
Financial Analysis in Operational and Strategic Decisions

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Abstract:

Purpose: The subject of this study is economic entities using financial analysis to make decisions. The main research objective of the article is to examine the role of financial analysis in the decision-making process in enterprises. Additionally, key elements of financial analysis that are important for operational and strategic management were examined and indicated. The differentiation of the use of financial analysis depending on the type of business activity, the size of the enterprise and the scope of business activity was also determined. The study covered enterprises that met two conditions: they prepared financial statements and declared that they were performing financial analysis activities. In the paper three research questions were posed. 1. Is financial analysis a common tool in terms of operational and strategic decision-making in the company? 2. Which of the following factors: the type of business activity, the size of the enterprise and the scope of business activity, most determines the extent to which financial analysis is used to make decisions in the company? 3. Do enterprises base their decisions more on internal or external comparisons?

Approach/Methodology/Design: In order to obtain answers to the research questions, a survey form containing metrics and closed questions was sent to the respondents. The study involved 111 companies operating in Poland, that declared preparation of financial analyses. The sample was diversified in terms of the type of business activity, as well as size and legal form of the company. The answers from the survey form were transferred to a spreadsheet in which basic measures of descriptive statistics (average, median, kurtosis, skewness) were calculated in various cross-sectional approaches to companies: main type of activity, size and scope of operations of the companies.

Findings: The study confirms the widespread use of financial analysis — 93.7% of companies use it in operational decisions, and 86.5% in strategic ones, especially in large organizations and the manufacturing sector. Particularly intensive use of financial analysis has been observed in the manufacturing sector, where particular attention is paid to cost and profitability analysis, indicating the key role of financial management in building competitive advantage in this sector. On the other hand, service companies show less propensity to use financial analysis, which may suggest that current analytical tools are not adapted to the specifics of their activities.

Practical Implications: The surveyed companies should expand the scope of their use of financial analysis, taking into account not only their own data, but also comparisons with competitors and industry indicators. It is worth promoting solutions that facilitate benchmarking and access to reliable industry indicators. The service sector should develop

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solutions adapted to its specificity, which bases business models on human capital and intangible assets.

Originality/Value: *The results of the analysis and theoretical considerations included in this article complement existing research in the field of financial analysis.*

Keywords: *Financial analysis, decision-making, strategic and operational management, benchmarking and financial comparisons.*

JEL classification: *G30, G32, M41.*

Paper Type: *Research study.*

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1. Introduction

In times of increasing complexity and variability of the business environment, financial analysis as a tool for enterprise management has undergone a significant evolution since the pioneering studies of Beaver (1966) and Altman (1968), who demonstrated the effectiveness of simple financial measures in predicting bankruptcy. Today it represents a comprehensive system supporting both operational and strategic business decisions, integrating traditional indicators with modern analytical methods and aspects of sustainable development.

Thanks to integration with technologies such as artificial intelligence and predictive analytics, it allows organizations not only to monitor their current condition, but also effectively forecast future trends. In a dynamic market environment the ability to quickly interpret financial data becomes the foundation for building a competitive advantage. The main research objective of the article is to examine the role of financial analysis in the decision-making process in enterprises.

Additionally, the key elements of financial analysis important for operational and strategic management were examined and indicated. The differentiation of the use of financial analysis depending on the type of business activity, the size of the enterprise and the scope of business activity was also determined.

Three research questions were asked regarding the study sample: 1. Is financial analysis a common tool for making operational and strategic decisions in an enterprise? 2. Which of the following factors: type of business activity, size of the enterprise and scope of business activity, most determines the extent to which financial analysis is used for decision-making in an enterprise? 3. Do enterprises base their decision-making on financial indicators more on internal or external comparisons?

