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THE 2019 UNDERGRADUATE
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AND FINANCE

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Preface

In the name of Allah, the beneficent, the merciful. May Allah's blessings be upon you and all the Muslim worldwide till eternity.

The development of *Muamalat* and Islamic Finance requires a lot of research to ensure the rapid growth of Islamic economics globally. Thus the authors are motivated to comprises the current research in order to share knowledge regarding to Islamic banking, finance, risk management, financial planning and entrepreneurship to researchers and industry players. This book is part of efforts to promote advances areas in *muamalat* and Islamic finance. In addition, this papers are a step forwards to encourage researchers to produce impactful studies.

The scope of discussion in this book focuses on Islamic banking, finance, risk management, financial planning and entrepreneurship. In Islamic banking and finance, this book offer the discussions regarding to application of e-banking, cashless, product and services, financing and sukuk. While, in Islamic risk management, this book discusses the issues related to the customers awareness and satisfaction towards Takaful services, factors to choose and accept Takaful products and bancatakaful. Another topic is related to Islamic social finance which includes cash waqf practices, case study on Sadaqa House, Zakat management and microcredit. Further, this book discuss on Islamic financial planingg which consist saving behaviour, financial literacy and inheritance planning. Entrepreneurship is also discussed in this book which covers entrepreneurship intention, halal industry, employability and supply chain management. Last topic covers other issues such as stress riks, information communication technology (ICT) and service quality.

Hopefully, this book will contribute to the knowledge among society, researchers and industry players. All the best.

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Islamic Banking and Finance

Analysis of Islamic e-Banking acceptance in Malaysia

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Abstract

This research aims to examine the acceptance of Islamic bank customers in this period to embrace e-banking services rather than traditional banking methods. The researcher used the quantitative approach by analysing the data using Cronbach's alpha. A survey questionnaire with semi-open questions model was conducted to collect the relevant data from the respondents who are Islamic banks' customers. The sampling unit used in this research is individuals and the questionnaire was distributed to examine e-banking acceptance among Islamic bank's customers. The data obtained were analysed by using Statistical Package for the Social Science (SPSS). This research utilises the Unified Theory of Acceptance and Use of Technology (UTAUT) as the conceptual framework to analyse the acceptance of Islamic e-banking. Accordingly, a sample of 250 respondents were surveyed across Malaysia by method of the online survey system. The finding showed that e-banking system provided by Islamic banks is generally accepted by customers. The results also reveal that performance expectancy, effort expectancy and social influence on e-banking, are important factors in explaining e-banking acceptance. There exists a significant relationship between the independent variables (performance expectancy, effort expectancy and social influence) and the acceptance of Islamic e-banking in Malaysia. Therefore, the findings of this research are useful in disseminating important guidance for Islamic banks in Malaysia in innovating and encouraging their customers' use of e-banking.

Keywords: UTAUT, Electronic Banking, Islamic Banking, Customer, Malaysia

1. Introduction

Islamic banking, which is a banking system that is based on Islamic principles and Shari'ah, law and guided by Islamic economics and also banks that implement their agreement rules according to Islamic law in depositing funds, financing, or other activities (Echchabi A et al., 2019). The best known principles fundamental of Islamic banking compared to its conventional counterpart are sharing of profit and loss and prohibition of the collection and payment of interest by lenders and investors. Islamic bank very strictly prohibition of interest (riba). Electronic banking, also known as electronic fund transfer (EFT), is only the use of electronic means to transfer funds directly from one account to another account with a quick time and without a check or cash. Electronic banking consists of Internet banking, telephone, and other electronic delivery channels. Meanwhile, on-line banking is the most frequently used by customers. Internet banking, also known online banking, uses the Internet as a delivery channel for banking activities, for example non-cash transfer, check account balances and movements, pay monthly bills, recharge electricity credit, e-commerce payments, credit card information, and view exchange rate information. The banking industry believes that by adopting the new technology e-banking, the banks will be able to improve customer service level and tie their customers closer to the bank (Onyeukwu and Osuagwu 2016).

Customer now demand new levels of convenience and flexibility in addition to powerful and easy to use financial management tools, product, and services that traditional retail banking cannot offer. Though various e-banking systems have been implemented and accepted by the customer, e-payment remains the most widely used of the e-banking solutions (Adesina and Ayo, 2010). The e-banking services and its quality is considered one of the modern concepts, relatively, which associated with technological development. By providing e-banking facilities, bank can obtain several benefits including expanding business networks. E-banking can also eliminate the bank's physical limits and limited bank operating time and e-banking can be accessed from anywhere without having to be bound by time because it can be accessed online 24 hours. Malaysia, 48 per cent of the 25 million population were internet users, but only 16 per cent used internet banking since the service was first available in 2000. However, the modern day consumers will find using Internet banking as easy to use because they tend to be educated and has sufficient understanding of computer and Internet (Mohd Suki, 2010).

The acceptance of internet banking services can be investigated by identifying the reasons behind the use of internet banking (Eriksson et al., 2005). In Malaysia, the Internet in the banking industry was first used mainly as an informational medium; without using physical presence, banks and financial institutions use this channel to market and sell a diverse array of the banking products and services. Generally, most of the online banking services offered by bank are compatible to each others. According to (Marhana M. Anuar et al., 2012) most of customer in Malaysia banks have offered the Internet banking service in order to stay competitive. Although it is evident that most of Malaysian banks offer Internet banking service and the Internet banking service is gaining popularity and acceptance all over Malaysia. Internet banking services in Malaysia is only allowable

for bank licensed under the Banking and Financial Institution Act 1989 (BAFIA) and Islamic Banking Act 1983 (Mohamad Rizal et al., 2007). However, the modern day consumers will find using Internet banking as easy to use because they tend to be educated and has sufficient understanding of computer and Internet (Mohd Suki, 2010). Since June 2000, with the Bank Negara Malaysia giving the approval for commercial banks to offer e-banking services, all the anchor banks have created a web presence in various ways (Sohail et al., 2002). The combination of e-banking acceptance in Malaysia among Islamic banks' customer, make this research aims to investigate the perspectives of Islamic Banks' customer to acceptance e-banking concept models with Islamic perspective in Malaysia. Hence, it's contribution toward the best channel to provide banking services and product to customer, starting with the important of bank services and moving to analyst the acceptance Islamic banks' customers in e-banking models system which particularity how it can be run between e-banking systems and Islamic banks perspective.

2. Literature review

2.1 Performance Expectancy

Performance expectancy can be defined "as the user wants to use the system to gain job performance". As mentioned before performance expectations (PE) (Venkatesh et al., 2003, p. 447). The UTAUT influences the behavioral intention to use performance expectations significantly (Venkatesh et al. 2003). This concept is similar to performance requirements and refers to the expectation of an individual that the use of a program enhances their job outcomes (Davis, 1986 ; Taylor and Todd, 1995). Some research questions have been raised as to why new technologies are used in banking transactions or whether the standards of success and e-banking acceptance are related. Innovations include electronic medical records and robotic activity in studies conducted all over the world (Arman & Hartati, 2015; Ben Messaoud, Kharrazi, & MacDorman, 2011). They all agreed that IT acceptance in financial institutions is predicted by the level of performance (Phichitchaisopa & Naenna, 2013; 8 Van der Vaart, Atema, & Evers, 2016).

2.1 Effort Expectancy

Effort Expectancy (EE) means "the level of ease in which the system is used" (Venkatesh et al., 2003, p.450). Zhou et al. (2010) concluded that online banking is easy to use hence enable customers to easily adapt to online banking implementation. Previous researchers have also supported the use of online banking as business expectations have a significant effect on the adoption of new methods (Alraja, 2015; Chang et al., 2007; Schaper and Pervan, 2007; Gupta et al., 2008; Al-Shafi, 2009). The extent of the effort is demonstrated as an intrinsic motivator, which is a process that can facilitate respectable results (Karahanna et al., 2006). An IB study has shown empirically a significant role in the intent (Martins et al., 2014; Riffai et al., 2012) or factors caught such as ease of use (Alalwan et al., 2016b; et al., 2009; Kesharwani and Bisht, 2012; Rodrigues et al., 2016; Wang et al., 2003) in order to enhance expectations as well as creative network consumer experiences. Expectation is shown as an intrinsic motivator for a system that can easily deliver results (Karahanna et al., 2006). According to studied cognitive and behavioural studies, the study and use of IT devices affecting internet banking is strongly encouraged, notably in technology exploration (Venkatesh and Davis, 2000; Gefen, 2003).

UTAUT underlines the importance of business expectations because they have a key role in determining the different gender, age and experience intentions. Yet gender-related impacts are mostly seen to suit age and customer experience, so at the early stage of their technology-enabled experience, they will be more successful than older women (Venkatesh et al., 2012).

2.3 Social Influence

Social influence (SI) means "a person's level of confidence sees that the person has to use a new system" (Alshehri, Drew, Alhussain, & Alghamdi, 2012). UTAUT argues that SI plays a role in influencing Islamic customer acceptance of the use of electronic banks and finds that SI can have a positive effect on Islamic customer acceptance on the use of e-banking (Venkatesh et al., 2003). In addition, other studies have demonstrated that SI has a positive effect on Islamic customers' adoption of e-banking (Ghalanddari, 2012) (Yu, 2012) (Saibaba & Naryana, 2013) (Martins, Oliveira, & Popovic, 2014). In accordance with UTAUT, this study gives an assertion that SI can have a high impact on the acceptance of Islamic customers on the use of e-banking (Venkatesh, 2003). For instance, in IT adoption and utilization conduct, Davis et al. (1989) emphasized social influence as one of its contributing factors. It is important to encourage and educate around customers because it leads to consumer awareness and effort and performance expectancy (Alalwan et al., 2017; 2012, Zhou et al., 2010, Oliveira et al, 2016). UTAUT, inherited the theoretical premises of general mind and Theory of Planned Behaviour (TPB), assumed the use of technology as voluntary behavior (see Ajzen, 1991). This indicates that the deliberate system of intentions in which social norms are used as a determining factor of intentions and intentions that only await their actions through behaviour.

3. Results and Discussion

3.1 Demographics Analysis

The number of usable survey questionnaire was 250. As illustrated in table Table 1, In term of respondents' gender 59.9% were female and 40.1% were male. The higher aged of respondent that used e-banking total 63.9% of the respondent were aged 21-30 and the lowest is 1.6% were aged above 51. Regarding the respondents' race mostly that used the e-banking is from Malay with the total 93.7% and the lowest is from Indians with the total 0.8%. The information on marital status of respondent revealed the most of the respondent were single with the total 84.9% and the lowest is divorce that was 1.2% meanwhile the higher total of respondent occupations is 68.3% from students and the lowest is 4% from employee. The highest percentage of income is 68.3% that was below 1,000 and the lowest is 2% that was from 3,000-3,999 and 4,000-5,000. Lastly, the higher percentage for education is 62.7% from degree and the lowest is 0.8% from master.

Table 1: Demographics

Profile	Description	Respondent	Percentage
Gender	Male	150	59.90%
	Female	100	40.10%
Age	< 20 tahun / years	63	25%
	21-30 tahun / years	161	63.90%
	31-40 tahun / years	15	6%
	41-50 tahun / years	9	3.60%
	> 51 tahun / years	4	1.60%
Race	Melayu / Malay	236	93.70%
	Cina / Chinese	8	3.20%
	India / Indian	2	0.80%
	Lainnya / Others	6	2.40%
Status	Bujang / Single	214	84.90%
	Berkahwin / Married	35	13.90%
	Berceraai / Divorce	3	1.20%
	Duda / Widower		
Occupation	Pelajar / Student	172	68.30%
	Kerajaan / Government	25	9.90%
	Employee/ Pekerja	10	4%
	Swasta / Private sector	28	11.10%
	Bekerja Sendiri / Self-employed worker	17	6.70%
Income	<1,000	172	68.30%
	1,000-1,999	40	15.90%
	2,000-2,999	20	7.90%
	3,000-3,999	5	2%
	4,000-5,000	5	2%
> 5,000	10	4%	
Education	SPM	39	15.50%
	Diploma	53	21%
	Sarjana Muda / Degree	158	62.70%
	Sarjana / Master	2	0.80%
	Doktor Falsafah / PHD		

3.2 Descriptive analysis

Table 2: Mean and standard deviation for independent variables

Item-Total Statistics					
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
DV1	82.09	108.530	.627	.593	.942
DV2	82.13	108.682	.627	.668	K.942
DV3	82.15	107.452	.629	.682	.942
DV4	82.35	105.096	.682	.581	.941
DV5	82.39	105.034	.677	.551	.941
PE1	82.15	108.584	.663	.566	.941
PE2	82.08	109.733	.602	.548	.942
PE3	82.25	107.539	.649	.625	.941
PE4	82.29	106.577	.668	.595	.941
PE5	82.22	105.885	.743	.626	.940
EE1	82.11	107.607	.718	.604	.941
EE2	82.26	106.480	.706	.635	.941
EE3	82.18	107.527	.689	.579	.941
EE4	82.47	105.358	.630	.580	.942
EE5	82.33	105.773	.685	.603	.941
SI1	82.48	104.973	.600	.627	.943
SI2	82.57	103.435	.684	.699	.941
SI3	82.56	104.408	.625	.682	.942
SI4	82.48	104.387	.719	.691	.940
SI5	82.49	105.271	.663	.588	.941

Table 2 showed the mean and standard deviation for one of the independent variables, performance expectancy. It express that respondents were agree (Mean=4.48) that they intend to use e-banking application in the future, more think that they would use E-banking application in the future (Mean=4.56), respondents plan to use e-banking application in the future (Mean=4.38). Meanwhile, the respondents also were least agree (Mean=4.34) will always try to use internet in their daily life. Other than that, the respondents were plan to continue using internet banking frequently (Mean= 4.41). After that, effort expectancy. The highest mean value was (Mean=4.52), where most of the respondents think that using internet banking would help them accomplish tasks more quickly. The respondents agree using internet banking would increase their productivity (Mean=4.38). Other than that, the respondents were agree that they believe that learning how to use internet banking is easy for them (Mean=4.46). The lowest mean value (Mean=4.16) which was the respondents think that their interaction with the internet banking is clear and understandable. Meanwhile, the respondents agree that it is easy for them to become skilful at using Internet banking (Mean= 4.30).

Lastly, for independent variables that was social influence. The highest mean value was (Mean=4.16), where the respondents believe that people around them influence themselves to use the system online banking. The lowest mean value was

(Mean=4.06), where the people important to themselves which are respondents think that they should use the system online banking. Besides, the respondents agree that they believe that people which are very close to them have helped use the system online banking (Mean=4.07). Same mean value with the highest mean value which (Mean=4.16), where the respondents think that people around them supported in using of the system online banking. The respondents also believe that people whose opinions that they value prefer that using Internet banking (Mean=4.14). Meanwhile, the mean and standard deviation of respondents on the dependent variable which was e-banking acceptance. The highest mean value was (Mean=4.54), where the respondents agree that they believe internet banking is useful to carry out their task while the lowest mean value which was (Mean=4.24), where the respondents believe that using internet banking will help to attain benefits in performing banking operations. The respondents was believe that using internet banking would enable them to conduct tasks more quickly (Mean=4.50). Besides, the respondents also think that using internet banking would increase their productivity (Mean=4.48) and did strongly believe that using internet banking would improve their performance (Mean=4.28).

3.3 Pearson Correlation Coefficient

Table 3: Pearson correlation

		PE	EE	SI	dv
PE	Pearson Correlation	1	.807**	.580**	.704**
	Sig. (2-tailed)		.000	.000	.000
	N	250	250	250	250
EE	Pearson Correlation	.807**	1	.597**	.685**
	Sig. (2-tailed)	.000		.000	.000
	N	250	250	250	250
SI	Pearson Correlation	.580**	.597**	1	.549**
	Sig. (2-tailed)	.000	.000		.000
	N	250	250	250	250
dv	Pearson Correlation	.704**	.685**	.549**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	250	250	250	250

** . Correlation is significant at the 0.01 level (2-tailed).

Table 3 shows the Pearson correlation of the variables tested. In order to prove the relationship between the dependent and independent variables, the researcher use Pearson Correlation Coefficient to test the hypothesis is relationship or not. In order to prove the relationship between the dependent and independent variables, the researcher use Person Correlation Coefficient to test the hypothesis is relationship or not. For performance expectancy, the value off correlation is 0.000(p<0.0s),.704 and it have a high positive relationship with e-banking acceptance. Therefore, the hypothesis 1 which is “there is significant relationship between e-banking acceptance with performance expectancy is accepted. Next, effort expectancy value of correlation is 0.000 (p<0.05), .685 that can be interpreted is moderate positive relationship between e-banking acceptance and hypothesis statement statements

“there is significant relationship between e-banking acceptance and effort expectancy” is accepted. Lastly, for social influence value of correlation ($p < 0.05$), .549 that can be interpreted is moderate positive relationship between e-banking acceptance and therefore the hypothesis statement 1 “there is significant relationship between e-banking acceptance and social influence is accepted.

4. Recommendations

The researcher recommends for further research to expand the current observations to other settings to test and validate the models generated in this research. The researchers suggest that a broader sample may be targeted, which may include consumers of Islamic banks and conventional banks and compare the differences in the acceptance pattern of e-banking between two banking systems

Secondly, the researchers suggest the inclusion of qualitative element to be present in future study to enable more the use of a mixed method approach for future research. A mixed approach would provide a more objective study of the acceptance of Islamic e-banking. Qualitative approach can serve as a supplement for this study to support words or action and provide insight into the performance of the acceptance of Islamic e-banking in Malaysia. Using a quantitative approach, the researchers are able to collect data customers of Islamic banks via a questionnaire using social media networks the result would be more widespread. Otherwise, correlation between consumer perceptions and customer expectations of e-banking services provided by Islamic banks is also suggested for future research.

Furthermore, this research model aims to study the customers in Malaysia whom uses Islamic banking services. Therefore, we suggest that this research model to be used in the future to study the usage of conventional banking services in addition to its Islamic counterpart. This will allow future researchers to obtain a more comprehensive data on the customers' results on e-banking acceptance. As the result, Islamic banks will have the opportunity to compete in a profitable and more efficient position with conventional banks.

5. Conclusion

This research examines the acceptance of e-banking of the Islamic e-banking customers in Malaysia. The results showed that, with regard to their banking activities, most customers felt e-banking was very important. The of use e-banking offers convenience towards e-banking customers where it enables them to increase their profitability and save their time. The necessity to use e-banking as a transaction tool is felt by customer as it is more effective and speeds up a work, makes it faster and helps improve productivity. Moreover, the e-banking revenue system for Islamic bank users is a secure and easy to understand.

The majority of Islamic banks customer use the e-banking services. Therefore, The opportunity of Islamic banks to comprehensive marketing strategy would raise awareness of the e-banking services and help to encourage it. Since at this time, based on our research, many customer feel that the use of e-banks is highly necessary thus consumers are willing to learn the e-banking system. Furthermore, the findings indicate that performance expectancy, effort expectancy and social influence have a significant positive effect on the acceptance of the e-banking customers of Islamic banks. Moreover, the results have shown that security has no significant impact on e-bank usage. The finding of this research indicated that due to inefficient

distribution channels and a wide range of population, this research received an inadequate number of respondents. Based on data analysis, the majority of respondents using e-banking are students. The researchers need to ensure that all respondents are Islamic e-bank users during the process of administering the questionnaire.

Therefore, Islamic banks are recommended to continually update customers with the latest technology applications and services to improve their day-to-day banking efficiency. All advances in banking technology must be made for consumers as easy and convenient as possible. Finally, this research at least has provided a description of the acceptance of Islamic bank customers to use e-banking. It is assumed that in the future, further research would be develop in the field of e-money in the perspective of Islamic bank customers since this is an opportune time to tap these technological advances and fulfill the ever increasing needs of the current digital generation.

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Factor influencing acceptance of cashless society among Islamic Banking and Finance (SAB) students in University Malaysia Kelantan, City Campus

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Abstract

This study is about cashless society which are including digital transaction, cashless transaction and online transaction. This research is mainly to study the factor influencing acceptance of cashless society among Islamic banking and Finance (SAB) students in Universiti Malaysia Kelantan, City Campus. The purpose of this research is to find the factor that influence people to use cashless transaction in daily life. The method of researcher use is quantitative approach. The data was analysed using SPSS (Statistical Package for Social Science) by key in the data from the questionnaires which contains the data from respondents. Distribution of questionnaire is conducted around the campus and distribute among students Islamic Banking and Finance only in year 1, year 2, year 3 and year 4. The objective of the research are to determine whether it is convenience, perceived cost and have securities towards influencing acceptance of cashless society among Islamic Banking and Finance (SAB) students in UMK City Campus.

Keywords: Acceptance, Cashless Society, Convenience, Perceived Cost, Security

1. Introduction

In the last two decades, retailing has grown towards a growing online digitalis and this retail market is an online channel whose growth will disturb external retailing

(Christensen and Raynor 2003). Examples of online industries such as Expedia, Trivago and Booking.Com such they use mobile phones to access them. The use of mobile phones lately helps in the development of personal and professional activities in everyday life (Liébana-Cabanillas, De Luna, & Montoro-Ríos, 2015). In addition, gender also includes a key variable in the use of mobile technology in the world (Chong et al., 2012; Kabata, 2015). Therefore, there is a factor that influencing acceptance of cashless society especially among Islamic Banking and Finance (SAB) students in UMK City Campus.

In addition, cashless society is closely linked to digitalis distribution since digitalis periods do not require cash to buy and can be changed to online shopping or card debit which is it can be contribute the economic into the great economic. Such example is where Coca Cola has introduced a vending machine. It is so interesting that the process is very easy where the user only needs to send texts through the machine and will make the payment then the machine will issue the ordered product (Dahlberg, Guo, & Ondrus, 2015).

Furthermore, there is a kind of closeness payment where it has been referred to as a currency sale (mPOS) example is a payment that occurs when a customer is close to the merchant (GSMA, 2016). This is the transaction's worthiness to be stored on the mobile and it will be converted remotely that will use barcode identification technology or RFID (Qasim & Abu-Shanab, 2015). In addition, it will be convenient and secure as it does not require cash and cash transactions can also make payments without physical cash. However, cashless payments also change old things to new ones by eliminating the use of cash as a medium of exchange of goods, money and services through electronic and non-electronic transfer as a payment through cheque (Tee and Ong, 2016). While this cashless transaction has grown rapidly, hard currency remains resilient (Premchand & Choudhry, 2015).

Therefore, cashless society should be used in Malaysia as it will have a significant impact on the country and help the nation move forward in line with developed countries like Nigeria. (Kim, Mirusmonov, and Lee, 2010) states that the progression in versatile innovation has profoundly affected the day by day lives of the general population and they have started by decrease new helpful administrations. Other than that, a zone encountering exponential development is a versatile installment administration (Liébana-Cabanillas et al., 2015), which enables clients to pay for products and ventures utilizing their portable wherever they go (Kim et al., 2010). Under these improvements, dealers, money related organizations and media communications administrators dedicate their endeavours to expand the quantity of versatile administrations accessible to cell phone clients.

In addition, from a practical perspective, understanding the factors affecting the use of mobile payment services will help service providers achieve competitive advantage (Kim et al., 2010). Such as the factors that influencing acceptance of cashless society which is of particular interest to mobile payment service managers is how effective to increase the number of users. The results of the study should help the service providers more effectively to invest time, effort and money appropriate in the development, provisioning and marketing of mobile payment services (Kim et al., 2010). Despite this conceptualization, mobile phones are emphasized as the main feature that distinguishes mobile payments from other forms of payment (Schierz, Schilke, & Wirtz, 2010).

2. Literature review

2.1 Cashless society

Cashless society is where all the transaction happen does not use cash. It is called cashless transaction where in this transaction they are using a debit or credit cards, bank transfer, cheques, and online payment mobile applications with no physical money handed from one person to another. Then it also can be defined as a system that operated through a digital system for financial purpose that used cards, other electronic methods rather than physical money. Researcher (Garcia-Swartz Daniel, Hahn Robert et al. 2006) said that over the course of history, there have been many different forms of payment systems including barter, gold and paper currency which is money. It stated that cashless society is where the consumer gradually moving away from paper payment instruments and toward the electronic ones especially payment card like debit or credit card. To apply this cashless society in Malaysia need to establish a step to move into that direction where it need to clarify cost and the benefit accounting for payment instruments from both a private and a social perspective

2.2 Convenience

Convenience is a part of the literature review, as one of the important factors predicting the success of using cashless among society. According to the Kim et al (2010), consumers believes in the benefits of technology when the technology makes people's live easier and it ameliorates the difficulty of performing common tasks. Convenience also can be described as an important characteristic of the mobile device or debit or credit card. Mobile devices store data and they always at hand, and they are increasingly becoming easy to use (Obe & Balogun, 2007). This assertion is supported by Teo et al. (2015), who reported that convenience of having a single payment device to substitute multiple payment alternatives contributors to the benefits of mobile payments. Convenience of mobile payments is also enhanced by the fast internet connectivity to a mobile phone characteristic of many countries (Obe & Balagun, 2007). Thus, many studies (De Kerviler, Demoulin, & Zidda, 2016; Liao, Shi, & Wong, 2012; Obe & Balogun, 2007) have reported significant positive relationships between convenience and the uses of mobile payment services, hence the construct was included in this study as a driving variable. Cashless systems can indeed beat cash in convenience in certain solution, but the opposite is just as true. In the end, the co-existence of the two systems simply increases the flexibility and number of options for the individual to use whichever is better suited to his needs.

