

**USING ANALYTICAL HIERARCHY PROCESS TO RANK TAKAFUL
COMPANIES BASED ON HEALTH TAKAFUL PRODUCT**



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2. Letter of Offer (Research Grant)

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KELULUSAN PERMOHONAN DANA KECEMERLANGAN 01/2013

Tajuk projek : Using Analytical Hierarchy Process To Rank Takaful
Companies Based On Innovative Takaful Products
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Dengan segala hormatnya perkara di atas adalah dirujuk.

Sukacita dimaklumkan bahawa pihak Universiti telah meluluskan cadangan penyelidikan tuan/puan untuk membiayai projek penyelidikan di bawah Dana Kecemerlangan UiTM.

Bagi pihak Universiti kami mengucapkan tahniah kepada tuan/puan kerana kejayaan ini dan seterusnya diharapkan berjaya menyiapkan projek ini dengan cemerlang.

Untuk tujuan mengemaskini, pihak tuan/puan adalah diminta untuk melengkapkan semula kertas cadangan penyelidikan sekiranya perlu, mengisi borang setuju terima projek penyelidikan dan menyusun perancangan semula bajet yang baru seperti yang dituliskan.

Sekian, Terima kasih.

"Transformasi Berkualiti Ke Arah Kecemerlangan"

Yang benar

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4. Enhanced Research Title and Objectives

Original Title as Proposed:

Using Analytical Hierarchy Process to Rank Takaful Companies based on Innovative Takaful Products

Improved/Enhanced Title:

Using Analytical Hierarchy Process to Rank Takaful Companies based on Health Takaful Product

Original Objectives as Proposed:

- a. To identify takaful products preferred by the public
- b. To investigate the effectiveness of the model in ranking takaful companies

Improved/Enhanced Objectives:

- a. To identify the health takaful products preferred by lecturers in UiTM Kedah
- b. To determine the rank of takaful companies based on criteria studied

5. Report

5.1 Proposed Executive Summary

Most studies evaluate the performance of conventional insurance companies based on cost or profit efficiency. The same approach was taken in evaluating the performance of takaful companies. To use the conventional approach to evaluate Islamic entities is like putting a square peg in a round hole. Hence, the objective of this study is to propose a new model, which will incorporate the objectives of Shariah, that is to protect the interest of the company and public, in assessing the performance of takaful companies. This new approach will account for the interests of the companies, participants and the shareholders. It will also measure the contributions made by the companies to the society. Possible factors include the company's cost and profit efficiencies; the customers' level of trust in the company; innovative financial instruments; preservation of the company's and customers' interests; and the company's corporate social responsibility. Due to voluminous work involved, we proposed to start with a rank of the companies' innovative financial instruments. We aim to answer **WHY** selected takaful products are included in the model and **HOW** effective is the model in ranking the performance of takaful companies.

Data on the takaful products will be collected from the annual reports, companies' websites, survey on takaful agents and interviews with industry experts. The information gathered will be analyzed using Analytical Hierarchy Process. The **outcome** of the proposed study is weighted quantified qualitative information that can rank the performance of takaful companies based on the innovative products.

The main contribution of the proposed study is to encourage innovative takaful products by takaful companies which will encourage greater market penetration of the insurance industry. This study also complements the economic transfer program in making Malaysia an indisputable global hub for Islamic finance.