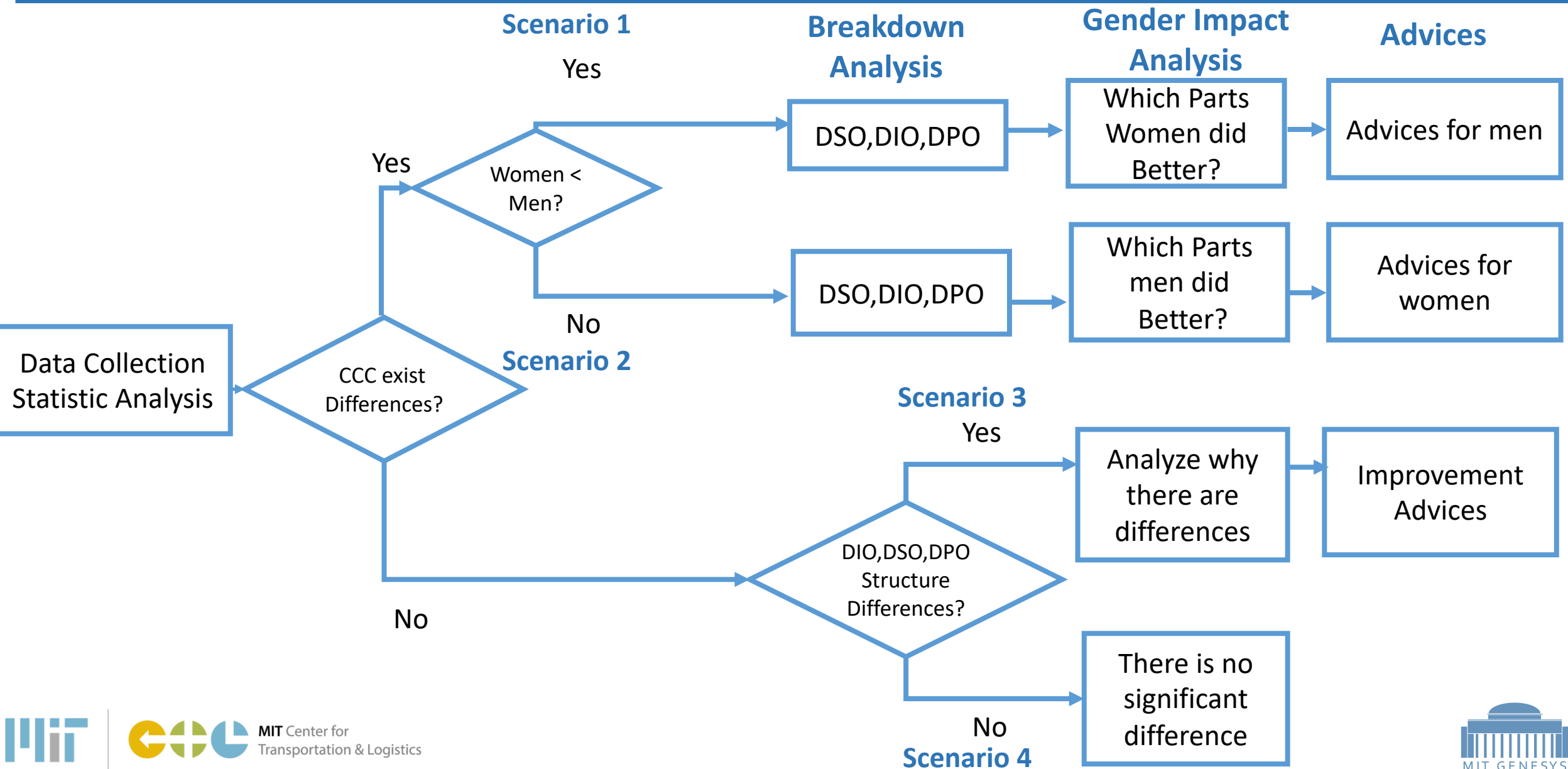
CCC of companies



Total Relevant Scores

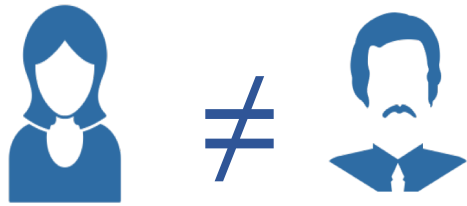
Yes/No Questions: **40**

Methodology



Hypotheses

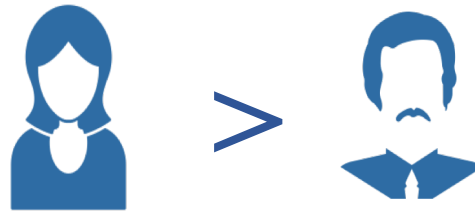
Hypothesis 1



Operation Performance

Significant Difference

