

The Evolving Landscape of Corporate Cash Holdings Research: Insights from a Bibliometric Analysis

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Abstract

Purpose – This study reviews the research's historical span in cash holdings covering two decades, bringing a riveting visual modality and avenues for forthcoming research.

Design/methodology/approach – The Scopus database is utilized to mine the data in this study. The data was collected till September 2023, and the result of the query search string includes 4175 documents published from 1982 until 2023. VoSviewer was used to execute citation and co-citation analysis, and maps were created for authors, co-occurrence, co-authorship network, and document citations was performed.

Findings – The study of Corporate Cash Holdings has witnessed significant growth since 2003. Research on this topic is dominated by the United States, China and U.K. Keyword analysis and co-occurrence analysis point to "Cash Holdings," "cash flow," and "investment" as dominant themes in the field. Co-citation analysis identifies the association between cash holdings and firm value, considering factors like shareholder protection, investment opportunities, and market-to-book ratios.

Practical implications – This study highlights new research avenues that have evolved in corporate cash holdings in the past 20 years, and our study highlights several promising areas for future research.

Originality/value – Our study offers valuable insights into future research on Cash Holdings, which must prioritize bridging the gaps between different research streams and disciplines. This will provide a more holistic understanding of this complex and multifaceted topic. Increased association between researchers from diverse backgrounds and institutions can foster crossfertilization of ideas and lead to more impactful research.

Keywords Corporate Cash holdings, Cash holding policy, Value of Cash Holding.

Paper type Bibliometric Literature Review

1 literature review

Cash holding is a substantial aspect of corporate finance. Certainly, cash holding is a prevalent method for a company to sustain sufficient liquidity (Almeida et al., 2014). Over the past 20 years, we have seen a significant worldwide incremental trend in corporations concerning their cash holdings, empowering corporations to accommodate impulsive changes in cash flows, likely financing operations, risk associated with hedging, and financing investments for daily & future goals (Opler 1999). Opler previously advanced empirical study on the causative facts of cash holdings roused scholarly interest in this theme. Studies in the past have developed our understanding of the history of cash holdings.(Da Cruz et al. 2019) However, studies on assessing and delineating knowledge-based publications from a global scenario remain vacant with the increasing curiosity in corporate cash holdings. The literature based on cash holding has conventionally centered on the existence of the determinants of holding cash plus target cash holding. There are many reasons for a company to hold cash. This allows corporations to averse their losses due to under-investment due to scarcity of cash in hand, which can help reduce the cost associated with transactions related to maintaining liquidity (Opler 1999). A firm can support its operational activities during financial difficulties with the help of cash holding as a financial instruments (Campello et al. 2011). external financing costs can be reduced further (Almeida et al. 2004). During economic distress, the company can pay the debt obligations with the help of cash holdings (Acharya et al. 2007). Corporations can be empowered to accept money-making investment options (Ferreira and Vilela 2004). Furthermore, analysts claim that when facing financing constraints, companies intend to let go of valued investment opportunities; hence, holding cash can support the emerging shortage. (Bates et al., 2009). Almeida et al. (2004) further supported these findings, reasoning that companies with monetary limitations may convert extra cash to savings to compensate for future needs. Therefore, firms with financial difficulties would keep considerable cash by hedging for recessions. Nonetheless, holding cash is not costless. (Dittmar et al. 2003) claim that lower investment returns can be caused by holding a significant amount of cash because executives say unnecessary cash is misused (Jensen 1986). Executives are forced to spend on projects that can result in unfavorable net present value caused by interest clashes that occur because of the separation of ownership of corporations. (Denis 2001; Jensen 1986) states that investments like this lead to agency dilemmas caused by holding cash, which reduces the value of shares. Moreover, the costs of holding excessive cash, like costs of the transaction, cost of flotation, and taxation amount, impact the cash reserve valuation (Faulkender and Wang 2006).(Akben-Selcuk and Sener 2020; Opler 1999) segment of researchers in the corporate cash holdings literature centered on the backgrounds of holdings cash. Globally, different cash-holding practices and organizational policies are followed, and the cause of diffidence among countries is variation in the environmental conditions of a business (Tahir and Alifiah 2015). Besides, researchers have introduced various essential motives that add to our perception of the pre-existing and substituent of holding cash, like transaction and precautionary motives. The timidity of interest among proprietors and administrators gives rise to the agency's motives for holding cash deposits; so if the best interests of shareholders are overlooked by the executives, instead of serving the stakeholders, the excess cash available with the company can be utilized for maximizing their wealth. Therefore, managers will likely hold plenty of cash to capitalize on their gains. Lee and Lee (2009) empirically prove the substantial relationship between executive conflict and holdings cash. transaction motive is where companies must hold liquid resources to support their daily operations. When a cash crunch is required the most, there can be a situation in which the assets need to be liquidated by the company to meet its obligation; sometimes, there could be an obligation to bear transaction costs. Keeping liquid assets can avoid incurring these costs. (Folta 2009). Asymmetric information on

external funds can lead to the emergence of the precautionary motive. there will be unanticipated added expenses like the accessibility of raw materials, rising costs, price fluctuations, and any other unexpected situations that can appear in the firm's future. In such situations, cash holding supports companies in meeting such requirements (Xu et al. 2019). Even so, the belief is that the maturity level has reached in this field, requiring a thorough and detailed Z analysis research of cash holding. likewise, we advocate integrating preceding study reviews that provide an extensive impression of the present information on cash holding. Pieces of work like this assist in unifying the field's attainments and frame an agenda for research in the coming years. Various questions related to cash holdings were addressed by considering several articles under this research article: (i) What are the current trends of publication in the area of cash holdings research, and (ii) What is the academic progress of the field? (iii) What are the most common and recent topics among scholars involving cash holding? (iv) What are the top authors, articles, journals, and countries regarding the publication' citations' number? (v) What are the researcher's attention-seeking themes involving cash holding?

