**RELATIONSHIP BETWEEN DIFFERENT BUSINESS VALUE COMPONENTS WITHIN THE OIL AND GAS INDUSTRY**

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**Abstract**

The oil and gas industry is characterized by many complexities and specificities of business operations. The above is also reflected in the identification of value components, and the understanding of their interrelationships. In order to have an effective value management, it is especially important to follow up on the movements in key financial indicators and qualitative factors which impact the creation of financial results. This paper gives an expose of the theoretical basis to identify the most important qualitative value components in oil and gas companies. Therefore, the specificities of all sectors within this industry are highlighted in order for them to be related to the key financial factors influencing the creation of stable cash flows. For this purpose, a cluster analysis of selected key financial factors has been performed using self-organizing neural networks. Connecting identified qualitative value components affecting cash flows with the financial parameters through which they are reflected, creates a framework for developing an effective value management model.

**Key words**: oil and gas industry, business value components, free cash flow, self-organizing neural networks

**Biography:**

Sonja Brlečić Valčić received B.Sc. degree in Economics from University of Rijeka, Faculty of Tourism and Hospitality Management, Opatija, Croatia, in 2001, and Specialized Master's Degree in Accounting and Ph.D. degree in Business economy from the University of Rijeka, Faculty of Economics, Rijeka, Croatia, in 2012 and 2014, respectively. In 2004, she joined Administration and finance department at Saipem in Croatia, where she is currently employed as accountant expert. From October 2012 she is engaged as external lecturer at University of Rijeka, Faculty of Economics, Departments for Entrepreneurial Economics, Accounting and Finance and Banking. From 2015 she is also involved as a Researcher within scientific project 6558 Business and Personal Insolvency funded by the Croatian Science Foundation.