Hypothesis 2



Operation Performance

Female did better

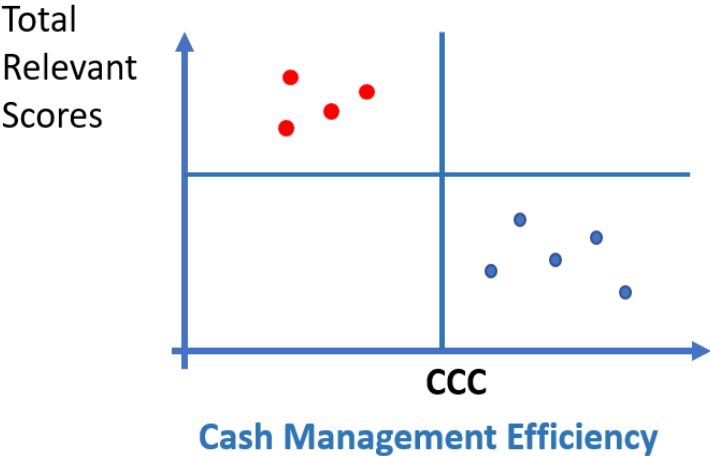
Hypothesis 3



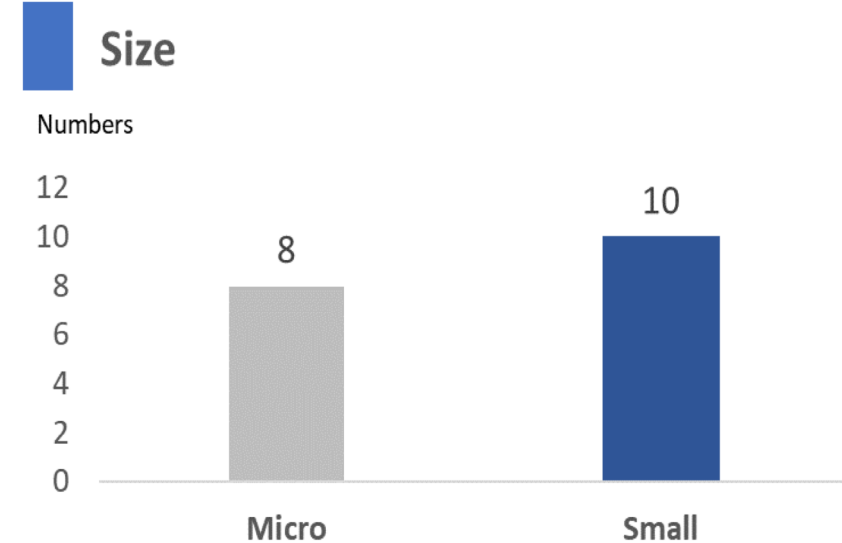
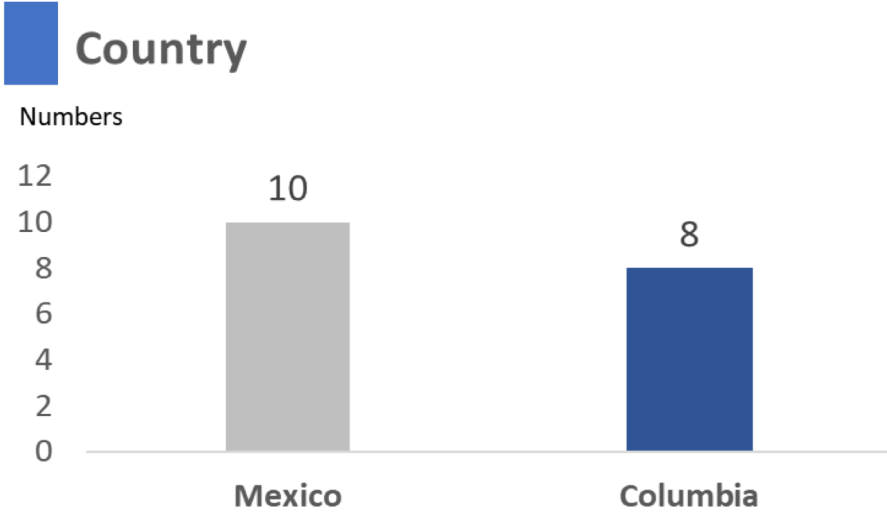
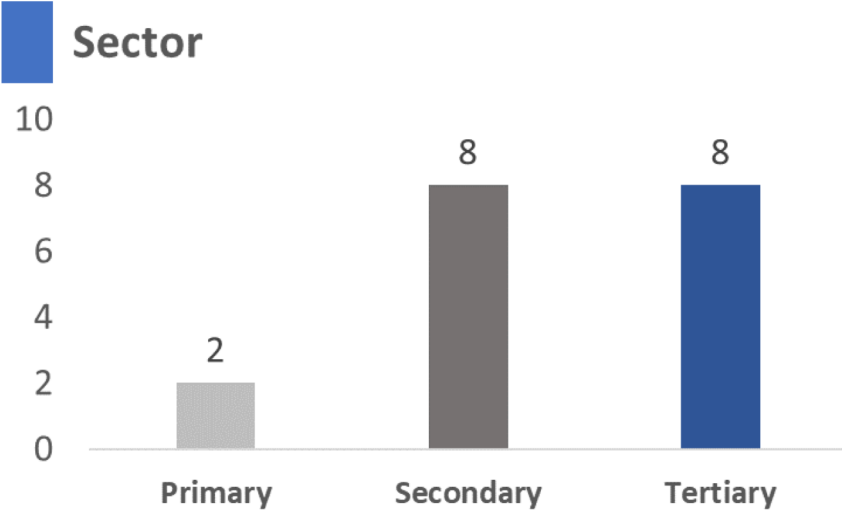
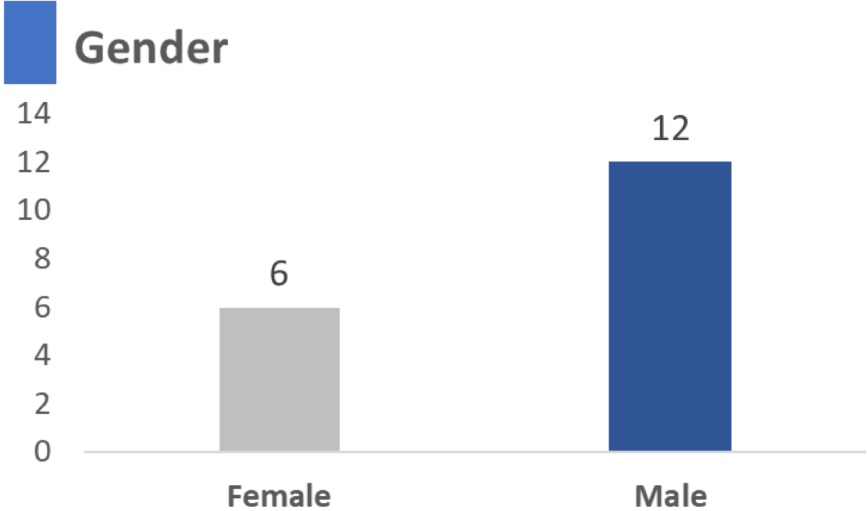
Correlation