2. Literature Review

The theoretical foundations of financial analysis regarding the creation of shareholder value as an assessment of the effectiveness of business activities in terms of return on investment (Rappaport, 1986) and agency theory (Jensen and Meckling, 1976), based on cost reduction and managerial control, have been significantly expanded in recent years. In a modern enterprise, financial analysis is a process that assesses the current and historical financial situation of the company, as well as forecasts the future conditions of its functioning, which is necessary for effective management and accurate decision-making making good decisions (Bernstein, 2002; Helfert, 2003; Pur *et al.*, 2015).

The prospective nature of financial analysis, predicting various scenarios of financial development in the short and long term, supports both operational management and strategic planning (Ciechan-Kujawa and Goldmann, 2017). The decision-making process in the field of operational and strategic management, based on financial analysis, is a combination of scientific and intuitive elements (Zelgalve and Zaharcenko, 2012).

In modern strategic management, traditional financial indicators have been enriched with advanced value measures, such as Economic Value Added (EVA). These new tools support entities in setting and monitoring long-term development goals. A breakthrough solution was the Balanced Scorecard concept in the 1990s (Kaplan and Norton, 1992; 1996), which offers a comprehensive approach to assessing the performance of an enterprise.

Although this model goes beyond financial aspects and includes additional perspectives (a customer view, internal processes, development and growth), it is still based on solid financial analysis as one of the key elements. Such a combination of financial and non-financial indicators allows management to effectively balance short-term and long-term goals. Additionally, rigorous auditing and transparency of financial reporting effectively limit manipulation of financial results and reduce the cost of equity, which leads to more rational investment decisions (Chen *et al.*, 2011).

Financial analysis covers various areas, such as: analysis of financial liquidity, ability to generate revenues, cost level, profitability and debt. Information from these areas can be used to varying degrees in both operational and strategic management, depending on the needs of the company. In operational management, the most useful, immediately after the analysis of financial liquidity, is the analysis of the level of costs, characterized by the highest usefulness in strategic management (Goldmann, 2020).

The goals of liquidity and profitability usually conflict with each other when making most management decisions (Niresh, 2012). The key challenge is to find the optimal balance between these aspects (Raheman and Nasr, 2007). In operational

management, priority should be given to financial liquidity. A company that is unprofitable in the short term, but has good liquidity, retains development potential and the possibility of improving results. In turn, in strategic management, profitability should be the priority, because its long-term lack inevitably leads to a loss of financial liquidity (Goldmann, 2017).

Modern financial analysis has evolved significantly in response to the ongoing globalization and the growing complexity of the business environment. Traditional measures of operational efficiency and financial liquidity have been supplemented with a comprehensive assessment of the impact of macroeconomic factors and systemic risks (Damodaran, 2012). Progress in the field of advanced statistical methods and machine learning has revolutionized the possibilities of forecasting cash flows and modeling various scenarios of the development of the financial situation of enterprises (Penman, 2013).

In recent years, the integration of non-financial factors in the analysis of enterprises has become particularly important. Studies (Giese *et al.*, 2019; 2021) have shown that environmental, social and corporate governance (ESG) aspects are of fundamental importance both for the current condition of companies and their long-term development prospects.

Therefore, the growing role of financial analysis is influenced by green corporate bonds, which affect building of the strategic position of enterprises and obtaining financing aimed at achieving environmental goals (Flammer, 2021). In the context of business innovation, there is a strong relationship between financial constraints and the ability of companies to conduct research and development activities and implement innovative solutions (Eisdorfer *et al.*, 2013). Their findings emphasize the key role of financial analysis in identifying available sources of capital and assessing the risk associated with financing innovative projects.

From an operational perspective, modern financial analysis is evolving towards an advanced tool supporting the automation of decision-making processes and the optimization of enterprise resource management. The implementation of machine learning algorithms in the area of credit risk assessment and working capital management contributes to a significant increase in the operational efficiency of companies. Such application of predictive financial analytics in supply chain management leads to a measurable reduction in operating costs and strengthening the competitive position of enterprises (Oyewole, 2024).

