UNIVERSITI TEKNOLOGI MARA

SELANGOR ZAKAT CAPITAL ASSISTANCE PROGRAM AND THE CRITICAL SUCCESS FACTORS OF ASNAF ENTREPRENEURS

NURSYAHIRAH BINTI HAIRI NURUL NADHIRA BINTI SHAMSUDIN

Dissertation submitted in partial fulfilment of the requirements for the degree of **Master of Islamic Banking and Finance**

Arshad Ayub Graduate Business School

December 2018

AUTHOR'S DECLARATION

I declare that the work in this disertation was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and is the results of my own work, unless otherwise indicated or acknowledged as referenced work. This thesis has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Post Graduate, Universiti Teknologi MARA, regulating the conduct of my study and research.

Name of Student : Nursyahirah Binti Hairi

Student I.D. No. : 2017633492

Signature of Student :

Name of Student : Nurul Nadhira Binti Shamsudin

Student I.D. No. : 2017417574

Signature of Sudent :

Programme : Master of Islamic Banking and Finance

Faculty : Arshad Ayub Graduate Business School

Dissertation title : Selangor Zakat Capital Assistance Program and the

Critical Success Factors of Asnaf Entrepreneurs

Date : December 2018

ABSTRACT

Zakat collection in Selangor is increasing every year. However, it is still insufficient to cover zakat distribution in Selangor Zakat Board (SZB) which indicates in increasing the number of zakat recipient. SZB has introduced zakat capital assistance program to increase the income of asnaf through entrepreneurship. This program also helps to reduce the number of zakat recipient and thus cater the problem of zakat distribution in Selangor. Objective of this research is to examine the effectiveness of zakat capital assistance program by SZB. This research also investigates the critical success factors of asnaf entrepreneurs. Besides that, the motivation of this research is to get in-depth information and quality finding. Therefore, this research adopts qualitative approach by interviewing Teraju Ekonomi Asnaf (TERAS) administrator and five successful asnaf entrepreneurs. The finding shows that the critical success factors of asnaf entrepreneurs are personal characteristics, having sufficient capital, support system and skills and knowledge. The findings of this research contribute to Selangor Government, SZB and TERAS that using capital assistance as a tool to reduce poverty. Moreover, findings from this qualitative research help future research that investigate capital assistance program.

ACKNOWLEDGEMENT

Bismillahirrahmanirrahim.

Alhamdulillah, grateful to Allah Almighty and peace be upon Muhammad, His messenger, for giving us the strength to accomplish the assignment of subject Applied Business Research with the research on Selangor Zakat Capital Assistance Program and the Critical Success Factors of Asnaf Entrepreneurs.

Firstly, we would like to dedicate our gratitude to our advisor, Professor Dr. Hjh. Saadiah Mohamad who always gives guidance and a lot of information regarding this topic. We are really proud to have her as our advisor due to her great personality with a lot of knowledge. Without her, we may not able to finish this work with perfectly written.

Next, we would like to express the sincere appreciation to our family who always give us moral support and motivation. With their concern towards the difficulty that we have faced, they are always being there to continuously give us some motivation.

Last but not least, we want to thank to all of our lecturers and friends for their involvement directly or indirectly in sharing information and idea in order to complete this work. We really appreciate with their help and support.

Thank you.

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