2.3 Perceived cost

The aimed of using cashless among society are for reducing cost of cash management, increasing efficiency of payments system and driving financial inclusion. Some observers (Humphrey & Berger, 1990, Humphrey et al., 1996, Klee, 2004, Garcia Swart et al., 2006) opined that the increased use of cashless payment systems has led to prediction of a cashless society. In a cashless society, consumers can make payments over the internet, manned point of sale (POS) using mobile device, personal digital assistant (PDA), smart cards and other electronic payment systems, including debit and credit cards. Government and commercial entities provide strong encouragement and support for cashless transaction (Khan & Craig-Lees, 2009). According to EFINA (2013), there is a clear correlation between the proportion of electronic transactions in a society and the proportion of people banked. The term 'banked' refers to individuals who have relationship with a formal financial institution, including banks, cooperatives and credit unions (Solo, 2008). Mobile phones' digital communications capabilities combined with their increasingly pervasive presence in people's pockets, hold significant promise to connect these clouds in novel, cost-effective ways. Beyond reducing costs, it also permits customers to interact more directly with their banks, checking balances only with the phone and initiating transactions from wherever they are. Using mobile phones as the access device offers the customer a level of immediacy, convenience and control that no other channel can provide.

2.4 Security

Therefore, society also will be exposed to new kind of criminal activities involving online financial transaction and will fear them to use cashless. Cashless transaction among society will not eliminate crimes such as money laundering, embezzlement and corruption. Criminal will find a way to carry out their activities regardless of any method to make them profit. Although this method of cashless may be seen positively by many people, it also can give the people negative side in term of risk by using online transaction. Perceived risk refers to the subjective expectation of a loss or sacrifice in using a risky technology (Pham & Ho, 2015). Security is clearly crucial important in considering any alternative to physical cash. At the root of this lies the problem of authentication to the process of verifying the identity of a person. This is typically performed by examining some identifying information such as password or digital signature. One of the obvious and most commonly used is password as a personal identification number (PIN). Data mining is defined as the identification of interesting structure in data, where structure designs pattern, statistical or predictive models of the data, and relationship among parts of the data (Fayyad & Uthurusamy, 2002). Data mining in the content of crime and intelligence analysis for national security is still a young field. Another important online transaction is the mobile phone which has continued shaping modes of financial access (Jack & Suri, 2012). According to the Bank Negara Malaysia (2018), the main advantages of cashless system is that one will have the freedom to do the transaction at any time of the day and from any location.

3. Methodology

In general, the main theories underpinning framework of the proposed study consists of factor influencing acceptance of cashless society among Islamic Banking and Finance (SAB) students in UMK city campus. The population has been focussing among the Islamic Banking and Finance (SAB) students in University Malaysia Kelantan. This population is chosen because it's suitable with the objective of the study and also awareness as a finance student towards cashless system. Therefore, for the sampling, the researchers began the process of data analysis by producing descriptive statistics. The Units of sampling is focused on individual whereby the questionnaire was distributed to examine student knowledge in factors influencing acceptance of cashless society among Islamic Banking and Finance (SAB) students in UMK City Campus which is comes from the first-year batch until fourth-year batch. Research design has a better and convenient method to answer the research question so that is why it known as specific and distinct approach (Lewis, 2015).

In order to further explore about the factor influencing acceptance of cashless society, researcher used quantitative approach of data analysis. Quantitative research is usually used to study natural science on natural phenomena which is the data collection analysis will be in numeric form. Quantitative research also focused on the study that emphasize to explain, describes, and depend on total sample sizes compared to qualitative research design (Khalid, 2012). The research design for this study is survey through the questionnaire. It is used for survey to know the opinion of the respondents. Data collection is the methods that are used by researcher to get data from respondent. The questionnaires are distributed to the respondents randomly by using Google forms. The total respondent of this study is 166 students. This research chooses to use the Google form because it is more effective and efficient way to get the data. Then, for this research, the conduction of the research included the structured questionnaire, which has questions and answers set that has been utilized as a guide. The survey questions are partitioned based from what the factors or factors utilized by the researcher to manage the respondents towards the fulfilment of the research objectives. Data will be analysed by using IBM SPSS version 24.

4. Finding

On this section, we are discussing about data result from study that we make and analysing of the data obtained from 166 respondents among students Islamic Banking and Finance (SAB) in University Malaysia Kelantan, City Campus. For this research, the objective of this data analysis focused on identifying relation among the dependents variable and independents variable. This section also provides adequate information on the demographic structure of the respondent.

Table 1: The Demographic Profile of Respondent

N = 166			
		Frequency	Percent (%)
Gender	Female	125	75.3
	Male	41	24.7
Age	19 – 20 years old	44	26.5
	21 – 22 years old	68	41
	23 – 24 years old	28	16.9
	25 years old	26	15.7
Nation	Malay	157	94.6
	Indian	1	0.6
	Chinese	4	2.4
	Others	4	2.4
Marital status	Single	146	88
	Married	20	12
Education	STPM	63	38
	STAM	20	12
	Diploma	42	25.3
	Matriculation	41	24.7

The researcher will analysis the respondent profile for this study. Table 1 shows the respondents' demographic that consists gender, age, nation, marital status, and education. In detail, it can be seen that female stated the higher frequency (n=125) than male (n=41) with the percentage of 75.3 % and 25.7% respectively. Majority of the respondents age is come from 21 until 22 years old student with the 41% (n=68). The age of 23 until 24 years old are the minority with the percentage of 16.9% (n=28). Next are nation of students in SAB, Malay student become the highest frequency (n=157) with the percentage of 94.6% while Indian student are the lowest frequency (n=1) at the percentage 0.6%. Furthermore, marital status show that single students are the most frequency answering the questionnaire (n=146) with the percentage 88% while married student are the lowest (n=20) with the percentage 12%. Lastly, from the distribution questionnaire, education in STPM shows the higher frequency (n=63) with the percentage 38% and education in STAM are the lowest (n=20) with the percentage 12%.

Table 2: Descriptive Statistics for All Variables

	N	Min	Max	Mean	Std	Variance
	Statistics	Statistics	Statistics	Statistics	Deviation	Statistic
					Statistics	
Cashless Society	166	2.00	5.00	3.8867	0.67917	0.461
Convenience Perceived	166	1.00	5.00	4.1639	0.68163	0.465
Cost	166	1.00	5.00	3.8783	0.68818	0.474
Security	166	1.20	5.00	3.6952	0.78058	0.609

In the Table 2 shows that the highest mean among four variable is convenience, with the value 4.1639 and standard deviation is 0.68163. For the lowest value of mean is security which is 3.6952 and the standard deviation is 0.78058. For cashless society, the value of mean is 3.8867 and the standard deviation is 0.67917, but for perceived cost value of mean is 3.8783 and the standard deviation is 0.68818. For the minimum value of all variable is 1 and it shows that the respondent is strongly disagree with the statement in the questionnaire. For the maximum value for all variable shows 5 which the most of the respondents is strongly agree with the statement in the questionnaire.

Table 3: Correlation Analysis for All Variables

		Correlations			
		Convenience	Security	Perceived Cost	Cashless Society
Convenience	Pearson Correlation	1	0.504**	0.593**	0.716**
	Sig. (2-tailed)		0.000	0.000	0.000
	N	166	166	166	166
Security	Pearson Correlation	0.504**	1	0.475**	0.564**
	Sig. (2-tailed)	0.000		0.000	0.000
	N	166	166	166	166
Perceived Cost	Pearson Correlation	0.593**	0.475**	1	0.578**
	Sig. (2-tailed)	0.000	0.000		0.000
	N	166	166	166	166
Cashless Society	Pearson Correlation	0.716**	0.564**	0.578**	1
	Sig. (2-tailed)	0.000	0.000	0.000	
	N	166	166	166	166

**** Correlation is significant at the 0.01 level (2-tailed).**

From the table 3, it shows that the relationship of correlation between the cashless society to convenience is 0.716. According to Pearson Correlation Coefficient Indicator Table above, this correlation indicates that there is Strong Correlation between cashless society and convenience (0.60-0.79). Moreover, in the table also shows that the relationship of correlation between the cashless society to security is 0.564. According to Pearson Correlation Coefficient Indicator Table above, this correlation indicates that there is Moderate Correlation between cashless society and security (0.40-0.59). The table shows that the relationship of correlation the cashless society to perceived cost is 0.578. According to Pearson Correlation Coefficient Indicator Table above, this correlation indicates that there is Moderate Correlation between cashless society and perceived cost (0.40-0.59).

5. Conclusion

The purpose of this study is to understand the factor influencing acceptance of cashless society among Islamic Banking and Finance (SAB) students in University Malaysia Kelantan (UMK) City Campus. In this study, there are three factors which

is convenience, security and perceived cost has been choose as a factor that influencing the acceptance of cashless society. The findings of this study could give benefits to the top management and policy maker in evolving their strategies. In a nutshell, all the research questions and objectives of this research have been achieved. Based on the above suggestions, further in-depth analysis on this topic is needed to overcome the limitations in this study to create better discoveries.

Through the research, it is contributing to the business adventures. Different business adventures will likewise be utilizing this study in encouraging them to lead their strategies and other valuable solutions to improve activities for customers' satisfaction. Beside that it's also contributes to the government and financial institution where it can be useful in helping the government and financial institution in arrangement definition on how the administration deal with the cashless exchange and get the general public acceptance. Last this research can help the future researcher as a researcher, it can be said there are several factors which are convenience, perceived cost and securities found to be the most influencing factors and data results shows the significant relationship among these factors. The information accumulated in this research will be used as a sort of point of view in driving another investigation, and other related studies. Further, findings in this study will provide knowledge of the factors that influence

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Perception of University Malaysia Kelantan (UMK) community toward cashless transactions

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Abstract

The purpose of this study is to determine the perception of University Malaysia Kelantan (UMK) community in Pengkalan Chepa towards cashless transaction. This study used quantitative method to analyze the data. The data was collected by giving the questionnaire to the target respondents through online. There are 357 students and staffs of UMK in Pengkalan Chepa as the respondents for this study. The data is analyzed by using the SPSS analysis. The results show that there is a significant positive relationship between cashless transaction and independent variables which are fast and convenience, security and privacy and social influence. The fast and convenience is the highest factors that influenced the cashless transaction of UMK's community in Pengkalan Chepa.

Keywords: Cashless transaction, fast and convenience, security and privacy, social influence.

1. Introduction

The growth of technology nowadays had made many countries become more advance until they change from using paper money for transaction to cashless transaction. Cashless transaction can be defined as make a payment that does

not using the physical cash (Kumari, 2017). A cashless transaction also means by used of credit cards or mobile payment without physical cash given from one person to another (Shrikala, 2017). The statistics data from Forex Bonuses stated that there are ten countries with highest of cashless payments which are Sweden, France, United Kingdom, Canada, America, China, Japan, Germany, Australia and Russia (Chern, 2018). In Malaysia, using cash to make payment is a popular medium of exchange but the growing popularity of cashless payments will change the trends (Ben Shane Lim, 2017). There are 67 per cent of consumers used cashless transactions whether debit cards and online banking in Malaysia.

Cashless technology is a new development technology introduced in Malaysia. The using of this technology is not yet comprehensive in the country, but in major cities, the method has begun to be introduced through the apps such as TaPay and Alipay, (Razib, 2018). Somehow, this virtual transaction is not popular enough among the Malaysian as well as community in university. It is probably due to lack of awareness on benefits that they can get by using cashless transaction as they just opt to pay using the cash. Cashless transaction is also reflected to the economic situation as the transactions do not require people to carry out physical coins or banknotes. Apart from that, the research by Gupta (2017), majority of the respondent in the study agree that the using of cashless transaction can help them feel that electronic transaction make their life easier. In addition, it is reported that some 250,000 Chinese people visit Malaysia bring a new phenomenon in the global cash payment transaction system (Razib, 2018). This is because Chinese citizens have been accustomed to using technology facilities from smartphones used to make payments. The previous studies that held by Intan Syafinaz Mat Shafie (2018), they observed the social influence affects the acceptance of E-payment. So, the arrival of people from Chinese is one of the ways that can influence the people in Malaysia to use the cashless transaction. Apart from that, the rising of financial crime is also widely happening nowadays. As a good consumer, they need to change as time passes and more focuses on financial technology to fight the rising of this crime (Boorstin, 2017). Through all these problems, this outgoing research will help to know more about the perception of community in University Malaysia Kelantan towards cashless transaction.

There are three main objectives of this study are stated as following:

1. To analyze the relationship between fast and convenience in the perception of cashless transaction among UMK's Community.
2. To determine the relationship between security and privacy in the perception of cashless transaction among UMK's Community.
3. To identify the relationship between social influences in the perception of cashless transaction among UMK's Community.

2. Literature Review

As a demographics across the world along with Malaysia continue to shift, consumers are seeking increasingly for a technology that more quick, safe and convenient method to pay for goods and services. According to S. Achord (November, 2017), cashless is the one alternative service that provides a technologies and financial payment sophistication of their users.

2.1 Perceptions of Cashless Financial Transactions

Wang and Gu (2017) examined on how people accept one of the cashless transactions which is WeChat Pay by combining the extended Technology Acceptance Model (TAM) and social theory. The study is about WeChat Pay. The study is to examine how the social theory affects the acceptance of WeChat Pay through the data collect from the WeChat users. It concludes that the intention for using this service is about their fundamental interest. Through the study conducted by Mahor (2017) the cashless economy is maintaining the flow of cash in the economy. The plastic money is more preference by the customer than cash and paper money. This is followed by Hernandez, Jonker et al. (2017) who deem cash to allow for budget setting by the amount of money allowed to spend over a particular period being withdrawn with no encounters of alternative payment methods.

2.2 Fast and Convenient Transaction

According to Tella and Olasina (2014), the study is to find the user's continuance intention to use the E-payment system by using Technology Acceptance Theory (TAM). The finding indicated that there is correlation among the variables which is perceived usefulness and attitude to use, perceived ease of use and attitude, perceived enjoyment and continuance intention to use, speed and actual use. Based on the recent study by Kumari (2018), convenient is fitting in well with a person's needs, activities, and plans. In common with the research by Dr.S. Yuvaraj (2018), the present study was identify the consumers' perception and cashless transaction, factors influencing cashless transactions and also identify the level of awareness of the consumers concerning the information securities. The findings reveal that majority of the consumers prefers credit/debit card has the most comfortable mode of payment followed by mobile wallets followed by convenience are the most important factors which influence consumers towards cashless transactions. Apart from that, it is supported by Gupta (2017), majority of the respondent in the study agree that the using of cashless transaction can help them feel that electronic transaction make their life easier. Not only that, it also supported by the research from Sultana and Kumar (2015) which is study and find out how easy consumers found plastic money use to be, whether they liked using it and in particular how they compared it to using cash. This paper concludes that purchases from departmental stores, majority of respondents feel cash payment to be easy and used more frequently. While educated and higher income people use plastic cards more often.

2.3 Security and Privacy

A reason for customers to repeat a transaction using internet banking is about security and privacy. It is crucial for them in performing the transaction because the security influences them whether to continue using the services or not. According to the Junadi^a (2015), security refers as a set of programs and ways to verify information's sources and avoid network and data problems in privacy. It

means that the system can protect their consumers in the transaction. Security is always the important problem in consumers' decision in using internet banking. Some customers realize there is a higher risk in financial transaction by using internet since the monetary online transaction involve through online. Most of the positive significant between the security and cashless transactions in some earlier studies. In accordance to Rudresha (2019), it studied the perception and awareness of customers towards the cashless transactions. The study concludes that many customers be of the same mind with the government on the usefulness of cashless transaction do helps to fight against terrorism, corruption, etc. Furthermore, based on the research carried out by Batra and Kalra (, 2016) they seek to investigate the E-wallet transaction by respondent. According to this study, safe and secure, time-saving, easy to use, discount available, track of expenditure and ease of access are the main factors to motivate respondents to adopt E-wallet.

2.4 Social Influence

Some of the previous study stated there is a positive influence among social influence toward intention using mobile payment, but few of the researches clarified that there is no direct influence with that. In accordance with the study by Aydin and Burnaz (2016), the aim of the study is to understand the factors supporting to the consumer attitude development towards and intention to use this systems. Hence, it was clarified that social influence show there is no significant due to lower penetration and awareness of mobile payment system. Other than that, previous studies that held by Intan Syafinaz Mat Shafie (2018), they observed the social influence affects the acceptance of E- payment. Payment is an element to complete the transaction while making transaction. Due to the development of E -commerce, there is a system introducing that called as E-payment system. So, the using of electronic payment systems is being increasing day by day for people to complete their task quickly effective way. In this case, social influence was being the factor that influences customers to accept the electronic payment system while making payment. To support this statement again, other research from Cao, Dang et al. (2016), indicates a significant and reveals that perceived trust is the strongest predictor of intention to use mobile payment services.

3. Data and Methodology

Research design can be explained as the strategy that is prepared in conducting the research and the crucial points to be considered in formulating the research (Akhtar, 2016). Quantitative method was used for this research. By using this method the researcher can describe the relationship between variables in mathematically and numerical through the analysis. Population is a community of group or species that been targeted through some characteristics defined by researchers. Based on study, the population divided into two categories which are students and staffs in UMK Campus Kota. So the total number of the target population consisted of students and staffs of UMK Campus Kota are 5283.

Sample is a selected group of individuals or objects chosen for participation in a generalizing the research. Researcher will attempt to get the responses from 357 respondents. Convenience sampling that is non-probability

method was chosen due to the limitation of time and budget of sample size community. The main purpose is easily accessible for researcher collects the respondents' information. Questionnaires are from primary data, always used as an important instrument of practical sampling method for obtaining a large sample. Nominal scale are used for close-ended format for personal information while interval scale which is Likert-type scale are applied for the respondent's opinion relating to their perception into based on five points where; 5 = strongly agree, 4 = agree, 3 = neutral, 2 = disagree, and 1 = strongly disagree. These data are processed using SPSS statistics (Statistical Package for Social Sciences) and the results are scheduled based on frequency and percentage.

4. Finding

This research sent out 357 questionnaires that responded by University Malaysia Kelantan's (UMK) community at Pengkalan Chepa which there are 33.3% of respondents are from FHPK which is Fakulti Hospitaliti Pelancongan dan Keusahawanan. From Table 1, there are more of respondents are from Fakulti Keusahawanan dan Perniagaan (FKP) which is 66.7%. Besides that, the result found that gender has a significant influence on adoption of cashless which gender proportion is about 1:2. The male is 38.9% (139 male) and 61.1% (218 female) which that female community are much easier and has a higher adoption of cashless influence perception than male (see Table 1). Majority of the respondents were in between 19-25 years old (86.3%) is the highest number for our respondents and the lowest number is the age above 38 years old which is 2.5%. Meanwhile, the age from 26-31 years old is 7.8% and the age from 32-37 years old is 3.4%. From Table 1, the highest percentage of the race is Malay which is 80.7% and the lowest percentage is from others which is only 3.1%. The other respondents for this study are Chinese and Indian are 8.4% and 7.8% respectively from the total.

According to Table 1, the result showed that 91.3% of the respondents have used the cashless transactions. Following with 8.7% of the respondents that does not used the cashless transactions. Otherwise, the highest percentage for the time is above 5 times which is 48.7% and the lowest for 0-time is 19.9%. For the percentage of respondents that have used 2-4 times is 31.4%. Last but not least, the result of payment methods that used by respondents which the highest percentage to make transactions is online transfer internet banking (72.0%) while the lowest method is cheque (2.5%). Meanwhile for the credit card or debit card and e-wallet is 21.3% and 4.2% respectively.

Table 1: Demographic information

Information	Frequency	Percentage (%)	Valid Percent	Cumulative Percent
Faculty				
FHPK	119	33.3	33.3	33.3
FKP	238	66.7	66.7	100
Gender				
Female	218	61.1	61.1	61.1
Male	139	38.9	38.9	100
Age				
19-25 years old	308	86.3	86.3	86.3
26-31 years old	28	7.8	7.8	94.1
32-37 years old	12	3.4	3.4	97.5
Above 38 years old	9	2.5	2.5	100
Race				
Chinese	30	8.4	8.4	8.4
Indian	28	7.4	7.4	16.2
Malay	288	80.7	80.7	96.9
Others	11	3.1	3.1	100
Cashless transaction				
No	31	8.7	8.7	8.7
Yes	326	91.3	91.3	100
Time				
0-1 time	71	19.9	19.9	19.9
2-4 times	112	31.4	31.4	51.3
Above 5 times	174	48.7	48.7	100
Payment methods				
Cheque	9	2.5	2.5	2.5
Credit card or debit card	76	21.3	21.3	23.8
E-Wallet	15	4.2	4.2	28.0
Online transfer internet banking	257	72.0	72.0	100

4.1 Reliability Coefficient Alpha

This research using Cronbach's Alpha to measure of the consistency of test scores which the result of reliability analysis for the dependent variable independent variable is 0.928 (see Table 2). The dependent and independent variables is

excellent according to the rule of thumb for Cronbach’s Alpha which is the value is more than 0.9. From the data that already distributed, there are some options that can respondents choose based on their knowledge by using 5-points Likert Scale.

Table 2: Reliability Coefficient Alpha from Overall

Variables	Number of Items	Cronbach’s Alpha
Adoption of Cashless Transaction	5	0.799
Fast and Convenience	5	0.860
Security and Privacy	5	0.827
Social Influence	5	0.826
Overall Variables	20	0.928

4.2 Descriptive Analysis

4.2.1 Adoption of Cashless Transaction

Based on the Table 3, the mean for dependent variable which is adoption of cashless transaction is 4.2731, while for the standard deviation is 0.68618. That means, the 357 of respondents are intend to use the cashless transaction because they are totally agree that cashless can substitute the cash based payment method and it is useful in case of emergency. Then, they also support the using of cashless transaction is wiser, freedom and easier for them to check their history of transaction.

4.2.2 Fast and Convenient

Next, among the independent variable, fast and convenience has the highest mean that is

4.2521 and 0.71660 as the standard deviation. This result shown that the 357 respondents are totally agree that cashless are easy to use, flexible, save their time and it can respond to the high speed. Furthermore, the result also shown that more respondents are confident and comfortable to make transaction on thing that they bought by using cashless method.

4.2.3 Security and Privacy

Through this analysis, security and privacy record as a second highest mean which is 4.1317. Meanwhile for the standard deviation, it states 0.72051. As the result, it prove that the 357 respondents are more prefer to use cashless due to safe from being robbed, easily for them to access this method anywhere and get a less pressure to surrounding when using it. Then, they are strongly agree that this method can kept their personal information confidential and believe the strong and privacy information could convince them using cashless.

4.2.4 Social Influence

According to the table 3, by 357 respondents, it shows that social influence record the lowest mean which is 3.8389 while for the standard deviation, the result is 0.84798. Through this analysis, respondents agree that their family and friends are influence them to use the cashless transaction. They admit that people are important influence their behaviour and recommend this method to them.

Table 3: Mean Score for Adoption of Cashless Transaction

Variables	Mean	Std. Deviation	N
Adoption of Cashless Transaction	4.2731	.68618	357
Fast and Convenience	4.2521	.71660	357
Security and Privacy	4.1317	.72051	357
Social Influence	3.8389	.84798	357

4.3 Pearson Correlation Coefficient

The table 4 reveals about the degree of correlation coefficient which contain positive and negative section that researcher can classification to give a clear direction to the relationship among the two variables. This strongly supported the purpose of researcher that want to survey the factor affecting the using of cashless transaction among community in UMK.

Hypothesis 1: The Relationship between Fast and Convenient With Adoption of Cashless Transaction

Based on table 4, it appears the relationship between adoption of cashless transaction with fast and convenient. The p-value of (H_1) is 0.000 which is low than 0.05 and it show fast and convenient positively impact with adoption of cashless transaction. The result of the test explains that there is significant relationship between fast and convenient with adoption of cashless transaction. The Pearson Correlation is 0.723 which shows a moderate positive degree of correlation level. So, it is means that there is 72.3% of dependent variable (adoption of cashless) influenced by independent variable (fast and convenient). Therefore, hypothesis 1 (H_1) is accepted.

Hypothesis 2: The Relationship between Security and Privacy with Adoption of Cashless Transaction

By referring to the table 4, it shows the relationship between adoption of cashless transaction with security and privacy. The p-value of (H_2) is 0.000 which is low than 0.05 and it show security and privacy positively impact with adoption of cashless transaction. The result of the test explains that there is significant relationship between security and privacy with adoption of cashless transaction. The moderate positive degree of correlation with the value is 0.697 seen that 69.7% of dependent variable (adoption of cashless transaction) affected by independent variable (security and privacy). Thus, hypothesis 2 (H_2) is accepted.

Hypothesis 3: The Relationship between Social Influences with Adoption of Cashless Transaction

From the table 4, it views a relationship between adoptions of cashless transaction with social influence. The p-value of (H_3) is 0.000 which is low than 0.05 and it show social influence positively impact with adoption of cashless transaction.

The result of the test explains that there is significant relationship between social influences with adoption of cashless transaction. The result for Pearson Correlation is 0.529 which is to say that there is a moderate positive degree of correlation between them. Hence, it argues that 52.9% of dependent variable (adoptions of cashless transaction) had affected by independent variable (social influence). Therefore, hypothesis 3 (H₃) is accepted.

Table 4: Correlation of Dependent Variable and Independent Variable

Variable	Coefficient Correlation
Fast and convenience	0.723
Security and privacy	0.697
Social influence	0.529

** . Correlation is significant at the 0.01 level (2-tailed)

5. Recommendation and Conclusion

Here is a list of recommendation on how to develop cashless transaction for good among the society in the future. Firstly, is improving the security. Talking about virtual world, we can't escape from hearing about hackers. Cashless transaction can be concluded nowadays as one of favourites access which hacker like to access and stole user saving money without been known. One of thing that user can do to avoid being access by the hacker is to improve or strengthen their security account. The security of cashless user can be improving by create more complex password. As record, most of cashless user always put their user id same as the name in their Facebook account. Furthermore, their password also is too weak. They always put their name first and year of their birth as password. The same user id with Facebook can make the hacker easily break their password and taking their money without realizing it. So, all cashless user needs to make their user id and password more creative and complex. More importantly they also need to remember what they have changed.