Scopus database is utilized to mine the data in this study. This database is used by several other fields, including management, as the primary source for related studies. (2018; Meira et al. 2019 ; Drago and Aliberti 2019; Md Khudzari et al.; Zheng and Kouwenberg 2019; Yahaya et al. 2020). Scopus is a significant index and almost a substantial abstract and citation database database because it includes many subjects. We covered all the research articles in the journals of the scopus database that contain the keyword "Cash Holding" in its title and the abstract. The data was collected till September 2023, and the result of the query search string includes 4175 documents published from 1982 till 2023. We aim to contribute to the prevailing literary study on cash holdings by reviewing the available research articles. Our study reviews the research's historical span in cash holdings, which brings a riveting visual modality and avenues for forthcoming research. With the help of this article to the current discussion on determinants of cash holdings, our contribution also suggests that the nationwide view significantly affects the level of cash holdings. Besides, researchers have found that the theoretical outlook in this domain is dominated by theories involving agency trade-offs. However, there is still no definite definition related to the interaction of cash-holding theories. The remaining article is planned in the following manner. Research methodology is covered in "Section 2" and is coupled with search strategy and analysis methods. Findings are covered in the "Section 4" of our study. "Section 5" includes a detailed discussion of results and connecting various topics that can be connected to cash holdings for future research. We have concluded the research in "Section 6 ".

2 Research gaps and research objectives

A literature review elaborates on limited articles on bibliometric reviews of cash holdings, leaving room for further explanation. Earlier studies have considerably developed our understanding of cash holdings. Also, from an international viewpoint, when it comes to evaluating and describing scientific publications, a modest number of researchers have concentrated on it (Da Cruz et al. 2019).

Ahtar et al. (2010) and Amess et al. (2015) explored the corporate cash holding determinants and how they relate to corporate governance. Da Cruz (2019) also conducted a structured review of existing literature to examine the progress of cash-holding studies utilizing various data mining databases. However, they have considered journal articles with an impact factor equal to or exceeding the major limitation of their research, excluding many articles from the analysis. Although substantial work has been done on cash holdings explaining their relationship with other aspects, discussions about cash holdings cease to exist (Da Cruz et al., 2019). Such ambiguity impedes understanding the present-day state of progress on cash holdings, and as a result, it blocks the identification of driving research areas on holding cash. Our study helps in bridging these gaps. With the help of bibliometric analysis, our study aims to support the available literature on cash holdings. Therefore, we frame the subsequent objectives of our research study:

RO₁: To develop literacy about cash holdings by analyzing trends in publications concerning influential articles, journals, and related countries for a time frame.

RO₂: To investigate the rational composition in the evolution of cash holdings over the years by looking for the most influential research themes.

RO₃: To explain the former conceptual outlook applied in cash holdings studies.

RO₄: To discover emerging areas of study on cash holdings by underlining the new trends in the field.

3 Methodology

Bibliometric analysis is a technique of literature review of documents published in a particular field, assessing their number, quality, connections, citations, and productivity by assessing the cognitive progress of the field of interest. However, according to (Block and Fisch 2020) , bibliographic research needs to concentrate on evaluating the anatomy of a specific field of research. On the contrary, furnishing merely listed information related to the reference, institutions, authors, leading research, etc. along with a short description, can not be entitled as bibliographic research. Hence, in our study, we applied the directives exhibited in the original article of (Block and Fisch 2020) to carry out a dynamic bibliometric literature review that examines the progress in cash holdings research. The focal point of this study is twofold, contrasting other review articles that primarily concentrate on engaging in the most recent advancement, challenges, and future orientation of a peculiar theme. Firstly, our study contains a bibliometric review to analyze the evolution of studies on corporate cash holding, and it is deemed as an efficient technique for trend exploration in the research area of a specific topic by explaining available scripts (Shi and Li 2019). Secondly, while conducting a diligent content and bibliometric literature review of various concepts that came to light from various keywords and multiple clusters of citations. VoSviewer was used to execute citation and co-citation analysis, which helped us to understand the scholarly structure of research with comprehensive diversity. For the Cluster establishment and thematic flow of knowledge identification, we have designed the co-citation network using VosViewer. These methods allow us to comprehensively evaluate the expansion of research available on cash holdings through an international perspective. In this study, with the help of keywords, VOSviewer maps were created for authors, co-occurrence, coauthorship network, and document citations, which are the critical concerns of this study.

3.1 Defining searching terms

Scopus database was used for data collection up to September 2023. Almost identical published studies in several areas, including management, were also performed through the Scopus database (Yahaya. 2020; Md Khudzari. 2018). We can note that Scopus covers an extensive range of subjects and is considered the most ordinarily used yet evidential database for abstracts and citations (Amrutha and Geetha 2020). A bibliography database can be created with the help of the Scopus database for each one of the results, together with affiliation, references, citation matrix, publisher, etc., within one "comma-separated values" Excel file.

