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# EVALUATION OF THE PERFORMANCE AND RESILIENCE OF ECONOMIC ENTITIES BELONGING TO THE TRANSPORT SECTOR IN SUCEAVA COUNTY THROUGH THE PRISM OF FINANCIAL INDICATORS

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**Abstract**
*In the context of globalisation and free international movement, the development of online trade and home deliveries has led the transport sector to adapt to this new environment in order to meet these new demands of society. Challenges in the sector with regard to the lack of motorways, maintenance of existing infrastructure, traffic congestion, increased environmental concerns, high fuel, maintenance and insurance costs, and the workforce involved in the sector are variables that, in our view, make the difference between success and failure. In this context, the aim of our work is to assess the performance and resilience of entities in the transport sector in Suceava County, in the period 2018-2022, through diagnostic analysis and econometric modelling. In order to achieve this goal, the research objectives are: O1- Review of the scientific literature on the role of financial indicators in the performance and resilience of companies in the transport sector; O2- Descriptive analysis of the evolution of the transport sector in Suceava County; O3- Development of a representative econometric model for the financial performance and resilience of Suceava transport entities. The results of the study undertaken reflected the fact that the entities in this sector have experienced strong growth in the period under analysis, despite a poorly developed infrastructure and the acute lack of highways that cross this county. We believe that the results obtained can be useful, first of all to the decision-makers working in this sector but also to current and potential investors who can adapt their business strategies with regard to investments in this sector, but also to the state which can influence through policies and tax incentives the sustainable development of this sector.*

**Key words:** *financial performance and resilience; transport entities; financial indicators; econometric analysis.*

**JEL Classification: M41**

## I. INTRODUCTION

The transport sector has a particularly important role to play in economic development: it eliminates distances and gets the economy moving. Thus, in order for entities in this sector to maintain high performance and be financially resilient in times of economic difficulty and to overcome their constraints on the efficient use of resources (especially infrastructure, labour, vehicles and fuel), it is necessary for these entities to be closely monitored by their management in terms of their performance. In order to achieve this goal, the financial and accounting information derived from financial reporting is the 'raw material' for determining derived financial indicators against which the financial performance and resilience of these entities can be assessed.

Thus, in order to make an X-ray of the Romanian entrepreneurial environment in the transport sector, the aim of our paper focuses on the assessment of the financial performance and resilience of entities in this sector through indicators of financial indicators relevant to this approach. In order to achieve this aim, we will consider the following objectives: O1 - Review of the scientific literature on the role of financial indicators, performance and resilience of companies in the transport sector; O2- Descriptive analysis of the evolution of the transport sector in Suceava county; O3 - Development of an econometric model representative of the financial performance of the Suceava transport sector. The results obtained will be subsequently used to develop an econometric model based on relevant indicators in the transport sector.

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## II. LITERATURE REVIEW

Knowledge-based performance, the use of tools based on financial and non-financial information, such as financial and non-financial indicators used in financial analysis and diagnosis, is a topical issue that has captured the interest of managers and entrepreneurs as well as researchers in academia and beyond.

Under this first aspect, Cândea and Fărcaș (2018) consider that financial analysis, financial diagnosis and strategy building must be done following certain procedures, with a general methodology and characterized by a common language. It constitutes the foundation of the practice and respectively the pillars on which the strategies to be undertaken in order to achieve the objectives are based.

The authors Gondzarova and Berzakova (2016) consider that diagnostic analysis is the main foundation in the analysis of the causes that led to the presence of symptoms of financial difficulty, emphasizing that in this approach responsibility, art and knowledge are needed. From the same point of view, Smerichevskyi et al., (2021), consider that financial analysis and diagnosis, can also be a guide for determining strategies to be implemented to overcome periods of financial difficulty of an entity. Given the access to information and the development of the IT&C sector, Fuertes et al., (2020), consider that financial analysis can be deepened according to the specifics of the company, the strategic objectives or the problems encountered, emphasizing its importance for management, especially during periods of financial difficulty. In the latter respect, the authors Bancel and Mittoo (2004), consider that, in times of crisis, decision-making processes based on financial flexibility and capital structure are very important. Financial flexibility determines financial resilience and hence the need to monitor changes in the structure of operating results in line with projected budgets. Norris (2010) confirms this by arguing that financial resilience depends on the accessibility of resources that must be robust, adaptable and easy to use. Cohen et al. (2015) argue that cost-cutting policies in times of crisis are based on financial reporting indicators and that these play a significant role in recovery measures.

