



UNIVERSITI TEKNOLOGI MARA

**GOVERNMENT LINKED COMPANIES: ASSESSING THE
IMPACT OF GOVERNANCE AND OWNERSHIP TOWARDS
CORPORATE PERFORMANCE**

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ABSTRACT

The purpose of this research is to determine whether corporate governance affects corporate performance. The following six independent factors are included in this study: the size of the board, the percentage of independent directors, the frequency of board meetings, government ownership, director ownership, and the size of the company. ten years of observations have been collected for this study, covering the year 2011 to 2020. Using a multivariate regression model that looked at both the ownership structure and performance of the organization, corporate governance was assessed. The sample chosen consisted of ten businesses trading on the primary market in Bursa Malaysia, each of which had data over the previous ten years based on annual reports. This results in a total of 100 observations for the investigation.

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CHAPTER ONE

Chapter one will discuss in detail the core of this research which researcher will explain the reason and purpose for conducting this study. Moreover, this chapter will include the main objectives and explain specific objectives. Not only that, the research question is explained in main and specific to ensure the researcher follows the research direction and fulfils this research's objectives. This research includes the scope of study, limitations, and significance of this study.

1.1 Introduction

Sustaining a healthy economic state ensured that countries would have a brighter future. This indicates that the countries' economies are performing or doing well, as evidenced by their position on the "Economic Life Cycle" booming line. Undoubtedly, there are several benefits to countries and their citizens from this situation. Not only them, but the benefits of strong economic conditions are felt by all parties involved, including neighbouring countries, foreign customers in a healthy market, foreign employees, investors, and bondholders. The good news is that the country has regained control of its financial difficulties; stockholders and bondholders may contribute less and earn a higher return on their investment. Citizens in the home country can purchase more goods and services from other countries. Simultaneously with the bad news, if the economy's currency is too strong, demand will be low, and it will discourage local and foreign customers, shareholders, bondholders, and neighbouring countries from transacting with us. Both government-linked government (GLCs) and government-linked investment companies (GLICs), which have a considerable presence in the corporate sector, have performed their role to develop Malaysia's economic structure.