In the strategic dimension, modern financial analysis has become the foundation of a comprehensive business transformation. Effective implementation of advanced analytical tools requires an integrated approach combining sustainable development criteria (ESG) with digitization processes, which directly translates into the long-term stability of the organization. Additionally, the use of real-time financial

analytics allows for making more precise strategic decisions, especially in conditions of increased market uncertainty.

3. Materials and Methods

The survey focused on enterprises that met two conditions: they prepared financial statements and declared to perform financial analysis activities. that they were performing activities as part of financial analysis. The subject of the study is internal financial analysis, which means taking into account indicators based on ~~their~~ own financial statements when making decisions. The impact of external analysis will be the subject of a separate study.

In order to obtain answers, a survey form containing metrics and closed questions was sent to respondents. In the questions regarding the assessment of the usefulness of individual parts of the financial analysis, a scale from 1 to 5 was used, where 1 means completely useless, 2 - rather useless, 3 - moderately useful, 4 - useful and 5 was defined as very useful. The study was conducted in May-June 2024.

The answers from the survey form were transferred to a spreadsheet in which basic measures of descriptive statistics (average, median, kurtosis, skewness) were calculated in various cross-sectional approaches to enterprises: main type of activity, size and scope of operations of enterprises. The survey included 111 companies operating in Poland. The sample was diversified in terms of the type of business, size and legal form of the enterprise.

The overwhelming number were entities with only Polish capital (95). The remaining entities (16) were those with predominantly Polish capital (6) and predominantly foreign capital (9). The criterion for the type of business was the dominant type of business declared by the respondents, which consisted of: trade, production or services. The survey form also asked about the scope of the entity's operations, limiting the possible answers to local, national and international.

Another important question from the point of view of this study was respondents' identification of the competition in their area of operation. The majority of companies have an established position on the market, counted in the number of years of operation. The study involved 76 entities characterized by a period of operation longer than 10 years, 15 entities have been operating on the market for 6-10 years, and 20 have been operating for up to 5 years. The main classification criterion was the type of business. The characteristics of the research sample based on the above criteria are presented in Table 1.

Analyzing the data from Table 1 from the point of view of achieving the research objectives and verifying the research questions adopted in the introduction, it should be stated that the research sample is dominated by enterprises with a national and

international scope of operations and companies with an established position on the market measured by the period of operation.

Table 1. Characteristics of the research sample

Specification		Trade	Production	Services	Total
Number of entities by type of activity		36	36	39	111
Scope of operation	local	14	6	15	111
	national	12	5	19	
	international	10	25	5	
Period of activities in years	up to 5	5	3	12	111
	from 6 to 10	6	2	7	
	over 10	25	31	20	
Size of enterprise	micro	6	4	14	111
	small	11	8	11	
	medium	13	8	9	
	large	6	16	5	
Competition in the area of activities	very high	7	5	4	111
	large	14	9	16	
	medium	12	15	8	
	small	3	6	7	
	none		1	4	

Source: Author's calculations.

The survey was answered primarily by small and medium-sized entities, regardless of the type of business they conduct. The surveyed entities, regardless of the industry, must take into account competition in their market. All the surveyed entities prepare financial statements, which, as mentioned in the theoretical part, are the basic source of data for financial analysis.

Over 87% of the entities declared that they prepare a full five-element financial statement (balance sheet, income statement, additional information, cash flow statement and statement of changes in equity). The remaining entities prepared a three-element report. Only four of the surveyed entities adopted International Financial Reporting Standards as the basis for preparing the report. The vast majority prepared reporting based on the Polish Accounting Act. Irrelevant to the quality of financial analysis, and thus the usefulness of the analysis for making sound decisions, is the issue of the reliability of the data contained in the reports.