Furthermore, the government needs to enhance the law of enforcement against hacker. Some people are against to cashless transaction is because of not fully trusted to the system of technology because some people who are professional with the technology and information (IT) easily can access to this system. The government needs to do something which to make sure that community will be secure and safe to use this kind of transaction without doubt. The government can create a special protection that can be used in all devices that related to cashless transaction. This protection can prevent from hackers to easily access to the device.

Next, is about the limit of system on cashless transaction. By using cashless transaction people don't feel the same pain as spending using cash. This transaction is easy by swipe a debit/credit card or push next button through phone to complete the transaction. So, by having a limitation system, people can set on how much they can spent in daily, weekly or monthly. This for sure can create a healthy society which not overspending on money.

Cashless transaction proves to be one of initiative way to create a society which is do not use physical money to do a transaction. Thus, from traditional concept, the society will change into futuristic culture which people fully use on

technology development made especially in industry revolution 5.0. Cashless transaction also has a lot of advantages. It also gives benefit to people in term of fast and convenience. Furthermore, the main purpose of this study was to know on how the perception of community in University Malaysia Kelantan towards cashless transaction. Although this technology advance is earlier in Malaysia and not as advance as country like India, United State and Sweden, hopefully this research will improve the knowledge of community which is they is known on what is transaction without using a physical money like cash.

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Privacy and Security in e-Banking of Islamic Banks in Kota Bharu.

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Abstract

This paper explores the issues of privacy security in internet banking in Islamic banks around Kota Bharu which related to adopter's perception, decision and also what customers' suggestions for possible action can be taken to overcome the issue occurred. Today internet-based banking system is one of services that provides by the bank as the accommodation towards the customer in performing deposit or withdraw funds. Despite its security is the most crucial part in e-banking service. There are several issues in the scope of privacy security which can be factors to the safety of the e-banking systems failure. It briefly outlines the definition and scope of internet banking, Islamic banking, security, and privacy. The paper gives examples of known cases that illustrate individual and group perception, awareness, trust which relate to technology and cybercrime. This study is run by qualitative methods with upkeep from ATLAS.ti software program to ensure the validity of the information examined in an effective way. The finding for this study are researchers find that people nowadays have all used technology to make online payment transactions. The researchers find that perception is very important and plays a key

role in determining whether the adopters of e-banking trust and satisfy with privacy and security of online banking and to decide whether the perception affects their choice to adopt the e-banking. Other than that, awareness is an important element to avoid any issues regarding the issues of privacy and security. Everybody have their own roles in saving their selves from being the victim of the cybercrime. Trusts also do effect people decision and perception to access e-banking. Last but not least, cybercrime is a criminal activity related to technology and computers committed on the internet and do gives many impacts to the systems and banks.

Keywords: e-banking, privacy and security, Islamic banking, Kota Bharu

1. Introduction

After almost four decades of their foundation, Islamic banks have figured out how to position themselves as money related organizations not just assuming critical job in asset assembly, asset distribution and usage however are effectively associated with the way toward actualizing government monetary policy (Sole, 2007). Aside from offering practically all customary financial offices, Islamic banks additionally encourage domestic and international exchanges.

The Islamic financial framework in Malaysia depends on double or parallel financial system, a structure which concurs interest-free and interest-based funding to cope and exist together for credits and funding (Naser&Moutinho,1997). Furthermore, Sadler (1970) stated that the multi-religious and multi-social which is the one of a kind parts in Malaysia lead to the Islamic financial likely to manage conditions where the demand for and supply of surplus funds are never again made based on confidence alone just as on different factors, for example as return on accessibility, deposits, and the cost of financing. Moreover, this religious and non-religious essential the showcase fragment of the Malaysian Islamic banking is accepted in the way that influence execution as per adjustments in segment of the Malaysian Islamic banking investors' asset report the executive's organization (Sadler, 1970).

Today internet-based banking system is one of services that provides by the bank as the accommodation towards the customer in performing deposit or withdraw funds. Computer-generated or also known as virtual banks or "branchless banks" are a commonly a new idea applied to typify banks that do not have a physical area, for example, a subdivision, yet offer organizations just through the internet and ATMs to deposit and withdraw funds (Sadeghi, 2004).

In internet-based banking or online banking, customers have straight access to a bank's information system from work, school, home or wherever other spot where a system association is available. In this new context, the customer is considered as an end-client of the bank's information preparing structure. In end-client processing, the customer's PC assumes a crucial job (Gerrad et al., 2006).

According to the previous study by Al-Sharafi et al. (2018), their findings are on confidence absolutely affect the customers' behavioral intention to accept online banking services. Furthermore, the customers' awareness, with their perceived-on efficacy, security and privacy had an important impact on their trust. However, customers' perceived ease of use failed to foresee the customers' intention to use online banking services.

The study by Normalini and Ramayah (2017), provides researchers with the implements to determine the possibility of biometric authentication technology in internet banking. Experimental testing of the framework exposed fundamental insights into the dynamics of the relationship between trust and its backgrounds by including user perceptions of the effectiveness of biometrics authentication technologies. Largely, the results from this study underline the value of applying biometrics technology in internet banking. Clearly perceived effectiveness of biometrics technology qualified the relationships between perceived privacy and security with trust.

There already many researchers that run a research on this topic, but the research conducted are majority towards conventional banks or both conventional and Islamic banks in Malaysia. The research also usually is made in other country. The research on internet banking system provided by Islamic banking is infrequently get attention from the researchers. Therefore, this study is made to study adopter's perception on e-banking of Islamic banks in Kota Bharu performance on the scope of privacy and security. To analyse if adopters' decision in choosing e-banking is affected by the implication of e-banking and lastly to conclude the possible action can be taken to overcome the e-banking privacy and security issues.

2 Literature Review

Over the last decade, Islamic banking has increasingly gained acceptance amongst market participants. This is because technology has improved the performance of Islamic banking system for the better services. According to Alsheikh and Bojei (2014), at Saudi Arabia the services of mobile give ease way of use to users. They are many types of issues the acceptance of technology attends. These issues are also including inadequate in experiences use technology, strangeness using the technology inadequate of technology and awareness perceptions of risk in using technology.

Based on Eklof et al. (2016), Islamic banking sector in Pakistan is dominated by the perception of shariah compliance which play a significant role in customer satisfaction. In the Muslim country it would be the most important preference either the company product and service comply with the Shariah or otherwise. Customers will find the Shariah compliance institution to use and buy their product and services, as this will give them satisfaction in choosing the best institution.

According to Wall et al. (2018), customers' perceptions are positively related to their expectations of the service. Perception is a common thing which it is naturally comes when it is related to human who dealt with something that will give good or bad outcomes. Especially when the person is about making the decision either to use, applied or adopt it. It is an active process that requires information processing and then interpret it into message so that is how human got the idea of how their perception on something.

According to Paul et al. (2016), perception of a product's performance will come out with the comparisons process; where the perceived performance of a company will be compared with the other perceived performance of another company. Then with one or more standard of the other company compared will create an expectation. In internet banking industrial perception of customers towards services will bring so much impact to the company.

Mohammadi (2015), have stated that awareness the impact users' perceptions in Iranian. That ease and usefulness of internet banking. Based on Dixit et al. (2010), has in their research the aspect that are have an impact on the use of internet banking services that is surrounded by consumers and also show the degree of consideration concerning privacy and security issues in Indian. Safeena (2011) in their research has verify that awareness relating the services of internet banking. That is a major impact on the adoption of internet banking services and satisfaction of customer.

Trust as expressed by Aghdaie et al. (2011), can be grouped into several type, while interpersonal trust is established between online customers and merchants, institutional trust is established between the computer and consumer. Trust referred to the client's appraisal that she or he could have depended on the electronic banking to guarantee the welfare and security of the client's online transactions (Holsapple & Sasidharan, 2005).

Based on Riek (2015), cybercrime is an inescapable danger for today's Internet-dependent society. Though the real level and economic impact is hard to measure, officials and scientists agree that cybercrime is a massive and still rising problem. Broadhust (2014), told that cybercrime is usually discussed as a criminal activity related with technologies and computers committed toward the internet. More et al. (2016), they said that cybercrimes are an attack from one computer to other computers using the network intentionally to modify, disrupts, repudiate, degrade or damage or destroy the data accommodated in the attacked system or network.

3.0 Methodology

3.1 Research Design

Research design is a plan that constructs when, where and how information are to be gathered and analyzed (Parahoo, 2014). It is also a researcher's by large to answer the research question or testing the research hypothesis (Van et al., 2001). Because the purpose of this study is to identify adopters' perception, to analyse adopters' decision in choosing e-banking of Islamic bank and to conclude the possible action to overcome the privacy and security of internet banking issues among e-banking user in Kota Bharu, Kelantan, then qualitative research is suitable for this research.

3.2 Qualitative Research

This study applies qualitative method to obtain data. There are some definition that can be taken from other researchers. Among them Huberman and Miles (1994), who stated qualitative research is led through an intense and delayed contact with a "field" or life circumstance. These situations are commonly "cliché" or typical, intelligent of the regular day to day life of individuals, groups, societies and organisation.

Qualitative research design is in accordance with exploratory studies (Crawford, 2006). Yilmaz (2013), also stated qualitative research an emerging, naturalistic, inductive, and interpretive approach to examine people, phenomena, social, cases situation and process in their natural state to reveal in descriptive trem the meaning attached to their experience in the global.

The method of reasoning for utilizing a qualitative approach in this study was to explore and portray the opinion of online banking user in Kota Bharu, Kelantan on the privacy and security in internet banking especially Islamic banking. It was an

appropriate method to gather the opinions of them regarding the effects of the privacy and security in internet banking. Following are the methods used:

i. Exploratory Research

According to Polit et al. (2009), exploratory examinations are undertaken when another zone is being researched or when little is known about an area of interest. It is utilized to research the full idea of the phenomenon and different factors identified with it

In this research, the opinion of internet banking user in Kota Bahru, Kelantan regarding the privacy and security of internet banking were explored using an interview. Although this paper has been led on the privacy and security of internet banking, little is known about the user of online banking opinion towards Islamic banking especially in Kelantan.

ii. Descriptive Research

Descriptive research was defines by Burns and Grove (2005) as a design to give an image of the natural surroundings. It is used to explain the current practice and make conclusion by developing theories.

According to Creswell and Clark (2017), has discussed that in order to conduct a thorough review of a phenomena, researchers need to select participants and research sites purposely. For the aim of the this research, descriptive research this study used to obtain a picture of internet banking users' opinion of the privacy and security internet banking with a view to improving the safety and security of internet banking.

iii. Interview

Based on Kvale (1994), a qualitative research interview seeks to cover both accurate and a significance level, however it is normally progressively hard to interview on a meeting level. He also explained that the qualitative research interview looks to portray and the implications of focus themes in the existence universe of the subjects. The principle task in interviewing is to comprehend the significance of what the respondents state. In this study, interview is used to further investigate regarding the privacy and security of internet banking among the electronic banking user in Kota Bharu, Kelantan.

This study decided to choose six online banking users with varies background individuals as the respondents for interviewing. In the interview, this study will ask whether they are familiar with internet banking, how do they know about e-banking, do they know about what privacy and security of online banking, do they think online banking is safe and important in future, how does the privacy and security e-banking level of Islamic banks in Kota Bharu influence user's decision in adopting online banking.

3.3 Data Collection Method

This study using two methods for data collection in qualitative. Firstly, primary data, the researcher use research survey which is personal interview and the secondary data, the researchers will examine book, journal, conference paper and newspaper and so on.

i. Primary data

This study was based on primary data collected through a series of qualitative interviews by interviewing six informant among consumers using e-banking of Islamic banks in Kota Bharu which is from staff University Malaysia Kelantan (UMK), consumers using e-banking of Islamic banks in Kota Bharu and student University Malaysia Kelantan (UMK).

The interviews provided a very good opportunity for very close communication as well as understanding between the researcher and the participants. These made it possible for the researcher to extract the relevant information whose accessibility was impossible via a structured questionnaire. The personal interviews also made it possible for the researcher to come face-to-face with the participants, thereby, had the opportunity to assess their expressions in the course of the discussions.

Primary data is the first source of data. The original data collected specifically to answer the research questions. The data gathered by the researchers themselves to test the hypothesis in its study. It is not available as a file. Then, the sources of data are usually gathered through experiments or field studies. For an example are observations and interviews. It can be gathered from individuals, focus groups or expert panels. In the principle, there are two primary data collection methods, namely the collection of passive and active data (Oghenerukeybe, 1970).

The reason for the interview is to investigate the perspectives, encounters, convictions or inspiration of people on particular issues. Prior to an interview happens, informants are supposed to be educated about the examination points of interest and gives confirmation about moral standard (Devlin & Gray, 2007).

In this research, the researcher has selected only online banking users in Kelantan. The researcher has chosen this type of informants is because the researcher wants to collect the best and the multiple answer to finish this research. The researcher applied semi-structure interview because the respondents spontaneously answer the researcher questions. Also, researcher utilize face to face communication to ensure the information is pure.

ii. Secondary Data

Secondary data is data generated as a result of past research. This data differs from primary data, where the data is collected by the investigator himself either from an interview or observation. Secondary data also provides reliable facts to support the research of every researcher. Secondary data also supports research involving large groups as data can be collected from various sources (Ritchie, 2013).

The information or the derivative material collected by the individual or other researchers, not the researchers currently studying. Examples of secondary data are examining book, journal, conference paper and newspaper and so on. The secondary data that used to conduct this research include journals from database and academic textbook such as Emerald, ProQuest, Science Direct, Google Scholar, My Athens, Research Gateway and Yahoo.

For secondary data, researcher collects the data from journal, newspaper and book. Researcher use secondary data to take a data or reference that related to Islamic banking knowledge. This is due to study that issues privacy security is very important in internet online nowadays. This related to the CIMB banks that be hacked. So, researcher used secondary data to gather the information.

3.4 Data Analysis Method

The data collected in the study will be analysed using based on content analysis and supported by using ATLAS.ti software program to ensure the validity of the information examined in an effective way. In this study, the data will be collected by using existing resources such as books, articles and journals then it is considered as secondary data. Moreover, the interview data also used ATLAS.ti.

i. Interview

Interviews are the method that requires subjects and researchers to attend along with the process of acquiring and collecting information. The information studied will be directly obtained by researchers from direct sources. Any information gathered during the interview must be record because any answers mention by the respondents is an important data to be observed and analyses.

According to Kahn et al. (1957), the interview method was more appropriate to obtain in-depth data than the method of questionnaire. Interviews can be overall strategy of research data collection or may be one of the techniques used in the study.

ii. Documentation Analysis

Documentation analysis is a type of qualitative research in which documents are reviewed by the analyst to access an appraisal theme. Document analysis is a social research method and is an important research tool in its own right, and is part of most triangular schemes, a combination of methodologies in the same phenomenon study (Bowen, 2009). Documentation analysis is a part of secondary data.

There are many reasons why researchers choose to use document analysis. This is because, documentation analysis is one of the most efficient and effective ways of collection data as the documents can be handled and through practical sources. Getting and analyzing documents is often more efficient when conducting your own research or experiment (Bowen, 2009).

ATLAS.ti version 8 is a powerful workbench for the qualitative analysis of large bodies of textual, graphical, audio and video data. Sophisticated tools help researcher to arrange, reassemble, and manage researcher material in creative, yet systematic ways. ATLAS.ti version 8 keeps researcher focused on the material itself. ATLAS.ti version 8 meet researcher qualitative analysis needs.

3.5 Validity and Reliability

In this research also used the concept of validity and reliability. It is to know how to minimize the possibility of mistakes and tendencies by maximize the reliability and validity of the data. According to Patton (1994), it state that reliability are two factors where qualitative researchers needs to be given attention when researchers do the study, analyses result and evaluate the quality of the study. Besides that, Seale (1999) also stated that create a good quality study through credibility and validity in qualitative research, states that the “belief of a research report lies in the middle of issues conventionally discussed as validity and reliability”.

Messick (1989) have stated that validity was evolve a complicated of concept. That is because it are more related to the conclusion according on the result of assessment. That are more focus on the result of the speculation that make implied it. This appraising consideration must need to be accurate and declaring the truth. The

assessment or evaluation should not be valid, that only the assumption about this evaluation.

4.0 Findings and discussion

4.1 Factors that influence issues of privacy and security in internet banking.

Findings from this study has suggest five factors that has influence the issue of privacy and security in e-banking are Technology(1), Perception(2), Awareness(3), Trust(4), Cybercrime(5).

4.1.1 Technology

According to Bauer (2005), the process in business is extremely challenging in financial services. Banks need to introduce alternative delivery channels to attract online users and further enhance user's perception. Most banks have already implemented online banking by offering their customers a wide range of online services with greater access to information and transactions. Customer satisfaction are growing as key of success factors in e-banking. Technology is increasingly being used in a service organization. It is aimed at improving the quality of customer services and delivery, reducing costs, and by standardizing core service offerings (Ibrahim et al., 2006).

4.1.2 Perception

According to Eileen et al. (2007), customers' perceptions are positively related to their expectations of the service. Perception is a common thing which it is naturally comes when it is related to human who deal with something that will give good or bad outcomes. Hossain and Leo (2009),proved that customer perceptions of service quality can be used as a basic instrument in order to analyse the firm's strengths and/or weaknesses. The perception of the customers on business or specifically in our case; e-banking service will give the illustration of the service whether it is good or otherwise. Perception is very important and plays a key role in determining whether the adopters of e-banking trust and satisfy with privacy and security of online banking and to decide whether the perception affects their choice to adopt the e-banking.

4.1.3 Awareness

Tan and Teo's (2000) have three aspects of consumer behaviour, which illustrates consumer awareness of e-banking, Furthermore, subjective norms. Which illustrates the social impact that can be affect the user's motives for using Internet banking and ultimately, recognizing in control of behaviour, which explain the anticipation of having the primary source for adapting to mobile banking. Awareness is an important element to prevent any issues regarding the issues of privacy and security. Both users and bank organisation must play their roles in order to be aware and spread awareness to the other users and customers. Everybody have their own roles in saving themselves from being the victim of the cybercrime.

4.1.4 Trust

According to Bhattacharya et al. (1998), researcher in various discipline have seen trust along various dimensions. Identity analysts will in general view trust as an individual trademark while social therapists will in general view trust from the angle

of behavioural desires for others engaged with transactions. Economists and sociologists will in general focus on how institutions are set up and impetuses are utilized to diminish vulnerability related with transactions among relative outsiders.. It is proven that trust is a key middle person in each business relationship and must be a central focus of any organization associated with administrations. (Morgan and Hunt, 1994)

4.1.5 Cybercrime

Cybercrime is commonly referred to as a criminal activity related to technology and computers committed on the internet. Riek et al., (2015) also proved that the cybercrimes do gives many impacts to the systems and banks. Cybercrime do gives many impacts to the systems and banks such as impact in financial costs and intangible losses. Some of the cybercrime involved with criminals who taking on specialized roles and deceive people. These attacks are made in a way to steal the relevant information, money and other value information without leaving back any traces of intrusion.

5. Conclusion

The main objective of this study is to explore and study the adopter's perception on e-banking of Islamic banks in Kota Bharu performance on the scope of privacy and security. From the analysis, researchers come up with the conclusion that there are several factors that need to be considered and it is the duty of banks to make sure that customers provided with the secure systems to use the e-banking services as well as spread the awareness throughout their customers. Not just that, the adopters of e-banking also must have personal initiative to avoid themselves from becoming the victim by being aware and always be cautious of any issue or problems related to privacy and security of e-banking system. This study showed that adopters realized that online banking provide them many benefits, for example convenience, twenty-four hours availability, time savings and ease of conduction transactions at home. These are some of important benefits for internet banking mentioned by adopters. According to study's findings, privacy and security issues have become a concern to the adopters, not just those who have experienced cybercrime but also those who are not. Therefore, the researcher found that perception is very important and plays a key role for the adopters determined to adopt e-banking. Thus, their trust and awareness of e-banking with privacy and security of online banking perception, affects their choice to adopt the e-banking. Lastly, users of e-banking also need to be responsible in securing their personal information and also organisation need to secure more their privacy and security to avoid hackers to enter in bank systems. Other than that, institution also needs to provide general knowledge that related to e-banking as an elective subject for the knowledge and awareness for the student.

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The awareness of Islamic banking product and services among society in Pengkalan Chepa

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Abstract

Islamic banking products and services not only attracts the Muslims community but also the non-Muslims society. The purpose of this research is to examine about Pengkalan Chepa society whether they are aware and understand about Islamic banking products and services. In addition, aim of this study is to investigate if any demographic factors will influence the awareness, understanding and perceptions of Islamic banking products and services among society in Pengkalan Chepa. There are 352 respondents that consist of four main religion in Malaysia that are 50.6% Muslims, 20.2% of Christian, 15.6% of Hindu and 13.6% of Buddhism. This research is using the quantitative method and has been using the SPSS as a tool to measure the relationship between independent variables and dependent variables. For the analysis, one way ANOVA and Pearson Correlation Coefficient was used to analyse the results. The result shows that more than half of the respondents are aware about the Islamic banking but they do not aware about the products and services that provided by the Islamic banking. Their understanding level towards Islamic banks concepts are at average but they do not understand most of the Arabic terms in the Islamic banking products and services. The perceptions of the Pengkalan Chepa society towards Islamic banking products and services are varied among themselves. The result of this research also gives impact to the theoretical and managerial implication. This study provides managerial implication for the Islamic banks to

increase the awareness of the society on the Islamic banks and recommendations for the future research in Islamic banking.

Keywords: Islamic banking product, Muslims community, Non-Muslims society, Relationship, Awareness

1. Introduction

Islamic financial industry now turned out to be one of the fast using businesses and has a gigantic potential. It has been evaluated that the market size of Islamic exchange was about \$160 billion in 1997 and was ascending at a yearly rate of 10-15 percent (Islamic broker, 1997) the re-development of Islamic banking and different gathering of Islamic money related foundations.

For endure future aggressive business condition, associations should most likely gain an upper hand over the contenders and lift their piece of the fully industry. Associations routinely center on improvement of new items, re-structure the current items, and building a brand picture to help their piece of the pie. A positive brand image is imperative for item the board and advertising correspondence, Erenkol and Duygun, (2010). A recognized brand image will though to be very noticeable being the most beneficial resources for any association as it lead for having exceptional client reliability, outperforming net revenue, improved participation and support, and upgraded promoting correspondence viability. This is the reason associations feature on structure an energetic brand picture by building up the brand significance in the brains of shoppers by connecting brand affiliations, which eventually lead to higher dependability connection among clients and the association.

Islamic banks are accommodate for both Muslims and Non - Muslims. An Islamic Banking framework is build up to give money related administrations dependent on Shariah consistence. Anyway the Islamic principles and guidelines for monetary are truly open in achieve financial objectives of Islam. These monetary objectives are incorporated tremendous rate of financial development, business, equity, indistinguishable dissemination of riches and soundness of cash.

The fundamental contrast among regular and Islamic banking is premium based and premium free in banking framework. In Islamic fund, enthusiasm bearing understanding, contract returns are influenced by the change, frequently appears as organization. Islamic banks furnish savers with monetary instruments which are gotten from value Mudarabah and Musharakah. The dispensing courses of action, benefits are shared among speculators and premise. A foreordained idea of benefit and misfortune sharing is an immediate bank some portion of lender concerns with respect to the advantages of physical capital speculation (Islamic Bank). Obviously, customary banks are likewise worried about undertaking's potential default on advances because of worries about benefit. Nonetheless, regular bank get the installment of premium is called sure timeframe, and the condition is the length of it is called, bank whether your task is an especially high-benefit or does not legitimately influence is not exactly the rate of return. Premium based framework, interestingly, Islamic Bank body is to concentrate on rate of profitability, since its benefit is straightforwardly connected with the genuine rate of return.

There are different five type of Islamic banking products. Firstly is the profit-sharing product that consists of *Musharakah*, *Mudarabah*, *Qard Hasan*, *Wakalah* and

Hawalah. Second is the advance purchase financial product that are *Tawarruq*, *Ijarah*, *Mu'ajjal* and *Bay Bithaman al Ajil*. Thirdly, deposit products which are *Qard al-Hasanah* and *Wadi'ah*. Next is insurance product that is *Takaful*. Lastly, *sukuk* and also known as Islamic bond.

1.1 Research Objectives

1. To examine the understanding Pengkalan Chepa society toward Islamic banking products and services.
2. To analyze the level of awareness of Pengkalan Chepa society toward Islamic banking and services.
3. The perception towards Islamic banking product and service among society in Pengkalan Chepa.

1.2 Research Question

1. Pengkalan Chepa society truly understand about the Islamic Banking products and services?
2. What are the level of awareness Pengkalan Chepa society towards Islamic Banking products and services?
3. Are the Pengkalan Chepa society have a different perceptions towards Islamic Banking products and services?

2. Literature review

An Islamic Banking is been around for over thirty years at Malaysia and 60 percent of the populations are Muslims. The outcomes shows the awareness level of Malaysian towards Islamic Banking is adequate stage, like supported from Thambiah et al. (2011) . In the study, it was discovered that although awareness level of Malaysian is at an acceptable level, the level of understanding of Islamic Banking remains low because most of the customers unaware of them due to the lack of expert exposure. For example, a portion of the clients didn't aware about Islamic Banking items likes Murabahah and Ijarah The impact of diminishing awareness and use for borrowing products possibly in light of the fact that Islamic financial items are named in Arabic term. Their outcome demonstrates that for the most part individuals' awareness on some broad items likes ar rahn.

