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UNIVERSITI
TEKNOLOGI
MARA



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BACHELOR OF BUSINESS ADMINISTRATION (Hons.) FINANCE

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INDUSTRIAL TRAINING REPORT

THE PERAK COMMUNITY SPECIALIST HOSPITAL



EXECUTIVE SUMMARY

Bachelor of Business Administration (Hons.) Finance students of Universiti Teknologi Mara are required to undergo the industrial training for about 24 weeks (6 months) in order to complete the degree. Students are placed in a company to complete supervised practical training in the industry before getting a bachelor's degree through industrial training. Internships are founded on the principle of learning by doing, which entails applying theories and academic concepts taught in the classroom to real-world settings. The goals of industrial training are to facilitate reflection on internship experiences and to strengthen understanding of academic material through application in the internship setting. Throughout 6 months of industrial training, students can develop their interpersonal skill, acquire new knowledge, help to improve academic record and adapt the new environmental in workplace.

I have been undergoing my industrial training at Perak Community Specialist Hospital (PCSH). Perak Community Specialist Hospital (PCSH) is a hospital that contributes to society by providing free medical services to the elderly, orphans, and deserving charity cases. Within three months, the hospital also held medical camps, providing free consultation and treatment to approximately 1,600 patients from low-income groups and Orang Asli communities. Throughout my internship period, I was being assigned for different task under the accounts receivables functions. It includes preparing receipts, journal vouchers, cash book, daily reconciliation for e-wallet, credit card and cash transactions, etc. All these valuable experience and knowledge that I have gained during my internship were not only acquired through the direct involvement in tasks given but also through other aspect of the training such as work observation, interaction with colleagues, communication with third party such as the clients and other officers.

Last but not least, while having my industrial training, I also managed to conduct healthcare industry's analysis in order to complete assessments. Since the COVID-19 cases nationwide rose sharply, few new healthcare companies faced some challenges to generate profits as most of the nursing staff need to be transferred to the government hospital. Therefore, a study was conducted to identify the determinants of profitability decision towards Top Glove Corporation Bhd, Duopharma Biotech Bhd, KPJ Healthcare Bhd and Apex Healthcare Bhd. The study investigates the Asset Turnover (ATO), Current Ratio (CR), and Leverage (LEV) on the company's profitability.

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COMPANY'S PROFILE

The Perak Community Specialist Hospital (PCSH), originally known as The Perak Chinese Maternity Association, is a community-based multi-disciplinary hospital with a team of committed specialists and compassionate staff. It is located at No. 277, Jalan Raja Permaisuri Bainun, 30250 Ipoh, Perak, and is one of Malaysia's oldest community hospitals. The Perak Chinese Maternity Association, whose current President is Dato' Lee Hau Hian, and whose board of directors includes Dato' Lim Si Boon and the current Medical Superintendent, Dato' Dr. Y.C. Lee of Lee Eye Centre, manages the hospital.

The vision of the hospital is to be a modern multi-disciplinary hospital providing affordable quality healthcare services. Meanwhile, the hospital's mission is continually striving to provide comprehensive, efficient and effective services with the aim of delivering affordable quality care supported by modern technologies as they believe in continuous training and development of their personnel and remain responsive to the changing needs of the community. In addition, to be more specifically, the quality objectives of finance department are to achieve <1% outstanding cash paying patient bill, to achieve 100% doctor's fee payment paid and to submit the monthly management report to be submitted to management by 15th every month.

Generally, hospital is known as an institution that provide medical and surgical treatment and nursing care for sick or injured people. The facilities and services provided by Perak Community Specialist Hospital (PCSH) are:

- 24-hours accident and emergency (ANE)
- Diagnostic Centre
- Wellness Centre
- Wards
- Imaging Centre
- Haemodialysis Centre
- Pharmacy
- Operating Theatres
- Physiotherapy
- Nutrition and Dietetics
- Patient Relations

