Liquidity Management Strategies under Conditions of Economic Uncertainty

Meisam Khodabakhsh [1,*]

[1] Ph.D. student in Financial Engineering, Ka.C., Islamic Azad University, Karaj, Iran;

* Correspondence: Khodabakhsh.meisam@yahoo.com

Abstract: The present study aimed to examine liquidity management strategies under conditions of economic uncertainty This study employed a quantitative, applied research design with a descriptive–analytical and correlational approach. The statistical population consisted of financial managers, treasury specialists, senior accountants, and executive managers working in medium and large organizations in Tehran in 2025. Based on the Krejcie and Morgan sample size table, 285 participants were selected using stratified random sampling, of whom 268 valid responses were included in the final analysis. Data were collected using a researcher-developed questionnaire consisting of 42 items measured on a five-point Likert scale. Content validity was confirmed by expert evaluation, and reliability was established with a Cronbach's alpha coefficient of 0.91. Data were analyzed using SPSS version 27 and AMOS version 26. Descriptive statistics, Pearson correlation analysis, confirmatory factor analysis, and structural equation modeling were used to evaluate the relationships among variables and test the research model at a significance level of 0.05. Structural equation modeling results indicated that economic uncertainty had a significant positive effect on liquidity management strategies ($\beta = 0.63$, $p < 0.001$), cash flow forecasting practices ($\beta = 0.52$, $p < 0.001$), liquidity buffer policies ($\beta = 0.58$, $p < 0.001$), and financial flexibility ($\beta = 0.55$, $p < 0.001$). Pearson correlation analysis showed significant positive relationships between economic uncertainty and liquidity management strategies ($r = 0.61$, $p < 0.01$), cash flow forecasting practices ($r = 0.54$, $p < 0.01$), liquidity buffer policies ($r = 0.59$, $p < 0.01$), and financial flexibility ($r = 0.57$, $p < 0.01$). Additionally, liquidity management strategies were strongly correlated with liquidity buffer policies ($r = 0.73$, $p < 0.01$), financial flexibility ($r = 0.71$, $p < 0.01$), and cash flow forecasting practices ($r = 0.68$, $p < 0.01$), confirming the structural integrity of the liquidity management framework. The findings demonstrate that economic uncertainty significantly influences organizational liquidity management behavior by strengthening liquidity planning, increasing reliance on cash flow forecasting, promoting the maintenance of liquidity buffers, and enhancing financial flexibility. These results indicate that organizations adopt proactive and adaptive liquidity management strategies to mitigate uncertainty-related risks and maintain financial stability. Effective liquidity management serves as a critical mechanism for ensuring organizational resilience, financial sustainability, and operational continuity in volatile economic environments.

Keywords: Economic uncertainty, liquidity management, financial flexibility, cash flow forecasting, liquidity buffer policies, financial risk management

1. Introduction

Economic uncertainty has become one of the most influential and persistent challenges confronting organizations, financial institutions, and policymakers in contemporary global economic systems. The increasing volatility of financial markets, geopolitical tensions, inflationary pressures, and disruptions caused by pandemics and macroeconomic policy shifts have significantly altered the financial decision-making landscape. Economic

uncertainty affects firm behavior by influencing investment decisions, capital allocation, liquidity preservation, and risk management practices. Uncertainty introduces ambiguity regarding future cash flows, financial obligations, and funding availability, thereby increasing the importance of liquidity management as a fundamental component of organizational financial resilience. Empirical evidence demonstrates that financial uncertainty directly influences economic performance, asset valuation, and liquidity conditions across markets, making liquidity management a central strategic priority for organizations seeking to maintain financial stability and operational continuity [1, 2]. Furthermore, uncertainty in macroeconomic indicators, such as interest rates, inflation, and exchange rates, significantly alters firm expectations, affecting both financial planning and liquidity allocation strategies [3, 4]. These dynamics underscore the need for organizations to adopt adaptive liquidity management strategies capable of mitigating the adverse effects of economic uncertainty.