Twelve trading companies, twenty two manufacturing companies and ten service companies declared that they had their financial statements audited by a certified auditor. The function performed in the company by the respondent is also important for the quality of the audit. Only in three cases in the entire group was it a person dealing with controlling. In twenty three cases, it was a member of the management board or the owner (we assume that the owner plays a management role in their company). Sixty three people providing the responses identified themselves as

accountants or chief accountants. The remaining respondents (22) can be described as other office workers. Often, activities related to financial analysis are performed occasionally (as revealed by the survey).

4. Results

The first part of the questions concerned the general usefulness of financial analysis for decision-making in the respondents' opinion. The question was asked about the frequency of work related to financial analysis and its use for making operational and management decisions.

The questions were also about the degree of usefulness of individual elements of the analysis (analysis of individual elements of the financial statement in terms of structure and dynamics, analysis of liquidity, level of revenues and costs, profitability and debt). Table 2 presents the frequency of performing financial analysis.

Table 2. Frequency of financial analysis

Frequency of financial analysis	Type of company (number of entities)			
	All companies	Trade	Production	Services
irregularly	25	12	7	6
once a week	2	1	1	0
once a month	34	7	15	12
once a quarter	24	7	9	8
once every six months	4	1		3
once a year	22	8	4	10
Total	111	36	36	39

Source: Author's calculations.

The fewest of the entire group are companies that perform analysis weekly and every six months. Trading companies most often perform ad-hoc analysis. In the case of manufacturing and service companies, most companies perform it monthly, and then quarterly.

About 20% of all companies postpone the analysis until the end of the year (the reason may be the annual cycle of preparing financial statements) or perform it irregularly, when needed.

Tables from 3 to 5 present the number of entities declaring that they use the results of financial analysis to make decisions. The tables contain results in three aspects: type of business, scope of operations and size of the company. Additionally, the tables contain a general assessment of the usefulness of the analysis for making operational and strategic decisions. The assessment applies only to respondents who declared that they use financial analysis in the management process.

Table 3. Using financial analysis to make decisions – type of activity

Using financial analysis to make decisions/type of activity		Yes	No	Usefulness rating (scale 1-5)			
				mean	median	kurtosis	skewness
operational	all enterprises	104	7	3.96	4.00	-0.7390	-0.5519
	trade	33	3	3.94	4.50	-0.6557	-0.6908
	production	35	1	4.06	4.00	-0.8918	-0.7081
	services	36	3	3.89	4.00	-1.0190	-0.0694
strategic	all enterprises	96	15	4.32	5.00	-1.2103	-0.6686
	trade	30	6	4.17	4.00	-1.7635	-0.3508
	production	31	5	4.39	5.00	-0.7563	-0.8060
	services	35	4	4.40	5.00	-0.8754	-0.8820

Source: Author's calculations.

Table 4. Using financial analysis to make decisions – scope of operation

Using financial analysis to make decisions/ scope of operation		Yes	No	Usefulness rating (scale 1-5)			
				mean	median	kurtosis	skewness
operational	all enterprises	104	7	3.96	4.00	-0.7390	-0.5519
	local	31	4	4.00	4.00	-1.0345	-0.2988
	national	31	5	3.94	4.00	-0.4498	-0.7461
	international	40	0	3.95	4.00	-1.1809	-0.4387
strategic	all enterprises	96	15	4.32	5.00	-1.2103	-0.6686
	local	26	9	4.31	5.00	-1.4020	-0.6769
	national	32	4	4.59	5.00	0.8497	-1.4183
	international	38	2	4.11	4.00	-1.6481	-0.2107

Source: Author's calculations.

