



**IMPROVING THE HANDLING OF NCD USING ISM TO  
ACHIEVE OPERATIONAL EFFICIENCY**

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DECLARATION OF ORIGINAL WORK



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**“DECLARATION OF ORIGINAL WORK”**

I, MUHAMMAD HAFIZ BIN FAZLIL, (I/C Number: 870901-09-5027)

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**

22 November 2010

The Head of Program  
Bachelor of Business Administration (Hons) Insurance  
Faculty of Business Management  
Universiti Teknologi MARA  
75300 Melaka  
MELAKA BANDARAYA BERSEJARAH

Dear Sir,

### **SUBMISSION OF PROJECT PAPER**

Attached is the project paper titled “IMPROVING THE HANDLING OF NCD USING ISM TO ACHIEVE OPERATIONAL EFFICIENCY” to fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank you.

Yours sincerely

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# **CHAPTER 1**

## **1.0 INTRODUCTION**

### **1.1 Background of study**

#### Background of Insurance Services Malaysia (ISM)

ISM was conceptualized in 1998 by the General Insurance Association of Malaysia (PIAM) as the Malaysian Insurance Rating Organization (MIRO) project. The objective of MIRO was to put in place databases to support pricing and reserving in a liberalized pricing environment. The project took shape in 2000 when PIAM established the MIRO department and employed an actuarial manager to coordinate the project. In July of 2003, the PIAM management committee decided to merge the MIRO and MIS departments to become the ISM department. The scope for the project was also expanded to include anti-fraud and Information Technology related services. Takaful operators began to participate and contribute data to ISM in 2003. This was followed by life companies in 2004. The PIAM management committee recognized the need to create a separate entity to enable ISM to carry out its role more effectively and also formally involve the takaful and life insurance industry.