

## ***Do Operating Cash Flows Improve Firm Performance? The Moderating Role of Bank Foreign Ownership***

By:

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### **ABSTRACT**

This study examines the effect of operating cash flow on firm performance and the moderating role of bank foreign ownership. Despite extensive research on firm performance, prior studies have limited attention to how internal financial capacity interacts with external ownership mechanisms, particularly in emerging market contexts. This study employs a quantitative approach using secondary data obtained from the annual reports and financial statements of non-financial companies listed on the Indonesia Stock Exchange (IDX). The final sample comprises 428 firm observations selected through purposive sampling. Multiple linear regression analysis is used to test the proposed hypotheses. The results indicate that operating cash flow has a positive and significant effect on firm performance, suggesting that firms with stronger operational cash generation tend to achieve better financial outcomes. Furthermore, the findings reveal that bank foreign ownership significantly moderates the relationship between operating cash flow and firm performance in a negative direction, indicating that the positive impact of operating cash flow on firm performance becomes weaker in firms with higher levels of foreign ownership. These results highlight the importance of internal financial capability and ownership structure in shaping firm performance in emerging markets.

**Keywords:** *Firm Performance, Operating Cash Flow, Bank Foreign Ownership, Corporate Governance, Emerging Markets*

### **ABSTRAK**

Penelitian ini menguji pengaruh arus kas operasional terhadap kinerja perusahaan dan peran moderasi kepemilikan asing bank. Meskipun penelitian tentang kinerja perusahaan telah banyak dilakukan, penelitian sebelumnya kurang memperhatikan bagaimana kapasitas keuangan internal berinteraksi dengan mekanisme kepemilikan eksternal, khususnya dalam konteks pasar negara berkembang. Studi ini menggunakan pendekatan kuantitatif dengan menggunakan data sekunder yang diperoleh dari laporan tahunan dan laporan keuangan perusahaan non-keuangan yang terdaftar di Bursa Efek Indonesia (IDX). Sampel akhir terdiri dari 428 observasi perusahaan melalui *purposive sampling*. Analisis regresi linier berganda digunakan untuk menguji hipotesis yang diajukan. Hasil penelitian menunjukkan bahwa arus kas operasional memiliki pengaruh positif dan signifikan terhadap kinerja perusahaan, menunjukkan bahwa perusahaan dengan kemampuan kas operasional yang lebih kuat cenderung memiliki kinerja keuangan yang lebih baik. Selain itu, kepemilikan bank asing secara signifikan memoderasi secara negatif hubungan antara arus kas operasional dan kinerja perusahaan, sehingga dampak positif arus kas operasional terhadap kinerja perusahaan menjadi lebih lemah pada perusahaan dengan tingkat kepemilikan asing yang lebih tinggi. Hasil ini menyoroti pentingnya kemampuan keuangan internal dan struktur kepemilikan dalam membentuk kinerja perusahaan di pasar negara berkembang.

**Kata kunci:** *Kinerja Perusahaan, Arus Kas Operasional, Kepemilikan Bank Asing, Tata Kelola, Pasar Berkembang*

## 1. INTRODUCTION

Firm performance refers to a company's ability to achieve its financial and operational objectives while maintaining growth within the capital market. Commonly, it is measured using indicators such as profitability, efficiency, and financial stability, which are closely monitored by investors and other stakeholders. Higher investor confidence in a company's performance and future prospects typically leads to improved financial outcomes and enhanced firm performance. Therefore, firm performance is a key indicator of a company's effectiveness in generating value and increasing shareholder wealth (Nguyen et al., 2023; Li & Wang, 2023). According to TheGlobalEconomy.com, Indonesia's stock market capitalization rose from 610.29 billion U.S. dollars in 2022 to 758.3 billion U.S. dollars in 2023, reflecting significant growth in the financial sector and suggesting that investor confidence remained strong during this period despite ongoing global economic uncertainty. (Consumer Survey December 2024: Consumer Confidence Increasing, 2025)

Non-financial companies represent a substantial share of market activity on the Indonesia Stock Exchange, including sectors such as manufacturing, consumer goods, energy, technology, and infrastructure. The performance of these companies is essential in influencing overall market dynamics, as investors evaluate financial outcomes, growth potential, and operational efficiency when making investment decisions (Indonesia Stock Exchange, 2024). In addition to financial performance, internal governance mechanisms, particularly ownership structure, are crucial in determining firm outcomes. For instance, foreign ownership is frequently associated with improved monitoring, greater transparency, and stronger corporate governance practices, all of which can positively influence firm performance (Organisation for Economic Co-operation and Development, 2023).