Table 5. Using financial analysis to make decisions – size of enterprises

Using financial analysis to make decisions/ size of enterprises		Yes	No	Usefulness rating (scale 1-5)			
				mean	median	kurtosis	skewness
operational	all enterprises	104	7	3.96	4.00	-0.7390	-0.5519
	micro	21	3	3.86	4.00	0.1427	-0.7777
	small	29	1	3.86	4.00	-1.2633	-0.2872
	medium	27	3	3.74	4.00	-1.3335	-0.0639
	large	27	0	4.37	5.00	0.9902	-1.2456
strategic	all enterprises	96	15	4.32	5.00	-1.2103	-0.6686
	micro	20	4	4.20	4.00	-1.6718	-0.4315
	small	26	4	4.42	5.00	-0.5712	-0.9149
	medium	25	5	4.12	4.00	4.2159	-0.2540
	large	25	2	4.52	5.00	0.1454	-1.1950

Source: Author's calculations.

The majority of companies take into account the results of financial analysis when making both operational and strategic decisions, with a predominance for the former. In the entire group, 6.3% did not provide an answer for operational decisions and 13.5% for strategic decisions. Generally, in the context of the percentage of entities not using financial analysis, it is in the range of from 3% to 10%. The exception

here is the results on strategic decisions in terms of the type of activity. The number of companies not using financial analysis exceeds 10%, and the largest number concerns commercial activity amounts to 17%. The result concerning local companies in the aspect of strategic decisions is evident (Table 4).

Here, as many as 26% of companies do not use financial analysis. All large companies declare that financial analysis supports operational decisions, and 7.5% do not use it for strategic decisions. The manufacturing industry has the highest average score (4.06), suggesting that manufacturing companies have a better appreciation of financial analysis in making operational decisions, because it helps them manage high fixed costs and provide more accurate operational control.

Service entities with domination of intangible resources, have the lowest average rating (3.89). It may indicate that financial analysis, despite being used for decision-making, is less important and is rated lower as a management tool in this industry. In most cases the median value equals 4, which means that most companies rate the analysis as useful and very useful. Classifying companies based on the area of activity (Table 4), financial analysis is used by basically all companies, especially noticeable is the full participation of international companies.

The number of companies using analysis in strategic decisions is slightly smaller, but its rating by users is higher. Negative skewness indicates that most ratings focus on higher values, especially in the strategic area (median 5 in most categories).

Negative kurtosis values indicate flat distributions for all categories of operational and strategic decisions. For domestic companies in the strategic decision aspect, the kurtosis is positive, suggesting that respondents in this group have similar high utility ratings. In terms of enterprise size (Table 5), the assessment of the usefulness of financial analysis in strategic decisions (average 4.32) is higher than in operational decisions (3.96), which confirms its special importance in long-term planning.

Large companies assess financial analysis highly (highest averages and medians), and are also the most likely to declare their usage. Micro, small and medium-sized enterprises also use financial analysis, but the average usefulness assessments are slightly lower, which may result from smaller resources, less developed financial departments or a lower degree of formalization of decision-making processes.

The distributions of assessments have a slightly negative skewness and in many cases negative kurtosis, which indicates a predominance of high assessments (4–5) with a small number of lower scores (1–3). Overall, it can be concluded that financial analysis is an important element of decision support in most of the companies studied. Its importance increases with the size of the company and the significance (strategic character) of the decisions made.

Table 6. Assessment of the usefulness of individual elements of financial analysis for making operational decisions