The result of the study by Abdullah, et al. (2012) show that the Islamic banking services making process among non-Muslims in Kuala Lumpur. Studies found that the vast majority of users have Islamic Banking and conventional account, showing that non-Muslims supported Islamic Banking around there. This shows that Islamic banking are not simply offer to the Muslims only. Found in this study that, non-Muslims perceptions toward Islamic Banking in Malaysia is great.

Based on Ahmad and Haron (2002) studies, the Islamic banking itself are lacking in marketing and educating customers about Islamic banking. Even though, 100% of Muslim agree that they understand the concept of Islamic banking but the non-Muslim still could not understand the concept of Islamic banking. A lot of advertising campaigns are not enough to helps the lack of understanding among non-Muslim Loo (2010).

In a research conducted by Norafifah Ahmad and Sudin Haron (2002), (perceptions of malaysian corporate customers towards islamic banking products & services) 65% of non-Muslim claimed that they are understanding the concept of

Islamic banking system. On the contrary, the study also indicated that there was a misunderstanding of the concept of Islamic banking among non-Muslim.

3. Methodology

The purpose of this research was to examine the understanding, awareness and perception of Pengkalan Chepa society towards Islamic banking products and services. The research design on this study was focused on descriptive studies. Quantitative research will be approach to collect and analysing data which getting from survey. In this study, the survey conduct by using questionnaire which will distributed to the respondents.

The samplings that are being used in this research are citizen which can also be divided among the race which is Malay, Chinese, Indians,others and the number of respondents based on the table by Krejcie and Morgan (1970). We did not take every citizen to answer since we can use the information gathered by some number of citizen to refer to other citizen which is not selected as part of the research.

This study used questionnaire survey as a research instrument whereby it is a common instrument which could be utilized to gather data information about this investigation. This is because questionnaires are the most beneficial and effective when the specialists need to work together with a huge number of respondents. Somehow, not all respondents could give their cooperation to answer the survey questionnaires and sometime some of them didn't answer the questionnaire straightforwardly thus we couldn't get the legitimate outcome for our research. It is out task to ensure our respondents could give us their full collaboration to finish this research. To measure this accuracy of these research findings, validity and reliability test, SPSS (Statistical Package for Social Science) is used as keys in the data from respondents and finally the analysis result was presented.

4. Findings

The finding is analyse through the objective of the research that need to achieve. The result shown, the respondents answers all the objective given by the researcher. Based on the result, level of awareness of Islamic banking products and services it higher. This shows Pengkalan Chepa society aware about Islamic banking. Some of them never heard of Islamic Banking product and services might be most of them are not customers or never involved in any transaction with Bank Islam which could be the reason on why they never heard about the product and services. Some of them are lack in knowledge about Islamic Banking product and services as the number of respondents who answered no in the knowledge part most of it more than half respondents. The most common products that the respondents are aware of are deposits products, insurance products.

The level of understanding of Pengkalan Chepa society towards Islamic banking is higher due to the answer higher on agree and strongly agree. Still exist disagreement because of the respondents who disagree didn't know and heard about the Islamic Banking product and services and also they already know about it but never been into the product and services itself. Most of them didn't know the term such as "riba" which mean interest. But there is still have a respondents who understand the terms. This may be influenced as most of the respondents are students or graduated students from university as they may learn about the Islamic Banking product and services in their course in university.

The perception of the Pengkalan Chepa society towards Islamic Banking product and Services are good. Such as in the perception of the Islamic banking and Conventional bank did not give the same product and services, the majority of them answered 4 and 5 which is agree and strongly agree but more to agree. As we mentioned before, most of the respondents may already learned about Islamic Banking. But there is still have respondents who have a perception that Islamic Bank only serve for the Muslim and not for Non-Muslims which lead them on answering agree on why did Islamic Banking and Conventional Banking did not serve the same product and services. Mostly the respondents agree that Islamic Banking had a high capability. This show the Islamic banking can growing in the future with this good perception although Islamic Bank is still new to be compared with the Conventional Bank that already created 100 years before Islamic Bank. This part could be concluding by saying the perception towards Islamic Banking is better nowadays.

Table 1 : Respondents' Awareness Level towards Islamic Banking in Pengkalan Chepa

Section B (Independent Variable)		
Have you heard of Islamic Banking?		
Yes	89.80%	
No	10.20%	
Have you been a customer in Islamic banking?		
Yes	63.90%	
No	36.10%	
Which of the following products and services are you familiar with?		
	Familiar	Not Familiar
Deposit product (Saving, Current)	87%	13%
Investment Product (special investment account)	38%	62%
Financing Product (Ijarah-leasing)	34%	66%
Financing Product (Debt-based)	37%	63%
Trade Finance (letter of credit, banker acceptance)	24%	76%
Money Market (treasury bills)	21%	79%
Insurance Product (Takaful)	62%	58%

Table 2 : Respondents’ Understanding Level towards Islamic Banking System and Operations and respondents towards perception of Islamic Banking

Section C (Dependent Variable)	1	2	3	4	5
Islamic banking is completely serving as an alternative to Conventional banking system	2.3%	3.4%	23.3%	40.1%	31.0%
Islamic banking is accessible for Muslims and as well non-Muslims	1.1%	4.6%	12.3%	38.6%	43.4%
Islamic banking do not involve with Riba(interest)	2.3%	3.1%	15.1%	33.7%	45.7%
Islamic banking use the profit loss sharing(partnership)	1.7%	3.1%	23.4%	36.0%	35.7%
Returns in Islamic banking are based on gift and profit sharing	0.3%	3.1%	20.3%	45.7%	30.6%
Islamic banking restricts major uncertainty in all form of transactions	2.3%	2.9%	24.0%	38.0%	32.9%
Islamic banks do not invest in the industries that involve with non halal products and services, such as involve with pork, alcohol, gambling and others	2.0%	1.4%	16.3%	36.0%	44.3%
Each Islamic banks should have a Shariah Supervisory Board to guarantee that all business exercises are in accordance with Shariah requirements	0.6%	2.0%	15.7%	39.1%	42.6%

Section D (Dependent Variable)

Islamic banking products in Kelantan are not similar to the Conventional banking products	2.0%	4.3%	26.1%	42.0%	25.6%
Profitability provided motivated people to deposit their money at an Islamic banks	0.3%	2.3%	24.0%	44.0%	29.4%
Islamic banking products and services terms are not easy to recognise	1.7%	6.0%	31.4%	35.4%	25.4%
Islamic banks have not done enough in marketing to promote their products to the public	0.9%	5.4%	22.9%	40.0%	30.9%
There is a very high capability of Islamic banking products in Kelantan	0.6%	1.4%	26.3%	40.6%	31.1%
Islamic banks distribute higher profit compared to Conventional banks	1.4%	4.0%	32.0%	39.4%	23.1%

5. Conclusion

Overall of the research show the level of awareness Pengakalan Chepa society towards Islamic banking products and services is higher. The level of awareness are not so much to be worried. The result from the survey Pengkalan Chepa society, it shows the society at the Pengkalan Chepa aware about Islamic banking products and services. For a few who are not aware it might be due to limited information in Islamic banking. Next, for the understanding level it also high. This due to the respondents are students or graduated students from university as they may learn about the Islamic Banking product and services in their course in university. For the perception, Pengkalan chepa society have a good perception towards Islamic Banking products and services which will lead a growing of Islamic banking in the future.

The society of the Pengkalan Chepa should also take an action to help Islamic banker promote the Islamic banking which can give a lot of benefit for the people who are still not aware of it. From the awareness it will make people attract to get an enough understanding of the Islamic Banking products and services while their perception towards that will become better.

6. Contribution and Recommendation

Through the research, it's contribute to the Islamic financial institution to find a way to increase the user of Islamic banking especially non-muslims. For example by improving their management in produce a pamphlet or more detail through the main portal in prepared many information in term of general information or latest. Moreover the research of Islamic banking are not as many as conventional banking. This research could be use as a reference in the future.

In view of the foregoing, the recommendations are made:

For this study, we just focus on the awareness, understanding and perception of Islamic Banking products and services among society in Pengkalan Chepa. The potential research area is on the satisfaction and selection criteria towards Islamic Banking products and services. The future researchers could try to approach the original residents of Pengkalan Chepa as their respondents. This is because the result that came from the respondents who are originally stay at Pengkalan Chepa will give the strong reason why they doesn't choose the Islamic Banking as their choice.

Furthermore, in this study, we only focus on five variables of the demographic. So the future researchers could include more demographic variables to get the complete overview of the respondents' profile. It would be a good idea if the future researchers could expend the population into the bigger numbers. They might focus on the society in Kota Bharu to get the overview about the Awareness of Islamic Banking products and services among the society.

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The factors of acceptance Islamic Car Financing among Customers in Kota Bharu, Kelantan

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Abstract

This study is to investigate the acceptance Islamic car financing among customers in Kota Bharu, Kelantan where this study is focusing on identifying the awareness of Islamic car financing also in investigating whether religious obligation enhance the acceptance Islamic car financing. This study also is to explore on how social influences affected the acceptance of Islamic car financing. This study is a qualitative method of study where the researcher used the thematic analysis approach. The data is collected by in-depth interview with the respondents. Overall, the finding revealed the bank officers responded that the customers have generally positive views of selection factors. In conclusion, Islamic institution must explain the car financing in details for people out there that offer tangible benefits and value to customers.

Keywords: Acceptance, Customer, Islamic Car Financing, Awareness, Religious, Influence

1. Introduction

Malaysia is the one of the fastest growing countries in the Islamic finance industry. Islamic bank has emerged as one of the most rapid growing industries in the last 30 years. Islamic banking has spread worldwide, and is widely accepted not only by

Muslims, but also by non-Muslims (Lajuni et al., 2017). Islamic banking was based on the Islamic Law as the main guideline, where the Shariah Law was followed to conduct business with sharing profit and loss concept and prevention of interest or Riba. The existing Islamic banking system in Malaysia has received numerous recognitions and become references to other countries (Samail et al., 2018). Islamic finance has grown massively since the introduction of the Islamic Development Bank by the Organization of Islamic Countries (OIC) in the 1970's. That has led to the establishment of the Islamic financial system in Malaysia in 1983. By the end of 2017, the number of Islamic banks in Malaysia has expanded to 16 banks from only 2 banks in 2001 (Bank Negara Malaysia, 2017). Before the establishment of the Islamic financial system, conventional banks play a significant role in the global financial environment. In 2011, Islamic finance has become the fastest growing sector in the global financial industry with about 20% growth yearly (Samail et al., 2018).

Even though public's knowledge on Islamic banking system has increased considerably since the establishment of the first Islamic bank, Bank Islam Malaysia Bhd, (BIMB) three decades ago, customers' attitudes towards the adoption of Islamic banking products have yet to rise at a similar pace. This is witnessed by the low usage of Islamic banking products and services compared to conventional banking's among Malaysians (Yahya et al., 2017). The customer lack an understanding of how Islamic banking works. The results further concede that majority of the respondents are willing to go for Islamic banking if informed properly and offered better customer experience. The results suggest that Islamic banking organizations need to frame effective communication strategies to increase awareness among the populace about how Islamic banking operates (Islam & Rahman, 2016).

Islamic banking operations in Malaysia have not completely diffused or reached into the entire levels of the society compared to its mature conventional banking counterparts. Although there are increasing statistics of Malaysian banking clients utilizing Islamic banking products and services, most of them have not adopted the system in total (Yahya et al., 2017). This is because, first, Islamic banking has been misconstrued as being applicable and offered to Muslims only. Hence, there is still a large portion of non-Muslims who are reluctant to engage in Islamic banking services. Second, ironically Islamic banking has also been rejected by the Muslims because of misperceptions that Islamic banking is a mere replication of conventional banking or simply a way of "Islamising" conventional banking products to attract the Muslim market (Mahdzan & Zainudin, 2015). The various interpretations may confuse customers and may affect their selection of the Islamic banking services. The common problems that customers feel uncomfortable with are a lack of transparency in products and services (Panigrahi et al., 2018). Such issues lead to a decrease in intention to go for Islamic banking products.

The financial services provided by the banking sector play a vital role in business activities in Malaysia. Motor vehicle financing is one of the products being offered to the public. Due to the public's positive perception or belief in Islamic banking operation, a large number of conventional banks offer the Islamic financing product. The demand for Islamic banking system is increasing, and therefore many conventional and commercial banks have diverted some of their operations to the Islamic system. There is a study found out that Islamic car financing increased its market share rapidly. Increasingly more people are attracted to the Islamic system

compared to the conventional one. This is proven by looking at the competitiveness effect and the market share. However, conventional car loan is still the preference for purchasing cars in Malaysia (Razi et al, 2019). Thus, this study aims to explore factors that contribute to Islamic car financing adoption.

The remainder of this paper is organised as follows: In Section (2) a review of the literature of the awareness of Islamic bank system. Section (3) covers the methodology employed, while the 4th section presented covers the findings and discussion. The recommendations & conclusion are present in Section (5).

2. Literature Review

Muslims may be shifting towards it for reasons of faith but it is also receiving attention in the UK, Europe, Singapore, Hong Kong, etc. The UK government has committed itself to making London the global hub of Islamic finance, and the UK treasury is issuing a Sukuk worth £200 million, becoming the first sovereign state outside the Muslim world to issue an Islamic bond. Islamic financial could be divided into four types of contracts: (1) transactional contracts, (2) financing contracts, (3) intermediation contracts, and (4) social welfare contracts. Some contracts are transactions distinctly different from transactions found in conventional banking. For example, Musharakah belongs to financing contract and intermediation and means joint venture or partnership. Under this contract, Islamic banking institutions start a business with two or more persons. Because of the equal partnership, Islamic banks will be able to share profits and losses among partners. This concept is similar to equity investments in the modern economy (Nakagawa, 2009).

Mudarabah, which means profit-sharing, is under intermediation contract. Transactions under this contract are similar to Musharakah in that Islamic financial institutions provide capital with their partners for a project. Islamic banks will thus be able to earn profits from the project; however, one difference between Musharakah and Mudarabah is that under a Mudarabah contract, Islamic banks must bear all losses. The other contract, Murabahah (cost-plus sale) is a contract of the second type. Under Murabahah, an Islamic bank purchases goods on credit at the request of their customer. Then, the goods are sold to the customer at the purchased price plus the costs of the bank (presented as α -margin of the bank in. Murabahah is often utilized for purchasing durable goods, such as a computer or a car. Similarly, if the goods are purchased under a deferred payment sale, Bai' Bithaman Ajil is applied. This contract belongs to transactional contract and is often utilized for housing or automobile financing.

Awareness

Jameel (2017) indicated that, customer have good in awareness and attitude toward Islamic banking products and it cause many people motivated to change from conventional bank to Islamic banking. In most Muslim countries, awareness is one of the main factors that make Islamic bank product widely available worldwide. Awareness comes when people understands and motivates to make decisions based on the advantages and disadvantages of a subject. A large gap in awareness is decreases year over year and Islamic banking is increasingly foreign and perceived as a practical reality rather than a theoretical idealism. In India, lack of awareness does not affect the Muslim population in choosing Islamic banking products. They are willing to choose Islamic banks if the product offered is as convenient as

conventional banks and the public believes in the use of Islamic banks (Islam & Rahman, 2017).

Kaabachi & Obeid (2016) discovered, the level of awareness from customers in Tunis is low because they do not fully understand the concepts from Islamic finance. Customers do not have knowledge because efforts to market their services and products are insufficient for Islamic banks. This shows that Islamic banks need more marketing initiative such as boosting promotional activities. Meanwhile, Buchari (2015), indicated found various understanding level of awareness of the Islamic banking products. The customers' awareness of Islamic banking products in Pakistan and Turkey are perfectly astonishing in some of the products such as current and time deposit accounts. However, a number of the Islamic financial products such as Murabaha and Ijara, are often not aware among the customers. Additionally, the customer awareness of the Islamic banking products and services through its accessibility and customer satisfaction is high either at the fully-fledged Islamic banks or dual-window banks operating in Pakistan. The customers are less focus to religious belief in banks' selection process. Eventually, the products' concepts and excellence of services are the less significant factors in selecting Islamic banks (Buchari, 2015).

Religious Obligation

Religiosity plays an important part in influencing people and it relate with life and ethics. Then, Othman & Fisol (2017) stated that the religion have positive relationship with life satisfaction. The commitment in religious comes from educations or close people in certain activities to influence individual participate. This shows that, the factor for customers to choose Islamic bank products for Islamic personal financing is religious obligation because to Shariah compliance. According to Lajuni etc (2017), religious obligations had an impact on the use of Islamic financial products. Islamic banks must follow the values of Islamic principles when offering Islamic personal financing to influence consumers using Islamic personal financing. A factor that can influence individuals in cognitively and behaviorally is religion because religion can control a person's attitude and behavior.

The factors to choose a bank not only involve by religion and emphasizing that the prospects for targeting religion will no longer thrive (Bodibe etc, 2016). There are also barriers to use Islamic banks due to religious conflicts. This indicates that there are some factors such as social influence. It also suggests that instead relay on religious obligations as a factor in attracting customers, but they should focus more on provision of quality and efficient services. It also proposes to deliver on religious responsibility as a factor in attracting customers, but they should focus more on providing quality and efficient services (Maamor, Rahman, & Hamed, 2016). Thus, both religious and economic are significant patronage factors among Malaysian corporate customers towards Islamic banking product.

Furthermore, significant effects towards the usage of Islamic banking products on the individuals were the government support, religious obligation. Religious obligation and pricing of Islamic banking products were the individual's intention choosing Islamic products. The religion is the most important factor for the usage of Islamic banking followed by "convenience" and "traditional services". From that, the importance of religious factors was affecting bank customers' banking preferences (Ali & Chin-Hong, 2015).

Social Influences

The term social influence refers to subjective norm or normative pressure. It can be defined as one's perception that those who are important to her or him should or should not perform the behaviour and motivation to comply with particular reference (Ibrahim etc, 2017). Behaviour is an individual's attitude or identity also influenced by external factors or people around such as friends or family. Hamzah et. al, (2015) detailed that to form an intention it must be adopt on their beliefs by specific behaviour about adoption values. Social influences not only influence an individual's behaviour but it also can influence the opinion of others with reasonable attention. Social influences are defined by the decisions of individuals affected by their social environment such as their family, friends and people (Echchabi et al., 2015). The use of Islamic banking products is perceived a social influence. Behaviours can be classified as behaviours that are formed through community groups. This matter is determined by the normative belief that assesses social pressures on the individual's particular behaviour (Ibrahim et al., 2017). The meaning of the subjective norm as the individual's perception is important to translate the idea of an individual in behaviour that must be done.

It is also classified as peer pressure. It refers to whether the person who participates or intends to participate in such behaviour is strongly influenced by those around them or not. These people may include partners or friends, family, colleagues, community leaders and other notable people. Almost every day of one's individual will influence by opinions, deeds and advices of other peoples. Subjective norm is defined as a person's perception of the people most important to him that people should or should not do to his behaviour. Subjective norms refer to the individual's perception of social pressure around him in performing or not performing certain behaviour. Subjective norms allude to the person's view in regards to probability of the potential referent gathering or people to engage in or not in behaviour. The researcher expressed that friends and family could be the specialists to affecting person's response relating to Islamic pawnshop facilities use. The researcher found subjective norm to be associated with the level of acceptance of diminishing partnership and in fact, the subjective norm was found to be a more influential predictor of intention to use Islamic financing than attitude (Ibrahim et al., 2017).

3. Methodology

Research Sampling

The population chosen in this research is the informant from bank officers in Kota Bahru, Kelantan. Researcher chooses this population because it is only applicable to get information from the employees that are considered to handle Islamic vehicle financing. Therefore, the researcher conducts a qualitative method via in-depth interview-with bank officers. The researcher chooses the selected informant as it will be easier and effective for the researchers to collect data needed to complete the investigation as the bank officers are most likely and probably managed Islamic car financing.

Data Analysis Method

The biggest challenges in acquiring data is during the learn phase, there will reveal insights and challenges that lead to research question development which often provide clues to potential interventions. According Braun and Clarke (2006), thematic analysis can be applied for this research which this method for identifying, analysing and reporting patterns within data. It describes the data set in detail and also often goes further than this and interprets various aspects of the research topic (Braun and Clarke, 2006). Furthermore, thematic analysis is used to analyse qualitative information and to gain knowledge systematically and empathy about a person, an interaction, a group, a situation, an organization or a culture (Braun and Clarke, 2006). In addition, this method also helps researcher to develop deeper appreciation for the group or situation they are researching. Lastly, researchers can determine the broad patterns that will allow them to conduct more research and analysis by using thematic data (Nowell et al., 2017). The process of data analysis is summarized in Figure 1.

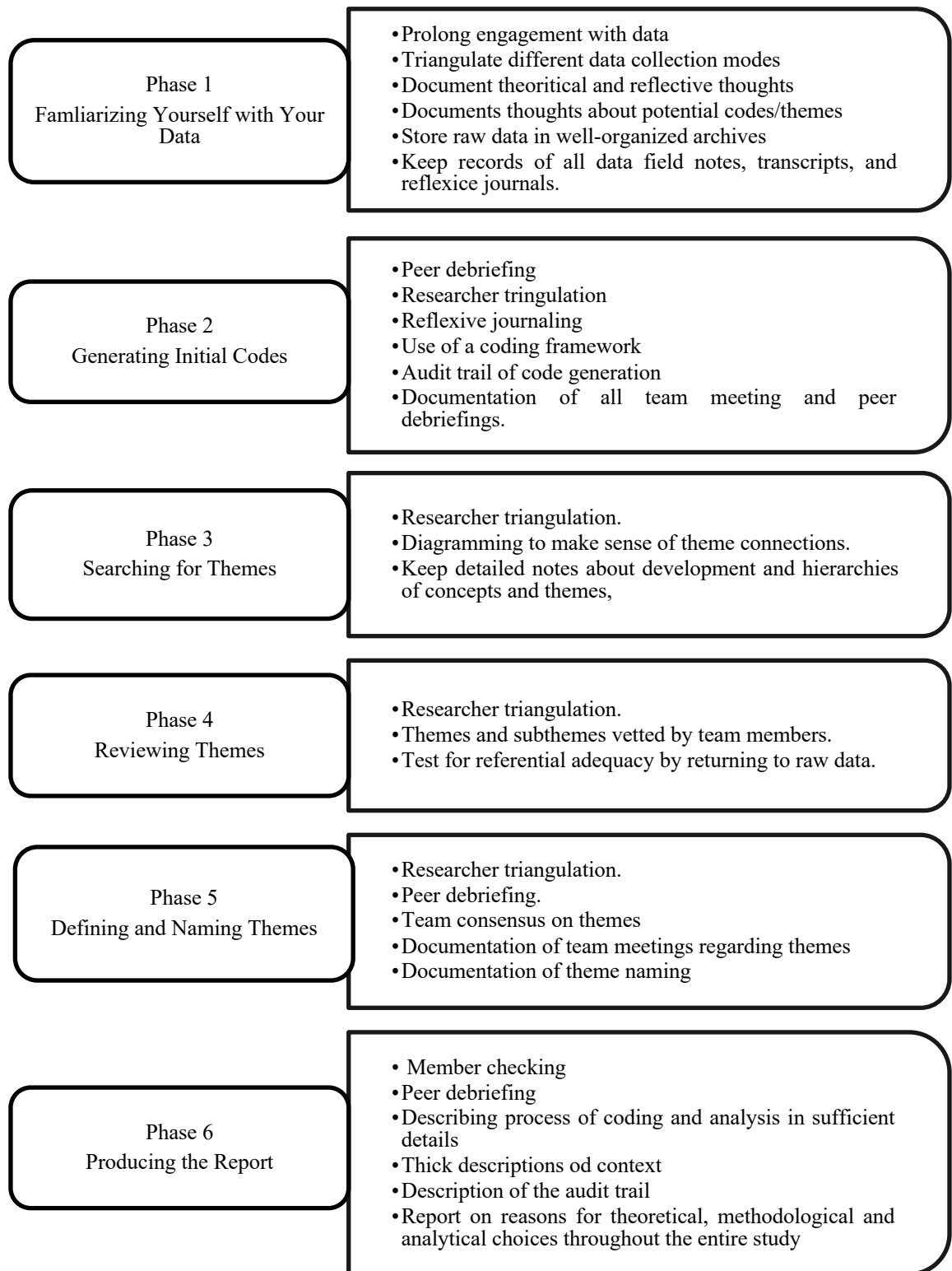


Figure 1: Phase of Thematic Analysis as proposed by Braun and Clarke (2006) and modified by Nowell et al., (2017)

4. Findings and Discussion

THEMES	BANK 1	BANK 2	BANK 3	BANK 4	BANK 5	BANK 6	TOTAL
Awareness		/	/	/	/	/	5
Religious Obligations	/		/	/			3
Social Influences		/			/	/	3
Total	1	2	2	2	2	2	11

Table 1: Participants and Themes Distributions

The table 1 shows themes distribution results which consists awareness, religious obligations and social influences. The themes of awareness were decided by five of six participants. Next, half of participants agreed with religious obligations and social influences as the factor of choosing Islamic car financing.

The researcher discovered that the awareness had major factor of acceptance Islamic car financing among customers. Participant 2 indicated that *“They (customers) prefer hundred percent Islamic banks... Most in Kelantan know that they (customers) want Islamic banks (to apply Islamic car financing).”* It maintained by Participant 3 as *“Many of them (customers) know about it (Islamic financing) but based on their own awareness (to choose Islamic car financing).”* Awareness motivates the customers for choosing Islamic car financing which could attract potential customers to accept Shariah compliance products. Besides, several customers who have adopted conventional loans have asked to convert to Islamic financing. It supported by Participant 4 who detailed that *“Sometimes customers requested Islamic financing... Mostly, customers choose AITAB (Al-Ijarah Thumma Al-Bay) because (it) under Islamic financing.”* Consequently, self-awareness becomes initiative to get in-depth information and understanding about Islamic car financing.