Liquidity management refers to the strategic process by which organizations ensure the availability of sufficient financial resources to meet short-term obligations while maintaining operational efficiency and financial flexibility. Effective liquidity management involves cash flow forecasting, working capital optimization, liquidity buffer maintenance, and access to external financing sources. In uncertain economic environments, liquidity becomes not only a financial necessity but also a strategic asset that enables organizations to withstand shocks and exploit emerging opportunities. Previous studies have demonstrated that firms with robust liquidity management practices exhibit greater resilience during financial crises and economic disruptions, as they are better positioned to absorb financial shocks and maintain operational continuity [5, 6]. Moreover, liquidity management enables organizations to respond proactively to unexpected financial constraints and market volatility, reducing the likelihood of financial distress and improving overall financial stability [7, 8]. This highlights the strategic importance of liquidity management as a critical determinant of organizational survival and performance in uncertain economic conditions.

Economic uncertainty significantly affects liquidity availability and financial market functioning by increasing information asymmetry, risk perception, and funding constraints. When uncertainty rises, financial institutions and investors become more risk-averse, leading to reduced credit availability, increased borrowing costs, and liquidity shortages. These conditions create significant challenges for firms attempting to maintain sufficient liquidity levels to meet operational and financial obligations. Research has shown that uncertainty affects stock market liquidity, transaction costs, and asset allocation decisions, ultimately influencing organizational liquidity positions [9, 10]. Similarly, uncertainty related to political, economic, and institutional factors has been shown to significantly influence liquidity conditions, market efficiency, and financial stability, emphasizing the importance of strategic liquidity management in mitigating uncertainty-related risks [11, 12]. In addition, uncertainty-driven liquidity shocks can propagate across financial systems, affecting interconnected markets and amplifying financial instability [1, 7]. These findings highlight the systemic importance of liquidity management as a stabilizing mechanism during periods of economic uncertainty.

Financial crises and global disruptions, such as the COVID-19 pandemic, have further emphasized the critical role of liquidity management in organizational resilience. The pandemic introduced unprecedented levels of uncertainty, disrupting global supply chains, financial markets, and economic activity. Evidence indicates that economic uncertainty during crises significantly reduces market liquidity, increases volatility, and disrupts financial stability, forcing organizations to adopt defensive liquidity management strategies [13, 14]. Similarly, pandemic-related uncertainty significantly influenced liquidity pricing, asset valuation, and financial market behavior, highlighting the direct link between uncertainty and liquidity management practices [15, 16].

Organizations responded to these challenges by increasing cash reserves, strengthening working capital management, and adopting conservative financial strategies to ensure liquidity sufficiency. These strategic responses demonstrate the importance of liquidity management as a key mechanism for maintaining financial stability during periods of extreme uncertainty [5, 17].

Advances in financial technology and predictive analytics have also enhanced the effectiveness of liquidity management under uncertain conditions. Machine learning, artificial intelligence, and predictive modeling techniques enable organizations to forecast cash flows, assess liquidity risk, and optimize financial decision-making with greater accuracy. Predictive analytics allow firms to anticipate liquidity shortages and implement proactive risk mitigation strategies, improving financial resilience and operational efficiency [18, 19]. Furthermore, uncertainty-aware forecasting models have been shown to improve financial planning by incorporating uncertainty dynamics into liquidity predictions, enabling organizations to adapt more effectively to volatile environments [20, 21]. These technological advancements highlight the evolving nature of liquidity management and the increasing importance of data-driven decision-making in uncertain economic environments.

Macroeconomic and financial uncertainties also influence corporate financial policies, including capital structure decisions, asset allocation, and funding strategies. Firms tend to adopt more conservative financial policies during periods of high uncertainty, increasing liquidity reserves and reducing financial leverage to minimize risk exposure. Empirical research has demonstrated that economic uncertainty significantly influences corporate asset allocation and liquidity risk management, reinforcing the importance of adaptive financial strategies [22, 23]. In addition, uncertainty affects investor behavior, asset pricing, and financial market dynamics, further influencing corporate liquidity conditions and financial stability [24, 25]. The relationship between uncertainty and financial decision-making underscores the strategic importance of liquidity management in maintaining financial stability and organizational resilience.

Uncertainty also affects global financial markets and macroeconomic performance, influencing economic growth, investment activity, and financial stability. Research has shown that macroeconomic uncertainty significantly affects asset returns, market volatility, and liquidity conditions, highlighting the systemic impact of uncertainty on financial systems [3, 26]. Similarly, uncertainty affects foreign exchange risk, investment decisions, and financial market efficiency, requiring organizations to adopt strategic liquidity management practices to mitigate uncertainty-related risks [27, 28]. Furthermore, financial market uncertainty has been shown to significantly influence economic growth and macroeconomic stability, reinforcing the importance of effective liquidity management in maintaining economic resilience [1, 11]. These findings highlight the broad and far-reaching implications of economic uncertainty for financial management and organizational stability.

