

AN INVESTIGATION OF THE DIVISIONAL INVESTMENT POLICY OF A COMPANY – STUDY ON SHING YANG GROUP IN MIRI, SARAWAK – EAST MALAYSIA

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ABSTRACT

In this research, the researcher is going to study and investigate on a company's investment policy. Shing Yang Sdn Bhd is the company that researcher considered as the first choice to study on because different investment policies have been adopted by its divisions. 2 of the major divisions within Shing Yang Sdn Bhd (SY Group) that are selected as this research scope – Shing Yang Shipyard and Shing Yang Plywood, which are the most profitable companies within SY Group.

The findings of this research will be analyzed by using Hypothesis testing and financial ratio analysis, which will be used to further prove the point of view of the researcher that investment policy, will affect a company performance. Through the chi-square test, the researcher has successfully found out that investment policy will somehow affect SY Group performance. Furthermore, a comparison will be made between Shing Yang Shipyard and Shing Yang Plywood in terms of its performances by calculating the financial ratios, such as profitability ratios, effect ratios and liquidity ratios. Eventually, a conclusion and some recommendations will be provided to the interested parties.