Afterward, the religious obligation plays the role to customers for choosing Islamic car financing. The findings show that religious obligations are significant determinants of the intention to consume Islamic car financing. Participant 1 indicated *“But actually when Muslim customer always wants any products (Islamic financing) as long as it is Islamic (Shariah compliance)... If we offered credit card that are not Islamic (conventional), they would refuse to take it... The customer directly wants Islamic financing.”* Participant 3 reported that the people prefer Islamic car financing *“...because of Islam... That is our responsibility (to choose Islamic financing) as a Muslim.”* The potential reason is customers know their responsibility as Muslims to choose Islamic car financing. They strongly believe that religion is the only reason why people supported the Islamic car financing. In fact, this factor could lead to influence the decision of the customers to choose Islamic car financing rather than conventional car financing.

Finally, the researcher initiates that social influence is one of the factor for choosing Islamic car financing. They choose Islamic car financing because of influenced by family members and friends who also employ Islamic financing before. This argument is supported by Participant 2 who specified that *“Usually they (customers) choose because based on (their) parents.”* Too, Participant 5 agreed that *“Mostly, the people (customers) prefer Islamic car financing because their parents adopt it.”*

Meanwhile, there were influenced by friends also make them to choose Islamic car financing. This shows that friends play a foremost part in their behavior as a reference or model to form their personality. As suggested by Participant 6 *“There are parents who use AITAB, their children also want to use it... Not just advertising (Islamic financing) but influences from friends and family. Because other people (customers) don't even realize this ad.”* So, the researcher stated that friends and family members are agents to influence the individual’s reaction pertaining to apply Islamic car financing. It shows that social influence is the mechanism by which peers influence individual’s behavior and attitudes to choose Islamic car financing.

5. Conclusion and Recommendations

In conclusion, this study indicates that are awareness, religious obligation and social influences from customers having major factor with acceptance Islamic car financing. There are several recommendations to improve the awareness and knowledge besides to expose the existing Islamic car financing among customers in Kelantan. Firstly, the Islamic banks should target its marketing mix towards this category which are 25 years above because this age category desires to purchase their own car. This technique will ensure the attraction job market entering people towards Islamic bank products or services and also retention of the people who are likely to remain long-term loyal customers. Secondly, Islamic banks need to attempt specific approach to familiarize its customers with all its existing Islamic products or services as well as introducing new products. So, Islamic banks should promote and advertise the information by sharing the brochure, through social media or forum regarding Islamic products or services. This would make people able to expose and more aware about the existence of Islamic products or services. Thirdly, the banks should remain highly dedicated to Islamic principles based on Shariah compliance. Religious principles remain the people’s preference for choosing Islamic products. Any attempts to introduce any products or services, it should be thoroughly explained on the basis on Islamic principles and should be checked for customers’ acceptance. Muslim customers also believe that if they take Islamic products, they will get blessing from *Allah S.W.T* in future. Then, social influences are significant factor and jointly responsible in determining the intention of choosing Islamic car financing. Therefore, Islamic banks should rise its attention towards social influence through car dealer, agent, staff and many more. Islamic banks need to do forum or class about Islamic products. From that, they able suggest to the customers to choose Islamic car financing and express the customers about the benefits to use this services that provide by Islamic banks. The Islamic institution must explain the car financing in details for people out there that offer tangible benefits and value to customers. That can give ability for Islamic institution to grow up more in future.

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**The understanding of Sukuk among Islamic banking and finance students in
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Abstract

This study aims to examine the understanding of *Sukuk* among Islamic banking and finance student in Universiti Malaysia Kelantan. The problem statements in this study is the Understanding about *Sukuk* among Islamic Banking and Finance students (SAB) in the Universiti Malaysia Kelantan (UMK) is still low. While banking students are taking on subjects related to *Sukuk*, most students do not take seriously in learning about *Sukuk*, although during lecturer learning process have been told about *Sukuk*. It is often misleading by students SAB with *Sukuk* and conventional bond. The objectives of this study are to identify relationship of the understanding of *Sukuk* among Islamic banking and finance student in Universiti Malaysia Kelantan through of awareness, knowledge, and attitude. The method use in this research is quantitative method. Our population is 775 students and our sample size is 278 students from SAB students' year 1 until year 4 students 2019/2020 session. The data collection has collected through distribution of questionnaire through Google Form to the respondents. By using Pearson's Correlation Coefficient Analysis, Multiple Regression Analysis and Reliability Analysis the result shown that, the study concludes the assumptions of significant positive result the understanding of *Sukuk* among Islamic banking and finance student in Universiti Malaysia Kelantan. Therefore, the findings of this research are useful in to measure the understanding of *Sukuk* among Islamic banking and finance student in Universiti Malaysia Kelantan.

Keywords: *Understanding, Awareness, Knowledge, Attitude*

1. Introduction

Sukuk are financial instruments similar to bonds and stocks that comply with Islamic law. Since its inception in 2002, the *Sukuk* market has experienced dramatic growth rates that have attracted investors, analysts and researchers. *Sukuk* are used to raise funds for investment in ways that are in line with Islamic principles. Since some *Sukuk* are similar to conventional bonds, they are often called "*Sukuk*". However, there are major differences between *Sukuk* and conventional bonds.

The most important, the *Sukuk* structure needs to adhere to shari'ah religious principles. In process, Shariah advisory boards are usually set up and referred to to ensure that the structured *Sukuk* adheres to Islamic principles. The whole principle of Islamic finance is that transactions should be based on real productive economic activities. Most monetary or speculative transactions are prohibited. In particular, there are five prohibited activities that *Sukuk* should avoid such prohibition against unjust enrichment (*riba*), prohibition against gambling or speculation (*maysir*), prohibition on unnecessary risk (*gharar*), prohibition against taking unfair advantage (*jahl*) and prohibition against corruption (*rishwah*).

Under Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) defined *Sukuk* as being "certificates of equal value representing undivided shares in ownership of tangible assets, usufruct and services or in the ownership of the assets of particular projects or special investment activity." There are three conditions for *Sukuk* to be considered in compliance under Shariah law. First, the certificate must represent ownership in tangible assets, usufructs or services from the income generating firm. Second, payments to investors come from subsequent tax benefits and thirdly, the value of repayments at maturity should be based on the current market price of the underlying asset and not the amount invested.

2. Literature Review

2.1 Definition of Sukuk

Sukuk is the plural of "sakk" which means to strike or to hit; the meaning is related to striking one's seal on a document. 'Written document' is the meaning if it is translated literally. The term of *Sukuk* can be seen as an Islamic equivalent of bonds that is now has been used for financial certificates. *Sukuk* are securities that comply with Shariah rules and regulation, Shariah principles which prohibits the charging of interest is based of its investment, which mean there is not an interest in profit of *Sukuk*, but it is generated from the performance of the underlined assets. Islamic or the Shariah compliant bond, or Islamic investment certificate is the technical meaning of *Sukuk*.

2.2 Understanding of Sukuk

Islamic banking products and services have not done enough in educating customers and marketing their products. For example, more than 65 per cent of the respondents indicated that they had limited knowledge in Islamic banking system. Similarly, despite the fact that the Bank Islam Malaysia Bhd had gained footing since 1984 and that the Interest-Free Banking Scheme was launched since 1993, the majority of the respondents started having banking relationship with this system only four years ago. This lack of marketing effort among the providers could be the contributory factor towards the smaller market share of Islamic deposits and loans against total loans and deposits of Malaysian banking system (Afifah & Sudin, 2002).

Sukuk are financial instruments similar to bonds and also shares that are compliant with Islamic law. Since their inception in 2002, *Sukuk* markets have experienced dramatic growth rates attracting the attention of investors, analysts and researchers alike. There are three requirements for a *Sukuk* to be considered in compliance with the Sharia law. First, the certificates must represent ownership in tangible assets, usufructs or services from revenue-generating firms. Second, payments to the investor come from after-tax profits and third, the value repaid at maturity date should follow the current market price of the underlying asset and not the original invested amount. *Sukuk* comes in many different forms, as financiers are not restricted to create their own variations.

2.3 Knowledge

Knowledge can be acquired from many sources and the level of its quality and reliability varies. These include proper education provided by university courses, forums and symposium and training workshops. Other than proper education would be the knowledge derived from the teachings of parents, relatives and friends (Keller, 1987; Lee, 1999). Islamic perspective shows that knowledge is important in Muslims life. The Holy Quran 6:119 explains that knowledge is crucial in decision-making to differentiate halal and haram. It was also strengthening by the first word delivered to the Prophet, which is *Iqra'* means read to learn and understand better.

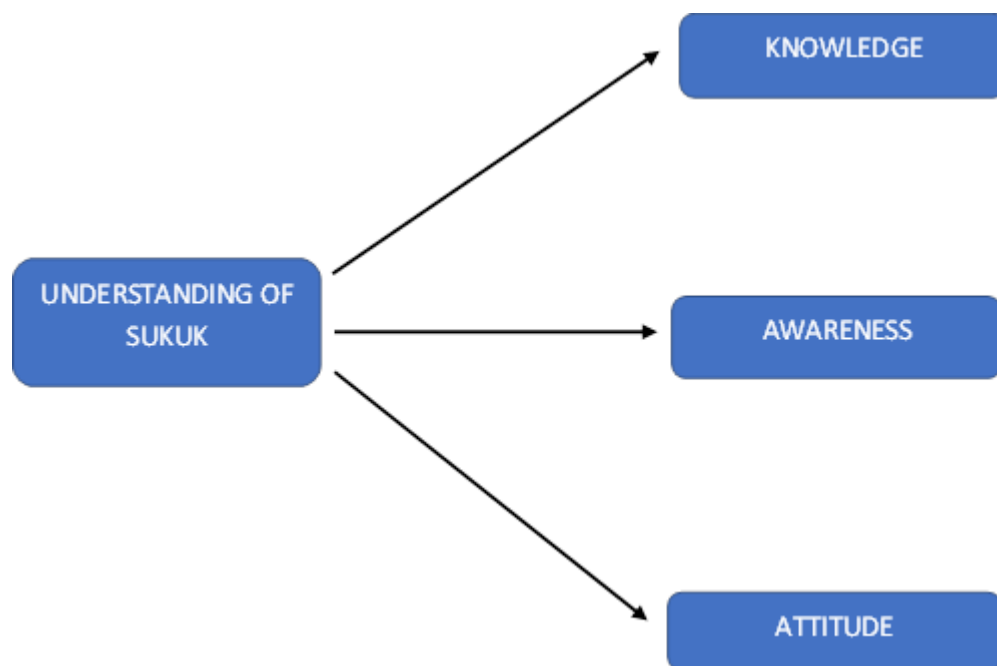
2.4 Attitude

The attitude can be defined as a mental or neural state of readiness that organized through experience, exerting a directive or dynamic influence on the individual's response to all object and situation to which it related (Allport 1935). Act in a particular manner due to individual's experience and knowledge is a simple definition of attitude. In Bahrain, Metawa and Almosawi (1998) religious beliefs and profitability was paramount aspect in identifying the attitudes of Islamic banks' clients.

2.5 Awareness

Then, according to Ali Safari, Reza Salehzadeh, Razieh Panahi, Samaneh Abolghasemian (2017), awareness is defined as a subjective ability to recognize and pay attention to the presence of object and its characteristics. The precise moment at which individuals become aware is when they express their opinion and will in relation to an object. Fiske and Taylor (2008) stated that awareness is a cognitive process related to an individual’s ability to recognize the object and understand what it is and what is it used for. This means that the students need to have at least a contact or glimpse with the objects which refers to Islamic bond (*Sukuk*), so that he or she is familiar with certain characteristics of the instrument. Awareness of a *Sukuk* does not occur suddenly or spontaneously.

2.6 Conceptual Framework



3. Research Method

3.1 Research Design

Quantitative data collection and qualitative data collection are the two basic types of data collection. In this study, the researcher has chosen the quantitative data collection to be used. Quantitative data are data that can be expressed as a number or quantified. Therefore, numbers have been used in quantitative data collection to assess information. Statistical analysis will be used to further evaluate the information and enable the researchers to analyse and interpret the data meaningfully. This study also used descriptive research method.

Quantitative data is being used for this research paper because the understanding of *Sukuk* is very objective which means it is measurable as compared to qualitative data, which is very subjective. Tests theory can be used for quantitative data in order to determine the cause and effect relationships easily. Besides that, data particular to the independent variables can be obtaining directly from the respondents through research instrument that is being used. Therefore, this study will be using the obtained quantitative data to analyse the results of the variables involved.

3.2 Sampling

A sample size is a subset of the population and number of units that were chosen from data that were gathered. By studying the samples, the researcher should be able to draw conclusion that are generalizable to the population of interest. This data is collected from the survey to the Islamic Banking and Finance students through the questionnaire that study about the understanding of *Sukuk*. Researchers selected the Islamic Banking and Finance students as the respondents in our research because only this students who had studied *Sukuk* in the subjects' syllabus in Universiti Malaysia Kelantan and they are the young practitioners.

3.2.1 Simple Random Sampling

Simple random sampling is a basic sampling technique where we select a sample subject group to learn from a larger group of populations. Each individual is completely randomly selected and each resident has the same opportunity to be included in the sample. We choose this sampling design because to ensure that every year of study of students from Islamic Banking and Finance have an equal chance to be selected as respondents. Every possible sample of a given size has the same chance of being selected. The sample size is estimated about 300 students that representative from the population in this research. From Krejcie & Morgan (1970), the table determine the sample size of population must be minimum 260 from the population of the Islamic Banking and Finance students that is 775 students.

Table 1: Krejcie & Morgan (1970) table to determine sample size of a known population

Table 3.1									
<i>Table for Determining Sample Size of a Known Population</i>									
N	S	N	S	N	S	N	S	N	S
10	10	100	80	280	162	800	260	2800	338
15	14	110	86	290	165	850	265	3000	341
20	19	120	92	300	169	900	269	3500	346
25	24	130	97	320	175	950	274	4000	351
30	28	140	103	340	181	1000	278	4500	354
35	32	150	108	360	186	1100	285	5000	357
40	36	160	113	380	191	1200	291	6000	361
45	40	170	118	400	196	1300	297	7000	364
50	44	180	123	420	201	1400	302	8000	367
55	48	190	127	440	205	1500	306	9000	368
60	52	200	132	460	210	1600	310	10000	370
65	56	210	136	480	214	1700	313	15000	375
70	59	220	140	500	217	1800	317	20000	377
75	63	230	144	550	226	1900	320	30000	379
80	66	240	148	600	234	2000	322	40000	380
85	70	250	152	650	242	2200	327	50000	381
90	73	260	155	700	248	2400	331	75000	382
95	76	270	159	750	254	2600	335	1000000	384

Note: N is Population Size; S is Sample Size *Source: Krejcie & Morgan, 1970*

3.3 Data Collection

In this research we collected the data directly from the respondents and thus it was in the category of primary data. Primary data are collected from the Islamic Banking and Finance student in Universiti Malaysia Kelantan. The sample size of study was 260 based on table 1 but we manage to take 276. We set up the questionnaire and a list of survey questions and distribute by two ways, by using Google form and by on field we approach respondents personally and randomly among the targeted group in the campus randomly among the targeted group.

3.4 Data Analysis

After distributing all the questionnaires, the data obtained we need to analyse each data to get the results of the study. Then the data is key in are going to analyse by using Statistical Packages for the Social Sciences (SPSS) methods. This purpose of using these techniques is for used for statistical analysis to the research questionnaire. It helps us to know and understand the result from your study in details and all the about required details or information that help to put that in perspective. Then, researchers analyse the respondents' demographic, descriptive analysis, Pearson's Correlation to find out the results in detail.

4. Findings And Result

Age of Respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 20-21 years old	66	23.7	23.7	23.7
22-23 years old	157	56.5	56.5	80.2
24-25 years old	54	19.4	19.4	99.6
26 years old and above	1	.4	.4	100.0
Total	278	100.0	100.0	

Analysis of respondents' age had shown table above. These indicated most of the respondents were into the age range from 21 to 22 years old which 157 (43.7%), followed by 147 (40.9%) from age of 23 to 24 years old and above and 55 (15.3%) were 19 to 20 years old. Most of the respondents was age range from 21 to 22 years old.

Year of study

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Year 1	50	18.0	18.0	18.0
Year 2	95	34.2	34.2	52.2
Year 3	72	25.9	25.9	78.1
Year 4	61	21.9	21.9	100.0
Total	278	100.0	100.0	

Table above had shown analysis of respondents' year of study. These indicated 50 (18%) of the respondents were from year 1, followed by 95 (34.2%) were from year 2, 72 (25.9%) were from year 3. Lastly, 61(21.9%) were from final year students.

Education level before

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid STAM	115	41.4	41.4	41.4
Matriculation College	102	36.7	36.7	78.1
Diploma	61	21.9	21.9	100.0
Total	278	100.0	100.0	

Analysis of respondents' previous academic background had shown on the table above. These indicated 115 (41.4%) of the respondents from STAM/STPM qualification, 102 (36.7%) of the respondents were from Matriculation qualification and 61 (21.9%) of the respondents from Diploma qualification.

Correlations

		Behaviour	Knowledge	Awareness	Attitude
Behaviour	Pearson Correlation	1	.890**	.899**	.823**
	Sig. (2-tailed)		.000	.000	.000
	N	278	278	278	278
Knowledge	Pearson Correlation	.890**	1	.892**	.846**
	Sig. (2-tailed)	.000		.000	.000
	N	278	278	278	278
Awareness	Pearson Correlation	.899**	.892**	1	.878**
	Sig. (2-tailed)	.000	.000		.000
	N	278	278	278	278
Attitude	Pearson Correlation	.823**	.846**	.878**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	278	278	278	278

** . Correlation is significant at the 0.01 level (2-tailed).

4.1 Pearson Correlation between Independent Variables

In the table above, it has shown the result of correlation coefficient for all variables related which were knowledge, awareness and attitude. The correlation coefficient between knowledge and awareness give high positive relationship with the value

0.892 in order that influenced the students understanding of *Sukuk* while the relationship between knowledge and attitude was also high positive relationship with the value 0.846. Next, the relationship of correlation coefficient between awareness and attitude also high positive relationship with the value 0.878 in order to influence the students understanding of *Sukuk*. Besides, the relationship between the independent variables and dependent variable were high positive relationship. All of the independent variables had positive Pearson correlation coefficient and the result shown on the attitude was get 0.823 which was the lowest than other variables. Another the highest result of Pearson correlation coefficient was awareness that got 0.899 and the moderated relation was knowledge at the value 0.890. All of these correlation coefficient were significant at 0.01 level (2-tailed).

5. Recommendations

This research has examined the understanding of *Sukuk* among Islamic Banking and Finance students in Universiti Malaysia Kelantan. The objectives of the study were to examine the relationship between the understanding of *Sukuk* among Islamic Banking and Finance students in Universiti Malaysia Kelantan through awareness among the students, to investigate the relationship between the understanding of *Sukuk* among Islamic Banking and Finance students in Universiti Malaysia Kelantan through knowledge among the students and to investigate the relationship between the understanding of *Sukuk* among Islamic Banking and Finance students in Universiti Malaysia Kelantan through attitude among the students. This research had shown that the variables of the study which are awareness (independent variable), knowledge (independent variable) and attitude (independent variable) were significantly correlated with behaviour (dependent variable).

Furthermore, researchers encourage future research to widen the respondents involved from various education institutions that could probably started within Kelantan first and then continue to extend the research to the other parts of Malaysia as a whole. This would uplift and enhance the quality of the findings that would be beneficial for our education industry players to regroup, re-plan and re-evaluate the current practices and framework of education for the betterment of quality education highlighted in the Sustainable Development Goals by United Nation.

6. Conclusion

Sukuk is an Islamic financial product that had been provide to all people. *Sukuk* is similar to conventional bond but the conventional bond is not Shariah compliance. The main purpose of this study was to find out the understanding among Islamic Banking and Finance (SAB) students in the Universiti Malaysia Kelantan (UMK) City Campus. Even there are many study have been conducted to determine the understanding of *Sukuk* in citizen, hopefully this research will improve more about the learning system at both public and any university in Malaysia too. This study found that student's behaviour and attitude learning was most dominant factor affecting the understanding of *Sukuk* among SAB students in UMK City Campus.

The theoretical framework and research design have been designed in this research, in order to achieve the research objectives. Based on the result, the positive significant have figure out from relationship with dependent variable and three of independent variable. The dependent variable was the understanding of *Sukuk* and the three significant positive of independent variable were student knowledge, awareness and attitude. This relationship of the variable is accepted and give a positive significant.

In conclusion, researchers hope that this research will give positive opportunities and also new ideas in terms of renewal and also improve to the all universities and education industry in learning about the understanding of *Sukuk* and try to practicing it because this product is Shariah compliance.

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Islamic Risk Management

**Customer satisfaction and awareness of takaful and insurance among staff
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Abstract

The aims for this research is to identify the relationship between factors that influence customer satisfaction and awareness of takaful and insurance among staff University Malaysia Kelantan (UMK) City Campus. The factor of customer satisfaction and awareness consists of three indicator which are knowledge, attitude and motivation. The research design of this study is used by quantitative approach, as the researchers use the questionnaires to collect the data. 103 questionnaires will be distributed to the staff of University Malaysia Kelantan. IBM SPSS Statistics version 22 was used to analyse the data after collected from the respondents. Furthermore, reliability test, descriptive statistics and Pearson Correlation were used to analyses the data after the data collection. After analysed the data, the result that the researcher get from all analysis that was performed, only one independent that affect the dependent variable which is knowledge. Meanwhile, for the other two variables which is attitude and motivation, they are not compatible with dependent variable.

Keywords: Customer Satisfaction; Awareness; Takaful; Insurance

1. Introduction

In 1983, Islamic insurance, also known as *takaful*, was established to complement Bank Islam Malaysia Berhad's operations to become more complex at that time. The

establishment of takaful provide direct Islamic people to support Islamic products as opposed to conventional products that require the protection of shariah-compliant Islam. Tan Sri Datuk Ahmad Ibrahim presented a paper for "Towards an Islamic System" in February 27th 1982 to set up a Special Task Force to study the establishment of takaful industry in Malaysia.

In the al Quran that has been a reference in an Islamic insurance policy model which emphasizes the fundamental principles of mutual cooperation and solidarity by Maysami and Kwon (2012). From Omar and Dawood (2000), administrator isn't selling and take an interest isn't purchasing any hazard inclusion which implies that the hazard in takaful is not exchanged by way of contribution payment made to operator.

According to section 2 of the takaful act 1984 of Malaysia defined as a scheme based on brotherhood, solidarity and mutual assistance which provides for mutual financial aid and assistance to the participants in case of need whereby the participants mutually agree to contribute for that purpose. Shariah compliant insurance also can define as takaful. In section 2 of the takaful act 1984 mentioned takaful business mean business who aims an operation do not involve any element which is not approved by the shariah.

In Malaysia, insurance company were set up since 1960 which was established make residents more familiar with conventional insurance compared to Islamic insurance which have same benefits plus Islamic insurance product was shariah compliance. Basically concept in takaful was almost same in Insurance system but there are several differences between them. This differences can be seen with the attractiveness of different customers towards these two products.

2. Literature review

2.1 Takaful

Takaful is defined as an agreement based on mutual assistance under which takaful participant agree to contribute to a common fund that provides mutual financial benefits payable to the takaful participants or their beneficiaries on the occurrence of pre-agreed events by IFSA (2013). Takaful also promote mutual aid and unity among participants of takaful is the concept of ta'awun in takaful. According to Anwar (2008), the concept of mutual cooperation of takaful when insured is also the insured that will share the profit or loss of the institution to which they are paying of the contribution. According to Ali et al. (2008), takaful generally means joint guarantee. This means that if something happen like an accident then a group of takaful participants will agree to reciprocally guarantee each other financial terms. Ayinde (2012) stated that Malaysian seem are willing to adopt takaful depending in terms of the knowledge and awareness of takaful among Malaysians.

2.1 Insurance

Insurance is a form of management risk especially for guarantees against the possible risk of financial loss. It also as a primarily for security against the possible loss of money. It is implemented through exchange of payments or sell and sell for care and guarantees to avoid a loss large ones that would be avoided and protected by clients. Conventional insurance is a one of the insurance part. According to Tahira and Arshad (2014), conventional insurance is the funds pooled from larger of policy holders are reinvested in interest bearing instruments. Conventional means usually

being done or being practice. Conventional also refers to business transaction based on common practice not according to shariah system which is not non shariah compatible which stated by Rahman (2008).

2.3 Customer satisfaction

Customer satisfaction is one of the factor that influenced to give improvement and feedback from customers to the company. According to Borah (2012), customer satisfaction is assessed services provided by private life insurance company in Assam and concluded that dimensions of tangibility, accessibility and understanding had the maximum impact on customer satisfaction. In takaful industry, customers are willing to pay the best premium to buy policies because they are feels comfortable, and their trust to the products and services is high. According to Rai and Sarsted (2013), these studies have agreed that corporate image has a positive effect on the value viewed and customer satisfaction.

2.4 Awareness

According to Swiss Re (2014), enhancing takaful awareness among individual users is having a big challenge. In creating values of awareness and interests in individuals regarding to the takaful time-consuming and take a long period. The researchers noted that a person level of education can affect or cause toward awareness on the concept and principle of takaful. Besides that, Panjamorthy (2014) stressed that many Malaysians did not know the protection of takaful and the reality 90% of Malaysians do not have takaful coverage while 42% of those Malaysians are interested and have insurance coverage that is from conventional companies.

2.5 Knowledge

Sowell T (1996) stated that knowledge involves in both data and the relationships among data elements or their sets. Based on Billah (2007), the participant and takaful operator are using concept helping each other financial protection. Muslim's level of knowledge on takaful, perception of takaful which influenced their personal financial choices and religious factor that comply with Shariah concept into the Muslim's preferences. A clear understanding about takaful is important to make sure Muslim choose takaful.