The increasing complexity of global financial systems and the growing frequency of economic shocks have further amplified the importance of liquidity management strategies. Economic uncertainty affects not only financial markets but also organizational operations, investment decisions, and risk management practices. Firms must develop adaptive liquidity management strategies that enable them to respond effectively to changing economic conditions and financial risks. Research has shown that financial uncertainty significantly influences liquidity risk, funding availability, and financial stability, emphasizing the importance of proactive liquidity management practices [17, 29]. Additionally, volatility forecasting models and financial risk assessment tools provide valuable insights into uncertainty dynamics, enabling organizations to develop more effective liquidity management strategies [30, 31]. These developments highlight the need for integrated liquidity management frameworks capable of addressing the complex challenges posed by economic uncertainty.

Institutional quality, governance structures, and financial market conditions also play critical roles in shaping liquidity management strategies. Strong institutional frameworks enhance financial stability and reduce uncertainty-related risks by improving transparency, investor confidence, and market efficiency. Evidence suggests that governance quality significantly influences financial market uncertainty and liquidity conditions, highlighting the importance of institutional factors in financial stability [8, 11]. Similarly, market volatility, policy uncertainty, and economic instability significantly affect liquidity availability and financial decision-making, reinforcing the importance of effective liquidity management strategies [32, 33]. These findings emphasize the need for organizations to develop robust liquidity management strategies that account for both internal financial factors and external economic conditions.

Financial uncertainty also affects investor behavior, asset valuation, and financial market efficiency, influencing liquidity conditions and financial stability. Uncertainty increases risk perception and reduces investor confidence, leading to reduced market liquidity and increased financial volatility. Studies have shown that uncertainty significantly affects financial asset liquidity, transaction costs, and investment decisions, highlighting the importance of liquidity management in maintaining financial stability [34, 35]. In addition, uncertainty affects hedging strategies, risk management practices, and financial market behavior, reinforcing the need for adaptive liquidity management strategies [36, 37]. These findings highlight the critical role of liquidity management in mitigating financial risks and maintaining organizational resilience.

Overall, the growing complexity and volatility of global economic systems have significantly increased the importance of liquidity management strategies in ensuring financial stability and organizational resilience. Economic uncertainty affects financial markets, corporate decision-making, investment strategies, and financial stability, making liquidity management a critical component of financial risk management. Organizations must develop adaptive and proactive liquidity management strategies capable of mitigating uncertainty-related risks and ensuring financial sustainability. Despite the extensive literature on economic uncertainty and financial management, limited empirical research has specifically examined liquidity management strategies under conditions of economic uncertainty within emerging economic contexts such as Tehran. Therefore, the aim of this study is to examine liquidity management strategies under conditions of economic uncertainty and to analyze how economic uncertainty influences liquidity management practices among financial decision-makers in organizations located in Tehran.

2.   Methodology

The present study was conducted using a quantitative, applied research design with a descriptive–analytical and correlational approach aimed at identifying and modeling liquidity management strategies under conditions of economic uncertainty. Given the multidimensional and decision-oriented nature of liquidity management in volatile economic environments, the study focused on financial managers, senior accountants, treasury specialists, and executive managers working in medium and large-scale organizations in Tehran, Iran. These professionals were selected because they are directly responsible for liquidity planning, cash flow management, working capital optimization, and financial decision-making under uncertain economic conditions such as inflation volatility, exchange rate fluctuations, and financial market instability. The statistical population of the study consisted of all financial decision-makers employed in publicly listed companies on the Tehran Stock Exchange, private industrial firms, and financial service institutions located in Tehran during the fiscal year 2025. Based on records obtained from organizational directories and professional associations, the estimated population included approximately

1,150 eligible financial professionals. Using the Krejcie and Morgan sample size determination table and assuming a confidence level of 95% and a margin of error of 5%, a sample size of 285 participants was determined to be adequate for statistical analysis and structural modeling. To ensure representativeness and reduce sampling bias, a stratified random sampling method was employed, whereby participants were selected proportionally from different organizational sectors, including manufacturing, financial services, and commercial enterprises. Ultimately, 285 questionnaires were distributed, of which 268 complete and valid responses were returned and included in the final analysis, representing a response rate of 94.03%. Inclusion criteria required participants to have at least three years of professional experience in financial management or treasury-related roles and active involvement in liquidity-related decision-making processes. Participants who provided incomplete questionnaires or did not meet the experience criteria were excluded from the analysis.