3.2 Search delimiting criteria

As the first step, relevant keywords are recognized to ensure the research concentrates only on corporate cash holdings. For searching papers, the following keywords were used enclosed by the search string of titles: "Corporate Cash holdings," "Cash Flow," "Cash flow sensitivity," "Cash holding policy," "Cash holdings," "Cash management" "cash policy decisions," "cash reserve" "cash-balance" "Cash-flow sensitivity of cash" "excess cash holdings" "marginal value of cash holdings" "optimal cash reserve" "Value of cash Holding." The response from the inquiry resulted in 4175 published articles from 1982 until 2023 from the Scopus database. Subsequently confining the investigation to the following filters: (1) subject area ("Economics, Econometrics and Finance, Business, Management and Accounting, Social Sciences, arts, and humanities"), (2) article only, (3) source type journal that is published (4) language as "English," the filtration as mentioned above resulted in 1291 documents. As a result, we finalized 1291 research articles for a detailed analysis. The complete data obtainment is displayed in Figure 1.

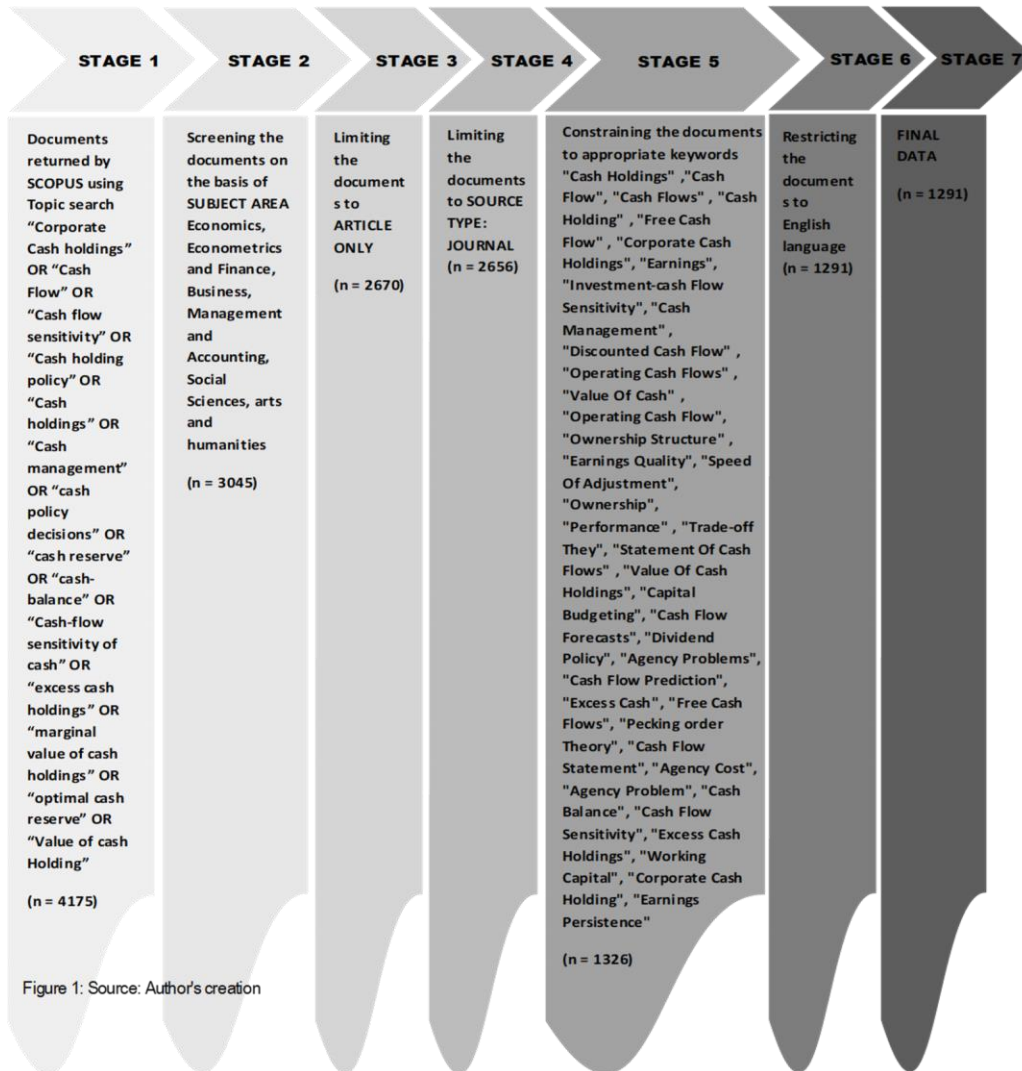


Figure 1: Source: Author's creation

4 Result of Bibliometric Analysis

4.1 Compendium of Discipline

[4.1.1] Yearly Publications: This study performs a descriptive analysis of yearly trends in corporate cash holdings publications. Figure 2 shows annual publications on corporate cash holdings from January 1982 to September 2023. The graph indicates an exponential increase in corporate cash holdings in academic publications starting in 2003 and onwards. Global evidence, therefore, points to several possible reasons for the increase in corporate savings: the effect of globalization, technological advancement, tax management strategies, and poor governance. Therefore, these could be the significant reasons for the surge in scholarly work in related areas.

