

THE RELATIONSHIP BETWEEN LIQUIDITY AND FIRM PERFORMANCE OF SELECTED PUBLIC LISTED COMPANIES IN MALAYSIA

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JULY 2019

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TABLE OF CONTENTS

		Page	
TITLE PAGE	TITLE PAGE		
DECLARATIO	ON OF ORIGINAL WORK	ii	
LETTER OF SUBMISSION			
ACKNOWLE	ACKNOWLEDGEMENT		
TABLE OF C	TABLE OF CONTENTS		
LIST OF FIGI	LIST OF FIGURES		
LIST OF TAB	LES	viii	
LIST OF ABB	LIST OF ABBREVIATIONS		
ABSTRACT		Х	
CHAPTER 1	INTRODUCTION		
	1.1 Background of Study	1	
	1.2 Problem Statement	3	
	1.3 Research Objective	7	
	1.4 Research Questions	7	
	1.5 Significance of Study	7	
	1.6 Scope of Study	8	
	1.7 Limitations of Study	8	
CHAPTER 2	LITERATURE REVIEW		
	2.1 Introduction	9	
	2.2 Firm Performance	10	
	2.3 Liquidity and Firm Performance	12	
	2.4 Current Ratio and Firm Performance	14	
	2.5 Quick Ratio and Firm Performance	16	
	2.6 Return on Capital Employed and Firm Performance	17	
	2.7 Firm Age and Firm Performance	18	
	2.8 Firm Size and Firm Performance	20	
CHAPTER 3	RESEARCH DESIGN & METHODOLOGY		
	3.1 Introduction	22	

	3.2 Type of Study	22
	3.3 Research Design	22
	3.4 Data Description	22
	3.5 Research Framework	23
	3.6 Hypotheses	24
	3.7 Data Analysis	25
	3.8 Research Model	25
	3.9 Data Collection Method	26
	3.10 Descriptive Analysis	26
	3.11 Correlation Analysis	26
	3.12 Regression Analysis	26
CHAPTER 4	FINDINGS AND DISCUSSION	
	4.1 Introduction	28
	4.2 Descriptive Statistics	29
	4.3 Correlation	31
	4.4 Model Summary	32
	4.5 ANOVA	32
	4.6 Coefficient	33
CHAPTER 5	CONCLUSION AND RECOMMENDATION	
	5.1 Conclusion	37
	5.2 Recommendation	38
	REFERENCES	39
	APPENDICES	45

ABSTRACT

The purpose of this study is to examine the relationship between liquidity and firm performance of selected public listed companies in Malaysia. This study is conducted due to financial crisis that often happen for most companies and it eventually effect the performance of the companies itself. Sample of 100 public listed companies in Malaysia were involved in this study. Five variables were used in this study which are current ratio, quick ratio, return on capital employed, firm age and firm size which act as independent variables. Return on asset were used to measure the firm performance which act as dependent variables. The relationship between dependent variables and independent variables were measure from year 2009 until 2018. According to the findings, the result show that only return on capital employed show positive and significant result while other variables show positive but insignificant result.