Data were collected using a structured, researcher-developed questionnaire designed to assess liquidity management strategies and their determinants under conditions of economic uncertainty. The questionnaire was developed based on an extensive review of the literature on liquidity risk management, working capital management, financial uncertainty, and corporate financial strategy, as well as expert consultations with academic specialists in financial management and experienced financial executives. The instrument consisted of two main sections. The first section collected demographic and professional information, including age, gender, educational level, years of professional experience, organizational sector, and managerial position. The second section assessed the core research variables, including liquidity management strategies, perceived economic uncertainty, cash flow forecasting practices, liquidity buffer policies, financial flexibility strategies, and risk mitigation mechanisms. The questionnaire included 42 items measured using a five-point Likert scale ranging from strongly disagree (1) to strongly agree (5), allowing for quantitative measurement of participants' perceptions and practices. Content validity was established using expert panel evaluation, involving ten university professors specializing in financial management and five senior financial managers from large organizations in Tehran. The Content Validity Ratio and Content Validity Index were calculated, and all items exceeded the minimum acceptable thresholds, confirming their relevance, clarity, and necessity. Construct validity was evaluated using exploratory and confirmatory factor analysis, which confirmed the multidimensional structure of liquidity management strategies and economic uncertainty. The reliability of the instrument was assessed using Cronbach's alpha coefficient and composite reliability measures. The overall Cronbach's alpha coefficient for the questionnaire was 0.91, indicating excellent internal consistency, while all subscales demonstrated alpha values exceeding 0.80, confirming acceptable reliability for research purposes. Prior to full data collection, a pilot test was conducted with 30 financial professionals to evaluate clarity, response time, and instrument reliability, and minor revisions were made accordingly.

Data analysis was conducted using a comprehensive statistical approach combining descriptive and inferential techniques to examine liquidity management strategies under economic uncertainty. Initially, descriptive statistics, including mean, standard deviation, skewness, and kurtosis, were calculated to summarize participants' responses and assess the distribution characteristics of the data. Normality of the data distribution was evaluated using the Kolmogorov–Smirnov test and skewness–kurtosis indices, confirming suitability for parametric analysis. Subsequently, Pearson correlation analysis was used to examine the relationships between economic uncertainty and liquidity management strategies. To assess the structural relationships among variables and evaluate the predictive influence of economic uncertainty on liquidity management practices, structural equation modeling was employed. This approach allowed simultaneous estimation of measurement and structural models, providing

robust evaluation of both latent constructs and their interrelationships. Confirmatory factor analysis was used to validate the measurement model, ensuring adequate factor loadings, construct reliability, and convergent and discriminant validity. Model fit was evaluated using multiple fit indices, including the chi-square statistic, comparative fit index, Tucker–Lewis index, root mean square error of approximation, and standardized root mean square residual, ensuring that the model met accepted statistical thresholds. Statistical analyses were performed using SPSS version 27 for descriptive and preliminary analyses and AMOS version 26 for structural equation modeling. The significance level for hypothesis testing was set at 0.05. This analytical framework enabled a rigorous and systematic examination of liquidity management strategies and provided empirical insights into how organizations adapt their financial decision-making processes in response to economic uncertainty.

3. Findings and Results

Before examining the structural relationships among the research variables, descriptive statistics were calculated to provide an overview of the demographic and professional characteristics of the participants. These characteristics are important because they reflect the professional competence, experience level, and organizational roles of the respondents, all of which directly influence liquidity management decision-making under conditions of economic uncertainty. Table 1 presents the demographic profile of the participants, including gender, age group, educational level, years of professional experience, and organizational sector. This information provides the contextual foundation for interpreting the subsequent inferential and structural analyses.