Thus, through financial reporting one can obtain derived indicators that give the possibility of knowing the activity in more detail (Skertich et al., 2013) and increase the chances of making forecasts as close to realisation as possible (Boin & Van Eeten, 2013). According to authors Gatto and Drago, (2020), resilience requires detecting, mitigating and adapting to environmental factors and influencers, requiring decisive policies based on preparedness, flexibility and learning capacity. From this point of view, it is necessary to move away from the old concept of resilience - resistance to shocks and return to the initial state (Holling, 1996), it becomes the adaptive capacity that enables performance as a result of learning and adaptation to change (Gatto & Drago, 2020).

In this context, Jenelius and Mattsson (2021) consider that "resilience means the ability of a transport system to prepare for and withstand, absorb and adapt to shocks and recover from the consequences in a timely and efficient manner". Periokaitė and Dobrovolskienė (2021) note that transport entities experienced a drop in profitability indicators during the COVID-19 pandemic, with companies facing hasty decisions to avoid financial problems or even bankruptcy.

Research by Osińska and Zalewski (2023), focused on examining the vulnerability and resilience of road transport companies in Poland to the health crisis caused by the COVID-19 pandemic, highlights that transport companies were vulnerable to the crisis. The authors consider the fall in fuel prices as the only factor influencing their resilience, as it allowed for a reduction in costs, and the government support provided was useful in the short term, especially for micro and small enterprises. The authors also highlight that medium-sized enterprises were more resilient than micro and small enterprises.

Smallbone et al. (2012) also emphasize that the impact of crises is felt differently, depending on the size of companies, and argue that small and medium-sized firms are more flexible to change, adapting more easily to the market and to opportunities. We partly share this view and stress that, in our opinion, the adaptability and success of any company is also determined by the degree of training, know-how and proactivity of the managers and entrepreneurs who run these companies. This is also confirmed by Skertich et al. (2013) who argue that adaptability is enhanced by knowledge, involvement and the development of tools tailored to the specifics of the business.

As Professor Anghel (2002) mentioned, time is the filter between success and failure, resilience, performance and bankruptcy. The longevity of an economic entity confirms preparation, knowledge of the business and of the external environment of the company, but more than that, a good monitoring of the company's activity, a knowledge of its weaknesses and strengths that allows the right strategies to be adopted to optimise costs and maximise profits.

## III. RESEARCH METHODOLOGY

In order to achieve the purpose of the research, which is to assess the financial performance and resilience of transport companies, we built a database by manually retrieving financial information from the Ministry of Finance website and Topfirme.ro. The research is quantitative, based on financial information for the top 100 transport firms in Suceava county (CAEN code 4941) classified according to their net profit in 2022. Given that

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the paper aims to assess both the performance and the financial resilience of these companies, we proceeded to retrieve the financial information of these companies for the period 2018-2022.

On the primary database, obtained by manual collection, processing algorithms in Microsoft Excel and IBM SPSS were used, following both static and dynamic analysis, with the aim of producing an econometric model on financial performance and resilience using a set of specific indicators.

Under this aspect, for a better understanding of the research methodology used, we have summarized it through the figure below:

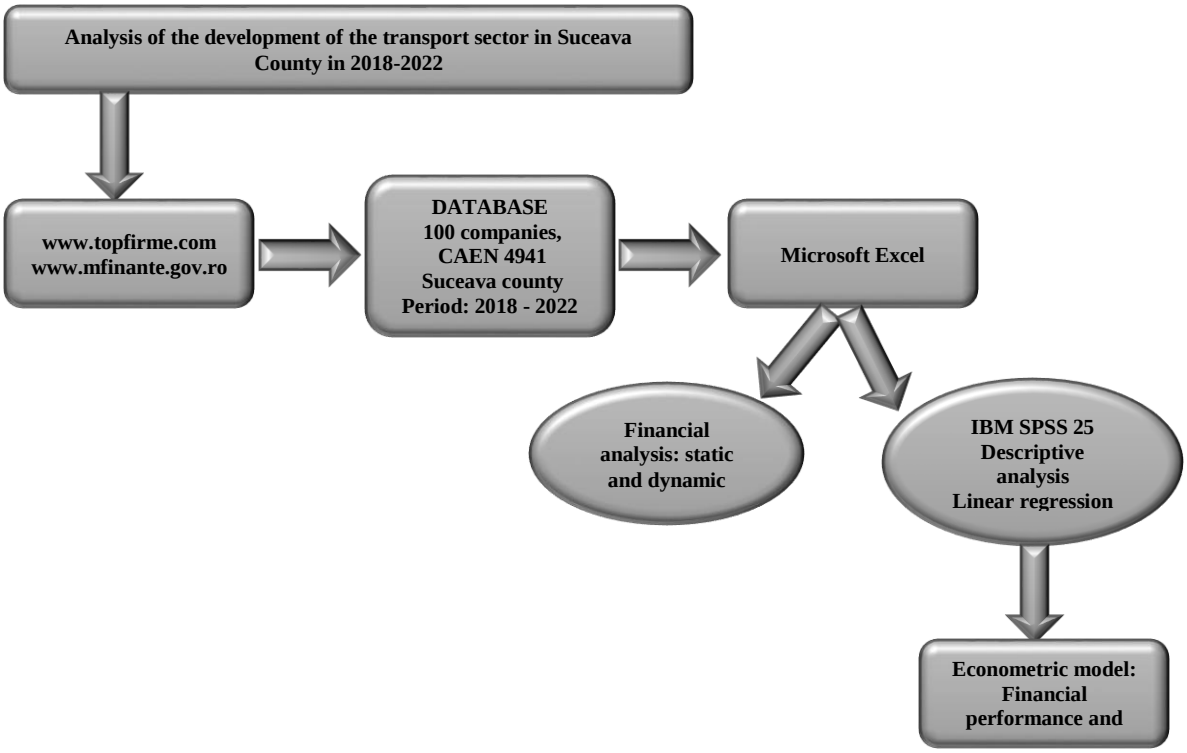


**Figure 1. Methodological research approach**
Source: own processing

As mentioned earlier, the basis of this research is to assess the performance and resilience of a company by identifying the influence of financial indicators (derived from financial statements), which can then be used to determine vulnerabilities and potential risks. The following section is therefore devoted to highlighting the main results of the analysis.

## IV. RESULTS AND DISCUSSIONS

As mentioned before, our database represents the 100 best performing companies in the transport sector in Suceava County. At a first glance, we emphasize that in this sector, the main results are concentrated around a small number of companies.

The transport sector in Romania contributed to the national economy with a turnover of 15.7 billion euros in 2022, 22% more than in 2021, and with a reported profit of 1.3 billion euros, 30% more than in 2021, according to data published by the Ministry of Finance (mfinanțe.ro), as we can see from the table below:

**Table 1. Impact of the Romanian transport sector on the national economy**

| Year | Turnover | | Profit | | Economic entities | |
|---|---|---|---|---|---|---|
| | Euro | % | Euro | % | Number | % |
| **2020** | 11.300.000.000 | | 912.900.000 | | 38.525 | |
| **2021** | 12.900.000.000 | 14% | 1.000.000.000 | 9,5% | 41.132 | 7% |
| **2022** | 15.700.000.000 | 22% | 1.300.000.000 | 30,0% | 41.535 | 1% |

Source: mfinanțe.ro

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In the North East Region at the end of 2022, there were 6,139 registered transport companies generating a turnover of 2.15 billion euros and a profit of 193 million euros. Suceava County contributed 842.7 million euros (39%) to this turnover and 75.5 million euros (39%) to the profit of the North East Region.

In the transport sector related to Suceava County, the 100 selected companies contributed 59.4% to the county's profit and accounted for 42.7% of the turnover, according to data published on topfirme.ro.

In order to analyze the resilience of the selected companies, we collected the financial information of the TOP 100 companies for the period 2018-2022. These aspects are reproduced, in Table 2.

