
THE RELATIONSHIP BETWEEN FIRM CHARACTERISTICS AND PROFITABILITY OF CONSUMER GOODS FIRMS IN MALAYSIA

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Abstract

There are many researchers that have investigated a variety of firm characteristics in order to comprehend their impact on performance. This study aims to examine the relationship between firm characteristics and profitability of consumer goods firms in Malaysia. The firm characteristics consist of firm age and firm size meanwhile profitability is measured by return on assets. The study's population comprise of 30 consumer goods firms listed in the Bursa Malaysia from 2015 to 2020. Pearson's correlation and multiple regression are employed in this study as tool for analysis. Hypotheses were formulated and tested for this study which indicates no significant relationship between firm characteristics and profitability of consumer goods firms in Malaysia. The results show that firm size and firm age does not have significant relationship with profitability. Thus, the study recommends to not focus on both firm age and firm size since those variables does not affect the profitability of the consumer goods firms in Malaysia.

Keywords : consumer goods, firm age, firm characteristics, firm size, profitability;