Table 1. Demographic and Professional Characteristics of Participants (n = 268)

Variable	Category	Frequency	Percentage (%)
Gender	Male	198	73.88
	Female	70	26.12
Age	25–34 years	62	23.13
	35–44 years	114	42.54
	45–54 years	71	26.49
	55 years and above	21	7.84
Education Level	Bachelor's degree	88	32.84
	Master's degree	142	52.99
	Doctoral degree	38	14.18
Professional Experience	3–7 years	54	20.15
	8–15 years	129	48.13
	More than 15 years	85	31.72
Organizational Sector	Manufacturing	104	38.81
	Financial services	86	32.09
	Commercial enterprises	78	29.10

As shown in Table 1, the majority of participants were male (73.88%), reflecting the gender distribution commonly observed in senior financial management roles. Most respondents were between 35 and 44 years of age (42.54%), indicating that the sample primarily consisted of mid-career professionals with substantial decision-making experience. In terms of educational attainment, more than half of the participants (52.99%) held a master's degree, and 14.18% held doctoral degrees, demonstrating a high level of academic qualification and financial expertise. Nearly half of the respondents (48.13%) had between 8 and 15 years of professional experience, while 31.72% had more than 15 years of experience, confirming that the sample included highly experienced financial professionals capable of making strategic liquidity management decisions. Additionally, participants were

distributed across manufacturing (38.81%), financial services (32.09%), and commercial enterprises (29.10%), ensuring representation from key economic sectors in Tehran. Overall, these findings confirm that the sample possessed sufficient expertise, experience, and sectoral diversity to provide reliable and valid insights into liquidity management strategies under economic uncertainty.

To further examine the central tendencies and variability of the research variables, descriptive statistics for economic uncertainty, liquidity management strategies, cash flow forecasting practices, liquidity buffer policies, and financial flexibility were calculated. These descriptive indicators provide an initial understanding of the extent to which organizations actively implement liquidity management strategies in response to uncertain economic conditions.

Table 2. Descriptive Statistics of Research Variables (n = 268)

Variable	Mean	Standard Deviation	Skewness	Kurtosis
Economic Uncertainty	3.87	0.74	-0.42	-0.31
Liquidity Management Strategies	4.02	0.69	-0.58	0.12
Cash Flow Forecasting Practices	3.95	0.72	-0.49	-0.18
Liquidity Buffer Policies	4.11	0.66	-0.63	0.21
Financial Flexibility	3.98	0.71	-0.51	-0.05

The results presented in Table 2 indicate that liquidity buffer policies had the highest mean score (M = 4.11, SD = 0.66), suggesting that organizations strongly emphasize maintaining liquidity reserves to mitigate uncertainty-related risks. Liquidity management strategies overall also demonstrated a high mean score (M = 4.02, SD = 0.69), indicating that firms actively implement structured liquidity management practices. Economic uncertainty had a relatively high perceived level (M = 3.87, SD = 0.74), reflecting the volatile economic environment faced by organizations. Cash flow forecasting practices (M = 3.95, SD = 0.72) and financial flexibility (M = 3.98, SD = 0.71) also showed strong implementation levels. The skewness and kurtosis values for all variables were within acceptable ranges (−1 to +1), indicating that the data were normally distributed and suitable for parametric statistical analysis.

To examine the relationships among the research variables, Pearson correlation analysis was conducted. This analysis provides insight into the strength and direction of associations between economic uncertainty and various liquidity management strategies.

Table 3. Correlation Matrix among Research Variables

| Variable	1	2	3	4	5
1. Economic Uncertainty	1				
2. Liquidity Management Strategies	0.61**	1			
3. Cash Flow Forecasting Practices	0.54**	0.68**	1		
4. Liquidity Buffer Policies	0.59**	0.73**	0.65**	1	
5. Financial Flexibility	0.57**	0.71**	0.69**	0.74**	1

**$p < 0.01$

The correlation results in Table 3 indicate that economic uncertainty had a significant positive correlation with liquidity management strategies (r = 0.61, p < 0.01), suggesting that higher levels of uncertainty were associated with more intensive liquidity management practices. Economic uncertainty also showed significant positive correlations with cash flow forecasting practices (r = 0.54, p < 0.01), liquidity buffer policies (r = 0.59, p < 0.01), and financial flexibility (r = 0.57, p < 0.01), indicating that organizations adopt proactive liquidity management measures in response to uncertain economic conditions. Additionally, liquidity management strategies showed strong positive relationships with liquidity buffer policies (r = 0.73, p < 0.01) and financial flexibility (r = 0.71, p < 0.01), confirming the integrated nature of liquidity management components.

To test the structural relationships among economic uncertainty and liquidity management strategies, structural equation modeling was conducted. Table 4 presents the standardized path coefficients, critical ratios, and significance levels for the structural model.