**Table 2. Distribution by value thresholds of companies in the transport sector of the Top 100, according to turnover**

| Year | Value range (lei) | Frequency | Weight | Minimum | Maximum | Average | Amount |
|---|---|---|---|---|---|---|---|
| **2018** | below 1.000.000 | 13 | 16% | 18,671 | 930,265 | 6,632,172 | 510,167 |
| | 1.000.001-10.000.000 | 42 | 53% | 1,026,767 | 9,776,168 | 198,367,419 | 4,723,034 |
| | 10.000.001-50.000.000 | 15 | 19% | 11,113,464 | 36,586,155 | 274,481,519 | 18,298,768 |
| | over 50.000.001 | 4 | 5% | 53,375,020 | 102,187,780 | 279,842,714 | 69,960,679 |
| | **Total company** | **80** | **100%** | | | **759,323,824** | |
| **2019** | below 1.000.000 | 19 | 23% | 126,732 | 957,277 | 9,374,708 | 493,406 |
| | 1.000.001-10.000.000 | 39 | 48% | 1,024,826 | 9,539,073 | 190,711,918 | 4,890,049 |
| | 10.000.001-50.000.000 | 20 | 24% | 10,097,674 | 33,200,911 | 331,452,682 | 16,572,634 |
| | over 50.000.001 | 4 | 5% | 57,459,648 | 117,629,457 | 318,324,549 | 79,581,137 |
| | **Total company** | **82** | **100%** | | | **849,863,857** | |
| **2020** | below 1.000.000 | 16 | 18% | 4,867 | 999,593 | 8,593,819 | 537,114 |
| | 1.000.001-10.000.000 | 46 | 51% | 1,017,890 | 9,927,900 | 209,147,027 | 4,546,675 |
| | 10.000.001-50.000.000 | 24 | 27% | 10,203,065 | 39,625,842 | 410,287,643 | 17,095,318 |
| | over 50.000.001 | 4 | 4% | 53,360,676 | 109,541,840 | 305,153,504 | 76,288,376 |
| | **Total company** | **90** | **100%** | | | **933,181,993** | |
| **2021** | below 1.000.000 | 7 | 7% | 150,682 | 920,203 | 3,336,764 | 476,681 |
| | 1.000.001-10.000.000 | 59 | 60% | 1,064,879 | 9,656,752 | 254,518,604 | 4,313,875 |
| | 10.000.001-50.000.000 | 28 | 28% | 10,528,918 | 31,997,721 | 480,128,562 | 17,147,449 |
| | over 50.000.001 | 5 | 5% | 70,262,540 | 136,263,124 | 442,042,513 | 88,408,503 |
| | **Total company** | **99** | **100%** | | | **1,180,026,443** | |
| **2022** | below 1.000.000 | 0 | 0% | 0 | 0 | 0 | 0 |
| | 1.000.001-10.000.000 | 55 | 55% | 1,679,898 | 9,653,408 | 275,462,353 | 5,008,406 |
| | 10.000.001-50.000.000 | 40 | 40% | 10,082,522 | 39,336,939 | 740,031,446 | 18,500,786 |
| | over 50.000.001 | 5 | 5% | 78,425,645 | 193,649,203 | 564,594,665 | 112,918,933 |
| | **Total company** | **100** | **100%** | | | **1,580,088,464** | |

Source: own processing according to data provided by Topfirme.ro

The assessment of the financial performance and resilience of the 100 companies, over the period 2018-2022, was carried out with the help of SPSS software, by means of a descriptive analysis, using two financial indicators that we considered relevant, namely turnover and realized profit.

Thus, Table 2, presented above, shows the distribution by value thresholds of companies according to turnover. Overall, 80 of the 100 companies were present in the Top 100 companies as of 2018. Thus, from the perspective of analyzing their frequency, we can observe the evolution of the number of companies in the turnover value thresholds. So, for the first range of analysis, i.e. for companies with a turnover below 1 million lei, it can be seen that in 2018, their number was 13 (i.e. 16% of the total of 80), and in 2022 there were no such companies.

For the second range, i.e. companies with a turnover between 1 million and 10 million lei, in 2018 there were 42 companies (53% of the total) and in 2022 their number will be 55 (55% of the total). For the third interval taken into analysis, namely the evolution of companies with a turnover between 10 million and 50 million lei, an increasing trend can be observed, their number increasing from 15 (respectively 19% of the total) in 2018 to 40 in 2022 (respectively 40%). As for the top companies with a turnover of more than 50 million lei, it can be observed that if in 2018 there were only 4 such companies, in 2022 their number increased to 5 such companies. As for the minimum number of companies registered in 2018, at the level of the first threshold the dynamics is oscillating in the first 4 years and in 2022 this category of companies will no longer be present in the ranking. For the second threshold, for the first 4 years the minimum is around 1 million lei and in 2022 it increases by 50%.

The minimum for the third threshold (10,000,001 - 50,000,000 lei) is maintained at around 10 million lei over the period analysed. As for the highest value threshold, the minimum is fluctuating in the first 3 years of the period under analysis, being around 53 million lei, in 2021 making a significant jump to 70 million lei and in 2022 around 78 million lei.

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Analysing the evolution of the recorded peaks, the first 4 thresholds remain at approximately the same level. Interestingly, the evolution of the maximum threshold is interesting, starting in 2021, when an increase of about 20% is observed compared to the previous year and in 2022 an increase of 40%. The total value of turnover in this area has shown an increasing dynamic, evolving from 759,323,824 lei in 2018 to 1,580,088,464 lei in 2022.The average value recorded is fluctuating over the period and less relevant, given the lack of homogeneity of the data recorded.

