

IMPACT OF PRIVATIZATION ON JORDANIAN INDUSTRIAL CORPORATIONS THE CASE OF JORDAN CEMENT FACTORIES

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Abstract

This study aimed at examining and analyzing the effects of privatization process on the financial and operational performance of industrial corporations in Jordan. The Study based on data of Jordan Cement Factories which was privatized in 1998, provides empirical evidence on the impact of privatization upon the performance of industrial enterprises using operating, profitability, investments and other performance standards. The annual financial reports for the period 1993-2003 in addition to data from Amman Financial Market have been used, to calculate different performance standards and ratios before and after privatization.

The results of the study showed that privatization produced performance improvements in terms of Liquidity, debt ratio, investment and productivity in tons, while the results were not clear in terms of other ratios.

The study recommended that other studies should be made to explore other aspects of performance.