Strong

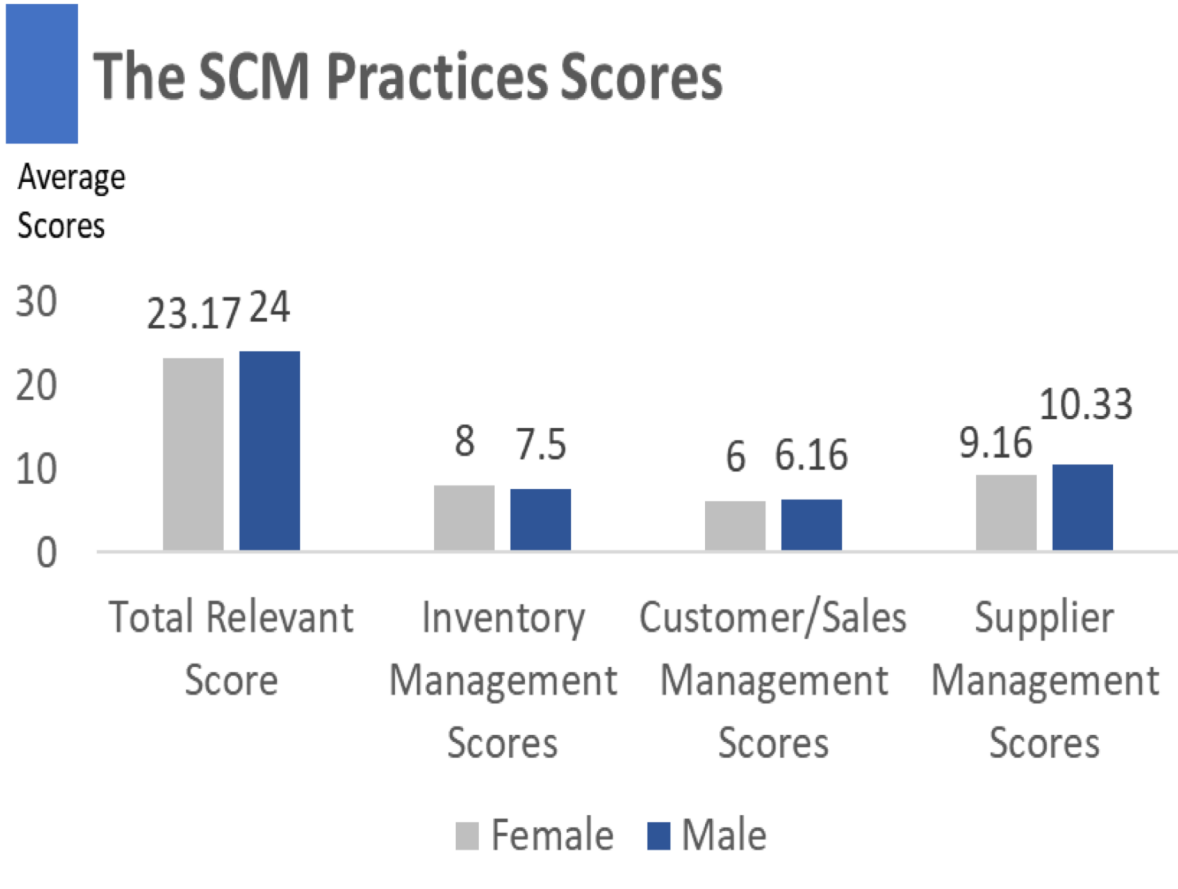
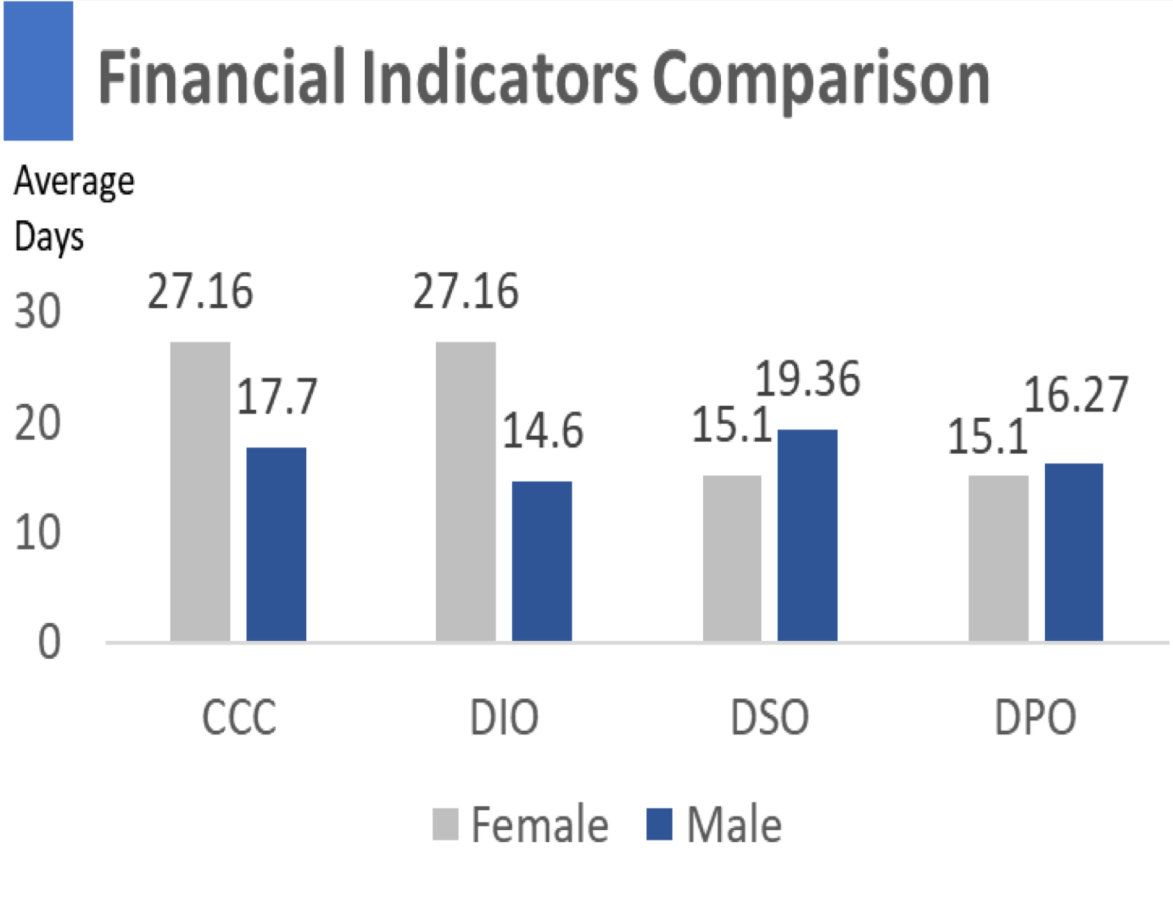
Hypotheses Visualization