Individual elements of financial analysis in making operational decisions		Yes	No	Usefulness rating (scale 1-5)			
				mean	median	kurtosis	skewness
Structure analysis	all enterprises	66	45	3.39	3.00	-0.5159	-0.3413
	trade	22	14	3.50	4.00	0.3778	-0.7340
	production	21	15	3.57	3.00	-0.9455	-0.2647
	services	8	31	3.13	3.00	-0.3465	-0.2793
Dynamics/ growth analysis	all enterprises	76	35	3.58	4.00	0.7490	-0.7912
	trade	28	8	3.45	4.00	0.8664	-0.8349
	production	23	13	3.87	4.00	-1.1397	0.2277
	services	6	33	3.48	4.00	-0.3195	-0.5866
Financial liquidity analysis	all enterprises	101	10	4.23	5.00	2.3212	-1.5769
	trade	31	5	3.97	5.00	1.0324	-1.4383
	production	34	2	4.35	5.00	-1.1622	-0.7722
	services	7	32	4.33	5.00	0.3872	-1.1945
Analysis of revenue generation capacity	all enterprises	79	32	3.98	4.00	2.2974	-1.0247
	trade	26	10	3.93	4.00	3.9598	-1.5229
	production	24	12	4.21	4.00	-1.1961	-0.3954
	services	5	34	3.83	4.00	-0.5677	-0.2947
Cost level analysis	all enterprises	99	12	4.32	5.00	6.1233	-2.1123
	trade	28	8	4.10	4.00	5.3679	-2.2349
	production	34	2	4.44	5.00	-0.4980	-0.9486
	services	11	28	4.38	5.00	1.3968	-1.3935
Profitability analysis	all enterprises	95	16	4.17	5.00	1.8697	-1.3616
	trade	31	5	4.13	5.00	3.1615	-1.7842
	production	31	5	4.39	5.00	-0.8882	-0.8440
	services	8	31	4.00	4.00	-0.8010	-0.6691
Debt analysis	all enterprises	85	26	3.86	4.00	0.8210	-1.0322
	trade	26	10	3.71	4.00	0.8704	-1.2056
	production	28	8	4.14	5.00	-0.6368	-0.8750
	services	6	33	3.74	4.00	-0.1250	-0.5093

Source: Author's calculations.

Table 7. Assessment of the usefulness of individual elements of financial analysis for making strategic decisions

Individual elements of financial analysis in making strategic decisions		Yes	No	Usefulness rating (scale 1-5)			
				mean	median	kurtosis	skewness
Structure analysis	all enterprises	61	50	3.51	4.00	-0.5808	-0.3394
	trade	19	17	3.42	3.00	-0.2312	-0.1764
	production	20	16	3.90	4.00	-0.9054	-0.4420
	services	7	32	3.23	3.00	-0.6461	-0.2971
Dynamics/ growth analysis	all enterprises	71	40	3.72	4.00	-0.3176	-0.5235
	trade	24	12	3.63	4.00	-0.9274	-0.2349
	production	23	13	4.09	4.00	0.7814	-0.7616

	services	3	36	3.46	3.00	-0.6090	-0.2609
Financial liquidity analysis	all enterprises	88	23	4.30	5.00	0.7608	-1.2426
	trade	26	10	4.00	4.00	0.6586	-0.8774
	production	29	7	4.45	5.00	1.4179	-1.5960
	services	4	35	4.39	5.00	1.3030	-1.4455
Analysis of revenue generation capacity	all enterprises	78	33	4.28	5.00	1.2808	-1.1754
	trade	26	10	4.23	4.00	-1.1116	-0.4302
	production	24	12	4.58	5.00	7.7340	-2.7166
	services	6	33	4.07	4.00	-0.4774	-0.5227
Cost level analysis	all enterprises	87	24	4.24	4.00	4.0417	-1.5272
	trade	26	10	4.00	4.00	4.3849	-1.6666
	production	29	7	4.52	5.00	0.0101	-0.9736
	services	7	32	4.19	4.00	-0.3696	-0.7099
Profitability analysis	all enterprises	89	22	4.21	5.00	-0.1573	-0.9751
	trade	29	7	4.21	4.00	0.1301	-0.9976
	production	27	9	4.59	5.00	4.8378	-2.1332
	services	9	30	3.91	4.00	-1.0289	-0.4729
Debt analysis	all enterprises	83	28	4.00	4.00	-0.6168	-0.6720
	trade	26	10	3.88	4.00	-1.1659	-0.3899
	production	26	10	4.19	5.00	0.6412	-1.3013
	services	6	33	3.94	4.00	-1.0092	-0.3421

Source: Author's calculations.