In conclusion, the evolution of the turnover had an upward trend during the period, both overall and at the level of value thresholds. The evolution of the chain dynamics at threshold level can be seen in the figure below.

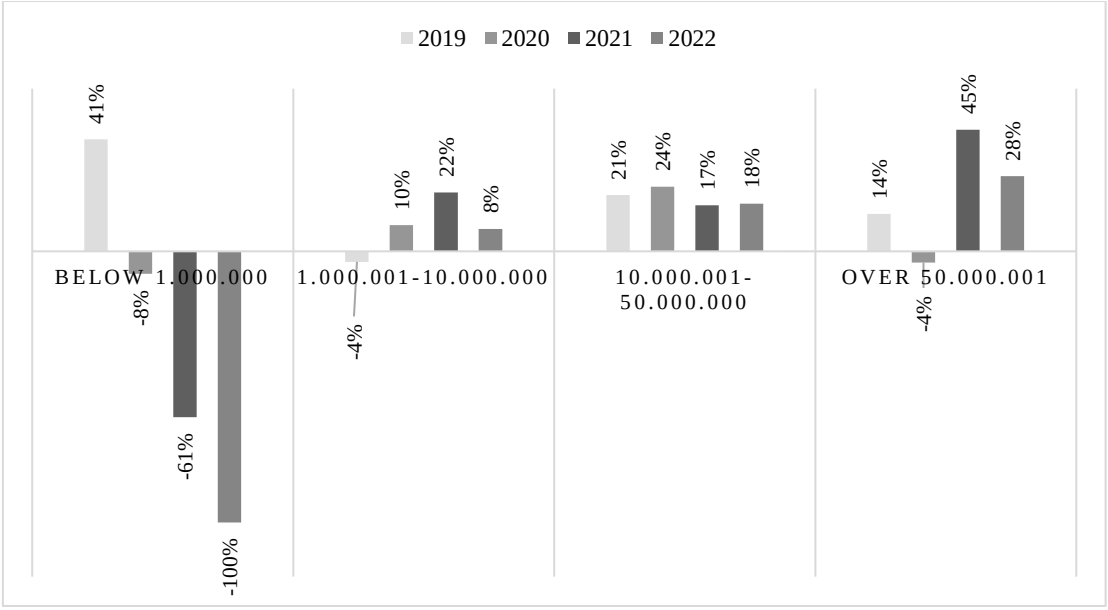


**Figure 2. Evolution of the chain dynamics at the threshold level of turnover**
Source: own processing

In order to complete the descriptive analysis of performance, as mentioned above, we used net profit in addition to turnover. Thus our research approach continues with the analysis of net profit. The table below shows the distribution of companies during the period analysed, according to the value thresholds for the net profit indicator.

**Table 3. Distribution of companies in the period analysed, according to the value thresholds for the net profit indicator**

| Year | Value range (lei) | Frequency | Weight | Minimum | Maximum | Average | Amount |
|---|---|---|---|---|---|---|---|
| **2018** | below 1.000.000 | 60 | 87% | 765 | 929,662 | 15,853,120 | 264,219 |
| | 1.000.001-5.000.000 | 8 | 12% | 1,147,712 | 4,077,199 | 16,580,808 | 16,580,808 |
| | 5.000.001-10.000.000 | 1 | 1% | 6,592,867 | 6,592,867 | 6,592,867 | 6,592,867 |
| | over 10.000.001 | 0 | 0% | 0 | 0 | 0 | 0 |
| | **Total company** | **69** | **100%** | | | **39,026,795** | |
| **2019** | below 1.000.000 | 68 | 91% | 2,900 | 992,425 | 19,687,409 | 289,521 |
| | 1.000.001-5.000.000 | 5 | 7% | 1,075,377 | 1,986,423 | 7,108,067 | 1,421,613 |
| | 5.000.001-10.000.000 | 2 | 3% | 5,501,908 | 8,086,010 | 13,587,918 | 6,793,959 |
| | over 10.000.001 | 0 | 0% | 0 | 0 | 0 | 0 |
| | **Total company** | **75** | **100%** | | | **40,383,394** | |
| **2020** | below 1.000.000 | 61 | 69% | 722 | 964,382 | 24,696,408 | 404,859 |
| | 1.000.001-5.000.000 | 24 | 27% | 1,014,894 | 4,597,391 | 49,274,819 | 2,053,117 |
| | 5.000.001-10.000.000 | 2 | 2% | 5,081,400 | 5,232,373 | 10,313,773 | 5,156,887 |
| | over 10.000.001 | 1 | 1% | 10,020,953 | 10,020,953 | 10,020,953 | 10,020,953 |
| | **Total company** | **88** | **100%** | | | **94,305,953** | |
| **2021** | below 1.000.000 | 59 | 60% | 21,461 | 985,808 | 26,399,891 | 447,456 |
| | 1.000.001-5.000.000 | 36 | 36% | 1,011,436 | 4,770,800 | 69,639,581 | 1,934,322 |