Operating cash flow is a key determinant of firm performance, as it reflects the ability to generate cash from core business activities. Strong operating cash flow is typically associated with financial stability, reduced risk, and greater capacity to sustain operations and support growth. (Huang et al., 2022) According to a recent study published in PLOS ONE, reductions in cash flow measures are linked to significant positive improvements in financial performance among

firms. (Chen, 2023). These inconsistencies indicate that the relationship between operating cash flow and firm performance remains poorly understood.

Ownership structure is another significant factor influencing firm performance. Foreign ownership is frequently associated with stronger monitoring mechanisms, higher governance standards, and increased managerial discipline. (Li et al., 2022) Some studies find that foreign ownership enhances firm performance through improved oversight and efficiency, while others report inconclusive or context-dependent results. These findings suggest that the impact of foreign ownership may vary across institutional environments, ownership concentration, and strategic objectives, underscoring the need for further investigation.

Previous studies rarely integrate internal financial capacity with external financial system factors. (Valiña-Sotelo & Iglesias, 2026) Most existing research examines operating cash flow or ownership structure independently, without considering their interactive effects on firm performance. (Ownership structure, cash flow, and capital investment: Evidence from East Asian economies before the financial crisis, 2008, pp. 118-132) This research gap is particularly relevant in emerging markets, where financial systems, especially the banking sector, exert significant influence on corporate behaviour, access to finance, and governance practices. (Gelos & Elekdag, 2016) Furthermore, empirical studies of non-financial firms are limited, despite their substantial contributions to market activity and economic development. (Soraya & Arieftiara, 2024, pp. 234-245)

The increasing presence of foreign-owned banks in Indonesia has created a financial environment in which external monitoring, lending practices, and financial discipline influence firms' use of internal resources. (The effects of ownership change on bank performance and risk exposure: Evidence from Indonesia, 2018, pp. 483-497) In this context, operating cash flow represents internal financial capability, while foreign bank ownership reflects external financial system influence. Investigating the interaction between these factors is essential for understanding variations in firm performance. Therefore, this study examines the effect of operating cash flow on firm performance and analyses the moderating role of foreign bank

ownership, providing a comprehensive perspective on the relationship between internal resources and external financial structures in emerging markets.

## **2. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT**

### **2.1 Signaling Theory and Resource-Based View perspective**

The relationship between operating cash flow, ownership structure, and firm performance is grounded in several theoretical perspectives within finance and corporate governance. Signalling Theory posits that financial information disclosed by firms acts as a signal to investors about the company's current condition and future prospects. (The mediating effect of going concern and corporate reporting in the relationship between corporate governance and investor confidence in financial institutions, 2021) Operating cash flow demonstrates a firm's capacity to generate cash from its core business activities, providing a credible indicator of financial health and sustainability. Firms with strong, stable operating cash flows are typically perceived by investors as more operationally efficient and financially robust, which can enhance stakeholder confidence and improve firm performance (Alareeni & Hamdan, 2023; Brigham & Ehrhardt, 2024).

Agency Theory further elucidates this relationship by addressing the potential conflict of interest between managers (agents) and shareholders (principals). Within this framework, ownership structure serves as a monitoring mechanism to mitigate agency problems. (S. et al., 2000, pp. 1-25) Specifically, foreign ownership is frequently associated with stronger management oversight, as foreign investors often bring broader experience, higher corporate governance standards, and greater access to advanced managerial practices. (Amosh & Mansor, 2024, pp. 1-15) Consequently, foreign ownership may strengthen managerial discipline and the efficiency of corporate resource utilisation, including the management of operating cash flows, thereby enhancing firm performance (Nguyen, Hoang, & Tran, 2023; Alareeni & Hamdan, 2023).