Tables 6 and 7 present the results of respondents' assessments of the usefulness of individual elements of the analysis for operational and strategic decisions. Important analyses in operational and strategic decisions are, financial liquidity, cost level and profitability.

In operational decisions, respondents place more importance to cost level analysis and financial liquidity analysis. Profitability analysis and analysis of the ability to generate revenue are more important in strategic decisions.

The average usefulness assessments for most areas of financial analysis are higher in the case of strategic decisions. This is particularly visible in case of: analysis of the ability to generate revenue, profitability analysis and debt analysis.

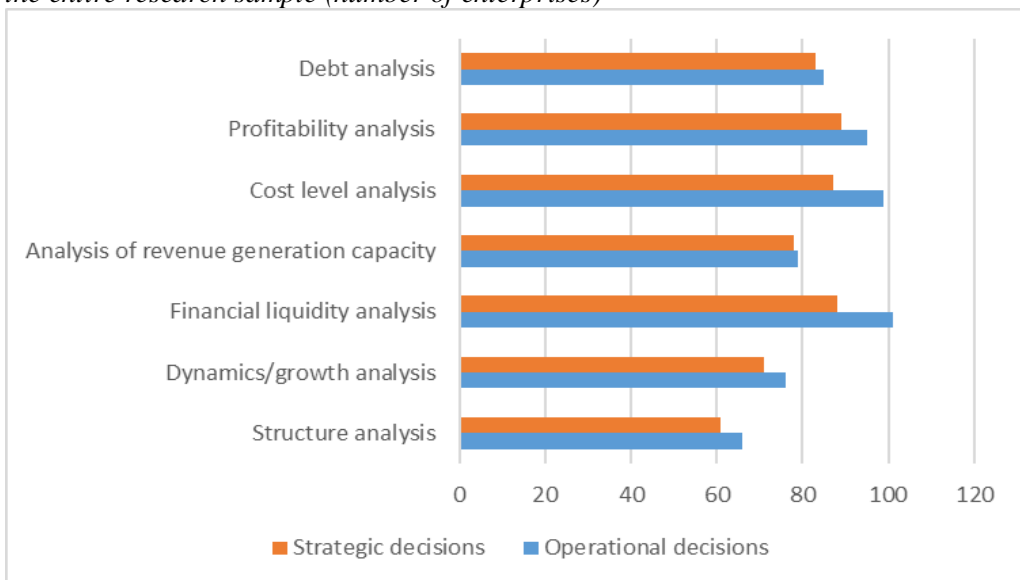
In operational decisions, financial liquidity analysis has a very high assessment (4.23), which suggests that current liquidity is crucial for the daily functioning of enterprises. In operational decisions, trading enterprises assess most highly liquidity and cost level analyses.

In long-term decisions profitability and debt analyses have a very high rating. A key element of production activity is the analysis of product manufacturing costs and the related profitability analysis (assessments oscillating around 4.4). A similarly high level of assessment was given to the profitability and the analysis of the ability to generate revenue (both at a level close to 4.6) in this industry.

Financial analysis in service companies in terms of operational and strategic decisions received lower ratings compared to trade and production. This may suggest a smaller dependence on traditional financial indicators.

The values of kurtosis and skewness indicate that for most analyses the distributions of assessments are skewed to the left, which means that most of the assessments are relatively high. In some cases, kurtosis indicates a greater concentration of assessments around the mean value, e.g., in the analysis of profitability for production companies in strategic decisions (4.8378), which means greater consistency of assessments. Figure 1 shows the use of individual elements of financial analysis for decision-making in the entire research sample.

Figure 1. The use of individual elements of financial analysis for decision-making in the entire research sample (number of enterprises)



Source: Author's calculations.

From the analysis of the entire group, in all aspects, it follows that all indicators are more often used for operational management purposes. This is particularly visible in case of cost level analysis and financial liquidity analysis. The number of entities using cost level and financial liquidity indicators for current and strategic management shows that cost and profitability control is essential for the operational management of the company and in long-term planning.