COMPANY'S ORGANIZATION STRUCTURE

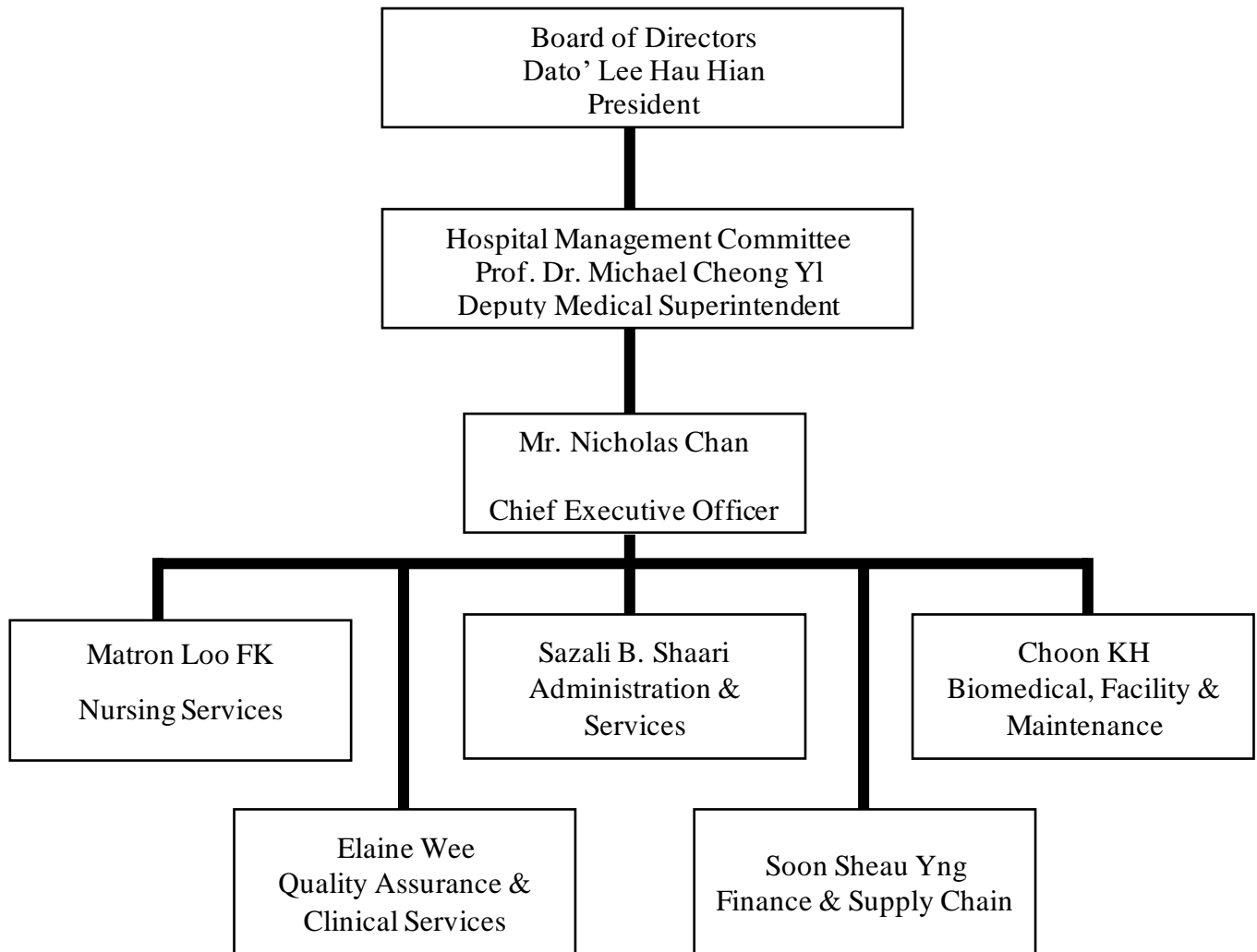


Figure 1: *Perak Community Specialist Hospital's Organizational Structure*

TRAINING'S REFLECTION

During the past 6 months of industrial training at Perak Community Specialist Hospital (PCSH), it was a very purposeful and priceless moments as a learning and self-confidence building experience to me. The terms and conditions of internship are as below:

Duration of Internship: 24 Weeks (1st March 2021 – 13th March 2021)	Department: Finance and Supply Chain
Allowances: 1. Breakfast & Lunch are provided 2. RM150 monthly 3. Covid-19 Vaccine is provided	Working Hours: 1. Monday-Friday: 8.20 am-5.45pm 2. Saturday: Off Day 3. Sunday: Rest Day
Other Terms: Other Terms and conditions of employment and service shall be governed by the Hospital's Manual on Human Resource Policies, rules, regulation and practice.	

Figure 2: Internship's Terms and Conditions

During my industrial training, I was appointed and placed as a trainee in Finance Department under my supervisor Ms. Cheah Ley Hoon, the head of department. As a trainee, I had learned a lot mainly about account receivable functions. The job scope is to ensure the hospital receives payments for its services and records these transactions accordingly which include securing revenue by verifying and posting receipts, and resolving any discrepancies. My responsibilities were to maintain the billing system, performed account reconciliations, maintained accounts receivable files and records, assisted in issuing doctors' bills and prepared listing of stock adjustments.

As a trainee, I admit that I was lack of experience and mistakes were made sometimes. Occasionally during the beginning of the training, I will get reprimand from the senior and manager. From that, I learnt to be more alert and precise to carry out my tasks. As a beginner, I should be patient enough and continuously improving myself. Once I did a mistake, I have to correct them and make sure that no more error next time. Throughout the later months of the training, I found myself have some improvement and mistakes that have been made were reduced. The problem encountered during the training is lack of independence and confident. I was being assigned to do the account receivables tasks. When I'm facing some difficulties in understanding the nature of the transactions, I will seek help and request from my seniors. This is perhaps I just newly step into the industry and I still not confident on what I have done for

the working paper. Thus, it made my seniors feel that I'm too dependent on them to solve the transactions. Besides, due to lack of experience and weak in English speaking, I tend to speak more in Bahasa Melayu with my seniors and feel less confident.