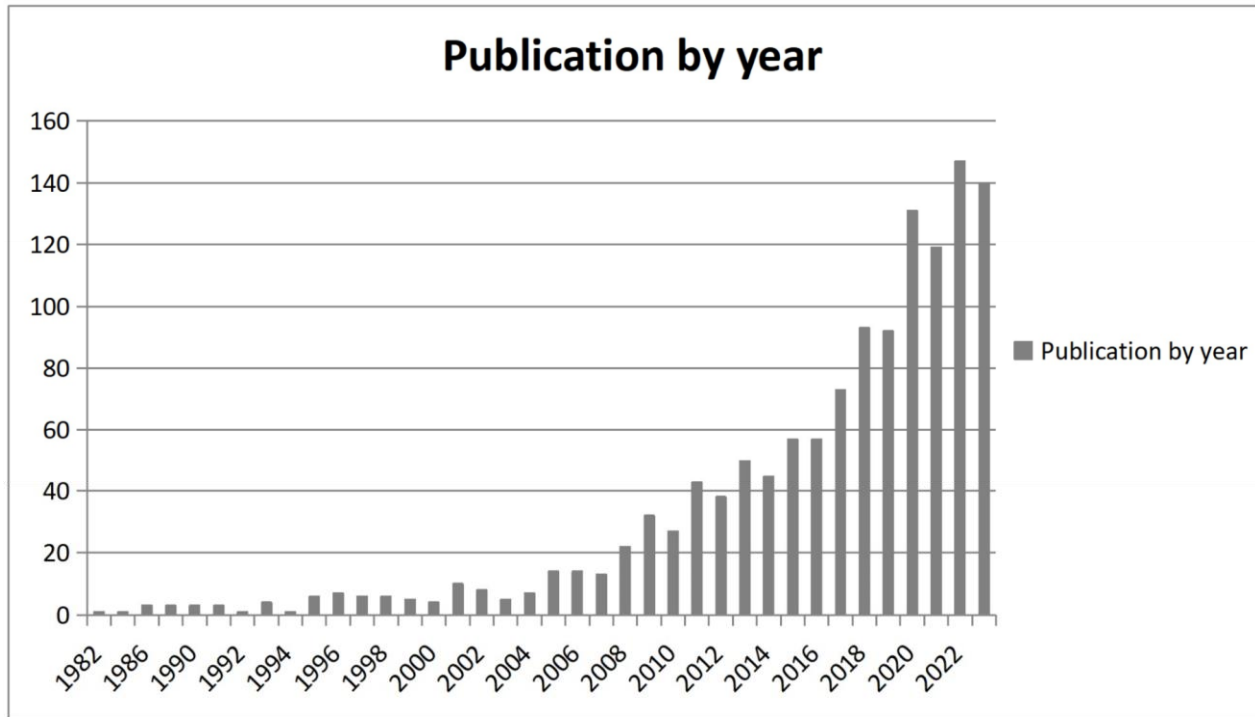


Figure 2: Source: Author's creation

[4.1.2] Country-wise funded publications: Top publishing countries in the corporate cash holdings are shown in Table 1. The first author affiliation country is the country of publication in this study. The United States holds the top place on our list, succeeded by China then, followed by the U.K. Roughly 33% of the published research articles belong to Europe, including countries like Spain, France, Germany, and the U.K. Taiwan, South Korea, and India, amongst highest publication nations in Asia. However, in comparison with others, China is the regional market leader.

The topmost nations which provide funding and the highest publication nations are compared in Figure 3. It is exciting to see that China also provides the highest research grants. The

COUNTRY	No. of Articles
United States	348
China	184
United Kingdom	133
Australia	83
Taiwan	66
South Korea	58
Canada	48
India	47
Viet Nam	45
Indonesia	40

Malaysia	38
Spain	36
Jordan	33
Saudi Arabia	29
Hong Kong	28
Pakistan	27
France	25
Germany	24
Iran	24
New Zealand	23

Source(s): Authors' own creation

expenditure on research and development is about 2% of China's GDP, as Mallapaty (2021) revealed. This has increased China's research output regarding impact factors, citations, and publications.

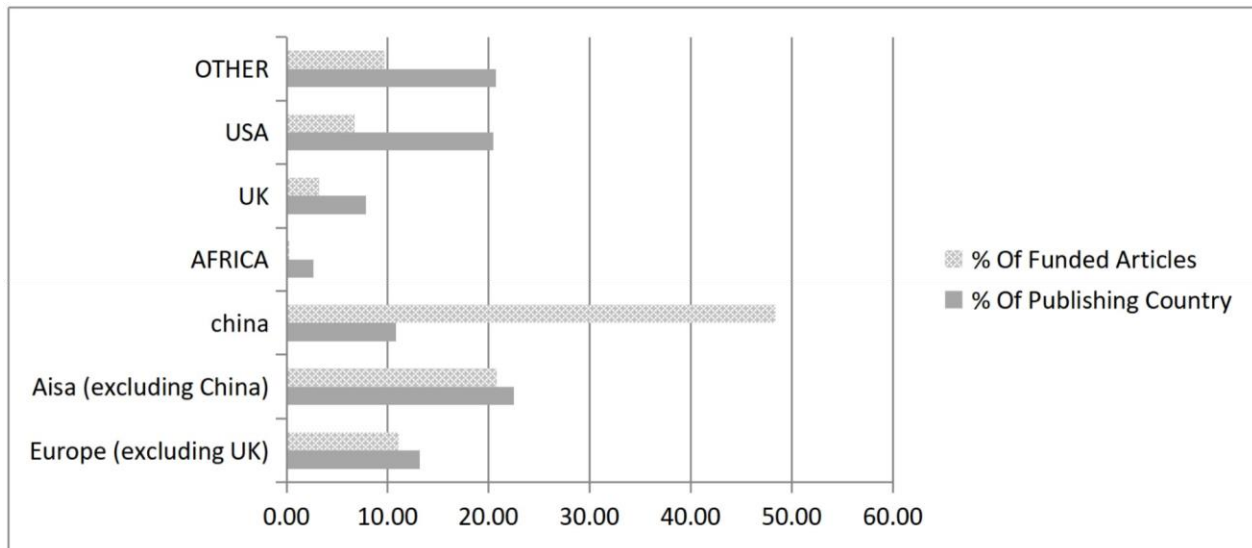


Figure 3: Source: Author's creation

[4.1.3] This segment exhibits the count of publications in different subject areas concerning cash holdings. The element of corporate cash holdings branched mostly in Economics, Econometrics, and Finance (950 articles), followed by Business, Management, and Accounting (844 articles) as the second most preferred area, then in Social Sciences (155 articles), and we can refer Table 2 for the remaining subject areas.