2.6 Attitude

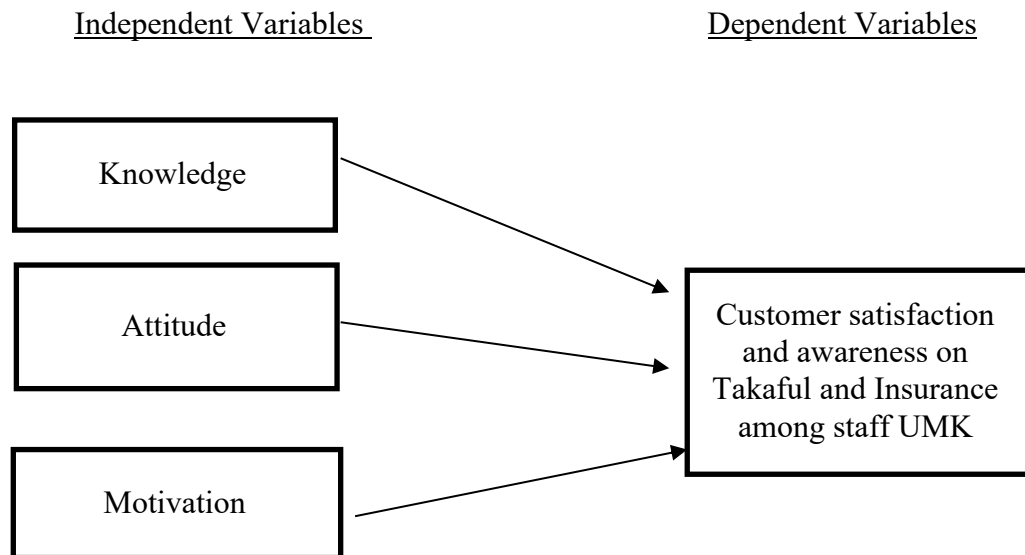
Eagly and Shelly (2007) stated that attitude as "a psychological tendency that is expressed by evaluating a particular entity with some degree of favour or disfavour". According to Sarah (2019), each individual has different characters from one another. These differences relate to behaviour, in which one's behaviour is influenced by the culture he receives from his environment. So the behaviour of the customer will make them know either choose conventional insurance or takaful.

2.7 Motivation

In addition, according to Guay (2010), motivation is refers to the motivation that give energetics to by individual attentiveness, enjoyable and is usually various from extrinsic motivation which is operated by strengthening eventuality. The level of their self being motivate will drag to make a chosen of takaful product. It also will affect their awareness to takaful.

3. Conceptual Framework

Figure 1 showed that the independent variable (IV) and dependent variable (DV) of this study. The independent (IV) as the factors that can influence the customer satisfaction and awareness on takaful and insurance among staff UMK, while the dependent variable (DV) as the result in preference of their satisfaction and awareness. There are three independent variable (IV) that will be examined in this study which are knowledge, attitude and motivation.



This study uses an empirical approach focusing on a quantitative methodology. By implementing a quantitative approach, the relationship between knowledge, attitude and motivation of customer satisfaction and awareness of takaful and insurance can be exposed. The population may be all the individuals of a particular type or a more restricted part of that group. The target population consisted of staff of academic and administration of University Malaysia Kelantan of City Campus. The population of staff in UMK, City Campus is 374. Normally, people that grouped in B40 that received below than RM 3000 per month may not intention towards takaful and insurance product. Normally, people in group of M40 and T20 with average income RM 6275 and RM 13,148 may have intention of product takaful and insurance. Thus, the targeted respondent of this study is UMK staff with income above than RM6275, whereas around 38% staff at UMK Pengkalan Chepa received monthly income above that RM 6276. That equal to 140 staffs obtain from table of Krejeje and Morgan (1970).

3.1 Research Design

The purpose of this study is to find and examine the customer satisfaction and awareness of takaful and insurance among staff. This study used the quantitative approach is found to be more appropriate for this study because it is the primary data. According to Hamza Alshenqeeti (2014), quantitative research is focuses on statistical analysis of numerical data collected through the use of large-scale survey research, using methods such as questionnaire or structured interview. The method use in this study is to identify the staff satisfaction and awareness on insurance and takaful. Questionnaire are commonly used to collect quantitative data by asking respondents to report attitudes, motivation, knowledge, demographic and behaviour.

3.2 Data Collection

In this study, primary data has been used in order to gain the necessary information for the quantitative research methodology. This study focused on the university staffs including lecturers and administrative staff. A set of questionnaires have been distributed to the population to collect the data randomly. The sample population for the current comprised of 103 respondents among staff University Malaysia Kelantan. Multiple choice questions have been used in this study to identify the demographic, while the scaled questions have been used to examine the most important factor that influence customer satisfaction and awareness in Takaful and Insurance.

3.3 Sampling

In this study, the researchers used determining the samples of the study. All the staffs of academic and administrations of University Malaysia Kelantan in City Campus were the respondents of this research. The Convenience Sampling Technique of non-probability sampling to draw the sample of from the population of actual and potential customers of conventional insurance and takaful products among the staffs of University Malaysia Kelantan, City Campus. The sampling technique is chosen to enable the researcher to identify people earn income as noted by Redzuan et al. (2009).

3.4 Data Analysis

There were three data types used in this study, that were descriptive analysis, reliability analysis, and Pearson correlation. The data obtained was analysed by using Statistical Package for the Social Science (SPSS).

4. Findings

Table 1: The demographic characteristic of the respondents

Demographic Characteristic	Category	Frequency	Percentage%
Section A: Gender	Male	36	36
	Female	67	65
Age	25-40 years old	91	88.3
	41-55 years old	12	11.7
	56-70 years old	-	-
Marital status	Single	25	24.3
	Married	76	73.8
	Divorce	2	1.9
Race	Malay	99	96.1
	Chinese	1	1.0
	Indian	3	2.9
	Other	-	-
Religion	Islam	99	96.1
	Buddhist	3	2.9
	Hinduism	1	1.0
	Other	-	-
Education level	SPM	13	12.6
	Diploma	22	21.4
	Degree	31	30.1
	Master	27	26.2
	PhD	10	9.7
Salary income	RM 1,000-RM 2,000	35	34
	RM 3,000-RM 4,000	50	48.5
	RM 5,000 and above	18	17.5

Table 1 showed the demographic of the respondents. Among of them, 65% were female. The majority age of the respondents was between 25-40 years old (88.3%). The total of respondents among staff UMK were 103 (100%). Based on the frequency, majority of respondents are Islam 96.1% where only 1% of respondents is Hinduism. There are, 48.5% of respondents have been reported their monthly income was between RM 3,000- RM 4,000. There are, 73.8% of respondents are married compared to single 24.3%. Moreover, 30.1% of respondents reported that they possessing a Bachelor's Degree.

Table 2: The descriptive statistic of independent variables and dependent variable

<i>Independent Variables</i>		
Items	Mean Score	Standard deviation
Knowledge:		
Knowledge about insurance and takaful plays important roles in customer's decision	4.25	0.682
Takaful is a way of being guarantee security and protection in future	4.24	0.747
Knowledge of takaful scheme and conventional insurance lets customers know about usury, uncertainty and gambling (riba, gharar and maysir)	4.12	0.796
The benefits received influence the decision to purchase the takaful policy or conventional insurance	4.20	0.677
Takaful plans gives more benefits to the policyholder compare to conventional insurance	4.12	0.745
Attitude:		
Belief plays important roles in customer's decision	4.22	0.740
Attitude of the people surrounding customer's will influence their decision making on takaful and insurance	4.22	0.727
Attitude may affect people's intention to participate in takaful scheme or conventional insurance	4.07	0.744
Individuals' may modifies his attitude toward a protection product (takaful scheme or conventional insurance) when the individuals' is continuously seeking knowledge and information on protection product	4.13	0.750
Purchasing power of consumers plays an important role in influencing consumer behavior to take on protection product such as takaful scheme or conventional insurance	4.16	0.711
Motivation:		
Motivation plays important roles in customer's decision on choosing takaful or insurance	4.07	0.770
Motivation from an individual will give effect towards the choosing of insurance policy or takaful	4.20	0.759
Motivation will inspires a customer whether to choose takaful and insurance	4.15	0.746
Motivation in choosing takaful are important predictor factors for managers to improve their product and services	4.08	0.763
Motivation from family and friends in choosing the best product and services preferred by conventional insurance or takaful product	4.21	0.736

Dependent Variables

Items	Mean Score	Standard deviation
Which ONE do you prefer, Takaful or Conventional insurance	1.83	0.373
Do you think that insurance or takaful is important	1.46	0.838
Are you satisfied with takaful products	1.08	0.269
Do you know the differences between Conventional Insurance and Islamic insurance	1.18	0.390

Table 2 conclude the mean and standard deviation of each variables. The variable “Knowledge” (mean= 4.25, standard deviation= 0.682) scored the highest mean which means that knowledge can be influence to fulfil customer satisfaction and awareness of takaful and insurance. While the item “Knowledge of takaful scheme and conventional insurance lets customers know about usury, uncertainty and gambling (riba, gharar and maysir)” and “Takaful plans gives more benefits to the policyholder compare to conventional insurance” scored the lowest mean (4.12).

Next, the highest mean of the variable “Attitude” (mean= 4.22, standard deviation= 0.740). These item shared same mean “belief plays important roles in customer’s decision” and “attitude of the people surrounding customers will influence their decision making on takaful and insurance”. However, the lowest mean score (mean= 4.07, standard deviation= 0.744) which mean that respondents had low rates in ensure this item to fulfil customer satisfaction and awareness.

Furthermore, “motivation” (mean= 4.08, standard deviation= 0.763) as a lowest scored in this variable. Based on (mean= 4.21, standard deviation= 0.736) showed the respondents agree about motivation from family and friends in choosing the best product and services preferred by conventional insurance or takaful product.

Table 3: Pearson Correlation Coefficient and Regression Analysis

	Hypothesis	Results Pearson Correlation Coefficient	Results Regression Analysis
1 st Hypothesis	There are significant relationship between knowledge factor and customer satisfaction and awareness of Takaful among staff in University Malaysia Kelantan.	Based on table 4.4.1, P-value, 0.033 is less than $\alpha=0.05$, reject the H_0 .	Based on Table 4.5.2, P-value, 0.041 is less than $\alpha=0.05$, reject the H_0 .
2 nd Hypothesis	There are no significant relationship between attitude factor and customer satisfaction and awareness of Takaful among staff in University Malaysia Kelantan.	Based on table 4.4.1, P-value, 0.361 is more than $\alpha=0.05$, reject the H_1 .	Based on Table 4.5.2, P-value, 0.123 is more than $\alpha=0.05$, rejected the H_1 .
3 rd Hypothesis	There are no significant relationship between motivation factor and customer satisfaction and awareness of Takaful among staff in University Malaysia Kelantan.	Based on table 4.4.1, P-value, 0.135 is more than $\alpha=0.05$, reject the H_1 .	Based on Table 4.5.2, P-value, 0.636 is more than $\alpha=0.05$, rejected the H_1 .

5. Suggestion

1) Knowledge

Knowledge played an important role towards customer satisfaction and awareness of Takaful and insurance among staff University Malaysia Kelantan. At the end of the research, it shows knowledge related towards customer satisfaction and awareness of Takaful. Throughout this research, it shows that on average, staffs can understand the concept of Takaful. Besides, some staffs who do not take any takaful are not fully understand about concept of takaful and conventional insurance in Malaysia. Furthermore, some of staff maybe think that the price of takaful is more expensive compared to conventional insurance. University Malaysia Kelantan should organize the awareness campaign once a year. This is important to give more information about takaful so the staff will know and understand about takaful as a whole. At the same time, when organizing the campaign, University Malaysia Kelantan can invite several takaful operators to come and open a booth at the campaign. For example, Etiqa Takaful, MAA Takaful, Ikhlas Takaful and others. It is a way for staffs to have the opportunity to choose which one is the best takaful company to subscribe their own and family.

2) Attitude

At the end of the research, it shows attitude do not have significant relationship towards customer satisfaction and awareness of Takaful. As a Takaful operators is needed to build consumers' awareness to understand the benefits of Takaful, operations, practice and also the different between Takaful and Conventional Insurance. In addition the consumer's trust and confidence is needed to established or restored Takaful services. Furthermore, the operations must transparent free from bias as some consumers perceived conventional insurance operation as a mere selfishness. Finally, it is recommended that the staff of University Malaysia Kelantan must for attitudinal campaign in favour to achieve through mass awareness campaigns and ads that use all relevant marketing strategies. So, it is important to Takaful Operators customize the operations.

3) Motivation

Based on the research, it shows on average, some of the staffs University Malaysia Kelantan choose Takaful not of their own will, but of encouragement or advice from family, friends, and others. It is because of their lacks knowledge and benefits of Takaful and then they prefer to choose conventional insurance whether than Islamic insurance. So, this is important to give staffs of University Malaysia Kelantan disclosures on Takaful. The campus need to invite Takaful companies to provide motivational speech to staffs and also to higher institutions of learning Takaful products and services which they can subscribe after graduation or when they work in the industry. Furthermore, Takaful operators must to take attention on how to encourage staff's motivation. Takaful operators need to provide more rewards or discounts and promotional compensation for those who willingly share their positive experiences about Takaful products and services. So that, it can attracted more staffs in University Malaysia Kelantan. The Takaful operators need to find the strategies to attract more consumers to build their brand loyalty through promotions, advertising, giving speech and others.

6. Recommendation

The researcher found that all the variables which are knowledge, attitude and motivation factor can be suggested to be included in the next research. So that the future researcher can have a better understanding about customer satisfaction and awareness of takaful even this research take a longer times to collect the data. It can serve as guide to make a new research about customer satisfaction and awareness of takaful. Thus, the researcher will provide wider perspective and improve the scope of research in decisive of factor influenced to customer satisfaction and awareness of takaful. Therefore, future researcher who wish to conduct similar research should consider the entire factor to achieve more exact and valid results.

Based on regression analysis, only one of independent variables which is attitude has positive relationship towards customer satisfaction and awareness of takaful. Meanwhile, the other two variables has negative relationship towards customer satisfaction and awareness of takaful. Knowledge and motivation are less positive related to factors influencing customer satisfaction and awareness. Thus, it means that this model is not suitable for the 103 respondents because the significant

value should be approximately 1% for the model to be strong. The future researcher should be distributed to more than 100 respondents. Researcher should improve the amount of the respondents and should add more variables of independent variables like religion, subject norm, society and other variable.

The researcher only focus to the staff on the University Malaysia Kelantan City Campus. Future researcher should expand their focus more on two other campus, which is Bachok and Jeli campus. From here, the researcher can measure how many staff subscribe takaful or insurance. This information is necessary for the creation of benchmark allowing the future researchers in doing further research regarding takaful and insurance.

In addition, for the research, there are only 103 questionnaires surveys are distributed for this study, the result of factor influencing customer satisfaction and awareness of takaful is still not satisfactory. This allowed future researchers to obtain result responses as well as wider perspectives.

7. Conclusion

In summary, as our discussion discuss above on topics of customer satisfaction and awareness of Takaful and insurance among staff University Malaysia Kelantan City Campus. It can be agreed that the knowledge played an important role towards customer satisfaction and awareness of Takaful and insurance among staff University Malaysia Kelantan from the result Pearson correlation which the value of p-value is less than 0.05. Seeing that result, factors of attitude and motivation not significant with customer satisfaction and awareness. This means that respondents do not understand about the variables of attitude and motivation of takaful and they assumed that takaful was as same as conventional insurance. They were not concerned with the important of takaful contribution in Islamic banking and finance industry. After testing the regression analysis, result showed that all of the three independent variables which are knowledge, attitude and motivation factor do not have positive significant relationship with customer satisfaction and awareness of Takaful.

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Customer satisfaction in takaful product among muslims in Kelantan

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Abstract

This study related to customer satisfaction in takaful products among Muslims Community in Kota Bharu, Kelantan. The purpose of this study was to fulfil the gap that exist in this research world, this study's purpose is to explore the technology, product offered and consultancy that have contributed to the customer satisfaction in purchasing the takaful product among Muslims Community in Kota Bharu, Kelantan by collecting data through set of questionnaires. For the research design, the researcher used a quantitative method. The purpose of the quantitative method in study because this study will cover about respondent's demographic analysis, reliability analysis based on Cronbach's alpha, descriptive analysis and Pearson correlation analysis. The researcher used questionnaires as the method of data collection because more effective and efficient approach to get information from respondent. The study utilized survey approach and sample of 150 respondents which are from Muslims Community in Kota Bharu, Kelantan. The limitation is the research only aimed and focuses on Muslims Community people in Kota Bharu, Kelantan and did not involve any non-Muslims into this research even though there is some of non-Muslims purchased takaful products. Other than that, this research are not using Krejcie & Morgan table to measure the population of respondent because of the limitation. Limitation that occur in these cases is relating to the respondent because the number of respondent that purchased to takaful is limited and hard to

reaches. The data was analyzed by Statistical Package for Social Sciences (SPSS) version 25. The results show two independent variables which were product offered and consultancy have strong positive relationship with dependent variable, customer satisfaction while independent variable which is technology showed moderate positive relationship with customer satisfaction.

Keywords: *Takaful industry, Technology, Product Offered, Consultancy, Customer Satisfaction*

1. Introduction

Takaful Industry has been successfully in the Middle East and Southeast Asia with growth continuously among Muslims populations (Paton Schmidt, 2019). Growing of takaful has created many researchers to carry out a research about factors that influence to the customer satisfaction. This study only emphasizes three factors in customer satisfaction while there are various other factors that also affect customer satisfaction. For example, the research on the service quality, takaful performance and role of agent that influences the customer satisfaction (Shaladdin, Mokhtar, & Zawawi, 2018). From the previous research (Ishak, 2017 and Shaladdin, Mokhtar, & Zawawi, 2018) shows that there is little research using technology, consultancy and product offered as a factor in customer satisfaction. Based on these problems, there exist a gap in literature on takaful in Islamic Banking. In line with this issue, this study is seeks to fill this gap by investigate how technology, product offered and consultancy can give effect the customer's satisfaction on takaful product among Muslims Community in Kota Bharu, Kelantan.

The statement of “why” this research has been done or goal of the research because the other contexts were left behind such as technology, product offered, consultancy and others. To fulfil the gap that exist in this research world, this study's purpose is to explore the technology, product offered and consultancy that have contributed to the customer satisfaction in purchasing the takaful product. In addition, this study is conducted how the effectiveness of factors will affect customer satisfaction in takaful among Muslims Community in Kota Bharu, Kelantan.

There are three objectives of this research:

1. To investigate the significant relationship between technology and customer satisfaction among Muslims Community in Kota Bharu, Kelantan
2. To identify the significant relationship between product offered and customer satisfaction among Muslims Community in Kota Bharu, Kelantan
3. To examine the significant relationship between consultancy and customer satisfaction among Muslims Community in Kota Bharu, Kelantan

Significance of the Study

This study will contribute benefits and advantages to future researchers when used as a reference in studying or identifying customer satisfaction in takaful product among Muslims Community in Kota Bharu, Kelantan. This study it gives Muslims in Kota Bharu, Kelantan the opportunity to measure satisfaction with purchased takaful products and use their experience to overcome the challenges of conducting this study. This study also gives them opportunities to improve takaful industry to attract

more customer to buy a takaful product and to be satisfied with the products offered and systems used. According to Nazir and Noor (2018), takaful has been well accepted worldwide as another option for regular insurance for Muslims. Last but not least, customer can identify the advantage and the dissatisfactions from takaful product that had been purchase based on their satisfaction.

2. Literature review

Customer satisfaction

Customer satisfaction presented a theory which is social exchange theory explained about relationships creates between two parties. This theory related with customer satisfaction because it suggests how relationship between two parties works. This theory works when one party provide benefits or advantages to another party and resulting the other party being committed with something beneficial. The exchanges of advantages include resources, such as money, services, information and loyalty. Social exchange theory additionally includes a series of connections normally taken as interdependent upon the activities of someone else, which then generate commitments and brilliant relationship for example trust, responsibility, and loyalty (Arifin & Yazid, 2019). According to Hill & Alexander (2017), organisation can measure the overall performance of their products by referring in relation to a set of customer requirements through customer satisfaction. When customer satisfied with the product offered, they will show the feeling of happiness and become loyal customer to the takaful industry.

Technology

Technology is the advancement and utilization of instrument, machines, material and procedures to tackle human issue (Neuendorf, 2016). With the fast headway in the present of technology, most of the activities or things that are done involve online or use existing technology. Thus, based on Mohamad & Kassim (2017), the efficiency and effectiveness of finance in takaful can be improved with aid of technology in the operation system which has been used. Sophisticated use of technology can help takaful industry to meet customer needs and to maintain customer satisfaction in purchasing takaful products as we know most today's affairs are just using existing technology.

Product Offered

Product offered refer to a set of tangibles, intangible and attributes that can be exchanged for value with the ability to meet user's requirements (Maximilian Claessens, 2015). According to Aziz & Hussin (2017), takaful industry gives variety of risk and return product that shaping individuals behaviours towards their products. Takaful is based on sharia principles and utilizing those principles would bring customers who subscribe to Islam to conviction, and thus choose the products (Mohamed, 2017). According to the Salman & Htay (2018), customer tends to use the product when they can see the advantages of purchasing the products such as its features and functions easy to use and understand, and easy to prove or describe to customers.

Consultancy

Consultancy can be defined as provide help to a person or an organisation who is unable to utilize it properly (Anuj K Rajput, 2018). Besides, consultancy from agent could help in order to gain customer satisfaction. According to Shaladdin et al. (2018) there is indirect motivation or consultancy that enables customers to keep loyal towards the relationship with the service providers. Apart from that, customers gain knowledge about takaful products by consultancy from the agents and its help customers to maintain the relationship. This can be supported by Mohamed (2017) where customers usually lose interest in any product if they are not able to set sufficient information, knowledge on product purpose, usability and benefits.

Research Framework

A research framework has been identified to investigate the relationship between the variables in the framework. There are three variables in customers satisfaction namely technology, product offered and consultancy.

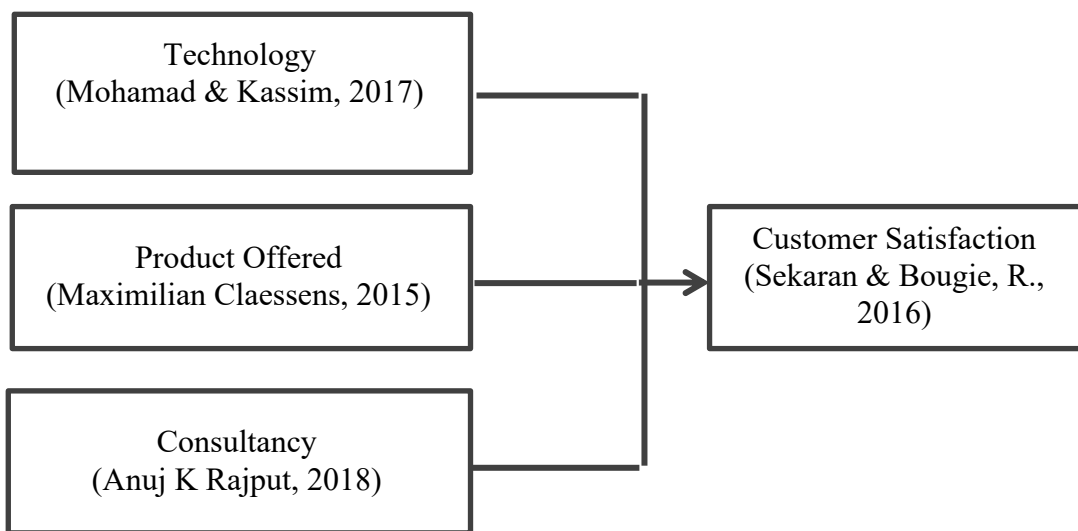


Figure 1: Research Framework of Customer Satisfaction in Takaful Among Muslims Community in Kota Bharu.

3. Methodology

Sampling Technique

Based on Ahmad, 2018, probability sampling techniques can be defined as a sample which is selected randomly in the selection that every fundamental of the population has chance to being chosen. In this study, the researchers were using 1 777 165 Muslims from Kelantan as the population, this is because, Muslims mostly who will purchase takaful product. Sample size is known as a subset of population. The sample size of the population, the researchers were using convenience sampling as method of sampling. The sample size of the study was 150 selected from Muslims Community in Kelantan.

Research Instrument

The instrument has given to 150 respondents in this research to interpret the quantitative data and the instrument which is section A (Demographic), section B (Dependent Variable) and section C (Independent Variables). In this research,

Section A was using nominal scale while Section B and Section C were using interval scale. More than that, Likert Scale used in Section B and Section C, 1 until 5 points (1= Strongly Disagree to 5= Strongly Agree).

Data Collection

In this study, the researchers were using Statistical Package for the Social Science (SPSS) to analyze the data that has been collected. It involved the descriptive statistic, correlation analysis and also the reliability of the study.

