



**FACTORS THAT DETERMINING THE SELECTION OF TAKAFUL AGENT
AMONGST STAFFS OF SCHOOLS AT SURA, DUNGUN**

MOHD HAFIZ BIN ABDULLAH @ ISMAIL

2006836623

BACHELOR OF BUSINESS ADMINISTRATION WITH (HONS)

ISLAMIC BANKING

FACULTY OF BUSINESS MANAGEMENT

UNIVERSITI TEKNOLOGI MARA

DUNGUN, TERENGGANU.

APRIL 2009

DECLARATION OF ORIGINAL WORK



**BACHELOR OF BUSINESS ADMINISTRATION
WITH HONOURS (ISLAMIC BANKING)
FACULTY OF BUSINESS MANAGEMENT
UiTM**

“DECLARATION OF ORIGINAL WORK”

I, Mohd Hafiz Bin Abdullah @ Ismail, IC Number: 870101-06-6703, Matrix Number:
2006836623

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/ 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: *Mohd Hafiz*

Date: *7/05/09*

ABSTRACT

In Malaysia, the takaful industry had grown rapidly inspired by the existing needs of the Muslim society to the Syariah-compliant alternative to conventional. The needs and demand by the Muslims customers as well as the non-Muslims customers caused to the used of agency. In takaful, the principle of al-wakalah is underlying to represent an insurance company. Bank Negara Malaysia was reported in 2004 that the number of agent in takaful industry is huge and going to be growth rapidly. By the rapid growth of takaful agents in the takaful industry had change the way of the customers in getting wthe takaful in which the customers prefer to apply insurance direct through Agency Company and agents. In general, the objective of this research is to identify the factors that determine the selection of takaful agent and also want to identify the difference that may occur between demographic factors and the selection on takaful agent. The researcher conducts this study among staffs of schools at Sura, Dungun, Terengganu that involved 73 respondents. The research sampling was undertaken using convenient sampling which is easily to researcher to take large number of respondents. This research was analyzed by using statistic descriptive analysis (frequency distribution), reliability analysis, correlation coefficient, regression, T-test and analysis of variance (ANOVA). All the three factors in this study are service quality, promotion and perception that need to be alert by the takaful agent in order their product to be choose.

TABLE OF CONTENTS

CONTENTS	PAGE
ACKNOWLEDGEMENT	iv
LIST OF TABLES	v
LIST OF FIGURE	vi
ABSTRACT	vii
CHAPTER ONE	
INTRODUCTION	
1.1 Introduction	1
1.2 Background of Study	3
1.3 Scope of the Study	3
1.4 Problem Statement	3
1.5 Objective of the Study	4
1.6 Significance of the Study	
1.6.1 To Researcher	5
1.6.2 To Takaful Agent	5
1.6.3 To Future Researcher	5
1.7 Limitation of the Study	
1.7.1 Limited Resources	5
1.7.2 Lack of Responsiveness	6
1.7.3 Cost Constraint	6
1.7.4 Time Constraint	6

1.8	Theoretical Framework	
1.8.1	Schematic Diagram	7
1.8.2	Independent Variable	7
1.8.3	Dependant Variable	7
1.9	Hypothesis	8
1.10	Definition of Key Terms	
1.10.1	Takaful	11
1.10.2	Agent	11
1.10.3	SK Sura	11
1.10.4	SMK Sura	11
1.10.5	Service Quality	11
1.10.6	Promotion	12
1.10.7	Perception	12

CHAPTER TWO

LITERITURE REVIEW

2.1	Islamic Cooperative Insurance (Takaful)	13
2.2	Agent (Wakalah)	14
2.3	Decision Making Style	16
2.4	Promotion	17
2.6	Service Quality	18
2.6	Perception	21