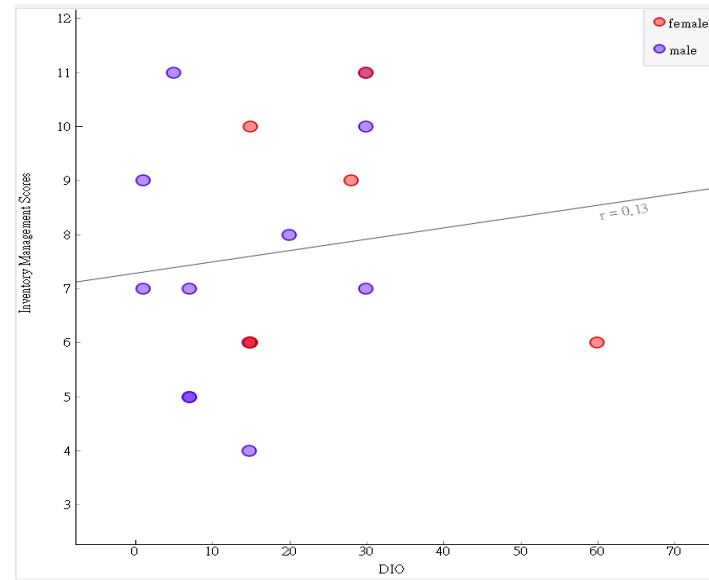
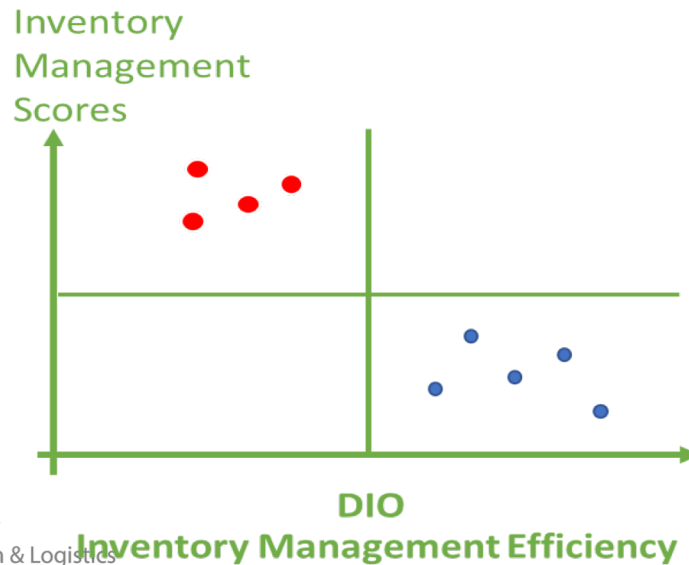
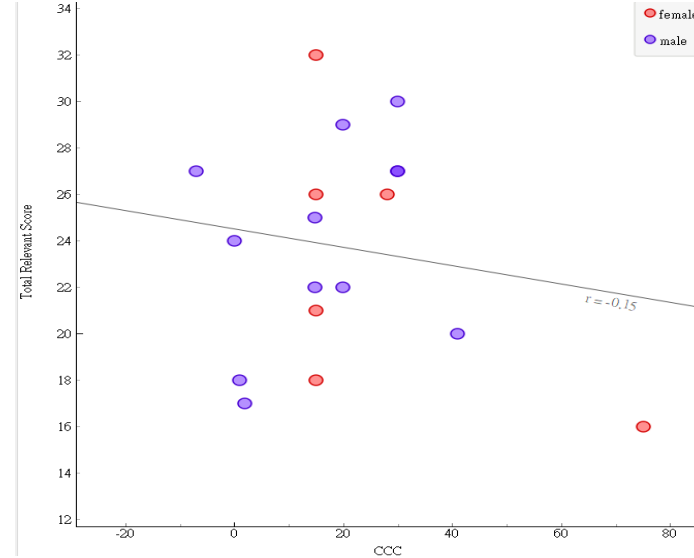
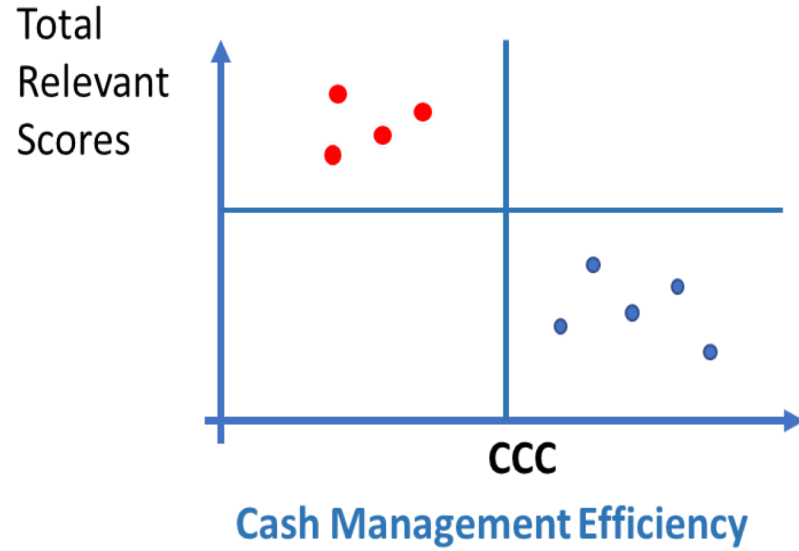
Data



