ANALYSIS OF THE FINANCIAL PERFORMANCE OF FOOD MANUFACTURERS DURING THE PANDEMIC

Yeongling H. Yang, Fowler College of Business, San Diego State University, 5500 Campanile Drive, San Diego, CA 92182, hyang@sdsu.edu

ABSTRACT

This paper investigates whether company performances differ between leaders and laggers in sustainability during the COVID-19 pandemic. The focus is on the food processing industry in the United States. Firm-level sustainability data and financial measurements are gathered from Sustainalytics and Wharton Research Data Services (WRDS), respectively. Companies are clustered into sustainability groups using K-Mean clustering analysis. Repeated measures ANOVA is used to assess effects from the pandemic, sustainability clusters, and the interaction of the two. The results show most company performances are negatively affected by the pandemic. Moreover, sustainability capability directly or indirectly affects net margin, inventory turnover, account payable turnover, and cash conversion cycle.

Keywords: Sustainability, Food manufacturing, Financial performance