4. Findings

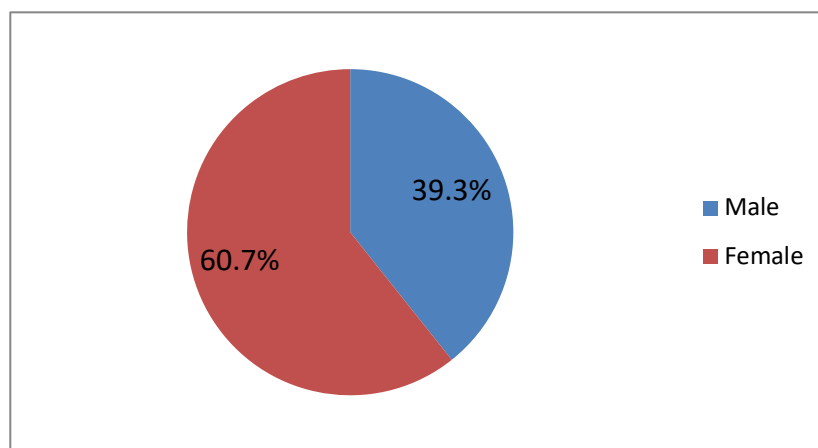


Figure 2: Profile of Respondent

Table 1 and Figure 2 showed the profile of the respondents by percentage of the gender. From 150 respondents, 39.3% were male and 60.7% were female. This data shows that the majority respondents were from the 21-30 age groups which were 52% from 150 respondents. This followed by 24% from the age group of 31-40 years old, 18.7% from the age 41-50 years old, 4% from the age group 50 above and 1.3% in the age group from below 20 years old. Next, the majority of status goes to married respondent which is 56% and followed by single which is 41.3%. While the lowest goes to divorce which is 2.7% from the total of respondent. Out of 150 respondents, the highest education goes to degree level which is 53.3%. It followed by matriculation which is 25.3%, SPM which is 16%, PMR which is 3.3% and others 2% respectively of the total respondents.

The others education was come from master and PhD students that have been participated as respondents. All of the 150 respondents that were participated in this questionnaire is takaful client. The majority of takaful client choose medical card which is 70% then followed by education plan which is 10%, hibah which is 7.3%, and others which is 6%. The lowest goes to travel and fire when both type score 3.3% from the total of respondents. Out of 150 respondents, 72% of respondents choose early preparation as the main reason of purchasing the takaful. This percentages followed by high cost of living which is 13.3%, then both reasons got

similar percentage which is 6.7% that's comes from expensive education fees and attractive product. The lowest percentage comes from others which are 1.3%. Lastly, for the level of income, 36% of the respondents come from income 2001-3001, 33.3% comes from income below RM2000, 22% comes from income 3001-4000 and 8.7% comes from income above 4001. The higher income of respondent comes from 2001-3001

Table 3: Demographic profile of respondent

Demographic	Categories	Frequency (N=150)	Percentage (%)
Gender	Male	59	39.3
	Female	91	60.7
Age	Below 20	2	1.3
	21-30	78	52.0
	31-40	36	24.0
	41-50	28	18.7
	50 Above	6	4.0
Status	Single	62	41.3
	Married	84	56.0
	Divorce	4	2.7
Education	PMR	5	3.3
	SPM	24	16.0
	Matriculation	38	25.3
	Degree	80	53.3
	Others	3	2.0
Takaful Client	Yes	150	100
Type of Takaful	Medical card	105	70.0
	Hibah	11	7.3
	Education plan	15	10.0
	Travel	5	3.3
	Fire	5	3.3
	Others	9	6.0
Reason of purchasing	High cost of living	20	13.3
	Expensive education fees	10	6.7
	Early preparation	108	72.0
	Attractive product	10	6.7
	Others	2	1.3
Salary	Below 2000	50	33.3
	2001-3001	54	36.0
	3001-4000	33	22.0
	Above 4001	13	8.7

A reliability analysis was done to measure the consistency of items in questionnaire. The questionnaire has been given to 10 respondents as pilot test to ensure the reliability of the question before distributed to others respondents. The

Cronbach’s Alpha is used to get the data before the questionnaire was distributed to the 150 respondents. The result must above 0.6 to make sure the questionnaires are reliable. The alpha coefficient result for independent variable that is technology is 0.893, product offered is 0.898, and consultancy is 0.910. In dependent variable that is customer satisfaction shows the alpha coefficient result was 0.9 which considered as excellent. The overall, the coefficients obtained from the question in likert scale were all reliable and can be used for real analysis.

Result of Pearson’s Correlation Analysis

The Pearson’s correlation analysis used to analyses the relationship between independents variables and dependents variables.

Table 4: Result of Pearson Correlation Analysis

Descriptive Statistics			
	Mean	Std. Deviation	N
iv1	20.1800	3.43505	150
iv2	20.2267	3.61419	150
iv3	19.7600	3.49627	150
dv	19.8133	3.65158	150

Results from Pearson Correlation Analysis have shown that there is a significant relationship between technology and customer satisfaction among Muslims Community in Kota Bharu, Kelantan with hypertension ($p < 0.05$). The observed correlation coefficient, r is 0.777 which suggest positive strong relationship. There is there is a significant relationship between product offered and customer satisfaction among Muslims Community in Kota Bharu, Kelantan with hypertension ($p < 0.05$). The observed correlation coefficient, r is 0.821 which suggest positive strong relationship. There is a significant relationship between consultancy and customer satisfaction among Muslims Community in Kota Bharu, Kelantan with hypertension ($p < 0.05$). The observed correlation coefficient, r is 0.814 which suggested positive strong relationship.

Table 5: Summary of result for relationship testing

Hypothesis	Result
<p>H_1: There is a significant relationship between technology and customer satisfaction among Muslims Community in Kota Bharu</p> <p>H_1: Accepted</p>	<p>$r = 0.777, p = 0.00$</p> <p>Moderate positive</p>
<p>H_2: There is significant relationship between product offered and customer satisfaction among Muslims Community in Kota Bharu</p> <p>H_2: Accepted</p>	<p>$r = 0.821, p = 0.00$</p> <p>Strong Positive</p>
<p>H_3: There is significant relationship between consultancy and customer satisfaction among Muslims Community in Kota Bharu</p> <p>H_3: Accepted</p>	<p>$r = 0.814, p = 0.00$</p> <p>Strong Positive</p>

5. Conclusion

This study revealed that customer satisfaction is important factor to the takaful industry because as customers who reach maximum satisfaction will purchase more product that takaful will offer. This is because by purchasing of takaful can help with life management due to the increase in the way of life, high costs of living or early preparation for unexpected adverse events. Thus, this study has provided some insights that, in Muslims Community in Kota Bharu, Kelantan needs to purchase takaful in their life. Besides, awareness for technology may be uncertain, takaful companies still need to work to raise awareness about takaful to its full potential. They can organize high media campaigns such as making television commercials and

hiring well known and well-known celebrities to endorse takaful products. So that, all customers know all important advantage while purchasing the takaful product. Takaful industry should be able to highlight on the differences between takaful and conventional insurance for public to have better understanding and knowledge on takaful from those desire to do something. Takaful industry need to give awareness of takaful advantages compared to insurance in order to get strong perception towards takaful from customers.

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Factors of choosing Family Takaful in Kota Bharu, Kelantan: Perspective from Takaful Agent

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Abstract

The purpose of this study is to analyze the factors of choosing Family Takaful in Kota Bharu, Kelantan: Perspective from Takaful Agent. Data are gathered from listed Takaful companies around Kota Bharu area. There consists of 10 companies in total using online survey method. For this study, the factors products and services, marketing and advertising and reputation and image are influence the factors of choosing Family Takaful from perspective of Takaful agents. By using Pearson's Correlation Coefficient Analysis, Descriptive Analysis and Reliability Analysis, the result shown that marketing and advertising has a positive significance relationship while product and service and reputation and image have a negative significance toward the factors of choosing Family Takaful from perspective of Takaful agents. This research provide the result factors of choosing Family Takaful, which to the best provides suggestions for the future researcher, academic institutions and authorities to make some significant improvement.

Keywords: Family Takaful, life insurance, Kelantan, Malaysia.

1. Introduction

The word Takaful was begins from the word kafala which alludes to the joint certification or promising one another. With references to the Takaful Act (1984), Takaful means a scheme based on brotherhood, solidarity and mutual assistance to the participants in case of need whereby the participants mutually agree to contribute for that purpose. Nowadays, Takaful is certifiably not a new trend as Takaful business is fast development in numerous countries through the present reality. In case of Malaysia, the administration's target against Takaful industry is to frame an educated, dynamic and comprehensive Islamic financial system that contributes without uncertainty to the adequacy and effectiveness of the Malaysian financial sector while meeting the economic needs of the country. In accordance with this, Bank Negara Malaysia designated executive Razak et al. (2013) stated that the success of the industry lies in its ability to collectively position itself strategically to meet the needs of the economy and the ability to be competitive and innovative. The Takaful industry is seen as an appealing business in Malaysia and there are tremendous development opportunities for the insurance and Takaful industries in supporting the requirements of the economy.

Currently, Family Takaful business contributes 65% to the rising of Takaful industry in Malaysia while 35% is derived from the general Takaful business. For the family Takaful business, 55% of the revenue contribution came from the mortgage protection and the balance 45% from non-mortgage-related business include employee benefits. However, the gap between Family Insurance and Family Takaful business is huge that turns to a problem when it happened among Malaysians who had most of its native are Muslims. There are few elements that we could discuss on the stated issues. The first factor that is commonly discussed along with this issue is about income of the native. According to Hendon (2014), the national income and life insurance or Takaful are correlated and significantly positive this proved that the increasing in income may increase the demand Takaful products or life insurance products. The factors that attracted Malaysian investing in life insurance instead of Family Takaful are level of education. According to formal education data from Bank Negara Malaysia, only few percentage from the native that pursue their education in Islamic courses yet some of them are focusing on banking and finance which proved that level of education does affect the demand for Family Takaful. Thus, the need for this study is to investigate the factors of choosing Family Takaful among Takaful agent in Kelantan.

2. Literature Review

2.1 Factors of Choosing Family Takaful

As studied by previous research from Arifin, Yazid and Hussin (2014) who explore about the elements that affect customers demand towards Family Takaful using survey structured questionnaires which involves regression for data analysis. They stated that religious beliefs and also image and reputation do influence Muslim customers demand towards Family Takaful. Following are the component that included in terms of religious beliefs such as faith and the rights and wrongs in practices of Muslims. Naail and Norsham (2014) in their study about the factors of choosing Takaful instead of Conventional Insurance stated that the approach of the study is qualitative research which required the interview sessions with Takaful operators and their customers. Thus, they conclude that the factors that determine customer's preference for Takaful over conventional insurance is because of the

customer's awareness and acknowledgement about the clear concept and relation between religion and Takaful including the requirements of Shariah Compliance in their daily life. Besides, this research also found out the growing rate of Takaful is slower rather than the Conventional Insurance.

Furthermore, as mentioned by Norashikin, Othman and Obiyathulla (2011) their objective is to studied the relationship between organizational structure and efficiency for Malaysian Takaful operators empirically. The method that they were using is non-parametric approach which is to estimate the efficiency of Islamic and Conventional Insurance products. Throughout this research, the researcher concludes that the efficiency between Islamic and Insurance products is significantly different. It shows that the technical efficiency of Takaful is lower that Insurance industry which influencing the organizational form along the way. Another study by Hendon (2014) who analyses Family Takaful and Life Insurance demand using covered data of annual time series to examine the driven force of Family Takaful and Life Insurance consumption in Malaysia. Thus, the study concludes that there is some estimation on Life Insurance and Family Takaful consumptions verified by the error of correction model and the long-run relations. Following are the predictors that significant to both products such as EPF, level of education and income.

2.2 Products and Services

As stated by Razak et al (2013) identifies the Malaysian's acceptance on Takaful products in term of perception, product features, promotion, benefit and service quality. The study aims to get a clear result of factors that influence the acceptance of respondents towards Takaful product. In terms of questionnaire, the researchers have been distributed to the people in Malaysia. The study found the respondents concluded that service quality is the main factors why the Malaysian people put confidence in Takaful products. As mentioned by Husin and Rahman (2013), on the study discuss about the aspect of branding among Malaysian Takaful industry. This study aims to indicate the on how to Takaful to distinguish the branding of Takaful and Insurance and determine the challenges of Takaful operators in establish the branding of products and services. On this qualitative research concluded that awareness of products and services should be reinforce to ensure the market of Takaful can be more solid. The trust among customers of Takaful must be in high level to support the business.

As eloquently stated by Ghani, Aziz and Shaari (2016) identifies the issues and problem of the ethical behaviour of Takaful agents. For the findings, the researcher conducted the research through focus group and formed a personal interview among branch managers, executives and Takaful agents. As for the result, performing the great service quality and exposure about product that offered by Takaful agent can manage to induce the purchase intention towards Takaful products. Lee et al., (2018) in his study revealed that covered the non-Muslim in Selangor, Kuala Lumpur, and Penang area explored about factors that attract them to choose Takaful in terms of perception. The findings concluded that behavioural of Takaful agent influence the attitude of respondents towards Takaful products. In terms of the government should take place in making changes the perception of respondent about Takaful products which the product that offered is not only for Muslim but for everyone who need the scheme.

2.3 Marketing and Advertising

In the study of Razak et al., (2013) who decides the variables that impact the acknowledgment towards Takaful among individuals in Malaysia, the researchers used the systematic random approach by distributing 100 questionnaires as a tool to selected people. The result of the study showed that there is negative relationship between the products promotion and consumer acceptance. Mean that, product promotion used by Takaful do not influence consumer acceptance toward Takaful products includes Family Takaful. The promotion issues are, in the marketing model's interpretation, an issue of how to communicate something specific about offered product to potential customers.

Besides, the study conducted by Arifin et al. (2014). The researchers study on the Demand of Family Takaful in Malaysia: Critical Determinant Factors Examined. The principle goal of this study is to decide the variables for Family Takaful interest among Muslim customers in Malaysia. The study used a structured questionnaire to request the reaction from Muslim customers who have joined Family Takaful plans. Among the factors that have been identified were religious adherence, reputation and image, products and services and marketing and advertising. This finding proved that only religious adherence and reputation and image were significant with Family Takaful demand among the Muslim customers in Malaysia. Thus, the variable of marketing and advertising was shown the negative result in demand of family Takaful in Malaysia.

Moreover, based the previous research which is analysed by Niazi et al. (2011) stated that advertising is a method for correspondence to persuade a group of people for taking buy choice about a product or services and conveying data to viewers. The study looks at the connection between independent variables and dependent variables include environmental response and emotional reaction. For example is customer purchasing conduct. The researchers examined the connection between the factors required, by taking the 200 reactions using the questionnaire. The study also used probability sampling method. The findings of this investigation demonstrate that there is positive relationship of emotional reaction with buyer purchasing conduct. These emotional attachments are created through advertisement as audio, video and text form.

2.4 Reputation and Image

Based on previous research Arifin et al. (2013) study about conceptual model of literature review that come up with a conceptual model by analysing a set of determining factors that contribute to the choosing for Family Takaful. This study prefer four factors that considered important of Family Takaful demand include the agency system (*al-wakalah*), reputation and recommendation, product and services, marketing and advertising based on the relevant literature available. From the result, we can conclude that there are positive relationship among the factors of agency system (*al-wakalah*), reputation and recommendation, product and services, marketing and advertising. Furthermore, according to Bashir et al. (2011) study about consumer perception on Takaful business, majority found that there are many respondent look at the reputation for choosing the Takaful. A survey questionnaire has been used to collect relevant and current data on consumer perceptions relating to their respective Takaful companies. The study also revealed that to have a good image for the organization, the Takaful companies should have doing some

development in term of computer system. It is to ensure that the organization able to manage uncertainty brake down of system.

As indicated by Salman and Htay (2014), study about the pushing and pulling factors to introduce Takaful such as cost verses benefit, assess ability, availability and service quality, product features, reputation of the company, attribute of agent , marketing and promotion and social and religious. Based on reputation of company there are five questions that are provided. The findings from this study shows that company's reputation and its brand name, ethically, corporate social responsibility and the public confidence becomes the potential for customer to try the new product and services because the results more than 4 for all the mean values. Based on study conducted by Ahmad et al., (2016), study about corporate social responsibility for branding images of Takaful. This study used the quantitative method for collecting the data. The brand image shows the most impact on commitment towards based on the four types of corporate social responsibility. The findings for this study shows that brand image have the positive relationship with the corporate social responsibility. There is positive relationship for brand image on development corporate reputation of Takaful.

3. Methodology

3.1 Sampling technique and Data Collection

For this study, the researcher uses stratified random sampling. According to Hayes (2019) stratified random sampling is a technique where there is a term which is strata which involves a division of a population into subset of the population or smaller groups. In this research, Strata are characterized by the same attributes which is companies who offered the same products which is Takaful. The population of this study is located Kota Bharu, Kelantan where Kota Bharu is one of the biggest cities in Malaysia. According to Department of Statistic (2017) total population of the district is around 585.3 thousands citizen. For this study, the researcher focuses on the agencies or companies that providing Takaful or Family Takaful products around Kota Bharu. Total agencies that we have around Kelantan which offered Takaful products are about 10 companies and it is chosen as the population of this study. Sample size is the subset of population. Therefore, the sample size of this research will be the Takaful agents that provide Takaful products in area of Kota Bahru, Kelantan. In this study, it is stated that the population is 10. Based on the table of Krejcie & Morgan (1970), we have chosen 10 respondents from the population to answer the questionnaire.

3.2 Instruments

The instrument used for data collection for this research will be used online survey questionnaire. The questionnaire will be self-administered and will be distributed to each of the participants involved in this study and always follow up on respondents regarding to the questionnaire. The questionnaire consisted of three parts, part I for demographic profile, part II for request for information about the acceptance Family Takaful among Takaful agent in Kota Bharu, Kelantan and part III request for information about factors of choosing Family Takaful. There are four types of measurements which are nominal, ordinal, interval and ratio scale (Sekaran, 2016). Nominal and ordinal scale will use in the present study for Part I and interval scale will use for the Part II and III. An ordinal scale is a scale based on ranking but also

based on quantitative variables based on interest. Interval scale has characteristics such as those owned by nominal and ordinal scales with added other characteristics, namely in the form of a fixed interval. Likert scale measurement are representative for 1 to 5 (1=Strongly Disagree to 5=Strongly Agree).

4. Finding and Discussion

4.1 Descriptive analysis

Descriptive analysis is applied to sum up the data set which can be a representation for the whole population to conduct statistical analyses. The variability of the finding was measured by looking at the term of standard deviation while central tendency of this research finding has been measured by analyzing at the data mean. The outcome of this research questionnaires was acquired from the respondent which Takaful Agent in Kota Bharu. The questionnaire were comprised with three categories based on independent variables factor of choosing Family Takaful which were product and services, marketing and advertising and reputation and image. There are ten questions for each independent variable.

Table 4.1 Descriptive Analysis of Independent variable

NO.	Independent Variables	Mean	Standard Deviation
1	Product and service	4.5500	0.4378
2	Marketing and Advertising	4.6000	0.4594
3	Reputation and Image	4.4000	0.4594

Table above shows the mean and standard deviation of independent variables on our respondents selected. In the table shows independent variables of marketing and advertising has the highest mean value which is 4.6000 and for standard deviation is 0.4594. That was meant the respondent tended to agree with the statement that marketing and advertising provides the more information, interesting marketing, mobile phone more value marketing channel and helps people to understanding the important of having family Takaful. As indicated by Md Husin, Ismail and Ab Rahman (2016) on the Journal of Islamic Marketing, were investigate the factors of mass media, word of mouth and subjective norm that influence people behaviour in purchasing family Takaful. The findings of this study was ensure that all the variables investigated have positive relationship with the Family Takaful intention includes mass media and word of mouth as a tool of marketing and advertising.

Next, product and services shown the value of mean is 4.5500 and the value of standard deviation is 0.4378. The respondent tended to agree with the statement about the Product and Services based on quality of product, product not only for Muslim, product based on Shariah compliance and purchase decision of customer occur when they feel satisfaction with the product and service. As eloquently by Lee et al., (2018) in his study that covered the non-Muslim in Selangor, Kuala Lumpur, and Penang area explored about factors that attract them to choose Takaful in terms of perception. The findings concluded that behavioural of Takaful agent influence the attitude of respondents towards Takaful products. In terms of the government should take place in making changes the perception of respondent about Takaful products which the product that offered is not only for Muslim but for everyone who need the scheme.

Lastly, reputation and image has lowest value of mean which is 4.4000 and the standard deviation is 0.0459. This shows that the respondent still agree with the statement about reputation and image based on good ethic, good reputation, good attitudes of Takaful agent and higher in Takaful participant. As mentioned by Salman and Htay (2014), study about the pushing and pulling factors to introduce Takaful such as cost verses benefit, assess ability, availability and service quality, product features, reputation of the company, attribute of agent , marketing and promotion and social and religious. The findings from this study shows that company’s reputation and its brand name, ethically, corporate social responsibility and the public confidence becomes the potential for customer to try the new product and services because the results more than 4 for all the mean values.

4.2 Pearson’s Correlation Coefficient analysis

The correlation analysis is a technique for investigating the relationship between two quantitative, continuous variables such as dependent variable and independent variables. The purpose of doing this analysis is to analyses whether the correlation coefficient is significant or not. In addition, it also aims to analyses whether the hypothesis used is acceptable or rejected. In this study the Pearson’s Correlation Coefficient (r) is a measure of the strength of the association between the dependent variable which the factors of choosing Family Takaful with independent variables whereby the independent variable in this study were products and services, marketing and advertising and reputation and image. Then, for the significant relationship result between the variables can measure based on the level strength of the relationship by used Rule of Thumb correlation coefficient.

Table 4.2.1 Interpretation of Coefficient Correlation

Coefficient Correlation	Strength of Association
R=+1	Perfect positive linear correlation
0.5 <R< 1	Strong positive linear correlation
0 <R< 0.5	Weak positive linear correlation
R=0	No linear correlation
-0.05 <R< -0.05	Weak negative correlation
-1 <R< -0.05	Strong negative correlation
R=-1	Perfect negative correlation

Source: Hair et al (2010)

Table above shows the Rule of Thumb of Coefficient Correlation to describe the level of strength of association for the relationship between the variable. Based on the table, it shows that if the result coefficient of correlation (r) = +1, then it means the strength of association is perfect positive linear correlation and it will have negative linear correlation if the value coefficient of correlation (r) = -1. Besides, when r =0 whereby it shows that no linear correlation or no relationship between the variables.

Table 4.2.2 Correlation Coefficients

Variables	Correlation Coefficient
Products and Services	0.3960
Marketing and Advertising	0.7540**
Reputation and Image	-0.1460

**Correlation is significant at the 0.01 level (1-tailed)

*Correlation is significant at the 0.05 level (1-tailed)

The table shows that the value of Pearson’s Correlation (r) is 0.3960 which indicate to weak positive linear correlation. Therefore, it can be concluding that product and services did not gives an impact on factors of choosing Family Takaful among Takaful agent in Kota Bharu. Hence, hypothesis 1 (H_1) is rejected. But, based on the previous research, Razak et al (2013) state that concluded that service quality is the main factors why the Malaysian people put confidence in Takaful products. Besides, in the study of Arifin et al., (2014) mentioned that that products and services, include agency systems became as the main factors that prompted people to choose the Family Takaful.

Next, the table shows that the p -value of second independent variable which is marketing and advertising had 0.0060 which is less than 0.01 at the confident level of 99% ($p < 0.01$). This means that there are significant relationship between factors of choosing Family Takaful and marketing and advertising. The value of Pearson’s Correlation Coefficient (r) is 0.7540 which refer to strong positive linear correlation. Therefore, it can be concluding that marketing and advertising gives highest positive impact on factors of choosing Family Takaful among Takaful agent in Kota Bharu ($p=0.7540 > 0.01$). Hence, hypothesis 2 (H_2) is accepted. In a study of Niazi et al. (2011), it is mentioned that there is positive relationship of emotional reaction with buyer purchasing conduct. These emotional attachments are created through advertisement as audio, video and text form. It is supported by Mahboub (2018) confirmed that social media Facebook give positive impact as a marketing and advertising channel.

The table shows that the value of Pearson’s Correlation (r) is -0.1460 which indicate to strong negative linear correlation. Therefore, it can be concluding that reputation and image gives negative impact on factors of choosing Family Takaful. Therefore hypothesis 3 (H_3) is rejected. While in the previous study of Daud, Remli and Muhammad (2013) shown that there is positive relationship between Takaful performance and the customers’ behaviour. Mean that, in order to achieve company objective, they need to win their customer’s trust. If the performance of the company is going smoothly then people able to purchase a Takaful product and services since their trust towards company increase. So, as conclusion the performance and image of Takaful companies will give an impact of the demand of the Takaful product since performance of company become a factor why people choosing Family Takaful.

5. Conclusion

The factors of choosing Family Takaful in Kota Bharu from perspective of Takaful agents by specifying the determinants of products and services, marketing and advertising and reputation and image are the main purpose of this study. This research project has met its research objective to identify the factors and the most important factors of product and service, marketing and advertising and reputation

and image. The findings from the study proved that marketing and advertising have a positive significance relationship while product and service and reputation and image has a negative significance toward the factors of choosing Family Takaful in Kota Bharu from perspective Takaful agents.

In the conclusion, the outcome of this study shows that marketing and advertising is the most crucial factors of choosing Family Takaful among Takaful Agent and the least crucial factors is reputation and image. For future research, the researcher could increase the amount of respondents by expand the target respondents toward more Takaful agents from Kota Bharu to more wide population like the whole Kelantan. They also could be investigate more independent variable that can explore more determinant that can influence the factors of choosing Family Takaful in Kota Bharu from perspective Takaful agents.

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Takaful selection factors among entrepreneurs in Kota Bharu, Kelantan

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Abstract

Takaful known as Islamic insurance system where risk as a shared by the group of participants collectively and voluntarily based on donation (*tabarru'*) and principle of mutual cooperation (*ta'awun*) and it is Shariah compliance. The present research attempts to study the factor that influences the entrepreneurs to choice Takaful over conventional insurance in Kota Bharu, Kelantan. There are several scope that can be the factors that influences entrepreneurs to select Takaful over conventional insurance which are product features, knowledge, satisfaction, awareness and religiosity. By doing this research, this paper investigates on how the entrepreneurs choose towards Takaful over conventional insurance. A total of 5 informants which consists of the entrepreneurs from Siti Khadijah Market, Bazar Tok Guru and Bazar Buluh Kubu are selected for the purpose of this study. This study is run by qualitative methods with upkeep from ATLAS.ti Version 8 software program to ensure the validity of the information examined in an effective way. The result showed that the respondents preferred to choose Takaful over conventional

insurance due to compliance with Shariah law, the level of customer knowledge and satisfaction of the products offered.