Data

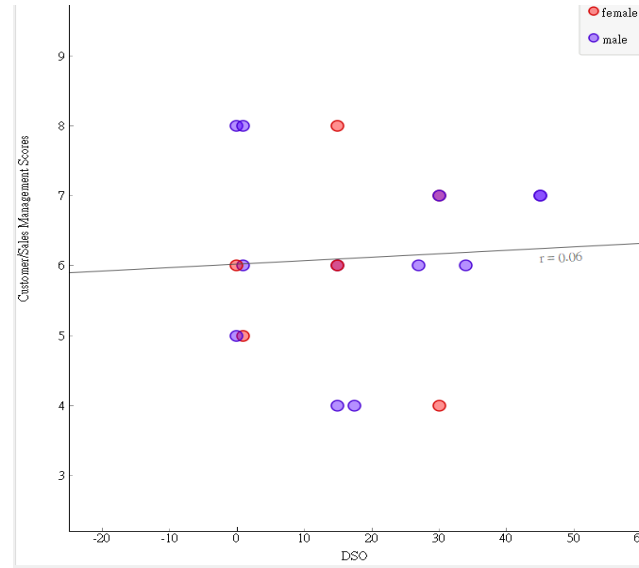
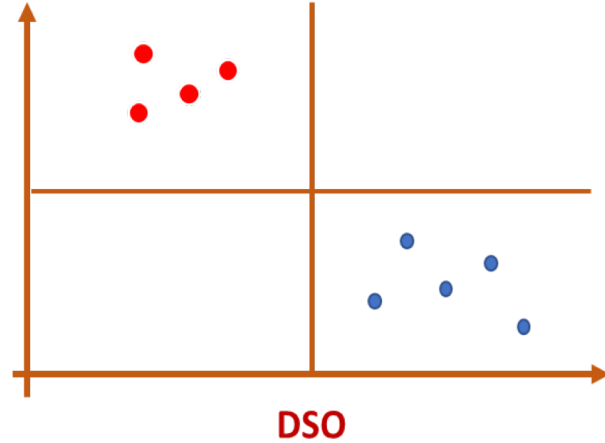


Comparison

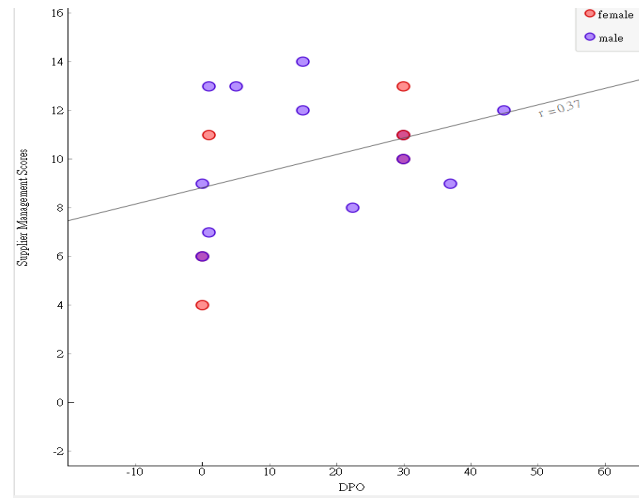
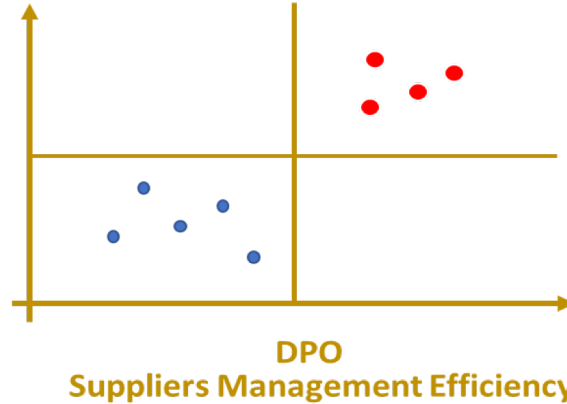


