



**ANALYSIS OF APPROVAL AND DISAPPROVAL
OF ASLAH PERSONAL FINANCING-I BASE ON
OBJECTIVE AND SUBJECTIVE SCORING
METHODS**

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“DECLARATION OF ORIGINAL WORK”

I, Bakhtiar Bin Zainal (I/C Number: 820602-04-5163)

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 degree.
- This project paper is the result of my independent work and investigation, except where otherwise stated.
- All verbatim have been distinguished by quotation marks and sources of my information have been specifically acknowledge.

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LETTER OF SUBMISSION

The Head of Program
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Universiti Teknologi MARA
Malacca.

Dear Sir,

SUBMISSION OF PROJECT PAPER

Attached is the project paper titled "ANALYSIS OF APPROVAL AND DISAPPROVAL OF ASLAH PERSONAL FINANCING-I BASE ON OBJECTIVE AND SUBJECTIVE SCORING METHODS" to fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA, Malacca.

Thank You

Yours sincerely

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ABSTRACT

The purpose of this study is to develop an understanding of how Bank Kerjasama Rakyat Berhad lend their credit to their customer. They are two approach that been used to make analyze and to find out about the credit information and history of their customer. The approach that being used is Credit Scoring and 5C's credit evaluation (subjective score). According to Fisher (1936), credit scoring essentially a way of recognising the different groups in a population when one cannot see the characteristic that separates the groups but only related ones.

A questionnaire had been distribute to the Bank Rakyat customer and the reseacher also had been interview several staff of Bank Rakyat in order to get more deeper information and clearly vision about the research that been conduct. The dependent variable of this study is approval or disapproval of personal loan, while the independent variables are credit scoring and 5C's credit evaluation elements. The data that has been collected through questionnaire had been analyzed by using Statistical Package for Social Science program.

After conducted this research, it showed that both credit scoring and subjective score are relevant and has impact in order to determine the approval or disapproval of personal loan at Bank Rakyat but at the same time, Bank Rakyat need to improve their scoring system in order to make sure they can be more competitive in the future among other financial institution in Malaysia.

TABLE OF CONTENT	PAGE
ACKNOWLEDGEMENT	iv
TABLE OF CONTENTS	vi
LIST OF TABLES	ix
LIST OF FIGURES	xi
ABSTRACT	xii
CHAPTER 1: INTRODUCTION	
1.1 Introduction	1
1.2 Background of the Company	2
1.3 Background of the Study	3
1.4 Problem Statement	6
1.5 Research Question	8
1.6 Research Objective	9
1.7 Significant of the Study	10
1.8 Scope of the Study	11
1.9 Limitation of Study	12
1.10 Definition of Terms	14
CHAPTER 2: LITERATURE REVIEW	
2.1 Definition of Concept	16
2.2 Bank Lending Decision Based on Credit Score	17
2.3 Bank Lending Decision Based on 5C's	19
2.4 Theoretical Framework	21
2.5 Dependent Variables	23