Table 4. Structural Model Results

Hypothesized Path	Standardized Coefficient (β)	Standard Error	Critical Ratio (CR)	p-value	Result
Economic Uncertainty → Liquidity Management Strategies	0.63	0.07	9.21	<0.001	Supported
Economic Uncertainty → Cash Flow Forecasting	0.52	0.06	8.17	<0.001	Supported
Economic Uncertainty → Liquidity Buffer Policies	0.58	0.07	8.74	<0.001	Supported
Economic Uncertainty → Financial Flexibility	0.55	0.06	8.36	<0.001	Supported

The structural model results presented in Table 4 indicate that economic uncertainty had a significant positive effect on liquidity management strategies ($\beta = 0.63$, CR = 9.21, $p < 0.001$), demonstrating that organizations intensify liquidity management efforts as uncertainty increases. Economic uncertainty also significantly influenced cash flow forecasting practices ($\beta = 0.52$, CR = 8.17, $p < 0.001$), liquidity buffer policies ($\beta = 0.58$, CR = 8.74, $p < 0.001$), and financial flexibility ($\beta = 0.55$, CR = 8.36, $p < 0.001$). These findings confirm that economic uncertainty is a strong predictor of liquidity management behavior and financial decision-making strategies.
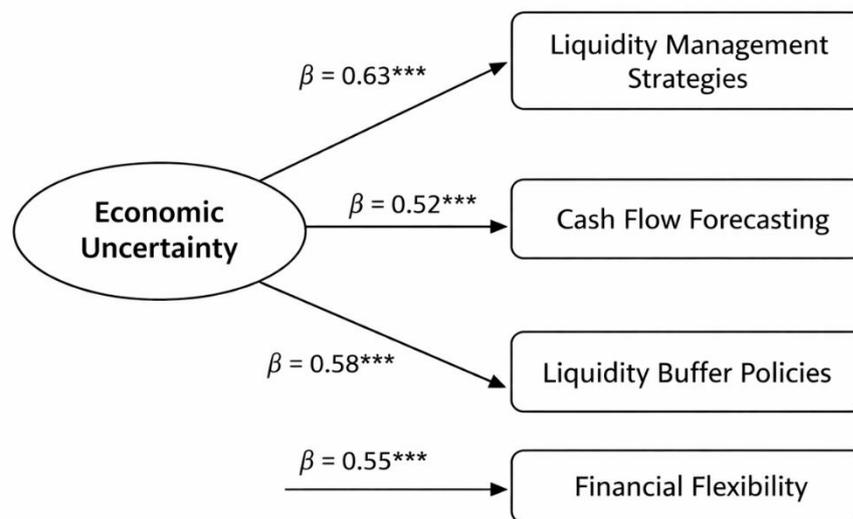
CFI = 0.94, TLI = 0.93, RMSEA = 0.052, SRMR = 0.041

Figure 1. Structural Model of Liquidity Management Strategies under Economic Uncertainty

The structural model illustrates the relationships among economic uncertainty and liquidity management components, showing that economic uncertainty directly influences liquidity management strategies, cash flow forecasting, liquidity buffer policies, and financial flexibility. The model demonstrates strong standardized path coefficients and confirms the central role of economic uncertainty as a driving factor influencing organizational liquidity management decisions. The overall model fit indices indicated a satisfactory model fit (CFI = 0.94, TLI = 0.93, RMSEA = 0.052, SRMR = 0.041), confirming the adequacy of the structural model in explaining liquidity management strategies under uncertain economic conditions.

4. Discussion and Conclusion

The findings of this study provide strong empirical evidence that economic uncertainty plays a central and statistically significant role in shaping liquidity management strategies among organizations operating in Tehran. The structural model results demonstrated that economic uncertainty had a direct and positive effect on overall liquidity management strategies, indicating that firms intensify their liquidity planning, monitoring, and control mechanisms when faced with uncertain economic conditions. This finding aligns with theoretical perspectives that emphasize liquidity as a critical safeguard against unpredictable financial disruptions and operational risks. Economic uncertainty introduces ambiguity regarding future cash flows, financing availability, and operational costs, forcing firms to adopt precautionary liquidity strategies to maintain financial stability. Previous research has similarly confirmed that uncertainty significantly influences liquidity allocation decisions, asset management practices, and financial planning behavior, highlighting the role of liquidity as a defensive financial mechanism during volatile economic periods [1, 3]. These findings suggest that organizations respond rationally to uncertainty by strengthening liquidity reserves and adopting more structured liquidity management policies.