Thus, there were few methods I had applied during the internship to overcome the problems. Firstly, for a lack of independence and confidence, I have to improve my English proficiency skills. I can search for any English reading materials such as newspaper, listen to English radio station, watch the news, or English shows to polish my English proficiency. Next, as a trainee I understand that I do not have any experiences and there were only limited tasks that I have done. But, as time passes by the seniors felt confident and trust on what I'm doing, they tend to give me harder and more tasks for me to learn. Finally, by not having any training provided to the trainee, I tend to be more confident, independent and brave enough to ask the seniors even though it took many times to do so.

SWOT ANALYSIS

Table 1: *The Perak Community Specialist Hospital's SWOT Analysis*

Strengths: 1. Affordable healthcare services 2. Dedicated healthcare services	Weaknesses: 1. Perishable medicine expiration
Opportunities: 1. High demand for health care 2. Collaborate with government	Threats: 1. Misuse of funds

The strengths of the hospital will be measured by the available staff competencies, patient and employee satisfaction levels, the hospital's location and internal distribution of the various offices, as well as competitiveness aspects in comparison to other hospitals. Firstly, Perak Community Specialist Hospital provides an affordable healthcare service for everyone, mainly for the lower income group. Since its founding, the hospital provides discounts and free medical care to deserving and needy patients who could not afford the hospital's rates, which are cheaper than other private hospitals. Besides, the hospital's strength is to provide a dedicated healthcare services to its patients. The Perak Community Specialist Hospital employs a reputed team of Resident and Visiting Medical Consultants that are highly qualified and experienced in their fields. They are well supported by a committed nursing team and paramedical professionals in all areas of medicine, allowing them to provide high-quality, individualised care.

Weaknesses of hospital might include issues such as malfunctioning specific segments of the residence and hospital treatment of patients, as well as a lack of employee satisfaction with working conditions and services. The Perak Community Specialist Hospital having problem with perishable medicine expiration. It is where most of the medicine cannot be used after expiry date, inventory management of medical products raises particular challenges, as medical inventory is highly sensitive to storage temperature, humidity etc.

The ability of each hospital to serve a larger number of patients, to use its material resources, primary services, and facilities in the most efficient and optimal way, and to expand its opportunities to sell a larger assortment of goods and services that accompany health care, as well as to benefit and convenience of its employees, determines its positive potential for development. The Perak Community Specialist Hospital's opportunity is the high demand of

health care due to the current pandemic. People who care about their health are now more concerned than ever before in Malaysia and around the world, therefore the growth in people who care about their health will assist the hospital in expanding its business and thus increasing its revenue. Moreover, due to the coronavirus spike, the hospital grabs a chance to make a collaboration with Malaysian government to be the first private hospital in Ipoh to start administering Covid-19 vaccine for the national immunisation programme. The hospital is helping the government with its programme to deliver free vaccinations to Malaysians who have registered with MySejahtera. Through this, the hospital managed to generate more income as the government will pay RM14 for each vaccine.

Threats can be including anything that stands in the way of the hospital's success. The Perak Community Specialist Hospital's threat is the misuse of funds. As the hospital is a non-profit organization, it exists for a specific purpose with a defined mission. The board of directors is in charge of keeping the organisation focused on its mission. The usage of finances is a good approach to track an organization's development. The hospital may get gifts or funds that come with conditions or restrictions on how they can use it. If these funds are misused, the funder may withdraw the funds, demand reimbursement of the monies spent, and refuse to grant future funding.

REGRESSION ANALYSIS

BACKGROUND OF THE STUDY

One of every company's main focus in any fierce competition is to remain sustainable. In order to do so, each company must develop, implement, and maintain strategies that will improve its performance where it can be accomplished by examining the internal and external factors that could have an effect on the organization's performance. Thus, the ability of managers to determine such elements that can contribute to improved company profitability determines their quality and performance. Generally, profitability is known as a company's earnings derived from revenues after all expenditures incurred within a given period have been deducted. Profitability is one of the most crucial indications of managerial success, shareholder happiness, investor attraction, and the company's long-term viability, according to Alarussi & Alhaderi (2018).

The global healthcare industry is constantly expanding and is forecasted to continue to do so in the future due to demand drivers such as an aging population and chronic diseases, as well as supply factors such as bioresearch expansion. However, in Malaysia, the healthcare organizations are grappling with long-standing issues of affordability, access, quality and performance. The majority of the healthcare organizations fit the meaning and value of profitability but they do not know how to improve it or identify what factors affecting its profitability are.

