

UNIVERSITI TEKNOLOGI MARA

**IMPACT OF WORKING
CAPITAL MANAGEMENT ON
ACE MARKET FIRM
PROFITABILITY**

NORKHATIJA BINTI OSMAN

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, acknowledged 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	:	Norkhatijah Binti Osman
Student I.D. No.	:	2014519595
Programme	:	BBA (Hons) (Finance)
Faculty	:	Business and Management
Project Paper Title	:	Impact of Working Capital Management on ACE Market Firm Profitability
Signature of Student	:	
Date	:	July 2017

LETTER OF SUBMISSION

6th July 2017

Sir Kharudin bin Mohd Sali @ Salleh (Hj)

Department of Finance

School of Business and Management

UiTM Johor, Segamat, Johor

85000 Segamat

Johor, Malaysia


Dear Sir,

SUBMISSION OF PROJECT PAPER

Attached is the project paper titled “**Impact of Working Capital Management on ACE Market Firm Profitability**” to fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank You.

Yours sincerely,


.....

(NORKHATIJA BINTI OSMAN)

ABSTRACT

This paper is aims to investigate the impact of working capital management on firm profitability in Malaysia. This study will focus on company that are listed in Access, Certainty, Efficiency (ACE) Market in Bursa Malaysia. ACE market's company is chosen because of the company itself which they have low capital. The dependant variable in this study is company profitability that will be measure by Return on Asset. There are several selected independent variables in this study which are cash conversion cycle (CCC), sales which represented by natural logarithm of sales, sales growth and current ratio. The data collected from the year 2012 to 2016 from eleven companies that make total number observations of fifty-years. The data is obtained from Data Stream and Annual Report. This study used quantitative secondary data which is panel data and regression model represented by the ordinary least squares (OLS) as the technique to test the data collected

TABLE OF CONTENTS

AUTHOR'S DECLARATION	i
LETTER OF SUBMISSION	ii
ABSTRACT	iii
ACKNOWLEDGEMENT	iv
LIST OF TABLES	viii
LIST OF FIGURES	ix
CHAPTER ONE: INTRODUCTION	1
1.1 Introduction	1
1.2 Background of the Study.....	1
1.3 Problem Statement	3
1.4 Research Questions	3
1.5 Research Objectives	3
1.6 Significance of the Study	4
1.6.1 Researcher.....	4
1.6.2 Business Institutions	4
1.6.3 Future Research.....	4
1.7 Scope of the Study	5
1.8 Limitations of the Study	5
CHAPTER TWO: LITERATURE REVIEW	6
2.1 Introduction	6