The results also showed that economic uncertainty significantly influenced cash flow forecasting practices, indicating that organizations increase their reliance on predictive financial planning under uncertain conditions. This finding reflects the importance of forward-looking financial management in uncertain environments, where inaccurate cash flow projections can lead to liquidity shortages and financial distress. Cash flow forecasting enables organizations to anticipate liquidity needs, optimize working capital, and avoid unexpected financial disruptions. This result is consistent with prior studies demonstrating that uncertainty increases the importance of financial forecasting and predictive modeling in improving financial decision-making and risk mitigation [18, 20]. Predictive financial planning allows firms to adapt to rapidly changing economic conditions and reduce exposure to liquidity risk. Furthermore, uncertainty-aware forecasting techniques improve financial resilience by enabling organizations to incorporate volatility and risk into their financial planning processes [19, 21]. These findings reinforce the strategic importance of cash flow forecasting as a key component of liquidity management in uncertain economic environments.

Another important finding of this study was the significant positive relationship between economic uncertainty and liquidity buffer policies. Organizations facing high levels of economic uncertainty were more likely to maintain higher liquidity reserves, reflecting a precautionary approach to financial management. Liquidity buffers serve as financial cushions that enable firms to absorb financial shocks, meet short-term obligations, and maintain operational continuity during periods of economic instability. This finding is consistent with empirical evidence showing that economic uncertainty increases liquidity risk and motivates firms to maintain higher liquidity reserves to protect against financial disruptions [17, 23]. Similarly, research has demonstrated that uncertainty significantly affects funding liquidity and financial stability, forcing organizations to adopt more conservative liquidity management strategies [7, 29]. The adoption of liquidity buffer policies reflects rational financial behavior aimed at mitigating uncertainty-related risks and ensuring organizational survival during volatile economic conditions.

The findings also revealed that economic uncertainty significantly influenced financial flexibility, indicating that firms adopt more flexible financial structures in response to uncertain economic environments. Financial flexibility enables organizations to respond quickly to changing financial conditions, access alternative funding sources, and adjust financial strategies to mitigate risks. This result supports prior research demonstrating that economic

uncertainty significantly influences corporate financial policies, including capital allocation, asset management, and funding strategies [6, 22]. Financial flexibility allows firms to adapt to unexpected financial shocks and maintain operational continuity. Moreover, uncertainty-driven financial flexibility enhances organizational resilience by enabling firms to respond proactively to financial risks and market volatility [5, 24]. These findings highlight the importance of flexible financial structures in mitigating uncertainty-related risks and improving organizational stability.

The strong correlations observed between liquidity management strategies and their key components further confirm the integrated nature of liquidity management. Liquidity buffer policies, cash flow forecasting practices, and financial flexibility were all strongly associated with overall liquidity management strategies, indicating that these components operate as interconnected elements of a comprehensive liquidity management framework. This finding aligns with financial management theory, which emphasizes the importance of integrated liquidity planning in maintaining financial stability and operational efficiency. Prior studies have similarly demonstrated that effective liquidity management requires a combination of forecasting, reserve management, and financial flexibility to mitigate uncertainty-related risks [5, 6]. The interconnected nature of liquidity management components highlights the importance of adopting a holistic approach to liquidity management rather than relying on isolated financial strategies.

The results of this study are also consistent with empirical evidence demonstrating that economic uncertainty significantly affects financial markets, liquidity conditions, and financial stability. Economic uncertainty increases financial volatility, reduces investor confidence, and disrupts financial market functioning, forcing organizations to adopt more conservative financial strategies. Previous research has shown that uncertainty significantly influences asset liquidity, financial market behavior, and corporate financial decision-making [9, 10]. Similarly, uncertainty-driven volatility significantly affects financial market liquidity and funding availability, reinforcing the importance of liquidity management in maintaining financial stability [15, 16]. These findings confirm that economic uncertainty has broad and systemic effects on financial systems, influencing both market-level and firm-level liquidity management practices.

The findings of this study also support the theoretical perspective that uncertainty increases risk perception and influences organizational financial behavior. When uncertainty rises, firms become more risk-averse and prioritize financial stability over aggressive investment strategies. This behavioral response leads to increased liquidity reserves, improved cash flow management, and enhanced financial flexibility. Previous studies have similarly found that uncertainty significantly affects corporate financial behavior, investment decisions, and liquidity management strategies [8, 12]. Additionally, uncertainty affects financial forecasting accuracy, asset valuation, and investment planning, reinforcing the importance of liquidity management as a risk mitigation strategy [25, 30]. These findings highlight the behavioral and strategic importance of liquidity management in uncertain economic environments.

