



UNIVERSITI TEKNOLOGI MARA

**THE EFFECTS OF WORKING CAPITAL
MANAGEMENT ON MARKET VALUATION AND
PROFITABILITY IN MALAYSIA**

**PUTERI NUR BALQIS BINTI NOOR AZMAN
2016653454**

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of the requirements for the degree of
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AUTHOR'S DECLARATION

I declare that the work in this final year project paper was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and is the results of my own work, unless otherwise indicated or acknowledged as referenced work. This thesis has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Undergraduate, Universiti Teknologi MARA, regulating the conduct of my study and research.


Name of Student : Puteri Nur Balqis Binti Noor Azman

Student I.D. No. : 2016653454

Programme : Bachelor of Business and Administration (Hons)
Investment Management.

Faculty : Business and Management

Thesis : The Effects Of Working Capital Management On
Market Valuation And Profitability In Malaysia

Signature of Student : 

Date : June 2018

ABSTRACT

Operating capital control might be one of the most basic and least studied subject matter in corporate finance. This research motive is to the consequences of working capital management on marketplace valuation and profitability in Malaysia. The records take from 2003 to 2013 display that managers can boom profitability by using coping with running capital effectively. Moreover supervisor can enhance firm profitability by means of shortening receivable. The unbiased variables for working capital component that is cash conversion cycle (CCC), current ratio (CR), current asset to general asset ratio (CATAR), current liabilities to overall asset ratio (CLTAR) and debt to asset ratio (DTAR) to the firm value as based variables that is Tobin q and profitability that's go back on asset (ROA) and return on invested capital (ROIC). Ratio analysis changed into chosen as overall performance dimension and indicator for electricity and weak spot of the firm performance using financial declaration. But the end result of industry analysis counseled the effect of monetary quarter on dating between working capital management and profitability.

TABLE OF CONTENTS

	Page
AUTHOR'S DECLARATION	2
ABSTRACT	3
ACKNOWLEDGEMENT	4
LIST OF SYMBOLS	8
LIST OF ABBREVIATIONS	9
CHAPTER ONE INTRODUCTION	10
1.1 Introduction	10
1.2 Research Background	10
1.3 Problem Statement	11
1.4 Research Questions	11
1.5 Research Objective	11
1.6 Significance of the Study	12
1.7 Scope of the Study	12
1.8 Limitation of the Study	12
1.9 Definition of Key Terms	13
1.10 Summary	17
CHAPTER TWO LITERATURE REVIEW	18
2.1 Introduction	18
2.2 Literature Review on Topic	18
2.3 Dependent Variable- Return on Asset	19
2.4 Dependent variable – Tobin Q	19
2.5 Dependent Variable- Return on Invested Capital	19
2.6 Independent variable – cash conversion cycle	20
2.7 Independent variable- debt to total asset ratio	20
2.8 Independent variable – current liabilities to total asset ratio	21
2.9 Research Framework	22
2.10 Summary	22

LIST OF SYMBOLS

Symbols

β	beta
α	alpha
H_0	Null hypothesis
H_1	Alternate hypothesis