

A COMPARATIVE STUDY IN THE FINANCIAL AND NON-FINANCIAL PERFORMANCE BETWEEN AMWAY AND COSWAY CORPORATION FROM 1996-2000

Prepared by: Lim Nyuk Mei

ABSTRACT

In this dissertation study, 2 companies in the direct selling industry namely Amway and Cosway Corporation have been chosen as the sample to carry out a comparison study on their financial and non-financial performance from year 1996 to year 2000.

Since both the companies are locally incorporated and have been registered as the public listing companies in KLSE as well as being the member of Direct Selling Association Malaysia (DSAM) in this country, therefore, both companies can be considered as quite famous, popular and competitive in the direct selling industry of Malaysia.

Financial statement analysis contains of the application if analytical tools and techniques to be financial statement and other relevant data. Data were acquired through interviews, printed sources in reference books, annual reports, publication, and the Internet. Meanwhile, financial ratios that include of liquidity, profitability, efficiency and investment ratios are used to assists in the measurement of financial performance of a company. Subsequently, several recommendations were suggested in order to serve as a guide for decision-making in the companies' management and marketing strategies. Training and development of skills should be considered to enable the companies remain their competitive advantages in the direct selling industry. In addition, internal cost control also plays an important role in achieving higher profits for the companies. Besides. Search for new markets must also be taken into consideration.