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| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | 5.000.001-10.000.000 | 3 | 3% | 5,108,528 | 6,683,259 | 17,254,058 | 5,751,353 |
| | over 10.000.001 | 1 | 1% | 14,689,504 | 14,689,504 | 14,689,504 | 14,689,504 |
| | **Total company** | **99** | **100%** | | | **127,983,034** | |
| **2022** | below 1.000.000 | 28 | 28% | 778,567 | 990,159 | 24,468,537 | 873,876 |
| | 1.000.001-5.000.000 | 66 | 66% | 1,010,630 | 4,638,666 | 115,941,207 | 1,756,685 |
| | 5.000.001-10.000.000 | 4 | 4% | 6,518,846 | 9,196,126 | 30,989,817 | 7,747,454 |
| | over 10.000.001 | 2 | 2% | 11,376,805 | 15,236,247 | 26,613,052 | 13,306,526 |
| | **Total company** | **100** | **100%** | | | **198,012,613** | |

Source: own processing according to data provided by Topfirme.ro

Following the analysis of the data in the above table, we can see that the frequency of companies that recorded net profit with a value within the first threshold, below 1 million lei, registers an initial upward trend and then decreases to a net number below the initial value.

The second threshold shows an upward trend, registering an increase of 725% higher than in 2018. The third threshold, with profits between 5 and 10 million lei, shows a slight increase over the period, from 1 firm in 2018 to 4 firms in 2022. An important point to highlight is that of the companies selected as the best performers in 2022, in 2018 only 69 companies made a profit, in 2019 there were 75 companies that made a profit. In 2020, profitable were 88 companies, and in 2021, 99 of them made a profit.

The amount of profit recorded during the period reflects the exponential growth and the need for this area on the market, this is evidenced by the initial value of the indicator ,located around 39 million lei, to reach at the end of the analyzed period 198 million lei, recording an increase of 407%.

The summarized evolution of the profit thresholds during the period, with 2018 as the starting reference year, can be seen in the figure below.

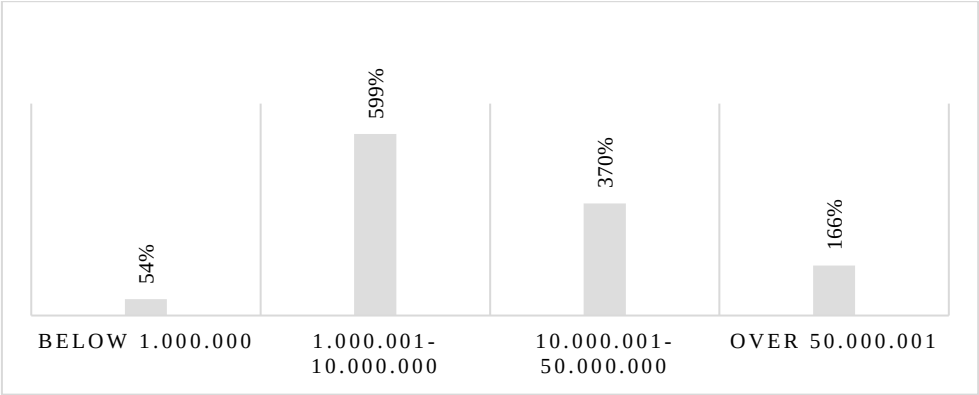


**Figure 3. Evolution of net profit thresholds**
Source: own processing

After the descriptive analysis of the evolution of the transport sector in Suceava County, we consider relevant, in the economy of the work, to carry out an econometric research that allows us to identify the most important factors that can impact the performance and financial resilience of the companies that represent the sample taken in the study.

Therefore, the development of the econometric model on the evaluation of the financial performance and resilience of the selected companies was made possible by means of the IBM SPSS statistical software, using turnover as the dependent variable, since it is one of the reference yardsticks for measuring the performance of a business, in correlation with a series of statistical predictors represented by independent variables such as return on assets, equity, total debt and average number of employees. Thus, following econometric processing in terms of testing the impact of the independent variables on the dependent variable, the summary of the proposed statistical model was obtained, as can be seen in Table 4.