PROBLEM STATEMENT

Profitability act as a most crucial component because it determines a company's ability to carry out its operations and to ensure a company meets its objectives. A high level of profitability indicates that the company is efficient, whereas a low level of profitability indicates that the company is unsustainable and requires a new strategy to generate more profit. An organization shall develop new strategies in order to boost profitability and to be vigilant with every business they run to avoid massive losses. Nowadays, many competitors use deliberate strategies to differentiate themselves from competitors in order to boost profits and meet customer satisfaction by improving their products and services.

Malaysian private healthcare operators are expected to make more profit due to increased demand for their services. Due to the coronavirus spike nowadays, other sectors such as agriculture and retailing had negatively impacted as most of the companies had to reduce their number of employees and curb their business' activities. Meanwhile, the healthcare sector is primarily supported by taxation and a few other sources of revenue. Private healthcare insurance funds, patients' out-of-pocket expenses, and private and non-profit institutions support the private healthcare sector. However, a new healthcare companies might face some challenges to generate profits during the economic downturn as most of the nursing staff need to be transferred to the government hospital. As a result, the biggest difficulty for Malaysian healthcare companies is determining how to achieve long-term viability and increased earnings. Profitability is one of the most crucial indications of managerial success, shareholder happiness, investor attraction, and the company's long-term viability, according to Alarussi & Alhaderi (2018). In order for an organisation to achieve this, it is critical that every organisation need to have a thorough awareness of the particular internal and external elements that affect how it operates. The determinants of Asset Turnover (ATO), Current Ratio (CR), and Leverage (LEV) for profitability decisions in the healthcare sector are investigated in this study.

OBJECTIVE OF THE STUDY

The overall objective of this study is to look into the factors that influence profitability decisions in the Malaysian healthcare sector. The determinants of profitability decision are measured by using Asset Turnover (ATO), Current Ratio (CR) and Leverage (LEV). Hence, specifically, this study intends to:

1. To determine the impact of Asset Turnover (ATO) on Profitability in the Malaysian healthcare sector.
2. To examine the impact of Current Ratio (CR) on Profitability in the Malaysian healthcare sector.
3. To investigate the impact of Leverage (LEV) on Profitability in the Malaysian healthcare sector.

RESEARCH FRAMEWORK

1. Dependent Variable

The dependent variable identifies the fundamental issue that the researcher uncovered for the study, with the researcher's objectives being to recognise, identify, and forecast its variability. Furthermore, the presence of the dependent variable might let the researcher measure and evaluate the dependent variable as well as any independent variables that influenced it. As a result, the profitability of the healthcare organisation has been chosen as the dependent variable for this study.

2. Independent Variable

Independent variables are considered as the factors that cause the dependent variable to arise. An independent variable is one that has an effect on the dependent variable, either positively or negatively. The independent variable is also known as the cause. Three independent variables have been identified in this study: Asset Turnover (ATO), Current Ratio (CR) and Leverage (LEV).

