

**“A STUDY OF FACTORS THAT INFLUENCE  
HEALTH INSURANCE COVERAGE TOWARDS  
EMPLOYEES AT PETRONAS CARIGALI SDN BHD”**

**NURHAMIDAH BINTI HIZAM  
2012931035**

**Submitted in Partial Fulfillment of the Requirement  
for the Bachelor of Business Administration (Hons)  
Finance**

**FACULTY OF BUSINESS MANAGEMENT  
UITM, MELAKA**

**JANUARY 2015**

## DECLARATION OF ORIGINAL WORK



**BACHELOR OF BUSINESS ADMINISTRATION (HONS) FINANCE  
FACULTY OF BUSINESS MANAGEMENT  
UNIVERSITI TEKNOLOGI MARA  
MELAKA**

### “DECLARATION OF ORIGINAL WORK”

I, Nurhamidah Binti Hizam, (I/C Number: 910920145644)

Hereby, declare that,

- This work has not previously been accepted in substance for any degree, locally or overseas and is not being concurrently submitted for this degree or any other degrees.
- This project paper is the result of my independent work and investigation, except where otherwise stated.
- All verbatim extracts have been distinguished by quotation marks and sources of my information have been specifically acknowledged.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## LETTER OF SUBMISSION

7<sup>th</sup> JANUARY 2015

The Head Program  
Bachelor of Business Administration (HONS) Finance  
Faculty of Business Management  
Universiti Teknologi MARA  
75200 MELAKA

Dear Sir/Miss,

SUBMISSION OF PROJECT PAPER

Attached is the project paper titled “**A STUDY OF FACTORS THAT INFLUENCE HEALTH INSURANCE COVERAGE TOWARDS EMPLOYEES AT PETRONAS CARIGALI SDN BHD**” to fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank You,

Yours sincerely,

NURHAMIDAH BINTI HIZAM  
2012931035  
Bachelor of Business Administration (HONS) Finance

## **ABSTRACT**

This research aims to study the factors that influence health insurance coverage towards employees at Petronas Carigali Sdn Bhd. The selected variables will be analyzed to discover the factors that contribute to health insurance coverage in Petronas Carigali Sdn Bhd.

This research paper consists of two variables which are dependent variable and independent variable. The variables that the researcher investigates are health insurance, employer responsibility, cost of health insurance, preferences and employees understanding. The data obtained are be treated as primary as the researcher use questionnaires to obtain the required information from the respondents. Other than that, some of the related information was obtained from the secondary data such as internet, journals and book. The variables will be analyzed by using the frequency distribution, descriptive analysis, reliability analysis, and multiple regression analysis. Computer Software of Statistical Package for Social Science is used in order to analyze the data.

The findings indicate that employees understanding are the most influencing factor that influences the health insurance coverage towards employees at Petronas Carigali Sdn Bhd followed by the preferences, cost of health insurance and employer responsibility. The findings also show that although the cost of health insurance has a negative relationship with the health insurance, it still has significant relationship with the health insurance. The researcher also has come out with few recommendations to be taken into consideration. By implementing these recommendations, it will help the employees to buy the health insurance coverage and benefit of it in the future.

## TABLE OF CONTENTS

	<b>PAGE</b>
LETTER OF DECLARATION	i
LETTER OF SUBMISSION	ii
ACKNOWLEDGEMENT	iii
TABLE OF CONTENT	iv–v
LIST OF TABLES	vi
LIST OF FIGURES	vii
ABSTRACT	viii
<b>CHAPTER 1: INTRODUCTION</b>	
1.1. Introduction	1
1.2. Background Of Company	1-2
1.3. Background Of Study	2-3
1.4. Problem Statement	4-6
1.5. Research Objectives	7
1.6. Research Questions	7
1.7. Scope Of Study	7
1.8. Significance Of Study	8
1.9. Limitations Of Study	9
1.10. Definitions Of Terms	10-11
<b>CHAPTER 2: LITERATURE REVIEW</b>	
2.1. Introduction	12
2.2. Health insurance (Dependable Variable)	12-13
2.3. Employer responsibility (Independent Variable 1)	14-15
2.4. Cost of health insurance (Independent Variable 2)	16
2.5. Preferences (Independent Variable 3)	17-18
2.6. Employees understanding (Independent Variable 4)	18-19
2.7. Theoretical Framework	20-21
2.9. Hypothesis	21-22