PROFITABILITY ANALYSIS OF CONSTRUCTION COMPANIES IN MALAYSIA

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ABSTRACT

This study attempts to examine the determinants public based construction companies' profitability in Malaysia. The construction industry has changed significantly over the last two decades due to the effects of globalization, delivery system innovations, increased competition, and the application of information technology. Industry professionals know that to strive in these times they need to manage their performance more efficiently and modify their business strategies to maintain and improve profitability and increase the company value. However, traditional theory and understanding of profitability management are not flexible and powerful enough to lead construction firms to a higher performance in the rapidly changing market. It has been a widespread and serious problem in the construction industry that profitability appears low, unreliable, and unmanageable. Thus, this study to analyze the profitability of construction companies in Malaysia. It use profitability (Dependent Variables), firm size, liquidity, leverage, total asset turnover and growth rate (Independent Variables). The data will use panel data for 10 years from 5 constructions companies in Malaysia.

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