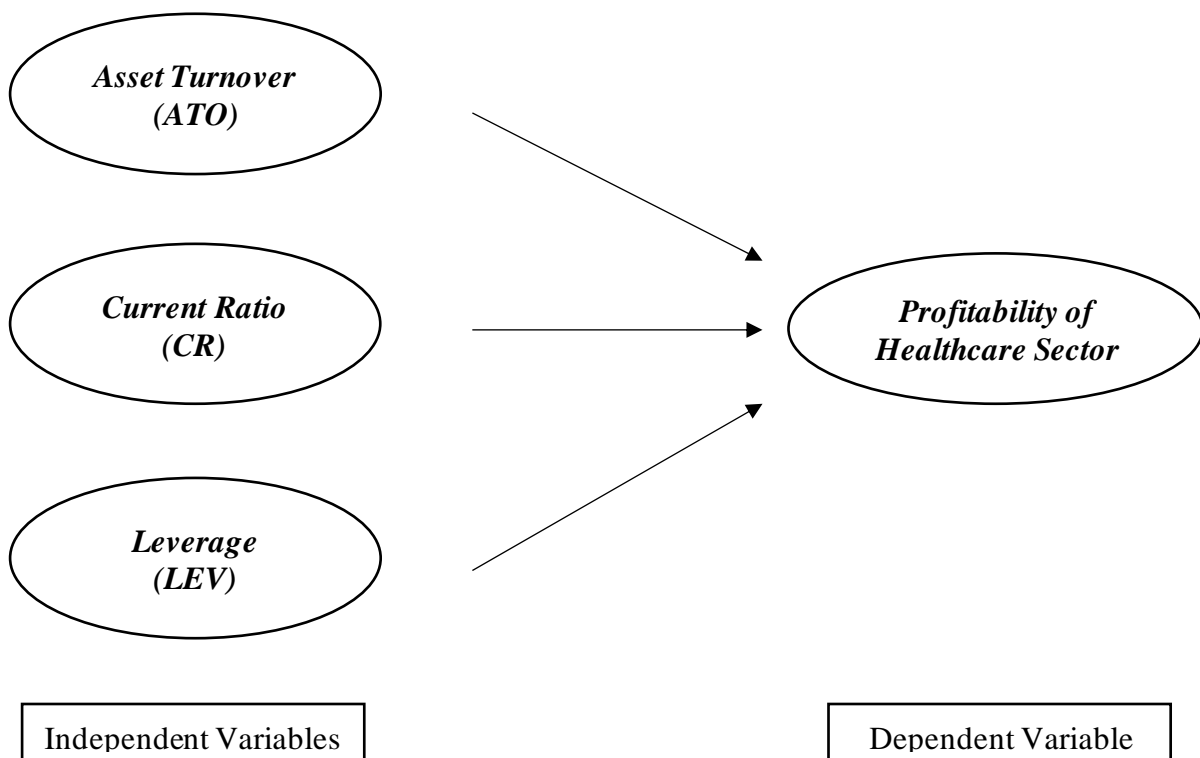


Figure 3: *Research Framework*

THE SCOPE OF STUDY

1. Dependent and Independent Variables

This study measured the dependent variable as well as the determinants of profitability decision towards Malaysian healthcare sector companies gleaned from previous studies. The dependent variable was the healthcare organisation's profitability, and the independent variables were Asset Turnover (ATO), Current Ratio (CR) and Leverage (LEV).

2. Data Collection Method and Time Frame

The data used in this study was collected from the secondary data from 2010 to 2020. Secondary data for the study was gathered from Eikon as well as online journals in Emerald, articles, and other materials relevant to this study.

LITERATURE REVIEW

Numerous published studies show that a variety of factors can influence the determinants of an organization's profitability decisions. Thus, this study will discuss the literature review of the company's Profitability in healthcare sector, Asset Turnover (ATO), Current Ratio (CR) and Leverage (LEV). This study analyses the dependent variable and the factors of profitability decisions that have been derived after evaluating past studies, in line with previous studies.

Dependant Variable:

1. Profitability

Generally, profitability refers to a company's ability to gain a profit. A profit is what remains of a company's revenue after it pays all expenses incurred during a given period. Profitability is one of the most crucial indications of managerial success, shareholder happiness, investor attraction, and the company's long-term viability, according to Alarussi & Alhaderi (2018). There are numerous measurements used to evaluate a company's profitability, such as ROA, ROE, GPM, OPM, and NPM, which are frequently measured using these ratios. Previous study has revealed the relationship between profitability and its many aspects through empirical evidence. First, a substantial and positive association between firm current ratio and profitability was discovered during the analysis of firm liquidity (Widyastuti, 2019; Nanda & Panda, 2017; Jolly Cyril & Singla, 2020; Lim & Rokhim, 2020). Other study, on the other hand, have found a positive, but not significant, link between firm's current ratio and profitability (Alarussi & Alhaderi, 2018; Zainudin et al., 2017; Appraisal et al., 2019; Vrzina & Dimitrijevic, 2020). There were also further researches that discovered a positive and significant relationship between asset turnover and profitability (Jana, 2018; Alarussi & Alhaderi, 2018; Vrzina & Dimitrijevic, 2020). Meanwhile, two studies conducted has found that asset turnover and profitability have a negative relationship and are not significant (Lim & Rokhim, 2020; Azad et al., 2018). This study employed Gross Margin as a measure of profitability, as well as a proxy and indication of profitability, according to the literature review, because it reflects the firm's actual position.

Gross Margin (GM): $[(\text{Revenue} - \text{Cost of Goods Sold}) / \text{Revenue}] \times 100$

Independent Variable:

1. Asset Turnover (ATO)

The asset turnover ratio examines a company's assets' ability to generate revenue or sales. It compares the amount of its sales or revenues to the total value of its assets. The asset turnover ratio allows a firm to calculate its efficiency and decide whether or not it can profit from its assets. According to financial rules of thumb, a greater asset turnover ratio indicates that a firm is more efficient in generating profit from its assets, whereas a lower asset turnover ratio indicates that a firm lacks the ability to manage its assets to generate profit. The asset turnover ratio will have an impact on the company's profitability, and as a result, the company will be motivated to perform its efficiency, which may lead to more investment (Alarussi & Alhaderi, 2018). Investors and creditors are more likely to favour a company with a high asset turnover ratio because it can generate more profit with fewer assets and incur less debt and equity. As a result, for all investors, this can reduce the amount of loss while increasing the return on investment. According to a study by Sathishkumar and Balamurugan (2019), the turnover ratio is critical because it can be used to predict and compare a company's earnings, and it may help investors and creditors decide whether or not to invest by evaluating the company's strengths and flaws.