Comparison

Customer/Sales
Management
Scores



Suppliers
Management
Scores



Statistical Analysis

Hypothesis 1

Indicators	p-value
CCC	0.2547
DIO	0.0676
DSO	0.6178
DPO	0.8420

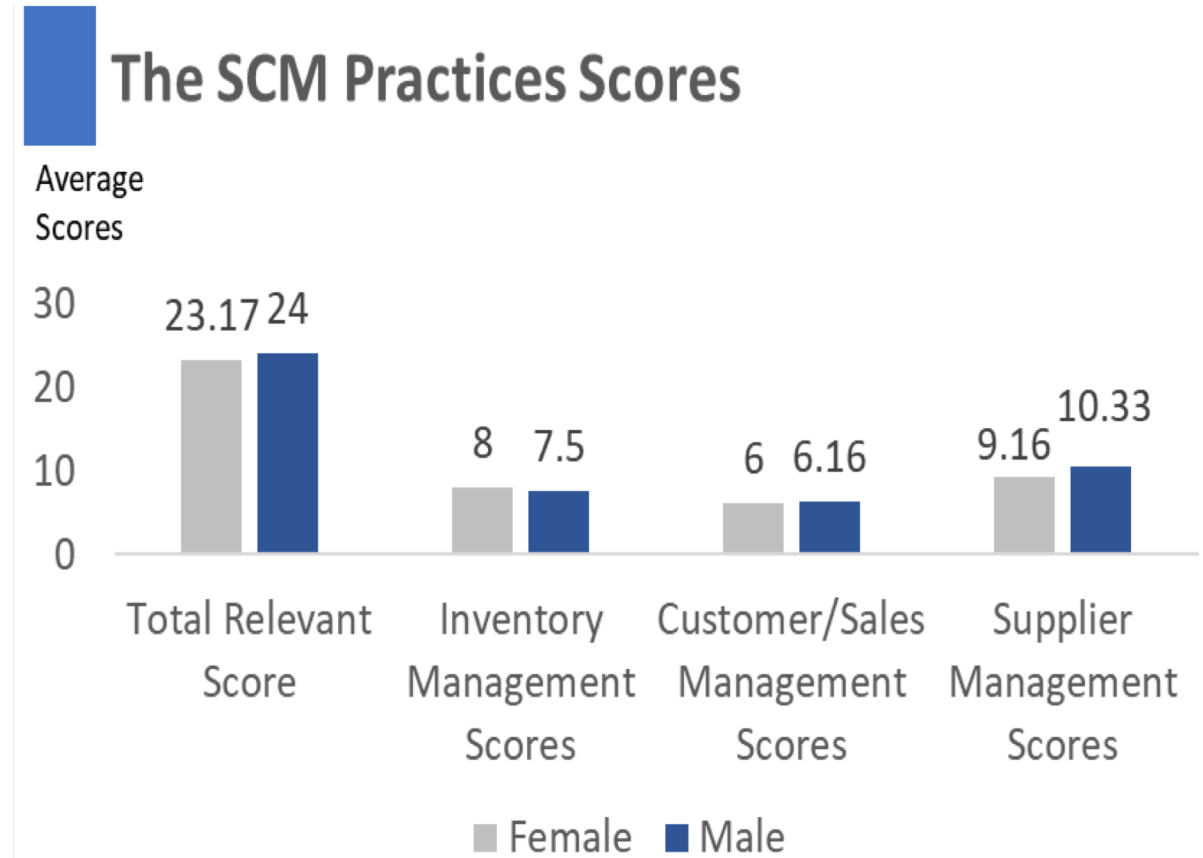
