UNIVERSITI TEKNOLOGI MARA

THE ASSOCIATION OF LISTED FAMILY FIRMS AND LISTED GOVERNMENT RELATED COMPANIES WITH THE FIRMS' PERFORMANCES IN MALAYSIA

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Dissertation submitted in partial fulfillment of the requirements for the degree of
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AUTHOR'S DECLARATION

I declare that the work in this dissertation was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and is the results of my own work, unless otherwise indicated or acknowledged as referenced work. This topic has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

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ABSTRACT

The objective of this study is to examine the association of listed family firm (LFF) and listed government related companies (LGRCs) and the firms' performance. The sample includes 495 companies listed on Bursa Malaysia for the year 2012. Multiple regression has been employed to test the hypotheses. Nine control variables included in this study which are the board size, board composition, role duality, firm size, firm age, debt ratio, firm growth, auditor type (Big 4) and financial expertise. The finding of this study indicates that listed family firms have correlation with firms' performance. A finding has revealed that the listed family firms perform better than LGRCs. The bigger the firm size, the higher the firm's performance as measured with Tobin's Q. The results also show that, the role duality is extremely significant positive associated with the Tobin's Q. This suggests that when there is a presence of role duality, it will contribute to higher firm performance. However, the finding for listed government related companies (LGRCs) show that there is no correlation between LGRCs and firms' performance.

Keywords: *Listed Family Firm, Listed Government Related Companies (LGRCs), Tobin's Q, PB ratio, ROA, ROE*

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