The Resource-Based View (RBV) also provides a relevant framework for understanding the relationship among operating cash flow, foreign ownership, and firm performance. According to

RBV, a firm's competitive advantage derives from its ability to effectively utilise unique resources and capabilities. (Jamali & Elbouazizi, 2026) Operating cash flow represents the firm's internal capacity to generate financial resources through operational activities, while foreign ownership can introduce strategic assets such as managerial expertise, advanced technology, international networks, and enhanced governance practices. (Zuo, 2022) The integration of robust internal operational capabilities with valuable external resources from foreign investors can improve operational efficiency, foster sustainable growth, and ultimately enhance firm performance (Barney et al., 2023; Hitt, Ireland, & Hoskisson, 2024).

### **2.2 Operating Cash Flows and Firm Performance**

Operating cash flow represents a firm's ability to generate cash from its core operations and reflects the sustainability of its business. Firms with strong operating cash flows are generally perceived as more financially stable and operationally efficient, which can support business sustainability and improve firm performance. From the perspective of Signaling Theory, operating cash flow serves as an important signal of the firm's financial health and future prospects. When companies report strong operating cash flows, investors and stakeholders interpret this information as a positive signal regarding the firm's operational capability and its ability to generate sustainable returns, which may ultimately contribute to improved firm performance.

However, the effect of operating cash flow on firm performance may also depend on the firm's ownership structure, particularly foreign ownership. In the context of Agency Theory, foreign ownership can act as an external monitoring mechanism that reduces agency problems between managers and shareholders. Foreign investors are often associated with better governance practices, greater expertise, and stronger monitoring capabilities. Consequently, foreign ownership may strengthen the credibility of financial information reported by firms, including operating cash flows. When foreign investors hold a significant ownership stake, the firm may benefit from improved governance and more efficient managerial decision-making, thereby enhancing the effectiveness of operating cash flow utilization and ultimately improving firm performance.

Furthermore, from the perspective of the Resource-Based View, foreign ownership may also provide additional strategic resources, such as managerial knowledge, technological capabilities, and international networks, that help firms utilize their operational capacity more effectively. The combination of strong internal operational capability, reflected in operating cash flows, and valuable external resources from foreign investors can enhance operational efficiency and support sustainable business growth. Therefore, foreign ownership may moderate the relationship between operating cash flows and firm performance.

*H1: Operating cash flows have a positive effect on firm performance.*

### **2.3 Operating Cash Flows, Foreign Ownership, Bank Foreign Ownership, and Firm Performance**

Operating cash flow demonstrates a firm's capacity to generate cash from its primary business activities and serves as a key indicator of financial sustainability and operational performance (Thalya, 2023). Firms with robust operating cash flows are typically regarded as more financially stable and less risky, thereby supporting business continuity and enhancing firm performance (Cash Flow Management for Financial Stability: Profitability, Debt Service, and Projections, 2024). According to Signalling Theory, operating cash flow acts as a credible indicator of a firm's financial health and future outlook (Financial constraints, cash flow timing patterns, and asset prices, 2024). Elevated operating cash flows suggest strong operational capabilities and the potential for sustainable returns, which can increase stakeholder confidence and further improve firm performance (Alareeni & Hamdan, 2023; Nguyen et al., 2023; Li & Wang, 2023).

The strength of the relationship between operating cash flow and firm performance may depend on both the firm's internal ownership structure and the characteristics of the financial system, particularly the presence of foreign-owned banks. Within the framework of Agency Theory, foreign ownership at both the firm and banking sector levels can serve as an external monitoring mechanism that mitigates agency conflicts between managers and shareholders (Naidu et al., 2025). Foreign investors and foreign-owned banks are often associated with higher governance standards, advanced risk management practices, and enhanced monitoring

capabilities (Abedin et al., 2022). As a result, the presence of foreign banks in the financial system may promote financial discipline and increase the transparency of corporate financial reporting, including operating cash flows (Organisation for Economic Co-operation and Development, 2023; Nguyen et al., 2023).

Foreign bank ownership may also affect the efficiency with which firms utilise their operating cash flows. Foreign banks often introduce international banking expertise, sophisticated credit evaluation systems, and stricter lending standards. These attributes can incentivise firms to manage operations more efficiently to maintain credibility and secure financing. Consequently, firms in environments with a greater presence of foreign-owned banks may have stronger incentives to generate and use operating cash flows productively, thereby enhancing firm performance (World Bank, 2023; Beck & Cull, 2023).