$$\text{Asset Turnover (ATO)} = \text{Sales} / \text{Total Asset}$$

2. Current Ratio (CR)

In general, the current ratio is a liquidity ratio that examines a company's ability to meet its short-term obligations. According to Amanda (2019), the current ratio cannot be too high or too low. A low current ratio signifies that there are liquidity issues. A low current ratio indicates the company's inability to meet its short-term obligations, which will increase the company's burden to its obligations. In contrast, a high current ratio clearly shows that there is an abundance of idle funds, which may reduce the company's net profit, whereas other few studies discovered that a higher current ratio indicates that the company has a high asset to liability ratio, which will increase the company's efficiency to pay off their short term obligations (Amanda, 2019; Fayyaz & Nabi, 2016; Hantono, 2018). Moreover, from previous empirical study by Hartono (2018), high current ratio will influence investors' interest in investing in the organization and boosting the amount of current assets and the company's profit. Also, the relationship of current ratio with profitability was found to have a positive and significant relationship resulting from the study conducted (Amanda, 2019; Anwar, 2019; Fayyaz & Nabi,

2016; Lusy et al., 2018). (Anwar, 2019; Fayyaz & Nabi, 2016; Hantono, 2018) formulates current ratio as:

$$\text{Current Ratio (CR)} = [\text{Current Assets} / \text{Current Liabilities}] \times 100$$

3. Leverage (LEV)

According to Cyril & Singla (2020), the use of debt is referred to as leverage. Because the decision between debt and equity implies a trade-off between business and financial risk, leverage is one component of a company's capital structure. Leverage is the use of debt (borrowed capital) to boost the returns on a project. Investors utilise leverage to boost their purchasing power in the market. When a company, an investment, or a piece of real estate is described as having high leverage, it means that the asset has more debt than equity. Companies might utilise debt to invest in business operations instead of issuing stock to raise capital in an attempt to boost shareholder value. The impact of leverage on a company's profitability has been investigated by many researchers, but the results have been mixed. Leverage, on the other hand, has been shown to have a negative and significant influence on profitability in research (Alarussi & Alhaderi, 2018; Kwatiah & Asiamah, 2020; Cyril & Singla, 2020).

$$\text{Leverage (LEV)} = \text{Total Debt} / \text{Shareholder's Equity}$$

RESEARCH METHODOLOGY

Data Description

The researcher will discuss the method used to collect data, the regression model, data analysis technique, and statistical data in order to analyse the relationship between the dependent variables and independent variables. This study's data and information were gathered entirely from secondary data sources in order to determine the profitability decisions made by businesses in Malaysia. This study was conducted to identify the determinants of profitability decision towards Top Glove Corporation Bhd, Duopharma Biotech Bhd, KPJ Healthcare Bhd and Apex Healthcare Bhd. Data for the dependent and independent variables were gathered from the financial reports of selected companies, primarily in the healthcare sector, between 2010 and 2020. To collect all of the data and information required for this study, the researcher used Eikon and Datastream software.

FINDING AND ANALYSIS

This part was dedicated to the findings and outcomes of the study regarding the profitability of Malaysian listed companies. Software for Statistics and Data Science (STATA) was used to analyse the data, and the process of obtaining the results from the findings was followed by an explanation of the hypothesis. The hypothesis, which is based on the objectives, aims to find the most significant relationship between the independent variables that may influence the dependent variable, which is the company's profitability. Pearson Correlation and Multiple Regression will be used to determine which relationship is the most significant.

1. Descriptive Analysis

Table 2: *Descriptive Statistic for four (4) Healthcare Companies in Malaysia*

VARIABLE	OBS	MEAN	STANDARD DEVIATION	MIN	MAX
GM	40	.2942	.1008866	.114	.478
ATO	40	1.003	.3215603	.4	1.53
CR	40	2.28925	1.186169	.56	5.08
LEV	40	1.73	.5659528	1.13	3.16

GM: Gross Margin, ATO: Asset Turnover, CR: Current Ratio, LEV: Leverage

The table above summarises the descriptive analysis of the dependent and independent variables over the sample period for four Malaysian healthcare companies. The overall sample consists of 40 observations in determining the profitability decisions through three variables based on the mean, standard deviation, minimum and maximum values. The highest mean is Current Ratio which is 2.28925, followed by the lowest mean 0.2942, which is the Gross Margin. As for the standard deviation, both Current Ratio and Gross Margin maintain as the highest and lowest figures respectively, which are 1.186169 and 0.1008866. Followed by the minimum and maximum values, from the table above, the Current Ratio has a maximum value which indicates 5.08 while Gross Margin has a minimum value which indicates 0.114.