**Table 4. Model summary**

| Model | R | Adjusted R Square | Std. Error of the Estimate | R Square Change | F Change | df1 | df2 | Sig. F Change |
|---|---|---|---|---|---|---|---|---|
| 1 | 0,956 | 0,907 | 7809668,249 | 0,914 | 139,131 | 7 | 92 | 0,000 |

a. Predictors: (Constant) ROA, CPR, DT, ANG
b. Dependent Variable: CA

Source: own processing with SPSS

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As can be seen from the model summary, there is a strong relationship between the dependent variable represented by turnover and the statistical regressors used, which is shown by the R2 coefficient value of (90.7%). Given that the F-test has a high value and the Sig. has a value of less than 0.05, we can consider the model to be statistically valid for a 95% confidence level.

In order to develop the proposed econometric model, we also proceeded to develop the Coefficients Table to determine the influence of each independent variable on the proposed dependent variable.

**Table 5. Table of Coefficients**

| Model | Unstandardized B | Coefficients Std. Error | Standardized coefficients Beta | t | Sig | Collinearity Statistics Tollerance | VIF |
|---|---|---|---|---|---|---|---|
| (constant) | 26935493,9 | 9993175,16 | | 2,685 | 0,001 | | |
| ROA | 156211,261 | 62215,393 | 0,218 | 2,511 | 0,000 | 0,124 | 8,053 |
| CPR | 1,104 | 0,236 | 0,26 | 4,667 | 0,000 | 0,302 | 3,31 |
| DT | 3,158 | 0,187 | -0,886 | 16,906 | 0,000 | 0,342 | 2,928 |
| ANG | 191202,921 | 41288,998 | -0,227 | 4,631 | 0,000 | 0,389 | 2,571 |

a. Dependent Variable: CA

Source: own processing with SPSS

Following the multiple regression applied to the Suceava county transport sector database, the regression model equation is:

$$CA = 0.218 \times ROA + 0.260 \times CPR - 0.886 \times DT - 0.227 \times ANG \quad (1)$$

Since the intensity of influence relates to how much turnover decreases or increases when the independent variables change, in the table below we summarise the type and degree of influence exerted by the independent variables on turnover. This is shown in Table 6 below.

**Table 6. Degree and type of influence of independent variables on the dependent variable**

| INFLUENCE VARIABLE | TYPE OF INFLUENCE | DEGREE OF INFLUENCE |
|---|---|---|
| RETURN ON TOTAL ASSETS (ROA) Positive Average | Positive | Average |
| EQUITY | Positive | Average |
| DEBTS | Negative | Strong |
| NUMBER OF EMPLOYEES | Negative | Average |

Source: own elaboration with SPSS

Therefore, in the following we will resort to an analysis of the type of influence and the degree of influence of each independent variable on the dependent variable for the proposed model.

Thus, for the first regressor taken in the analysis and which is the return on total assets (ROA) and is an important variable used to assess the financial position of a company, calculated as the ratio of net profit earned to turnover has a positive influence, i.e. an increase in the value of the indicator causes an increase in turnover, a decrease in ROA is a cause of concern for the company. Palepu et al. (2020) mention that ROA the company's ability to generate profit as a result of investments made in assets.

This points to the importance of efficient use of the total assets of companies in this sector, which decision-makers need to take into account when basing their strategic decisions. As a significant proportion of total assets is represented by means of transport, we consider it relevant that this indicator is very well analysed in strategic decisions. Managers will thus have to choose the most appropriate means of transport and the most appropriate routes in order to maximise the efficiency of transport services. They will also have to decide, through the accounting policy manual, the depreciation periods for these assets as well as efficient fleet renewal policies.

On the other hand, equity capital has a positive influence, as an increase in equity leads to an increase in turnover. This shows a direct proportional link between the level of equity and the turnover achieved. We therefore believe that the managers of these entities should attach greater importance to the level of equity capital and decide, through accounting policies and options, to increase it by capitalising part of the profit made each year. Therefore, the proposed model highlights the important share of equity in total realised turnover. We therefore recommend that decision-makers in these sectors pay more attention to accounting policies that are geared towards increasing equity at the expense of borrowed capital.

Regarding the influence of the third statistical regressor, total debt, the model shows that total debt has a strong negative influence, i.e. an increase in total debt leads to a decrease in turnover. Thus, the proposed model

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shows that the management of entities in this sector should pay more attention to the level of indebtedness and the share of total debt in total liabilities.