From the perspective of the Resource-Based View, foreign banks may offer indirect strategic resources to firms by providing superior financial services, broader international networks, and improved access to capital markets. The presence of foreign banks can reinforce the financial infrastructure supporting corporate activities, enabling firms to allocate operational resources more efficiently and pursue growth opportunities. Thus, a financial environment influenced by foreign bank ownership may further strengthen the positive relationship between operating cash flows and firm performance (Hitt, Ireland, & Hoskisson, 2024; Barney et al., 2023).

*H2: Foreign ownership moderates the relationship between operating cash flow and firm performance.*

### **3. RESEARCH METHODOLOGY**

A quantitative approach is employed to examine the impact of operating cash flows on firm performance and to assess the moderating effect of foreign ownership. Numerical data from company financial statements are analysed using statistical methods to test the proposed hypotheses. According to data from the Indonesia Stock Exchange, there were 941 listed companies on the IDX in November 2024, excluding those in the financial sector. After applying data availability requirements, such as having complete financial statements and ownership information for the observation period, the final research sample

included 428 companies. (Fadhilah et al., 2022, pp. 742-756) Purposive sampling is used to select firms that meet these criteria and align with the research objectives.

Secondary data are obtained from annual reports and financial statements of non-financial sector companies listed on the Indonesia Stock Exchange. The dataset includes information on operating cash flows, foreign ownership, and firm performance. Multiple linear regression is applied to examine the relationships among the independent, moderating, and dependent variables. Prior to regression analysis, classical assumption tests (Best Linear Unbiased Estimator, BLUE) are conducted to ensure that the regression model satisfies the required statistical assumptions. These tests include assessments of normality, multicollinearity, heteroscedasticity, and autocorrelation. (Classic Assumption Test Statistic Summary, 2023). The regression model used in this study is formulated as follows:

$$FP = \alpha + \beta_1OCF + \beta_2BFO + \beta_3(OCF \times BFO) + \epsilon$$

- FP = Firm Performance
- OCF = Operating Cash Flow
- BFO = Bank Foreign Ownership

**Table 1. Variable Measurements**

Variable	Definition	Measurement	Data Source
Operating Cash Flow (X)	Operating cash flow represents the cash generated from a company's core business operations and reflects the firm's ability to generate cash from its operational activities	Natural Operating = Cash Flow Net cash flow from operating activities.	Statement of Cash Flows in the annual financial reports published by Indonesia Stock Exchange (IDX).
Bank Foreign Ownership	Bank Foreign ownership refers to the proportion of a company's shares owned by Bank foreign investors, which may influence corporate monitoring and governance mechanisms.	(Number of shares held by foreign investors Total outstanding shares) x 100%.	Annual reports and share ownership structure reports published by Indonesia Stock Exchange (IDX).
Firm Performance (Y)	Firm performance refers to a company's ability to utilize its resources effectively to achieve financial and operational goals. It reflects how well a firm generates profits, Manages assets, and maintains sustainability.	Logaritma natural Total Profit	Statement of Comprehensive Income in the annual financial reports published by Indonesia Stock Exchange (IDX).

## 4. RESULTS AND DISCUSSION

### 4.1 Regression Results

This study aims to evaluate the extent to which operating cash flows contribute to firm performance, recognising that cash flows from core business activities serve as a key indicator of

operational efficiency and may influence investor assessments. The analysis further examines the impact of foreign ownership on firm performance, given that foreign investors are often associated with enhanced monitoring and governance mechanisms that can improve corporate performance and credibility. In addition, this study examines whether foreign ownership moderates the relationship between operating cash flows and firm performance, thereby providing a more comprehensive understanding of how operational capacity and ownership structure interact in shaping firm performance.

**Table 2. Descriptive Statistics**

	N	Minimum	Maximum	Mean	Std. Deviation
Cash_Flow_operation	428	217225.00	61600000	1524608392	49483927406
Bank_Foreign_Possession	428	0	0,75	0.0213	.06653
Moderation	428	.57	13067313	8021262798	67997286395
Firm_Performance	428	341639.00	250505.9	6.3860	445460
			20211600	4682204334	13628934769
			00000000.	822.3600	886.58400
			00		

Table 2 presents the descriptive statistics for the variables used in this study based on 428 firm-level observations. The Cash Flow Operation (CASH\_FLOW\_OPERATION) variable shows a minimum value of 2,217,225 and a maximum value of 61,600,000,000,000, with a mean of 1,524,608,392,516.48 and a standard deviation of 4,948,392,740,632.28. The relatively large standard deviation indicates substantial variation in operating cash flow across firms. Bank Foreign Ownership (BANK\_FOREIGN\_OWNERSHIP) ranges from 0.00 to 0.75, with a mean of 0.0213 and a standard deviation of 0.06653, suggesting that, on average, foreign ownership levels are relatively low, although some firms exhibit higher levels of foreign participation. The interaction variable (MODERATION), representing the product of operating cash flow and foreign ownership, also shows considerable dispersion. Meanwhile, Firm Performance (FIRM\_PERFORMANCE) exhibits wide variability, as indicated by its large range and standard deviation, reflecting differences in firm outcomes across the sample.