The least frequently used tools are: analysis of the structure and dynamics of data included directly in financial statements. The surveyed companies rate financial indicators higher, treating them as a better basis for analysis and comparison.

The last aspect is the comparison of calculated indicators with other values. Table 8 presents the reference values used in a given industry in the surveyed group.

Table 8. Values used to compare calculated indicators depending on the type of activity

The calculated indicators are compared to:	Decisions	Percentage of companies in the group		
		Trade	Productions	Services
indicators calculated in previous periods	operational	78%	86%	82%
	strategic	69%	69%	67%
planned indicators resulting from budgets or plans	operational	53%	53%	54%
	strategic	50%	50%	56%
normative indicators	operational	22%	19%	31%
	strategic	22%	22%	31%
industry indicators	operational	36%	33%	26%
	strategic	33%	36%	31%
indicators of competitive enterprises	operational	25%	31%	31%
	strategic	22%	33%	28%

Source: Author's calculations.

The largest number of companies compare their indicators to those from previous periods, especially in operational decisions (86% for manufacturing and 78% for trade companies). In strategic decisions, this percentage is lower (approx. 68%), which suggests that companies rely more on historical data in short-term management than in long-term planning.

Comparisons to plans or budgets are made by a little more than half of the surveyed companies. There is no significant difference between operational and strategic decisions, which suggests that financial planning is important at both levels of management. Comparisons with normative indicators are not popular. Companies in the service sector do this most often (31%), which may suggest that this industry is more likely to relate its performance to standard norms.

This can be explained by the fact that the theory and practice of financial analysis do not define normative values for all indicators. Industry indicators are more important for production companies in strategic decisions (36%) than in operational decisions (33%). In other sectors, the differences are smaller. Manufacturing entities refer more often to competitive companies in strategic decisions (33%) than operational ones (31%). Services and trade companies show less differences, but comparisons to competitive entities are less popular than to historical data or plans.

5. Conclusions

The research conducted allows for formulating answers to the research questions. With regard to the first question, it can be concluded that in the surveyed sample

financial analysis is commonly used as a tool supporting decision-making. In the studied group, 93.7% of companies use it in operational decisions, and 86.5% in strategic ones, especially in large organizations and the production sector. This is consistent with previous research findings, which emphasized that companies with a stable market position, with extensive information resources, more often reach for tools such as liquidity, cost or profitability analyses (White, Sondhi and Fried, 2003; Drury, 2004). Compared to the research conducted in 2017, the use of financial analysis in operational and strategic decisions, has increased (Goldmann, 2020).

The study allowed to formulate an answer to the second question. It can be concluded that there is no clear difference in the number of companies using the analysis in the individual cross-sections studied. Nevertheless, particularly frequent use of financial analysis was observed in the manufacturing sector. A notable attention is paid to cost and profitability analysis, which indicates the key role of financial management in building competitive advantage in this sector.

On the other hand, service companies, while showing a similar tendency to use financial analysis, assess its usefulness as lower. This may suggest that current analytical tools are not adapted to the specifics of their activities. In the context of the third question, concerning comparisons of financial indicators, most of the surveyed companies focus on comparisons with historical data of their own organization.

Comparisons with industry standards or competitive entities indicators are used less often, which may be due to limited availability of such data or difficulties in their interpretation. A comprehensive approach to financial data analysis not only supports the evaluation of achieved results, but above all, enables making decisions focused on effective risk management and creating new paths of enterprise development. The study confirms the fundamental importance of financial analysis in the decision-making processes of organizations, at the same time indicating areas requiring further research.

Main directions for future research should include adapting analytical tools to the needs of the service sector and increasing the use of industry and competitive comparisons in management practice. Moreover, the progressive integration of traditional financial analysis methods with advanced digital tools creates new research areas, especially on the role of financial analysis necessary for sustainable business growth in the digital age.

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