



UNIVERSITI TEKNOLOGI MARA

**ACCEPTANCE OF SIMPANAN
SHARIAH SCHEME AMONG
EMPLOYEES PROVIDENT FUND
CUSTOMERS IN BAHAU, NEGERI
SEMBILAN**

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ABSTRACT

Simpanan Shariah is the first Islamic public investment fund provided by the Employees Provident Fund (EPF). After the registration opened on 8 August 2016, until 2 November 2016, an accumulated 503,734 registrations have been recorded for Simpanan Shariah, this averages to 167,911 registrations per month (Kumpulan Wang Simpanan Pekerja, 2017). So, this study was conducted to identify the factors influencing customers' acceptance of Simpanan Shariah. This study focused only on three factors which were religious obligation, level of awareness and social influence. A total of 150 respondents of EPF customer that experienced Simpanan Shariah participated in this study and conducted in Bahau, Negeri Sembilan. The quantitative data was collected through questionnaires and analysed using Statistical Package for Social Science (SPSS) software version 22.0. Furthermore, all variables tested with Reliability Test, Pearson Correlations Matrix and Multiple Regression Analysis. The findings of this research shown that religious obligation, level of awareness and social influence were influencing the customers on acceptance of Simpanan Shariah. Furthermore, the most important factor influencing customers on accepting Simpanan Shariah was religious obligation. It is hoped that this study can contribute to the improvement of EPF in promoting Simpanan Shariah to customers by focusing more on religious obligation.

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TABLE OF CONTENT

AUTHOR'S DECLARATION	i
ABSTRACT	ii
ACKNOWLEDGEMENT	iii
TABLE OF CONTENT	iv
LIST OF FIGURES, TABLES AND EQUATIONS	vii
CHAPTER ONE: INTRODUCTION	1
1.1 INTRODUCTION.....	1
1.2 BACKGROUND OF STUDY	2
1.3 PROBLEM STATEMENT	3
1.4 RESEARCH QUESTION	5
1.4.1 Main Research Question	5
1.4.2 Specific Research Questions.....	5
1.5 RESEARCH OBJECTIVE.....	5
1.5.1 Main Research Objectives	5
1.5.2 Specific Research Objectives.....	6
1.6 SIGNIFICANCE OF STUDY	6
1.7 SCOPE OF STUDY	7
1.8 LIMITATION OF STUDY	8
1.9 DEFINITION OF TERM.....	8
1.9.1 Simpanan Shariah	8
1.9.2 Religious Obligation	9
1.9.3 Level of Awareness.....	9
1.9.4 Social Influence	10
1.10 SUMMARY	10
CHAPTER TWO: LITERATURE REVIEW	11
2.1 INTRODUCTION.....	11
2.2 OVERVIEW ON SIMPANAN SHARIAH	12
2.3 LITERATURE REVIEW ON RELIGIOUS OBLIGATION	13

CHAPTER ONE

INTRODUCTION

1.1 INTRODUCTION

Malaysian's Employees Provident Fund (EPF) is a social security institution formed according to the Laws of Malaysia, Employees Provident Fund Act 199. According to Act 452, Employees Provident Fund Act 1991 is an Act to provide for the law relating to a scheme of savings for employees' retirement and the management of the savings for the retirement purposes and for matters incidental thereto. It starts to operate in July 1952 when at that time they consist only 46 members. The first member that registers was Wong Kwok Kong and increase until 518,948 members at an early stage of its establishment where most of them are from various sectors such as agriculture, mining and fishery. Nowadays, the EPF has a total of 14.72 million members recorded as at September 2016 from private and non-pensionable public sector employees (Kumpulan Wang Simpanan Pekerja, 2017). According to Kumpulan Wang Simpanan Pekerja (2017), there are 6.83 million of active and contributing members, shown that EPF is a reliable institution to manage the pension fund and investment activities (Kumpulan Wang Simpanan Pekerja, 2017). Besides, until 27 February 2017, 541,503 employers all over Malaysia had registered under EPF (Kumpulan Wang Simpanan Pekerja, 2017). Moreover, 2.5 per cent dividend annually guaranteed to be given to all members that save their money or fund in EPF. This shows that EPF will make sure that their members' savings are secure.

EPF is divided into three main divisions which are Investment Division, Operations Division and Strategy Division. Firstly, the investment division has two objectives, which are; to preserve and enhance the value of capital from members'