



## INDUSTRIAL TRAINING REPORT AT PEJABAT PENGARAH TANAH DAN GALIAN NEGERI PERAK (PTG)

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# THE EFFECT OF WORKING CAPITAL MANAGEMENT ON PROFITABILITY OF THE CONSUMER PRODUCTS AND SERVICES SECTOR IN MALAYSIA

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#### **EXECUTIVE SUMMARY**

Profitability is one of the most significant aspects of company performance, shareholder satisfaction, investor attraction, and long-term viability. However, in order to achieve higher profitability, a company must have efficient working capital management. Many studies have been conducted on working capital management as it helps maintain smooth operations. Thus, it enhances the company's profitability. This paper provides insights into the effect of working capital on the profitability of the consumer products and services sector in Malaysia. This study used data from 20 publicly listed companies in Bursa Malaysia for five years from 2016 to 2020. The dependent variable in this study is a return on asset (ROA), which is a proxy for profitability. The number of days accounts receivable (AR), the number of days accounts payable (AP), and the cash conversion cycle (CCC) are used as independent variables to represent working capital management. The results show that the number of days accounts receivable is significant affecting profitability. However, the other two variables are showing an insignificant negative relationship with profitability.

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### **COMPANY'S PROFILE**

Pejabat Pengarah Tanah dan Galian Negeri Perak (PTG) are one of the government states bodies which located at Jalan Panglima Bukit Gantang Wahab, 30100 Ipoh, Perak. It was founded in 1959 by the Perak Darul Ridzuan State Secretary's Office, led by the first Perak State Director of Land and Mines, Encik Lokman bin Yusuf. The company is responsible for ensuring that land is used in line with land rules and laws to provide the best possible results for the people and the government. Besides, determining land yields is collected effectively and systematically.

PTG is the main office that oversees the operation and performance of the land offices in each of the 11 districts. The company's vision is to become Malaysia's best and most sophisticated land administration and management organization. Meanwhile, the mission is to be committed to managing and administering land issues to promote a dynamic and competitive state development through quality, integrity, and effective services for the welfare of the people. Every organization has its own goal to maintain consistency in all tasks completed. The primary objective of PTG is empowering human resource knowledge and skills towards high-performance work culture and governance. They operate five days a week during regular business hours.

Days	Operation hour
Monday - Thursday	8.15 a.m. – 12.15 p.m.
	2.15 p.m. – 4.30 p.m.
Friday	8.15 a.m. – 12.00 p.m.
	3.0 p.m. – 4.30 p.m.

Table 1: Operation Hour of Pejabat Pengarah Tanah dan Galian Negeri Perak

Moreover, the organization has 12 departments that have different functions. The services offered include the transfer title of the property, valuation of the property, collecting annual quit rent, caveat entry, and many other. The following are the figure of organizational chart for Pejabat Pengarah Tanah dan Galian Negeri Perak.

Figure 1: Organizational Chart of Pejabat Pengarah Tanah dan Galian Negeri Perak