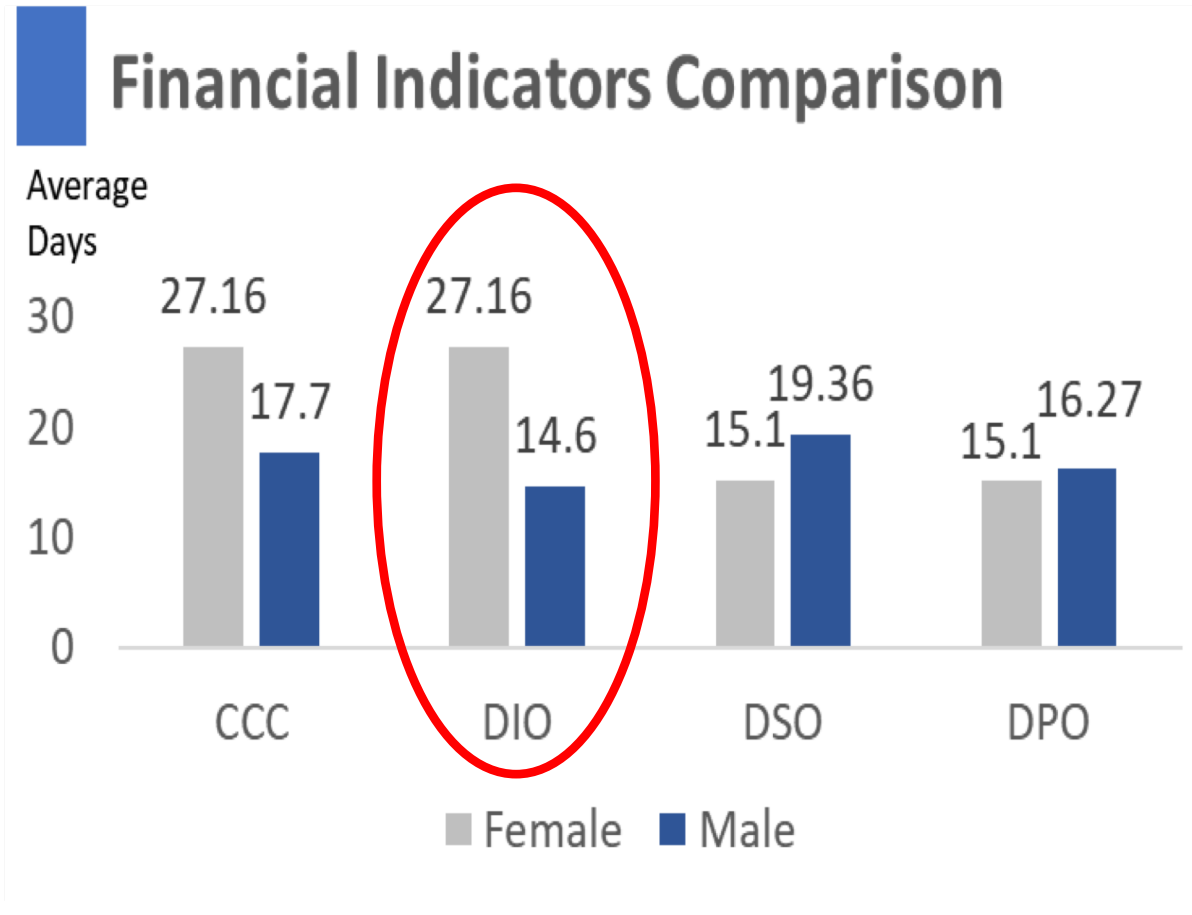
SCM practices	p-value
Total Relevant Score	0.7351
Inventory Management Scores	0.6738
Customer/Sales Management Scores	0.8097
Supplier Management Scores	0.4276