**Table 3. Model Summary**

Model	R	R Square	Adjusted Square	Std. Error of the Estimate
1	0.845	0.714	0.712	7855620875814.86800

Predictors:(Constant),Moderation,CASH\_FLOW\_OPERATION,  
BANK\_FOREIGN\_OWNERSHIP  
Source:Processed by author (2025)

This study employs multiple regression analysis to examine the effect of Operating Cash Flow, Bank Foreign Ownership, and their interaction on Firm Performance. Table 3 shows that the correlation coefficient (R) is 0.845, indicating a strong relationship between the independent variables and firm performance. The R Square value of 0.714 suggests that approximately 71.4% of the variation in firm performance can be explained by the variables included in the model, while the remaining 28.6% is explained by other factors outside the model. The Adjusted R Square of 0.712 further confirms the robustness of the model after adjusting for the number of predictors.

**Table 4 ANOVA**

Model	Sum of Squares	df	Mean Square	F	Sig.
Mean Square	65215077336	3	21738359112	352.262	0.000
Square	09743000000		03248000000		
	0000000.000		0000000.0		
Residual	26165370442	424	61710779344		
	08422600000		53835400000		
	00000000.00		0000.000		
Total	91380447778	427			
	18169000000				
	0000000.000				

Dependent Variable: Firm Performance  
 Predictors: (Constant), Moderation,  
 Cash Flow Operation, Bank Foreign Ownership  
 Source: Processed by author (2025).

Table 4 presents the ANOVA results, indicating that the regression model is statistically significant. The model produces an F-statistic of 352.262 with a p-value of 0.000, which is below the 0.05 significance level. This result confirms that Operating Cash Flow, Bank Foreign Ownership, and their interaction jointly have a significant effect on Firm Performance, supporting the overall validity of the regression model.

**Tabel 5. Regression Results**

Model	Variable	B	Std.Error	Beta	t	Sig.
1	(Constant)	792651407517	420046093349		1.887	.060
		.128	.518			
	CASH_FLOW_OPERATION	2.678	.087	.906	30.645	
	BANK_FOREIGN_OWNERSHIP	428351932484	706638246829	.019	.606	.545
		9.915	8.775			
	MODERATION	-3.545	.768	-.165	-4.614	.000

a. Dependent Variable: FIRM\_PERFORMANCE

The regression results in Table 5 identify the key determinants of firm performance. Operating Cash Flow has a positive and statistically significant effect on firm performance, as indicated by a coefficient of 2.678, a t-value of 30.645, and a p-value of 0.000. This finding highlights the importance of internal cash generation in enhancing firm performance. In contrast, Bank

Foreign Ownership does not have a direct significant effect on firm performance, as reflected by its insignificant coefficient (p = 0.545). However, the interaction term (MODERATION) shows a negative and statistically significant coefficient ( $\beta = -3.545$ ;  $p < 0.01$ ), indicating that foreign ownership weakens the positive relationship between operating cash flow and firm performance. This suggests that although operating cash flow contributes positively to firm performance, its impact becomes less pronounced in firms with higher levels of foreign ownership

## 4.2 Discussions

### 4.2.1 Operating Cash Flows and Firm Performance

The empirical results indicate that Operating Cash Flow has a positive, statistically significant effect on Firm Performance, as evidenced by a coefficient of 2.678, a t-value of 30.645, and a p-value of 0.000. This result indicates that firms with higher operating cash flow tend to perform better. Therefore, the first hypothesis (H1) is supported. The finding suggests that a firm's ability to generate cash from its core operations plays an important role in improving financial performance, as it supports operational sustainability and provides financial flexibility for business activities.