Table 2. Subject-wise Publication

SUBJECT AREA	No. of Articles
Economics, Econometrics, and Finance	950
Business, Management and Accounting	844
Social Sciences	155

Engineering	92
Decision Sciences	75
Computer Science	28
Arts and Humanities	26
Energy	26
Environmental Science	26
Mathematics	19
Agricultural and Biological Sciences	5
Pharmacology, Toxicology and Pharmaceutics	4
Earth and Planetary Sciences	1
Medicine	1
Nursing	1
Psychology	1
Source(s): Authors' creation	

[4.1.4] Citation-wise Publications. The 1291 studies in our research paper have obtained 22.95 average citations per article. Figure 4 presents a synoptic view of the citation matrix of the papers. It mentions a population of 1291 articles with total citations of 29628 for 41 years, from 1982 to 2023. The average citation per year is 722.63, and there are 77 authors in 1291 articles, which has an h- h-index mentioned in Figure 4; the calculation of h-index is the number of publications counted for which an author has been cited by other authors at least that same number of times. as per the figure 140 authors are having a g-index, The g index is the gth number of article when the sum of the citations from the author's total number of articles published is greater than the square of the number of article published by the author. The leading articles are presented in Table 3 with 185 or more citations, the top 20 highest-cited articles. (a) cash flows and earnings and (b) value of cash holdings are the themes investigated in these leading articles, which is revealed by the citation analysis.

CITATION MATRIX			
Papers	1291	Papers per Author	631.19
Citations	29628	Authors per Paper	2.52
Years	41	h_index	77
Cites per Year	722.63	g_index	140
Cites per Paper	22.95	year_first	1982
Cites per Author	14805.32	year_last	2023
Source: RIS/RefManager (Harzing's Publish or Perish)			

Figure 4 : Source: Author's creation
Table 3. Most Cited Articles

Rank	Citations	Author	Articles Title	Year	Journal
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1	2232	R.G. Sloan	Do stock prices fully reflect information about future earnings in accruals and cash flows?	1996	Accounting Review
2	1007	A. Dittmar, J. Mahrt-Smith	Corporate governance and the value of cash holdings	2007	Journal of Financial Economics
3	848	J. Harford, S.A. Mansi, W.F. Maxwell	Corporate governance and firm cash holdings in the U.S.	2008	Journal of Financial Economics
4	716	P.M. Dechow, S.P. Kothari, R.L. Watts	The relation between earnings and cash flows	1998	Journal of Accounting and Economics
5	597	D. Givoly, C. Hayn	The changing time-series properties of earnings, cash flows, and accruals: Has financial reporting become more conservative?	2000	Journal of Accounting and Economics
6	541	A. Ozkan, N. Ozkan	Corporate cash holdings: An empirical investigation of U.K. companies	2004	Journal of Banking and Finance
7	489	S. Gilchrist, C.P. Himmelberg	Evidence on the role of cash flow for investment	1995	Journal of Monetary Economics
8	434	M.E. Barth, D.P. Cram, K.K. Nelson	Accruals and the prediction of future cash flows	2001	Accounting Review
9	327	J.R. Brown, B.C. Petersen	Cash holdings and R&D smoothing	2011	Journal of Corporate Finance
10	279	M. Faulkender, M.J. Flannery, K.W. Hankins, J.M. Smith	Cash flows and leverage adjustments	2012	Journal of Financial Economics
11	253	J.D. Piotroski, D.T. Roulstone	Do insider trades reflect contrarian beliefs and superior knowledge about future cash flow realizations?	2005	Journal of Accounting and Economics
12	248	J.R. Brown, B.C. Petersen	Why has the investment cash flow sensitivity declined so sharply? Rising R&D and equity market developments	2009	Journal of Banking and Finance
13	247	T.H. Brush, P. Bromiley, M.	The free cash flow hypothesis for sales growth and firm performance	2000	Strategic Management

				Hendrickx	Journal
14	234	D.W. Vorhies, R.E. Morgan, C.W. Autry	Product-market strategy and the marketing capabilities of the firm: Impact on market effectiveness and cash flow performance	2009	Strategic Management Journal
15	224	M.L. DeFond, M. Hung	An empirical analysis of Analyst's cash flow forecasts	2003	Journal of Accounting and Economics
16	210	D. Haushalter, S. Klasa, W.F. Maxwell	The influence of product market dynamics on a firm's cash holdings and hedging behavior	2007	Journal of Financial Economics
17	205	E. Demir, O. Ersan	Economic policy uncertainty and cash holdings: Evidence from BRIC countries	2017	Emerging Markets Review
18	201	J. Francis, K. Schipper, L. Vincent	Earnings and dividend informativeness when cash flow rights are separated from voting rights	2005	Journal of Accounting and Economics
19	187	Y. Chen, P.Y. Dou, S.G. Rhee, C. Truong, M. Veeraraghavan	National culture and corporate cash holdings around the world	2015	Journal of Banking and Finance
20	185	H.V. Phan, N.H. Nguyen, H.T. Nguyen, S. Hegde	Policy uncertainty and firm cash holdings	2019	Journal of Business Research

Source(s): Authors' creation

4.2 Scholarly Composition

In this study, we strive to find the dimensions that comprise the scholarly composition of the Corporate Cash Holdings theme. The study offers a synoptic perspective of the principle ideas available in the literature for cash holdings through keyword and co-occurrence analyses. With the help of Co-author analysis, insight is developed into vital topics or the author's point of view. Co-citation analysis permits identifying sub-fields in a research domain and explaining their conceptual relationship.

