



UNIVERSITI TEKNOLOGI MARA

**THE RELATIONSHIP OF CHANGES OF
EFFICIENCY OF BANKING INSTITUTION
DURING AND WITHOUT CRISIS IN MALAYSIA**

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September 2020

A handwritten signature in black ink, appearing to read 'Norsaliza', written in a cursive style.

Norsaliza binti Abu Bakar,
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AUTHOR DECLARATION

I declare that the work in this thesis was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and is the results of my own work, unless otherwise indicated or acknowledged as referenced work. This thesis has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Post Graduate, Universiti Teknologi MARA, regulating the conduct of my study and research.


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ABSTRACT

This study aims to examine the relationship of changes of efficiency during the crisis and without the crisis and the based on the factors that can affect during that time. I use data obtained from 1991 through 2020. The goal of this study is to find out the independent variables that affect the efficiency of banking institution using data from time series over the last 30 years. For analytical research I use the OLS regression. The conclusion I obtained from this analysis is that financial institution was affected during the crisis due to regulation imposed by the government that reduce them from to uses fund for the lending more loan. Each banking institution has learned from time to time during the previous crisis to reduce the risk faced. Also from time to time, the improvement of technology will gain banking institutions in managing the productivity of business. For this report, I use loans lend by banking institutions, total investments have done by banking institutions, capital used by the banking institutions, interest rate imposed by the banking institutions as my independent variables that have a major effect on banking institutions. I use bank's income to measure which year that the crisis happened that affect more.

AKNOWLEDGEMENT

I want to thank God first of all for giving me the opportunity to embark on my research paper and successfully complete this long and difficult journey. I extend my thanks and gratitude to Madam Saliza binti Abu Bakar, my advisor.

Thanks, in particular, to my colleagues and friends for helping us with the project.

This work is dedicated to my second examiner, Madam Hazila binti Ismail that hope and determination to tell me at the end of the day which part I need to improve. They are both committed to this winning piece.

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