



**UNIVERSITI TEKNOLOGI MARA**

**FACTORS AFFECTING FIRM PERFORMANCE IN  
MALAYSIA LISTED COMPANIES**

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## **ABSTRACT**

This paper examines the relationship between internal and external factors and firm performance in Malaysia Listed Companies from 2015 to 2020. The performance of publicly traded companies has become a subject of concern for all stakeholders, including shareholders, creditors, corporate employees, and government officials. One of the most significant measures of firm performance is the micro and macroeconomics environment technique, or so-called internal and external factors. The ability to control both internal and external factors is critical to a company's long-term profitability. Furthermore, this study will focus solely on the 24 non-financial firms with the highest board compensation that are listed on the Bursa Malaysia top 30 index. This study's findings will show which variables are relevant and have a beneficial impact on a firm's profitability, both internally and externally.

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# CHAPTER ONE: INTRODUCTION

## 1.1 Introduction

Firm performance is a broad phrase that can refer to a variety of things as long as they are related to organizational performance, firm functioning, and operational outcomes. In most cases, firm performance refers to the organization's overall performance, which includes product and service manufacture, the operation of the business's many units, personnel performance, and the overall results of their labor. Simultaneously, company performance may be seen in a larger context as part of the firm's overall business development. What this means is that business development reflects the firm's performance and enables for evaluation of the effectiveness of the organization's performance.

Furthermore, it's also vital to remember that the firm's success is a key signal for investors and stakeholders. The fact that the firm's performance shows whether or not the company is worth investing in is what is meant here. Investors, for example, are willing to put money into companies that have a good marketing performance, whereas bad marketing performance implies concerns with a company's business development. As a result, investors avoid investing in underperforming firms since they are unsure of the return on investment and the significant risks associated with such investments. (UKEssays, 2018). Thus, it clearly shows that the study on internal and external factors that could affecting firm performance is matter.

The following is a disintegration of this chapter's structure. Section 1.2 presents overview/background of the study, which is followed by stating problem statement in Section 1.3. Section 1.4 outline the research questions; the results lead to research objectives in Section 1.5. Section 1.6 explains significance of the study and Section 1.7 explain on the scope of study. Continue with limitations that occur in the study in Section 1.8 and list of definition of key terms in Section 1.9. Lastly, Section 1.10, the summary/conclusion for an easy understanding on the topic with giving simple explanation