Hypothesis 2

Indicators	p-value
CCC	0.1274
DIO	0.0338*
DSO	0.3089
DPO	0.4210

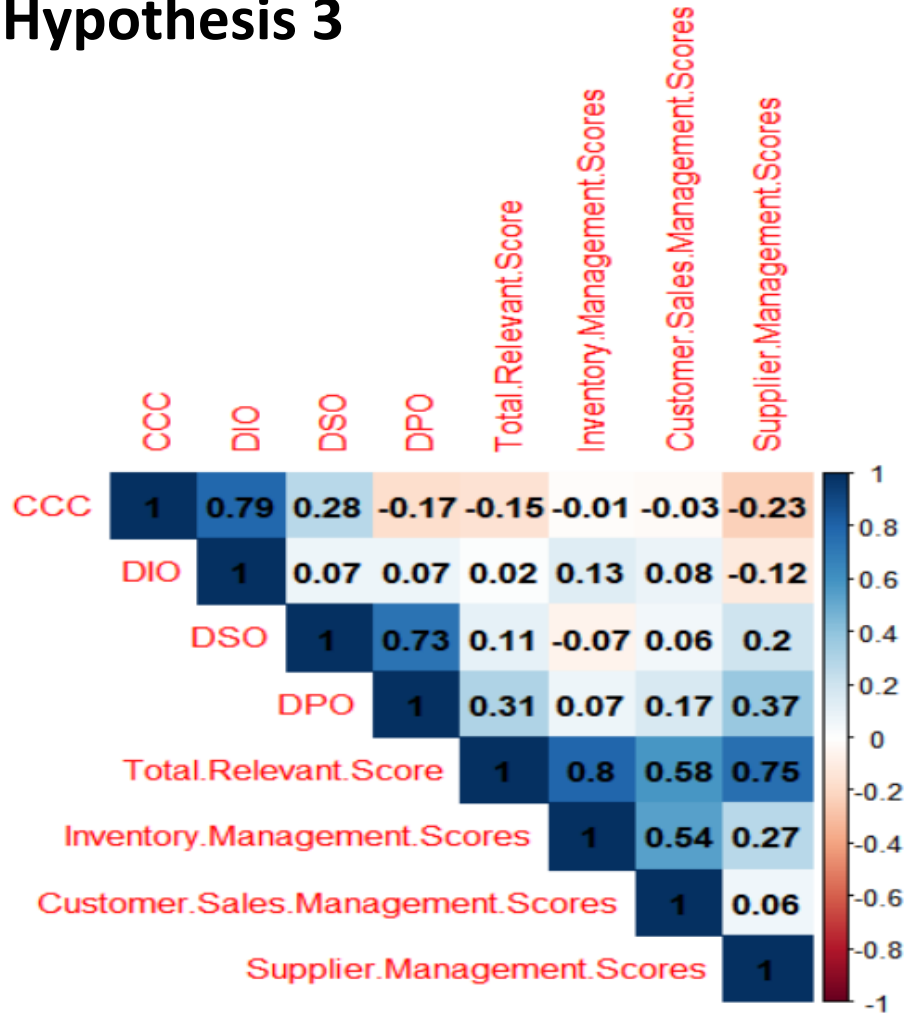
SCM practices	p-value
Total Relevant Score	0.3675
Inventory Management Scores	0.3369
Customer/Sales Management Scores	0.4049

Statistical Analysis



Statistical Analysis

Hypothesis 3



Correlation among main variables

Variable 1	Variable 2	Correlation Coefficient	t-value	p-value
CCC	Total Relevant Score	-0.15	-0.61	0.552
DIO	Inventory Management Scores	0.13	0.52	0.607
DSO	Customer/Sales Management Scores	0.06	0.24	0.813
DPO	Supplier Management Scores	0.37	1.59	0.131
CCC	DIO	0.79	5.15	0.000***

Recommendations

- **First Priority – Inventory Management**

- **Reason:**

- a) Strong relationship with CCC
- b) Relatively easy to execute

- **How:**

- Build up relevant inventory records
- Build up basic inventory management policy such as base policy



Recommendations

- **Second priority - Supplier Management**

- **Reason:**

- a) Somewhat relationship with CCC
- b) Relatively hard to execute

- **How:**

- Review the payment term policy in the contracts with main suppliers.
- Consider approaches to extend the payment term.



Further Research Suggestion

- **Adding more relevant cash management assessment**
- **For DSO/DPO:**
 - Does the company negotiate payment terms with your suppliers or customers?
- **For DIO:**
 - Did the company initiate any activities this year to reduce the purchasing cost or storage cost?

Q&A