



**A STUDY ON THE SELECTION FACTORS OF THE
ACCEPTANCE TOWARDS FINANCING OF AL-IJARAH
THUMMA AL-BAY (AITAB) AMONG GOVERNMENT SERVANTS
IN PEJABAT SETIAUSAHA KERAJAAN NEGERI SEMBILAN
(PSUKNS).**

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ABSTRACT

Most of the financing method offer by conventional bank looks like similar with the Islamic product but it is differ in certain aspect. One of an alternative to replace the conventional products by providing better product is introducing AITAB. The Islamic banking institution in Malaysia has introduced Al-Ijarah Thumma Al-Bay (AITAB) principle especially for vehicle financing product. AITAB are needed to refer the Hire Purchase Act 1967 as a main reference even it must fulfill the Shariah requirements. Introducing AITAB will give understanding for Muslim because most of them did not have full knowledge on the modus operandi used by Islamic banking. The vital focus on introducing AITAB is to meet the high customer demand that apply for financing. This research was conducted to study the selection factors of the acceptance towards financing of Al-Ijarah Thumma Al-Bay (AITAB) Among government servants in Pejabat Setiausaha Kerajaan Negeri Sembilan (PSUKNS). Therefore, this study purposely to determine the relationship between religious obligation, level awareness, and social influence with selection of AITAB among customer. 100 set questionnaire were distributed randomly among the worker in PSUKNS. The data will be analyzed using SPSS version 21.0 for running the Frequency analysis, Descriptive statistic, Reliability analysis, Correlation analysis, and Factor analysis. The results shows religious obligation become the most influential factor in selecting AITAB.

CHAPTER 1

INTRODUCTION

1.0 INTRODUCTION

The bank sector was responsible to financing the asset in which the customer promise to make payment in monthly basis. Nowadays, Islamic financing system became popular and easier to market because acquiring an asset is a part of customer needs (Amin, 2008). On the other hand, various facility has been introduced by having strong fundamental competition among Islamic banking and the existing financial institutions. Al-Ijarah Thumma Al- Bay (AITAB) is the fundamental of establishment the vehicle financing under the "Shariah" scheme and becomes the main product that can contribute into economic growth. Moreover, Islamic banking institutions were involved in offering personal property financing among consumer.

Bank Muamalat Malaysia Berhad (BMMB) was introduce this type of financing by the year 2000 and the demand are keep increasing with drastic in 2004. The first concept of AITAB as a BMM's product for vehicle financing has been used extensively by other financial institutions. Nevertheless this concept has similarities in terms of basic operations with conventional leasing before the emergence of the Islamic banking system. Both are subjected to the Hire Purchase