2. Panel Specification Test

Table 3: *Results of Overall Panel Specification Test for four (4) Healthcare Companies in Malaysia*

Model	F-Test	BP-LM Test	Hausman Test	Technique
Model 1	0.0004	1.000	0.0017	Choose
	Choose FE	Choose POLS	Choose FE	Fixed Effect

The table above shows the results of the F-test, BP-LM, and Hausman Test. Based on the comprehensive test, the results suggest that Fixed Effect (FE) model is the most appropriate model estimator in order to determine the determinants of Profitability decisions towards healthcare sector in Malaysia. Based on the table above, the results show the p-value of the F-Test is significant, which is p-value is less than 0.05, which indicates 0.0004 and proves that the suitable model for F-Test is Fixed Effect. Next, the function of BP-LM Test is to test the significance between POLS and Random Effect. The result of BP-LM Test is 1.0000 which is more than 0.05, and proves that POLS is the suitable model. Lastly, the suitable model for Hausman Test is Fixed Effect as the result of this test indicates 0.0017, which is less than 0.05.

3. Diagnostic Test

Table 4: *Results of Overall Diagnostic Test for four (4) Healthcare Companies in Malaysia*

Model	Multicollinearity	Heteroscedasticity	Serial Correlation
Model 1	3.61	0.0000	0.8223
	No Multicollinearity Problem	Heteroskedasticity Problem	No Serial Correlation Problem

The purpose of the Diagnostic Test is to check the problem of study by using three tests which are Multicollinearity, Heteroscedasticity and Serial Correlation. Based on the table above, the calculated value of Variance Inflation Factor (VIF) is 3.61, which means, the variable shows a value of less than 10. It means that Multicollinearity does not appear to be a severe problem in this study. Next, the purpose of Heteroscedasticity Test is to check the consistency of the data and the result of this test is 0.0000, which indicates that the variance of this study is not constant

as there is a Heteroskedasticity problem occurs. Lastly, the function of Serial Correlation Test is to verify autocorrelation and from this test, it shows that this study does not have the Serial Correlation problem as the result of this test is more than 0.05, which is 0.8223. As an outcome of the overall findings, the suggestion for resolving the problem of heteroscedasticity is to use Fixed Effect with the robust option.

4. Correlation Analysis

Table 5: *Correlation Analysis for four (4) Healthcare Companies in Malaysia*

	GM	ATO	CR	LEV
GM	1.000			
ATO	-0.7866	1.0000		
CR	0.3720	0.0755	1.0000	
LEV	0.0178	-0.4706	-0.7946	1.0000

Table above shows the correlation analysis for four healthcare companies in Malaysia. The Current Ratio shows the highest positive correlation, which is 0.3720, followed by Leverage and Asset Turnover, which are 0.0178 and -0.7866, respectively. It can be inferred that all of the variables have a positive link with the company's profitability. Furthermore, the Current Ratio reveals the most important factor in assessing a company's profitability level. The greater the number of investment opportunities available, the more efficient they are at utilising profitability and making profit.

5. Regression Analysis

Table 6: *Multiple Regression Result for four (4) Healthcare Companies in Malaysia*

	Random Effect GLS Regression with Cluster Option
ATO	-0.2721*** (-6.33)
CR	0.0294*** (2.64)
LEV	-0.0206 (-0.99)
Constant	0.5355*** (6.06)
N	40.0000
r2	0.8890
r2_a	0.8688
r2_w	0.2876
r2_b	0.9463
r2_o	0.8086
F	5.94
p	0.0000
chi2	59.2394
	Notes: t statistics in parentheses
	*significant at 10% level
	**significant at 5% level
	***significant at 1% level

The Random Effect model is used to solve the serial correlation problem. According to the findings, Random Effects GLS regression with cluster option should be used.

Regression Model

$$GM_{it} = 0.5355 - 0.2721 ATO_{it} + 0.0294 CR_{it} - 0.0206 LEV_{it} + e_{it}$$

As shown in Table 6, the regression result is using the Random Effects GLS regression with cluster option for three independent variables on the profitability of the healthcare companies in Malaysia. The regression result suggest that the model fitted the data well 1% level. The result indicated that the Adjusted R2 is at 86.88% variation in the Gross Margin can be explained by the independent variables in the model, while the remaining of 13.12% is being explained by the other variables which not examined. Asset Turnover and Current Ratio show statistically significant relationships with Gross Margin while Leverage is not significant to the

profitability, according to the regression results. The positive coefficient of Current Ratio indicates that it has significant positive relationship with Gross Margin. Thus, one unit increase in Current Ratio will increase the Gross Margin by 0.0294 unit when other variables are constant. Moreover, both Asset Turnover and Leverage have negative relationships towards profitability which the results indicates that one unit increase in the Asset Turnover will reduce the Gross Margin by 0.2721 unit and one unit increase in the Leverage will reduce the Gross Margin by 0.0206.

DISCUSSION AND RECOMMENDATION

Profitability is one of the most crucial indications of managerial success, shareholder happiness, investor attraction, and the company's long-term viability, according to Alarussi & Alhaderi (2018). Therefore, this study investigates the Asset Turnover (ATO), Current Ratio (CR), and Leverage (LEV) on the company's profitability. The findings suggest that this study is on pace to fulfil its objectives for the reasons described above, as well as the literature review's support. Furthermore, STATA software, which is the Correlation Analysis, was utilised in this study to identify the determinants of profitability decisions in the Malaysian healthcare sector.

