

UNIVERSITI TEKNOLOGI MARA

**THE IMPACT OF INSTITUTIONAL
OWNERSHIP TOWARDS FIRM
PERFORMANCE: EMPIRICAL
EVIDENCE FROM FOOD AND
BEVERAGE SECTOR LISTED IN
BURSA MALAYSIA**

NUR SAKINAH BINTI NASIR

Thesis submitted in fulfillment of the requirements for
the degree of
Bachelor of Business Administration (Hons)
(Finance)

Faculty of Business and Management

July 2017

AUTHOR'S DECLARATION

I declare that the work in this project paper 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 thesis has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Universiti Teknologi MARA, regulating the conduct of my study and research.


Name of Student : Nur Sakinah Binti Nasir

Student I.D. No. : 2014661976

Programme : BBA (Hons) (Finance)

Faculty : Business and Management

Project Paper Title : The Impact Of Institutional
Ownership Towards Firm Performance:
Empirical Evidence from Food and
Beverage Sector Listed In Bursa
Malaysia

Signature of Student : 

Date : July 2017

ABSTRACT

The theory is that with the heavy presence of institutional investors, it is supposed to increase the firm performance or make the return better. Previous studies debate this theory. There can be positive or negative outcome from the studies. Many of this research have been put into action for developed market countries, most especially for the United States. A few of the studies only focusing in emerging market economies with only a couple focusing their attention on Malaysia. So, this study is to further determine impact of the institutional ownership towards firm performance: empirical evidence from food and beverage sector listed in Bursa Malaysia. The model used in this study is panel least square and a sample data of ten years from ten companies. The first finding is a positive no significant impact of institutional ownership towards firm performance. There is a positive no significant impact of bank ownership towards firm performance. There is a negative no significant impact of mutual fund ownership towards firm performance. There is a positive significant impact of holding companies ownership towards firm performance. There is a positive significant impact of size of the firm towards firm performance. The study was hoped to be a guidance for further understanding of what can be done and changed for better outcome.

ACKNOWLEDGEMENT

First, I would like to thank Allah SWT for the guidance, strength and blessing from Him, in completing this dissertation, this work could have never been achieved without His guidance and blessing.

It is a pleasure to acknowledge the considerable debt of gratitude which I owe to my main advisor, Encik Husnizam Bin Hosin and co-advisor Encik Syamsyul Bin Samsudin for their high patience in guiding me in order for me to complete my thesis for this semester. Not only that, I would also like to thank them for their comments, wise advice and uncountable amount of knowledge towards this thesis that for sure will help me to see the real world and prepare me for the future.

Furthermore, I am so grateful towards my helpful and lovely friends that are always there to help me in sharing of opinions and even give their comments in order for me to improve and achieve success together.

Lastly, I would also like to thank my family for their support in giving me motivation and advices unconditionally in order for me to complete this thesis. Apart from that, I would like to thank them in terms of financial help for my education in order for me to feel comfortable while studying.

To be honest, without all of these people that without fail always help me in so many ways, this thesis would not be completed and materialised.

Thank you very much, may Allah SWT bless you all.

TABLE OF CONTENT

	Page
CONFIRMATION BY PANEL EXAMINERS	i
AUTHOR'S DECLARATION	ii
ABSTRACT	iii
ACKNOWLEDGEMENT	iv
TABLE OF CONTENTS	v-viii
LIST OF TABLES	ix
LIST FIGURES	x
LIST OF ABBREVIATION /NOMENCLATURE	xi
CHAPTER ONE: INTRODUCTION	1
1.1 Introduction	1
1.2 Background of Study	1-2
1.3 Problem Statement	2-4
1.4 Research Question	4
1.5 Research Objective	5
1.6 Significance of Study	5-6
1.7 Scope of Study	6
1.8 Limitation of Study	7
1.9 Definition of Term	8
1.10 Summary	8
CHAPTER TWO: LITERATURE REVIEW	9
2.1 Introduction	9
2.2 Return on Equity	9-10
2.3 Institutional Ownership	10-12
2.4 Bank Ownership	13-14
2.5 Mutual Fund Ownership	15
2.6 Holding Company Ownership	16-17