[4.2.1] Keyword analysis and keyword co-occurrence analysis. A keyword analysis is performed to determine the dominant themes in the scholarly literature on cash holdings. It renders the fundamental theme of the studies. The keywords provided by researchers are regarded as the most significant in an article and as the true estimate of the author's intention.

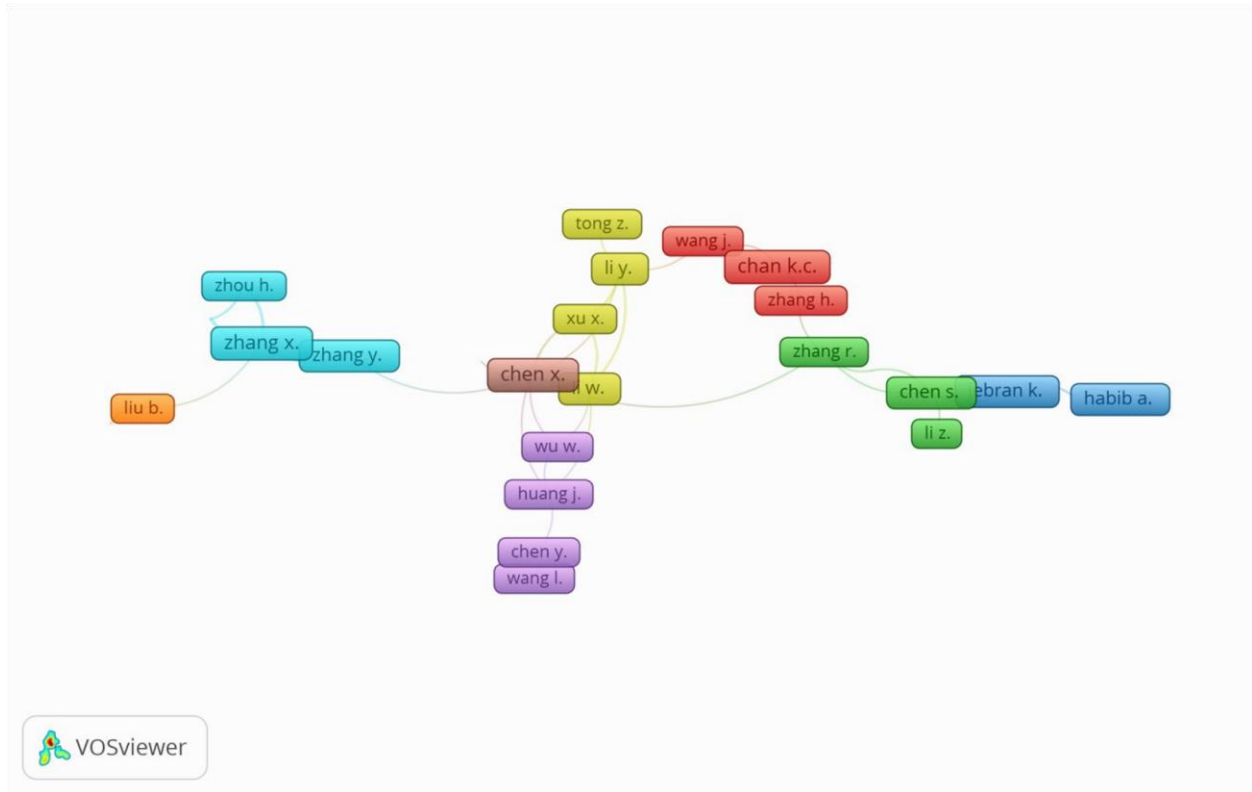


Figure 6: Source: VOS viewer software

Group	Authors	Institute	Country investigated	documents	citations	total link strength
GROUP1	Wei Wu	Xiamen University, China	China	5	57	3
	Yunsen Chen	Central University of Finance and Economics, China	China	4	193	2
	Jiashun Huang	University of Science and Technology of China, China	China	4	19	4
	Li Wang	Zhongnan University of Economics and Law, China	China	4	56	1
GROUP2	Muhammad Atif	Griffith University, Brisbane, Australia	Australia	4	89	3
	Benjamin Liu	Griffith University, Brisbane, Australia	Australia	5	90	4
GROUP3	Han Zhou	Nanjing University of Finance and Economics, China	China	4	99	5
	Xiang Zhang	Chongqing University, China	China	10	119	10