However, in this sector, investments can also be made by raising finance, which can subsequently lead to an increase in turnover. For these reasons, we consider it prudent for this sector to be prudent in terms of debt policy and to analyse very carefully the expected return on investments made by drawing on bank loans or other forms of financing. We therefore recommend that financing should only be drawn on after a rigorous analysis of the future benefits that may arise from the investments made. We also consider that financing should only be used in situations where existing liquidity cannot cover the investments expected to be made.

It follows from the equation that an increase in the number of employees can lead to a decrease in turnover. Looking deeper into this result, we see that too many employees leads to operational inefficiency. Moreover, additional labour costs in a competitive business environment lead to higher prices, which can lead to a decrease in the number of customers and therefore in turnover.This implies that entities in these sectors must place greater emphasis on labour productivity for these companies, knowing that labour costs are high in this sector, and budget these costs very carefully according to the activities carried out. We therefore recommend that these entities pay greater attention to human resources policies and rigorously analyse the labour productivity of individual employees.

From what we have said so far, we can conclude that the value of turnover is influenced to a greater or lesser degree, depending on the type of influence and the resulting coefficient present in the proposed regression model. Also, if the influence is positive then any change in the independent variable (increase or decrease) will cause a change in turnover in the same direction. If the influence is negative, the polarity is antagonistic, any change in the independent variable will cause an opposite change in turnover.

These aspects show that the variables of the proposed model are important to explain the determinants of turnover for companies in the transport sector in Suceava County. The analysis showed that in order to achieve a high level of turnover, i.e. a high financial performance and resilience, it is necessary to adopt managerial policies that are mainly directed towards the efficient use of total assets and the financing of investments mainly by own capital rather than borrowed capital. Companies also need to base prudent investment policies on predictive analyses of their efficiency in terms of returns and also pay more attention to the labour productivity of the human resources involved in this sector.

## V. CONCLUSIONS

We are of the opinion that the transport sector is becoming increasingly important with the globalisation of the economy, the evolution of e-commerce and services in an increasingly consumer-oriented society.

The challenges in this area are commensurate, especially in the Moldova region where there is still a lack of motorways and infrastructure adapted to the European economy. However, as we have already stated at the beginning of this paper, the evolution of this sector is in continuous development, oriented towards resilience and performance. The overall objective of this sector is to meet the needs of society in the medium and long term. Transport creates connections and bridges, connects people and things, contributes to meeting needs and turning opportunities into growth and profit.

As mentioned above, resilience is a priority concern for companies, especially in these times of economic instability with a strong inflationary impact and fiscal instability. A proactive attitude of economic entities is based on the ability to adapt to the external environment, a diversification of activities and forward thinking based on information and knowledge. By knowledge we mean that adaptation to the current conditions of society offers the possibility of creating information tools, based on diagnostic analysis, based on financial and accounting information. This makes it possible to identify resources that can point to certain vulnerabilities, test stress strategies and devise successful strategies.

The descriptive analysis of turnover and net profit, correlations and the influence of financial indicator results on turnover and thus on the performance and resilience of transport companies, was our basic concern for this research approach. The result of the analysis is an econometric model highlighting the influence of indicators on economic performance, reflecting the importance and role of knowledge of accounting information derived from financial reporting.

Thus, primary indicators (equity, total debt, average number of employees) and derived indicators (return on assets) have a significant influence on the turnover for entities in the transport sector in Suceava County. The proposed econometric model revealed that the financial performance and resilience of companies in this sector is largely due to the efficiency of the use of total assets (measured by the derived indicator of return on total assets) and a high share of equity in total balance sheet liabilities. The econometric model also showed an inverse proportionality between total debt and realised turnover, suggesting that too much debt leads to lower realised turnover. Therefore, we believe that more than optimal financial analyses are needed in this sector to detect the threshold level of financial performance correlated with debt incurred.

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The proposed model also led to the detection of an inefficient use of human resources involved in this sector, which indicates a careful analysis by the management team of the human resources involved in these entities, in terms of assessing labour productivity and identifying the measures to be taken in this situation.

We believe that the research carried out can be useful both to managers involved in this sector, by recalibrating managerial policies correlated with the results of our study, to investors, who can base their investment decisions, considering the transport sector to be one of the most attractive for their investments, but also to the state and regulatory authorities who can influence through policies and fiscal levers the sustainable development of this sector, as an engine of economic development at national level.

It should be noted that the research can be extended to other counties, or scaled up to the national level, and can even be used to make intercounty comparative studies. In our view, these present important issues that will be directions for future research.

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