The finding of this study shows Asset Turnover has statistically significant relationship with profitability and caused the alternative hypothesis to be accepted while the null hypothesis is rejected. In order to support this study, there were few studies found a significant relationship between asset turnover and profitability (Jana, 2018; Alarussi & Alhaderi, 2018; Vrzina & Dimitrijevic, 2020) while other previous researchers found that asset turnover and profitability have a negative relationship (Lim & Rokhim, 2020; Azad et al., 2018).

Besides, as Current Ratio also shows to has statistically significant relationship with profitability and act as the highest positive correlation which leads to the major contributor that influenced the company's profitability level. Few studies conducted found a significant and positive relationship between company current ratio and profitability (Widyastuti, 2019; Nanda & Panda, 2017; Jolly Cyril & Singla, 2020; Lim & Rokhim, 2020). Thus, this study rejects other studies conducted which had identify the positive relationship but not significant between company current ratio and profitability (Alarussi & Alhaderi, 2018; Zainudin et al., 2017; Appraisal et al., 2019; Vrzina & Dimitrijevic, 2020).

Moreover, the relationship between leverage and the profitability shows a negative and insignificant relationship. The negative relationship is supported by few studies which found that leverage has a negative impact on profitability (Alarussi & Alhaderi, 2018; Kwatiah & Asiamah, 2020; Cyril & Singla, 2020). This might be due to a high leverage can caused lower profitability for an organization, and vice versa. The insignificant relationship between leverage and profitability might be due to most of the healthcare sector especially the hospital is focusing more on its services instead of its sales or debts.

According to the findings of the study, there are a number of recommendations that may be implemented in order to produce additional ideas for future researchers who can help the healthcare industry enhance their financial performance and profitability. To begin, it is critical

for a company in the healthcare sector to identify the factors that lead to company profitability. For example, a healthcare company, such as a hospital, must increase patient satisfaction by providing excellent customer service. Patients who are satisfied with every aspect of their healthcare experience are more likely to return to the hospital that provided them with exceptional care in the future. When a patient is pleased with his office interaction, he is more likely to have a good impression of the entire healthcare facility. When a patient is dissatisfied with his service, he is more likely to complain and form a negative view of the facility, causing staff to spend more time attempting to resolve conflicts. Following that, it is suggested that the company develop financial plans that focus on long-term stability and sustainability. Great financial planning is crucial to an organization in the event of an economic downturn. The organisation will forecast its financial performance by analysing its existing financial performance and identifying both internal and external financial resources. As a result, the company will have an efficient and stable source of financial resources to face the economic downturn, preventing the company from being forced to close or jeopardise their employees.

CONCLUSION

My internship has taught me a lot over the last few months. The Perak Community Specialist Hospital (PCSH) has provided me with numerous opportunities to study and grow. I obtained a lot of experience, particularly in the field of accounts receivable. Many of the tasks and activities I completed during my internship are similar to what I'm currently studying. I was also able to build and improve my soft and functional skills during my six-month placement. When it comes to work environment, time management is also important when finishing all the tasks. Time management supposedly have been managed well during my study time but when I have been working at the Perak Community Specialist Hospital (PCSH), then I realized that time management is very crucial and valuable to us. It is because when doing the tasks, my supervisor did not provide me a specific time to complete it instead I should ensure that I could finish it in relevance time period and manage my time well.

Besides, while having my industrial training, I also managed to conduct the regression analysis on the healthcare industry in order to complete assessments. Since the COVID-19 cases nationwide rose sharply, few new healthcare companies faced some challenges to generate profits as most of the nursing staff need to be transferred to the government hospital. Therefore, a study was conducted to identify the determinants of profitability decision towards Top Glove Corporation Bhd, Duopharma Biotech Bhd, KPJ Healthcare Bhd and Apex Healthcare Bhd. The study investigates the Asset Turnover (ATO), Current Ratio (CR), and Leverage (LEV) on the company's profitability. The findings suggest that this study is on pace to fulfil its objectives for the reasons described above, as well as the literature review's support. Furthermore, STATA software, which is the Correlation Analysis, was utilised in this study to identify the determinants of profitability decisions in the Malaysian healthcare sector.

Thus, all of the valuable experience and knowledge that I have gained through industrial training and research were gained not only through direct participation in tasks assigned, but also through other aspects of the training such as work observation, interaction with co-workers, and communication with third parties such as clients and other officers. It is also the best way to prepare students for the real world of work. This internship has been extremely beneficial to me, and I am grateful to have had the opportunity to experience and learn so much. As a result, I am more confident in my ability to enter the workforce and build my future career.

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APPENDICES