	Yuefei Zhang	Measurement and Control Station of Taiyuan Satellite Launch Center, China	China	7	259	3
	Zongyi Zhang	hongqing University, China	China	5	36	6
GROUP4	Xu Chen	The Central University of Finance and Economics, China	China	9	207	11
	Yanchao Wang	The Central University of Finance and Economics, China	China	6	52	1
GROUP5	Zheming Tong	Zhejiang University, China	China	4	207	1
	Yue Li	Zhejiang University, China	China	7	124	8
	Wanli Li	Chongqing University, China.	China	6	95	9
	Xixiong Xu	Chongqing University, China	China	5	131	7
GROUP6	Jian Wang	Northeastern University, China	China	5	26	2
	Xiaoting Wang	Acadia University, Canada	China	5	15	2
	Kam C. Chan	Western Kentucky University, United States	China	9	298	2
	Huili Zhang	Beijing Normal University, China	China	4	59	2
GROUP7	Rao Zhang	Nanjing Agricultural University, China	China	4	40	4
	ManWan g	Dongbei University of Finance and Economics, China	China	5	28	2
	Shou Chen	Hunan University, China	China	6	239	6
	Zixin Li	Hunan University, China	China	4	12	1
GROUP8	Khalil Jebran	Dongbei University of Finance and Economics, China	Pakistan	6	100	5
	Muhamm ad Arif Khan	Dalian University of Technology, China	Pakistan	4	36	4
	Ahsan Habib	Massey University, New Zealand	U.S.	6	77	3
	Efstathios Magerakis	University of Patras, Greece	U.S.	6	17	1

[4.2.3] Co-citation analysis (unit of analysis: references). Co-citation analysis can help analyze the intellectual structure of the studies available on Cash Holdings. (Measure, 1973) delineate co-citation as the "frequency with which two items of early literature are cited together by later

literature." Co-citation analysis spots out the scope of a subject area and then explains the conceptual connection. It gives a summary of the comprehensive composition of a specific theme. Co-citation analysis emphasizes references in place of authors to identify the structure of an explicit research domain and prevent impairment of results. A count of 67 articles is revealed in the stated three research clusters. A threshold of twenty citations was formed within the three clusters. The three clusters identified are introduced in Figure 7. A thorough investigation of these three clusters is shown below.

Including 41 published research articles from 1966 to 2013, cluster 1 is the largest. The cluster investigates an analytic model incorporating this "up and down" cash balance movement characteristic of business operations (Miller and Orr, 1966). An inverse relationship exists between the proportion of market value and corporate borrowing accounted for real options (Myers, 1977). A firm that wants to collect funds for a valuable financing possibility and several aspects of corporate financing behavior must issue common stock lean on domestic funds or prefer debt to equity if external funding is needed (Myers and Majluf, 1984). Firms with good performance lean on cash hoarding than the static trade-off model predicted, in which managers maximize equity holders' wealth (Beguin et al., 1999). Nations with unfavorable rights protection of shareholders keep twice the cash as companies with good shareholder protection (Mahrt-Smith, Servaes and Dittmar, 2003). Constrained firms with high hedging needs and increased investment significantly require cash holdings; there is a stronger association between investment and value for constrained firms than unconstrained firms (Denis and Sibilkov, 2010). A concave relationship exists between cash holding and firm value; firm liquidity management is an essential element that impacts shareholder value (Martínez-Sola, García-Teruel and Martínez-Solano, 2013).

Cluster 2: This cluster includes 20 studies published from 1966 to 2016 and empirically investigated by the following authors on cash holdings. Suggested that the tendency of cash retention should be high in financially constrained firms while considering the adverse macroeconomic shocks compared to unconstrained firms (Almeida, Campello and Weisbach, 2004). Precautionary motives for cash holdings are essential in identifying the increment in cash ratios (Bates, Kahle and Stulz, 2009). a non-monotonic association exists between managerial ownership and cash holdings; cash holdings are influenced by managerial ownership but not by board composition (Ozkan, 2004). The marginal value of cash diminishes with higher leverage, increased cash holdings, improved reach to capital markets, and firms opting for more excellent cash dispersal through dividends in place of repurchases (Faulkender & Wang, 2006). cash flow volatility causes sensitivity to cash liquidity of monetarily distressed companies because of an inter-temporal trade-off connecting current and future investments and no systematized association among volatility in cash flows and holdings of cash for stable organizations (Han and Qiu, 2007).

Cluster 3: It includes six articles offering insights that firms with weaker corporate governance quickly waste cash in a manner that decreases operational efficiency. This adverse effect of extensive cash holdings on future-day operational efficiency will not be seen in a well-governed firm (Dittmar and Mahrt-Smith, 2007). Firms with poor corporate governance structures have smaller cash reserves (Harford, Mansi and Maxwell, 2008). Firms with riskier cash flows and extensive growth possibilities comparatively hold significant cash funds. Corporations with positive debt ratings and accessibility to the financial markets will likely maintain tiny percentages of liquidity (Beguin et al., 1999).

