

UNIVERSITI TEKNOLOGI MARA

THE RELATIONSHIP OF CREDIT MANAGEMENT PROCESS
AND THE LEVEL OF NON-PERFORMING LOANS OF
MAJLIS AMANAH RAKYAT IN SABAH REGION

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JULY 2014

ABSTRACT

Majlis Amanah Rakyat (MARA) is a government agency established under the purview of Ministry of Rural and Regional Development in order to assist the development of the socioeconomic of Bumiputera in Malaysia. Since its establishment, MARA continuously moves forward in line with the government agenda towards achieving Vision 2020. Due to the latest *Pelan Strategik Transformasi MARA 2011-2015*, it enforces MARA to stand alone through privatization in stages. Therefore, it attracts us to study the performance of MARA specifically Business Financing Division in Sabah Region. The initial idea of this study was to gauge the current level of NPLs of MARA prior to privatization. However, due to the NPL rate is too high, therefore, the purpose of this study has been changed to study the relationship of credit management process and the level of the NPLs of MARA in Sabah Region. The methodology used for this study is a combination of Quantitative (Questionnaire) and Qualitative (Interview) technique. The data from the questionnaire evaluated using Multiregression Analysis as to measure the relationship the independent variables and dependent variable while the Qualitative technique is through semi-structured interview by hoping that the main objective of the study is satisfied.

Keyword: Credit Management Process, Non-Performing Loans (NPLs), Majlis Amanah Rakyat (MARA)

ACKNOWLEDGEMENT

AUTHORS' DECLARATION

Praise to Allah S.W.T for His grace and kindness that we are able to complete this final project paper. We are grateful to have support and motivation from many people throughout completing this research study.

Our first and deepest thank to our respective advisor, Dr. Rozita @ Uji Binti Mohamed for her acceptance, guidance and comments since the beginning of this research. Special thanks to our parents and friends who are always be on our side, pray for us and encourage us to accomplish our works. Thanks to all MARA Districts Office in Sabah for the helpful hints and contribution of great idea and information. We are indebted to the respondents who are willing to give their cooperation in answering our questionnaire as well as our interview session. Last but not least, our deepest appreciation to everyone who has been helping us either directly or indirectly me in completing this research at whole. Without their endless care, constant love, encouragement and sacrifice, we would never reach this level.

1.4.1 Research Objective

As a final word, we owe entirely to the grace of almighty God to whose glory this research is dedicated. May Allah blessings be upon readers for this research and this study will be beneficial for future study.

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