This finding is consistent with previous studies. A study by Alareeni and Hamdan focused on how Environmental, Social, and Governance factors influence the performance of US S&P 500-listed firms, without specifically examining operating cash flow. From a theoretical perspective, this result supports Signalling Theory, which suggests that financial information disclosed by firms provides signals to investors regarding the firm's financial condition and future prospects. Strong operating cash flow signals efficient operational management and financial stability, which can increase investor confidence and improve firm performance (Alareeni & Hamdan, 2023; Brigham & Ehrhardt, 2024).

In addition, this finding is also consistent with the Resource-Based View (RBV), which states that firms gain a competitive advantage through the effective utilisation of internal resources and capabilities. Operating cash flow reflects a firm's internal financial capability generated by its operating activities. Firms with stronger operational cash flows have greater financial flexibility to support investments, improve operational efficiency, and ultimately enhance

firm performance (Barney et al., 2023; Hitt, Ireland, & Hoskisson, 2024).

#### **4.2.2 Operating Cash Flows, Foreign Ownership, Bank Foreign Ownership, and Firm Performance**

The regression analysis demonstrates that the interaction term for the moderating effect is negative and statistically significant ( $\beta = -3.545$ ;  $p < 0.01$ ). This result indicates that Bank Foreign Ownership diminishes the positive association between Operating Cash Flow and Firm Performance. Specifically, while operating cash flow typically enhances firm performance, this positive effect is attenuated in firms with greater foreign ownership. Thus, Hypothesis 2 (H2) is supported, confirming that foreign ownership significantly moderates the relationship between operating cash flow and firm performance in a negative direction.

This finding suggests that foreign investors influence the allocation of internally generated financial resources. Foreign shareholders typically emphasize stronger governance mechanisms, risk management, and long-term strategic investment. Consequently, operating cash flows may be allocated to long-term strategic initiatives rather than short-term performance improvements, reducing the immediate impact of operating cash flows on firm performance. This result aligns with previous research highlighting the influence of foreign ownership on corporate financial decisions. Nguyen, Hoang, and Tran (2023) contend that foreign investors impose stricter monitoring and governance standards, thereby affecting managerial discretion in resource allocation. Similarly, Alareeni and Hamdan (2023) demonstrate that ownership structure can modify the relationship between internal financial capacity and firm outcomes by introducing stronger governance discipline from foreign shareholders.

According to Agency Theory, ownership structure serves as a monitoring mechanism that mitigates conflicts of interest between managers and shareholders. Foreign investors are associated with enhanced monitoring capabilities and elevated corporate governance standards. While such monitoring can improve governance quality, it may also restrict managerial flexibility in utilising operating cash flows, thereby weakening the direct effect of operating cash flow on firm

performance (Nguyen, Hoang, & Tran, 2023; Alareeni & Hamdan, 2023).

Furthermore, the Resource-Based View (RBV) posits that firm performance depends on the effective integration of internal and external resources. Operating cash flow constitutes a key internal financial capability, while foreign ownership can introduce strategic resources such as managerial expertise, international networks, and advanced governance practices. As a result, firms with higher foreign ownership may depend more on external resources rather than exclusively on internally generated operating cash flows to enhance firm performance (Barney et al., 2023; Hitt, Ireland, & Hoskisson, 2024).

#### **5. CONCLUSION**

This study investigates the impact of operating cash flow on firm performance, with particular attention to the moderating influence of bank foreign ownership. The findings indicate that operating cash flow exerts a positive and significant effect on firm performance, suggesting that firms with stronger internal cash generation are better positioned to achieve favorable financial outcomes. Furthermore, the results demonstrate that bank foreign ownership moderates this relationship in a negative direction, implying that foreign ownership may attenuate the positive effect of internal financial resources on performance.

These results underscore the importance of considering ownership structure when evaluating the role of operating cash flow in firm performance. Several limitations should be noted. The analysis is restricted to operating cash flow and foreign ownership, excluding other determinants of firm performance that may be relevant. The reliance on secondary financial data may not fully reflect managerial decision-making processes or governance practices. Additionally, the sample is confined to a specific sector and time period, which may limit the generalizability of the conclusions. Future research should incorporate additional variables, such as corporate governance mechanisms, firm size, or leverage, to provide a more comprehensive assessment of firm performance. Broadening the sample to include multiple sectors or countries could yield further insights into the interplay between operating cash flow, ownership structure, and firm performance.

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