

## Predicting Resilience: A Financial Management Perspective

**Brian I. Goodridge**

*Davis School of Business  
Jacksonville University*

**Arron M. Fraser\***

*Department of Business Administration  
and Tourism and Hospitality Management  
Mount Saint Vincent University*

**Abstract:** This study empirically investigates the association between financial management and power plant resilience to hurricanes, addressing a significant gap in the multilevel resilience literature. Utilizing panel data regression analysis of financial metrics from Capital IQ and resilience data from The US Department of Energy reports, the research reveals that return on assets and total revenue are positively correlated with resilience. Conversely, average payable days outstanding, current ratio, inventory turnover, and EBITDA show a negative correlation. These findings suggest that deliberate management of working capital, particularly optimizing inventory for maintenance, is critical for enhancing resilience, as plant availability directly influences revenue. As the first study to operationalize power plant resilience and link it to financial ratios, this research provides original evidence validating sound financial management as a crucial antecedent and dimension of organizational resilience.

**Keywords:** Predictive Resilience, Financial Management, Business Continuity, Accounting Ratios

**JEL Classification Number:** O10, O44

---

\* Corresponding author. Email: [arron.fraser7@msvu.ca](mailto:arron.fraser7@msvu.ca). We acknowledge the support and suggestions from two anonymous reviewers and attendees of the Administrative Sciences Association of Canada 2023 Annual Conference hosted by Toronto Metropolitan University.