Another important implication of this study is that economic uncertainty influences organizational financial planning by increasing the importance of risk management and financial preparedness. Firms operating in uncertain environments must develop proactive financial strategies that enable them to anticipate risks and maintain financial stability. Prior research has demonstrated that uncertainty significantly affects financial risk management, investment strategies, and financial performance [27, 37]. Similarly, uncertainty-driven financial instability affects macroeconomic performance, investment activity, and financial stability, emphasizing the

importance of effective liquidity management strategies [1, 11]. These findings reinforce the importance of strategic liquidity management in ensuring organizational resilience and financial stability.

Furthermore, the findings of this study are consistent with research demonstrating that uncertainty significantly affects financial markets, investment behavior, and financial stability during crisis periods. Economic disruptions, such as financial crises and pandemics, increase liquidity risk and financial volatility, forcing organizations to adopt defensive financial strategies. Previous studies have shown that uncertainty significantly affects asset returns, liquidity conditions, and financial stability, reinforcing the importance of liquidity management in mitigating financial risks [13, 26]. These findings highlight the importance of liquidity management as a critical component of financial resilience during periods of economic uncertainty.

Overall, the findings of this study provide strong empirical evidence supporting the theoretical and empirical literature emphasizing the critical role of liquidity management strategies in mitigating economic uncertainty. Economic uncertainty significantly influences liquidity management strategies, cash flow forecasting practices, liquidity buffer policies, and financial flexibility. These findings highlight the importance of proactive financial management in ensuring organizational stability and resilience under uncertain economic conditions. The results confirm that organizations respond to economic uncertainty by strengthening liquidity management practices, improving financial forecasting, and adopting flexible financial strategies to mitigate uncertainty-related risks. These findings contribute to the existing literature by providing empirical evidence on liquidity management strategies in the context of economic uncertainty and highlight the importance of adaptive financial management in ensuring organizational resilience.

Despite its significant contributions, this study has several limitations that should be acknowledged. First, the study was conducted using a cross-sectional research design, which limits the ability to establish causal relationships between economic uncertainty and liquidity management strategies over time. Economic uncertainty is a dynamic phenomenon that evolves continuously, and longitudinal studies would provide more comprehensive insights into how organizations adjust their liquidity management strategies in response to changing economic conditions. Second, the study focused exclusively on organizations located in Tehran, which may limit the generalizability of the findings to other geographical regions or economic contexts. Economic conditions, institutional quality, and financial market structures vary across countries and regions, and these differences may influence liquidity management practices. Third, the study relied on self-reported data from financial professionals, which may be subject to response bias and subjective interpretation. Although the respondents were experienced financial professionals, their responses may reflect personal perceptions rather than objective financial measures.

Future research should consider adopting longitudinal research designs to examine how liquidity management strategies evolve over time in response to changing economic conditions. Longitudinal studies would provide deeper insights into the causal relationships between economic uncertainty and liquidity management practices. Future studies should also expand the geographical scope of the research by including organizations from different regions and countries to improve the generalizability of the findings. Comparative studies across different economic environments would provide valuable insights into how institutional factors influence liquidity management strategies. Additionally, future research should consider incorporating objective financial data, such as financial statements and liquidity ratios, to complement self-reported data and improve measurement accuracy. Researchers should also explore the role of emerging technologies, such as artificial intelligence and predictive analytics, in improving liquidity management under uncertain economic conditions.

The findings of this study have important practical implications for financial managers, organizational leaders, and policymakers. Financial managers should prioritize proactive liquidity management strategies, including cash flow forecasting, liquidity buffer maintenance, and financial flexibility, to mitigate uncertainty-related risks. Organizations should adopt advanced financial forecasting tools and predictive analytics to improve liquidity planning and risk management. Maintaining adequate liquidity reserves is essential for ensuring financial stability and operational continuity during periods of economic uncertainty. Organizational leaders should also develop flexible financial strategies that enable rapid adaptation to changing economic conditions. Policymakers should focus on improving financial market stability and institutional quality to reduce economic uncertainty and support organizational financial resilience.

Authors' Contributions

Authors equally contributed to this article.

Ethical Considerations

All procedures performed in this study were under the ethical standards.

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Conflict of Interest

The authors report no conflict of interest.

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