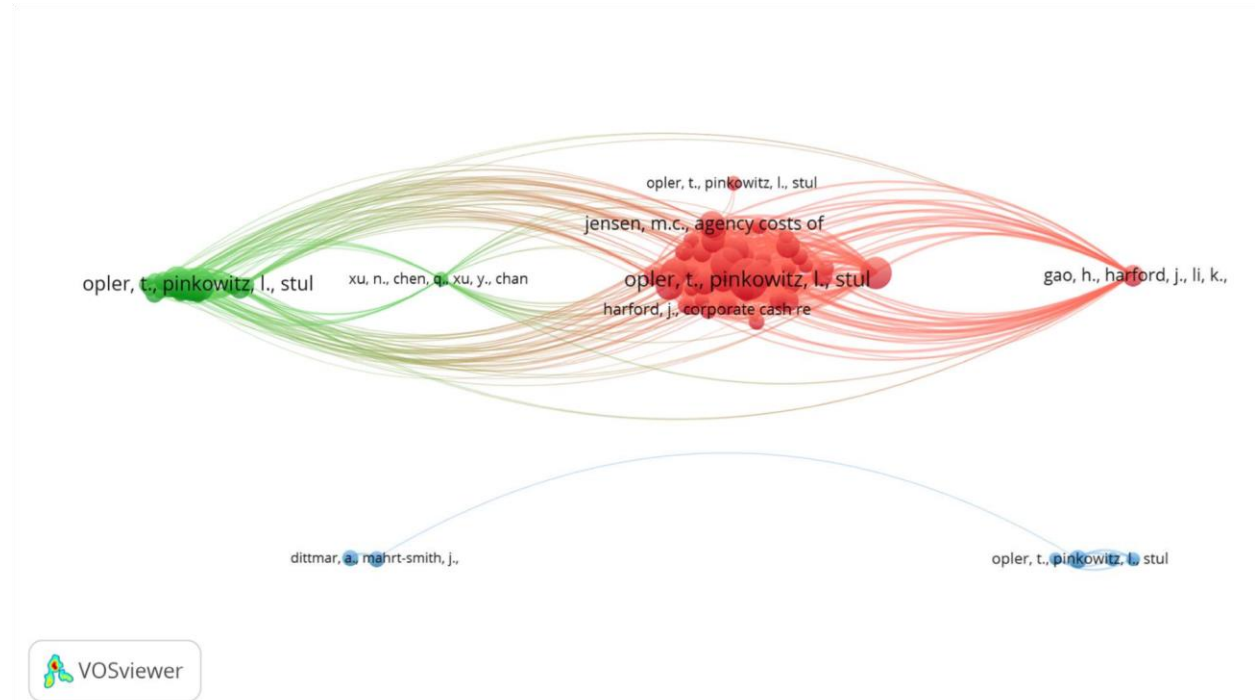


Figure 7: Source: VOS viewer software
5 Discussion of results, future potential, and concluding observations

We have conducted a systematic bibliometric review of the available literature on cash holdings in the current study. To accomplish this, we have analyzed 1291 published papers from 1982 to 2023 in our study. The bibliometric review in this study carries out an exploratory analysis of the following (most cited articles, publishing countries, publication trends, and publishing journals), which helps us to create cognition related to the field of research in Corporate Cash Holdings. To establish the intellectual structure, we analyzed the study in the following manner: firstly, we analyzed the keyword along with keyword co-occurrence analysis. After that, we performed the co-citation analysis followed by the co-author analysis. In the end, we have evolved clusters on Corporate Cash Holdings.

5.1 The examination of the intellectual structure of Corporate Cash Holdings reveals several key findings:

5.1.1 Growth and Global Trends: The study of Corporate Cash Holdings has witnessed significant growth since 2003, reflecting the increasing importance of cash management in the global economy.

Research on this topic is dominated by the United States, followed by China and the U.K. Notably, most funds in this study area are aided by China, indicating its growing interest in understanding and managing cash holdings.

Study on Cash Holdings spans various disciplines, including Economics, Business, Management, and Accounting, highlighting the multifaceted nature of this topic.

5.1.2 Influential Research and Citation Patterns: The analysis identifies several highly significant articles that have designed the field, focusing on themes like cash flows, earnings, and value of cash holdings.

Citation patterns unveil that research on Corporate Cash Holdings is fragmented, with limited cross-referencing between different research streams. This suggests a need for greater integration and dialogue within the field.

5.1.3 Intellectual Structure and Research Clusters: Keyword analysis and co-occurrence analysis point to "Cash Holdings," "cash flow," and "investment" as dominant themes in the field.

Co-author analysis reveals strong collaboration networks among researchers, particularly those affiliated with Chinese institutions.

Co-citation analysis identifies three distinct research clusters:

Cluster 1: Focuses on the association between cash holdings and firm value, considering factors like shareholder protection, investment opportunities, and market-to-book ratios.

Cluster 2: Investigates the influence of macroeconomic shocks, financial constraints, and managerial ownership on cash holdings.

Cluster 3: Examines the impact of corporate governance on cash holdings, suggesting that good governance can mitigate the adverse effects of large cash reserves.

5.2 The bibliometric analysis based on Corporate Cash Holdings highlights the following potential for Future Research:

The study highlights several promising areas for future research, including:

Exploring the role of corporate cash holdings in emerging economies and developing countries.

We are investigating the impact of digitalization and technological advancements on cash management practices.

Examine the interplay between corporate cash holdings and environmental, social, and governance (ESG) considerations.

We are analyzing the effect of investor behavior and market dynamics on cash-holding decisions.

We are developing more cultured theoretical frameworks and empirical models to capture the complexities of cash holdings.

5.3 Bridging the Gaps in Cash Holdings Research

Future research on Cash Holdings must prioritize bridging the gaps between different research streams and disciplines. This will provide a more holistic understanding of this complex and multifaceted topic. Increased association between researchers from diverse backgrounds and institutions can foster cross-fertilization of ideas and lead to more impactful research. Integrating qualitative and quantitative research methods can offer deeper insights into the motivations and decision-making processes behind cash-holding strategies. By bridging these gaps, scholars can contribute to a more comprehensive and nuanced understanding of the role of cash holdings in corporate finance and its application in firm performance, shareholder value, and the broader economy. By addressing these opportunities and challenges, future research on Corporate Cash Holdings can contribute significantly to advancing our understanding of this critical aspect of corporate finance and its consequences on firm performance, shareholder value, and the broader economy.

Reference:

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