



**CAPITAL STRUCTURE: COMPARISON STUDY BETWEEN  
GOVERNMENT LINKED COMPANIES (GLCs) AND FAMILY  
OWNED BUSINESSES IN MALAYSIA**

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## **ABSTRACT**

Studying firm's capital structure is important as it plays important role in creating value for the firm. It is identified as one of focal facet in corporate finance branch of learning. It provides comprehension on how firms choose to finance their operations and expansion. The issue that inspected in this study is whether the firm specific factors such as profitability, size, growth and liquidity is significant with the capital structure of the GLCs and family owned business. The main objective of this study is to explore how the debt equity of GLCs and family owned business in Malaysia are influenced by the firm specific characteristics and macroeconomic variables for the period from 2006 to 2015. The dependent variable is total debt ratio and independent variables are profitability, liquidity, company size and growth opportunity. In this research, quantitative data has been approached because the numerical data's are required to test and examine the dependent variable and independent variables. The companies' annual reports were collected as a secondary data collection. Secondary data used because it saves times and cost. Financial statements from the annual reports are used to calculate the dependent variable and independent variables. 20 companies are selected using purposive sampling technique for the period from 2006 to 2015. This study use Multivariate regression to analyze the significant relationship between dependent and independent variables.

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