Keyword: Islamic insurance, Shariah compliance, factor influence, conventional insurance, entrepreneurs.

1. Introduction

Malaysia promoted the idea of implementing the development of Takaful industry. Syarikat Takaful Malaysia Berhad (STMB) is the first Takaful company that has been established in 1985 along with the enactment of the Takaful Act 1984. With appearance of a Shariah-compliant alternative to conventional financial services, Takaful appears to be an Islamic solution to reduce risk. Since then, Malaysia's Takaful industry being more improve and increasingly recognized as a significant contributor to Malaysia's overall Islamic financial system. Takaful is acquired by Arabic language whereas the basic word for the "*kafala*" that meaning to guarantee, bind warrant, keep or preserve (Ahmad et al., 2013). Takaful known as an Islamic insurance system where risk as a shared by the group of participants collectively and voluntarily based on donation (*tabarru'*) and principle of mutual cooperation (*ta'awun*) (Redzuan et al., 2009). It is also insurance product which is based on Shariah compliance. Takaful holds a different concept from conventional insurance which is rejected by the Shariah due to elements of uncertainty (*gharar*), interest (*riba*) and gambling (*maysir*).

According to Musadik (2010) also said that the term of Takaful means 'guaranteeing each other' or 'joint guarantee' which is described a group of individuals who assure each other against potential loss or damage that faced by anyone of them. Other researcher who is Hussain et al., (2011) said, Takaful can be describe from Section 2 of Malaysian Takaful Act 1984 as a 'scheme based on companionship, unity or participants of mutual assistance in terms of conditions whereas participants agree to contribute or donate for that purpose'. Takaful has been introduced due to the fast growth of the Islamic financial and Takaful development in Malaysia.

In general terminology, insurance is the equitable transfer of the risk of a loss, from one entity to another in exchange for payment where the insured parties transfer the risk to the insurer which is the insurance company and not in line with Islamic Shariah (Masduki et al., 2015). Insists that, Takaful differ from conventional insurance since the relationship between the parties is not an insured and insurer but it is between participants and Takaful operator. Guaranteeing each other is the main principle of Takaful. In general, Muslim jurists agree that Takaful is in accordance with the Islamic Shariah, as halal concept of *tabarru'* which is donation or contribution (Ab Rahim et al., 2011). Hence, both Takaful operator and the participants are mutually helping each other for financial protection.

However, according to what discussed earlier, identification of what the factor influencing of entrepreneurs on choosing Takaful over conventional insurance will also investigate in this study. Different perception in individual happens because Takaful is still in developing stage where there might have some weaknesses and customer not know all the benefit in Takaful in terms of services, products, model and implementation. The crucial goal of this study is to identify the Takaful selection factor among entrepreneurs in Kota Bharu, Kelantan. In addition, our research objective is to identify the knowledge and awareness of entrepreneurs

in Kota Bharu, Kelantan about Takaful, next to analyse the Takaful selection factors among entrepreneurs in Kota Bharu, Kelantan and last is to conclude the entrepreneurs opinion regarding Takaful over insurance. While our research question is what the knowledge and awareness of entrepreneurs in Kota Bharu, Kelantan about Takaful, then to what extent the Takaful selection factors among entrepreneurs in Kota Bharu, Kelantan and lastly is what can be conclude from the opinion of entrepreneurs regarding Takaful over insurance.

2. Literature Review

2.1 Product Features

The rules and guidelines for Takaful is followed of Shariah compliance and Islamic rules whereas free from the prohibited elements of *riba* (interest), *maysir* (gambling) and *gharar* (uncertainty) (MdRazak et al., 2013). Regarding to Takaful models, based on the study of Adawiyah (2010), models have two types that are usually used by the Takaful operators which are Al-Mudharabah Model (Profit sharing) and Al-Wakalah Model (Agent). According to Masduki et al. (2015) Malaysian also believed that Takaful facilities will be popular due to the population of Muslim in Malaysian are more than Non-Muslim. Product features is become priority to the Muslim in choosing as their protection plan.

2.2 Knowledge

Limited knowledge about a certain product can give different perception about the important of the product offered. According to the Matsawali et al. (2012) his research in Brunei found out that there is a limited knowledge about Takaful among the individuals. This result proven that many people do not aware about their benefit protection plan for themselves. According to Bello and Ayuba (2014), Takaful knowledge and choice of Takaful from customer showed positive relationship. Customer choice and knowledge about Takaful is important for people to make the right decision in choosing the Takaful as their protection plan. According to Ahmed et al. (2015) posits that his research regarding the context of Takaful has been proven that knowledge is the one significant factor of choosing Takaful as their plan protection. So, knowledge is important to everyone in making the right choice for their life.

2.3 Satisfaction

Customer satisfaction is one of the most crucial key for any organizations since all business is depending on the customers' response. As stated by Shahid, et al. (2010), customer satisfaction leads to the growth of the financial sector which in turn leads to the overall growth of economic sector of a country. This shows that customer satisfaction is a crucial key for the progress and the growth of the firm (Merrin, Hoffmann, & Pennings, 2013; O'Sullivan & McCallig, 2012). Besides that, this also has been stressed by Yu (2007) which is the customer satisfaction is also positively related with customer repurchase intentions, revenue and firm reputation, thus customer satisfaction has a positive effect on the profitability revenues of the company. Therefore, it is very important to understand what is factor that determines the customer satisfaction specifically in Takaful service.

2.4 Awareness

Awareness is an essential element in determining an individual's action. According to Fisher and Taylor (2011), argued that customer awareness of the products offered by Takaful is important to further increase customer use. Based on observations made by Matsawali et al. (2012) in Brunei, the study aims to examine the different levels of customer awareness of Takaful and conventional insurance. The emphasis in this study is on benefits, principles and values, as well as exposing the factors that cause the lack of awareness in every society. He wanted to imply that Takaful's financing can be done effectively. The consciousness among the society is important when Hamid and Rahman (2011) argue that in order to create awareness in every society, one must create a difference between Takaful and conventional insurance.

2.5 Religiosity

Religiosity can influence the preference and buying power of Takaful. According to the Husin and Rahman (2013), confirmed that Muslims have the preference to buy family Takaful due to their high religiosity level. They have a strong knowledge in Islam, thus prefer to involve in Takaful product and lead to demand of Takaful increase. From the studies of Mathras et al. (2016), it explicit the faith or religion might have an effect on one's consumer psychology and behaviour through beliefs, rituals, values and community. The Muslim are encouraged to purchase Takaful because the product works based on Islamic principles. This idea or concept has defined the products and services as "halal" and it complies with Muslim religion (Siala, 2013).

3. Methodology

This Research is a qualitative research where its conceptual is concerned with understanding on the human behaviour from the informant's perspective. This qualitative research used the exploratory research design. By using this method it helps in analyzing the problem and generates some recommendations for the problem. The main data collection method for this study is the face-to-face interview where the researcher will approach the targeted informant to gather the information relating to this research main purpose which is the factors in choosing Takaful as the protection from risk.

The sample of this research is the Muslim entrepreneurs in Kota Bharu, Kelantan. Researcher only focuses on three places which is the Siti Khadijah Market, Bazar Tok Guru, and Bazar Buluh Kubu. The informant is randomly selected regardless of the age and gender. Therefore, an open ended question has been prepared to be answered by the informant. The questions consisted of three sections, section A to measure the level of knowledge and awareness of the informants towards Takaful, section B to measure what factors influence the informant choice on Takaful. While section C, which is the last section is to obtain informant's view point regarding Takaful over insurance.

Then the collected data will be analyzed its content by using ATLAS.ti Version 8 software. The validity and reliability test also is being used in data analysis to measure the meaningfulness and usefulness of the research study by using the triangulation process. The validity and reliability will be measure each progression taken to gather the data.

4. Findings and discussion

Finding from this study has suggest five factors that influence the choice of Takaful over conventional insurance among entrepreneurs are product feature, knowledge, satisfaction, awareness and religiosity. Three research objectives have been developed then three research questions have been develop from the research objective. From the first objective of the research through the first research question, it is to identify the level of the knowledge and the awareness of the entrepreneurs towards Takaful. Refers to the result of the interview, it shows that the level of the awareness and the knowledge towards Takaful among the entrepreneurs in Kota Bharu, Kelantan is relatively low. Interviewers choose Takaful based on the knowledge on Takaful product feature and the benefit. However, entrepreneurs are not up to date with knowledge of a Takaful product or services that are currently in trend. Interviewees stated that the awareness on Takaful make them to choose the Takaful. Lack of customer awareness and willingness about Takaful will affect the perception of choosing Takaful.

Secondly, through the second objective of the research and the second research question, it is to measure the factors that influence the choice of Takaful by the entrepreneur in Kota Bharu, Kelantan. It shows that the major factor that influences the entrepreneurs choose Takaful is the religiosity. The three points that focused in religiosity are non-necessary Islamic practices, necessary Islamic practices, and faith and belief. Furthermore, Muslim would prefer Takaful product although have low return in order to avoid participating in activities that violated towards their religious teaching.

The third research objective through the third research question is to conclude on the view point of the entrepreneurs regarding Takaful instead of insurance as their protection plan. Customer preference must be prioritized by the company in order to lead the success. Customer satisfaction is related to profit because satisfied customers often become repeat customers. As Takaful is offer the protection against any risks, the satisfied customer will recommend this product to their relative and friends thus the participants of the Takaful will be increase. From the interviewers view, customer satisfaction is an encouraging response or reaction of the customer towards the product offered, this happen due to the product offered is meet the customer expectation which has been satisfy their needs.

Product feature is the main reason that will attract customers' attraction towards the products. Product feature is focused on the benefit of the product. The benefit of the product should be described clearly. The rules and guidelines for Takaful is followed of Shariah compliance and Islamic rules whereas free from the prohibited elements of *riba* (interest), *maysir* (gambling) and *gharar* (uncertainty). Interviewers described their choice of Takaful is product feature. The benefit on the Takaful is high and not risky compared to the conventional insurance. Since Takaful is complied with Shariah, interviewers will not worry to choose Takaful.

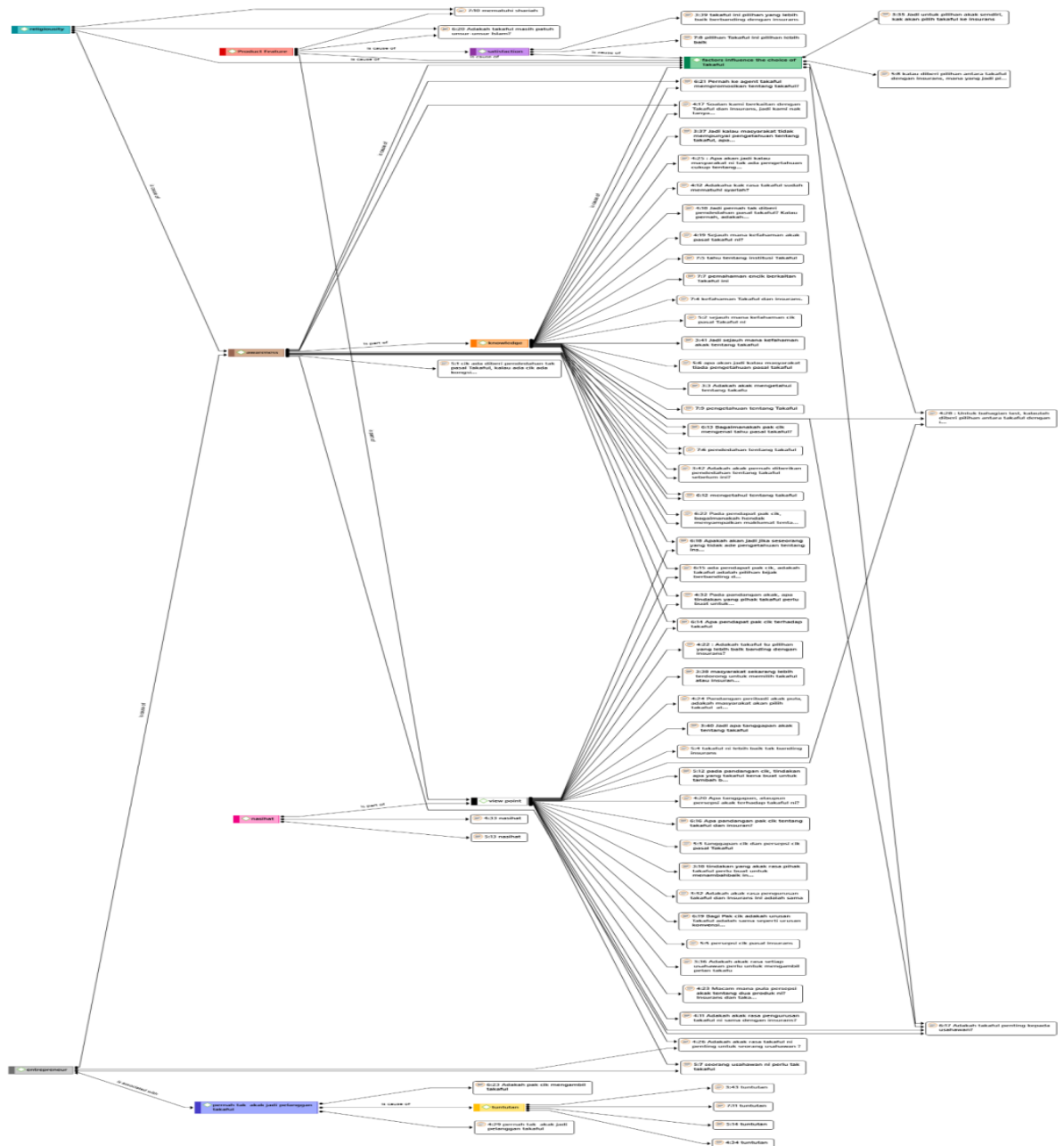


Figure 4: Model of Takaful Selection Factors Among Entrepreneurs in Kota Bharu, Kelantan.

Source: Atlas.ti Version 8: The Qualitative Data Analysis & Research Software

5. Conclusion

This study focuses on the factors influencing the choice of Takaful over conventional insurance among entrepreneurs in Kota Bharu, Kelantan. The study contributes new knowledge as captured by the following propositions:

- i. Takaful customers have a clear concept and knowledge of Takaful and requirement of Shariah compliance. Takaful product is necessary for Muslims as replacement of conventional insurance.
- ii. Takaful customers have awareness on the relationship between Takaful and Islam in contemporary business.
- iii. The growth of Takaful businesses, however, remains slow compared to conventional insurance. But, respondents are hopeful of the growth, development and the roles of Takaful agents is getting better.

Takaful Operators and Takaful agents may use the findings of this research to justify their efforts in developing, appropriate promotion and awareness interventions. It is important to make sure that Takaful products and sales might can thrive in Malaysia. For example, they should be more careful in handling the quality of the services provided and their own corporate image which could affect the customer's attitude towards the company. This can encourage Malaysians in general and Muslims in particular to appreciate the Takaful products that must have complied with the prescribed Islamic Shariah. In addition, the organisation also should provide enough trainings and workshop to their agents such as improve their knowledge on the product because a high quality services of agents can increase customer's satisfaction. Having a good knowledge of Takaful products and operations also offered to non-Muslim communities in Malaysia may also open up their interest in purchasing Takaful products.

Through this research, it's contribute to the researcher to help them to increase their understanding regarding to the topic of "Takaful Selection Factors among Entrepreneurs in Kota Bharu, Kelantan". Besides that, it is able to help the researchers to discover the reasons and to know more clearly that encourage people to choose Takaful over conventional insurance in Kota Bharu, Kelantan. Besides that, it's also contributes to the universities because it can be used as a reference by universities to understand and to know more deeply about the factor influence people to choose Takaful plan over conventional insurance. It also contributes to the people in Kota Bharu, Kelantan. It is because people it can ensure people to be more careful to choose the best insurance plan for them because each insurance plan has its own privileged. Lastly, this research also contribute to the entrepreneur in Kota Bharu to be more aware on the importance of the Takaful and how they can mitigate their business with the Shariah compliance risk protection instrument.

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The awareness of bancatakaful among university students

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Abstract

The purpose of this paper is to investigate the factors that influence the awareness of bancatakaful among Universiti Malaysia Kelantan students. In this study, the researcher examines the direct correlation between knowledge and education, distribution channel and religious orientation towards awareness on bancatakaful. The total respondents are 113 students were selected with an age range of 19–26 years old. The results showed that independent variables which are knowledge and education and religious orientation have shown the significant value, while distribution channel is not significant. The findings of the research are important for Islamic financial institutions, especially for Islamic banks to improve their marketing strategies. Better understanding concerning customer behaviour help Islamic banks to effectively sell their products which directly spur their market share. The factors that influence the awareness of bancatakaful have yet to be extremely discovered in the literature. The direct relationship between knowledge and education and religious orientation is achieved in this research. The study contributes to the field of customer awareness in Islamic insurance product.

Keyword(s): Awareness, Knowledge, Education, Distribution Channel, Religious, Bancatakaful.

1. Introduction

Takaful is the word that derives from Arabic which is *Kafala*. The word of *Kafala* brings a meaning which is guaranteeing each other or can be said as sharing responsibility to each other (Al-Amri & Hossain, 2015). Takaful is an protection that based on Shariah compliance, which is a guide from Quran instructions on what way to deal with elements of uncertainty (gharar), interest (riba) and gambling (maysir) (Mohamed, 2017). According to S. A. Salman, Rashid, and Hassan (2017), in Takaful system, the participant need to contribute their sum of money into a specific fund whereas at certain time the money will be used to cover the members who had a specific loss or damage due to accidents occurred.

According to Al-Amri and Hossain (2015), takaful is the insurance that is based on the Islamic Muamalat idea whereas it follows the rules of Islamic Shariah. The growing of Takaful Business in Malaysia stands by the insurance rule, which was secure by the Fatwa Council in Sudan in 1979. This was tailed by the beginning of Islamic insurance or Takaful Act's formation by Malaysia's government in November 1984. Fatwa Council is an body which was joined by scholars worldwide in 1979 (Salleh et al., 2018).

In Malaysia the insurance industry is more competent than the Takaful industry even though the dissimilarity in the productivity levels in the both industry is quite minor (Musa et al., 2017). Takaful and conventional protection contracts are quite dissimilar because the takaful is based on risk sharing while the conventional is based on the exchange of risk. The policyholders in Takaful are serving one another by equally providing protection in the incident if any of them has met with trouble. Takaful is built on mutual-cooperation which can convey the people together (R. Hassan, Salman, Kassim, Majdi, & Science, 2018).

Nowadays, takaful products have been sold by banks which act as bank intermediaries between customers and takaful companies which also called as bancatakaful. Some people still do not aware and notice about this distribution channel which has actually been widely applied abroad. According to Jubri (2012), the bancatakaful is a partnership between Islamic bank and the takaful company where the Islamic bank use its channel to promote and sell the takaful products to bank customers.

Although, bancatakaful growth successfully in neighbouring countries including Indonesian, Sri Lanka, Pakistan and Singapore. However, in Malaysia, the growth of bancatakaful is questionable. It is shown Indonesia, Sri Lanka, Pakistan and Singapore develop well in their bancatakaful products especially in Pakistan which rapidly expand their Islamic banking network across the country (Jaffer, 2012). Furthermore, previous research indicated that there is a lack of study on bancatakaful. Thus, this paper aims to discover the factors that influence the awareness of bancatakaful product.

Section 1 discuss on literature review regarding the independent variables; knowledge and education, distribution channel and religious orientation and dependent variable; awareness. Section 2, the researcher demonstrate on methodology by using quantitative data collection method. The data has been analysed by using IBM SPSS statistic 25. Section 3 discusses about the significant of each variable that influence the awareness of bancatakaful and a few recommendations were stated. Section 4 discuss on summary for this research paper.

2. Literature review

Knowledge and Education

A study from R. Hassan, Salman, Kassim, Majdi, et al. (2018), majority of community do not know what Takaful is. Respondents made recommendations that Takaful workers should educate the community to surge awareness and a well understanding of Takaful. When there is lack in customer knowledge about the basic function of the product and service insurance offered to them, there is no possible reason for them to choose the insurance product and services (AlNemer, 2015). Shortage of knowledge and awareness among the individuals is the greatest tasks to improve and development of takaful industry (Musa et al., 2017). These clearly seen, most of the society have struggle to understanding exact terms of takaful. For examples, they earlier do not alert with the expression of gharar (uncertainty) or maysir (gambling). The deficiency of knowledge and awareness are the extreme challenges to the progress and evolution of the Takaful insurance trade (Musa et al., 2017). According to Bello and Ayuba (2014), there subsists a positive correlation between customers' knowledge and choice of Takaful. Regarding Takaful, clients can gain information through systematized clinics by Takaful agencies, through books and journals, and through marketing.

Distribution channels

Distribution channel is a set of interrelated association which make products or services accessible to the buyer where it includes value creation, communication and interchange. Simply put, interrelated means task of any members in the channel may impact other members and their business results to be negative or positive. So, a good communication between distribution channels is vital in influencing clients to purchase products offered (Eshghi, 2018).

According to Malik and Ullah (2019), insurance and takaful companies have adopted traditional and alternative distribution channels in promoting their products. Traditional distribution channels comprise of private agents, independent representative and dealer. Meanwhile, alternative distribution channels consist of the internet, banks and direct mail. The growth trends predominantly require takaful operators to use distribution channels, supplementary channels and more innovative products to meet the demands of various users' segments, hence improving family Takaful intake (Remli & Rosman, 2018).

Takaful services providers are expected to improve the customer demand by using effective approach of promotion techniques (Waseem-Ul-Hameed, Ali, Nadeem, & Amjad, 2017). In order to make sure the promotion approach is effectively affects the consumers' awareness, distribution channels play an important role in ensuring its effectiveness in attracting customer towards the products offered. Therefore, increase in education level, distribution channel and religious orientation will enhance Takaful awareness level and products demand (Lee, Ling, Ng, Tan, & Wong, 2018).

Distribution channels like agents, salesperson, media, internet, bank employees have a positive impact towards awareness level of Takaful. (Waseem-Ul-Hameed et al., 2017) have found that performance is positively related to awareness. The lack of distribution channels for shariah-based insurance products and international Islamic reinsurers remained the main challenges facing the takaful industry in the Asean region. Hence, it is crucial to revoke each position in

distribution channels to be function efficiently and effectively. As in bancatakaful, bank staffs who act as agent play important roles in creating awareness towards the customer regarding the need of life insurance for future life planning.

Based on Kumar (2019), the bank managers and life insurance companies can emerge out of very extraordinary societies. There might be contrasts in the perspective and business methodologies of bankers and life insurances companies managers. These distinctions make communication and implementation of bancassurance tasks become difficult. Traditionally, banks are demand-driven associations with a reactive selling philosophy whereby life insurance associations are normally need-driven and have an aggressive selling philosophy. As for Muslim, they should be made aware of purchasing takaful rather than conventional insurance which is obviously consist element of riba (interest) in every transactions. Thus, having a productive bank staff as one of the takaful distribution channel would help increase the awareness of bancatakaful among Muslim, especially for students who is still having no idea of how important of life insurance is.

Religious orientation

Souiden and Rani (2015) defined religion as a systematized system of beliefs, practices, rituals and symbols designed to enable closeness to the God and to foster considerate and concern to others which are living together in a community. While religiosity means the attitude and behaviour of individual who are committed to the religion he or she professes and its teachings. Dzulkarnain and Hatta (2017) stated that religion is the main aspect in Islamic banking. Most of the Muslims choose Islamic banking because it is free from the interest where it forbidden in Islam. Islamic banking not only known by Muslims but non-Muslims also has the information about it. Religion is the most important factor that can changes the mind of the customer (R. Hassan, Salman, Kassim, Majdi, et al., 2018).

Based on the study by Waseem-Ul-Hameed et al. (2017) stated that religion has positive effects toward awareness of Takaful. This is because Takaful is one of the Islamic products in the financial institutions that comply with Shariah laws. It is a priority for Muslims to live accordance with Shariah. Mansor, Masduki, Mohamad, Zulkarnain, and Aziz (2015) find that someone who under religious knowledge are more likely to accept Takaful facilities that accordance with Shariah law. Meanwhile Lee et al. (2018) stated that religiosity can give impact to the Takaful's preference and buying intensity. This is because, Muslims these days would choose Takaful instead of insurance based on their faith in religion.

Waseem-Ul-Hameed et al. (2017) indicated that there are positive impacts on religious orientation toward awareness level of Takaful. It is means that people who beliefs in their religion more aware about Takaful. Purpose of this research is to find out the major factors that influence the awareness level of Takaful. This study finds strong positive relationship between religious orientation and awareness of Takaful among general public of Pakistan.

Based on the previous study, most of the researchers e.g Khan and Siddiqui (2017), Mansor et al. (2015), Zakaria et al. (2016) stated that religiosity is one of the important factors that give impact to consumer decision in choosing Islamic product. However, there are also researches e.g Harun, Rashid, Hamed, and Culture (2015), Souiden and Rani (2015) find that religiosity factor cannot be identified as a main factor in choosing the Islamic banking product. In conclusion, due to the lack of

religious background in Islamic teaching it has weakened religious beliefs and thus influenced the awareness and knowledge of Islamic banking products and services.

Awareness

The researchers stated that awareness and intention to choose Takaful have a positive significant relationship because people will make the right decision by choosing takaful product (Al-Salih, 2014). If the awareness of Takaful in the society is lower in rank, it will bring a negative impact towards the Takaful preferences. The low level of awareness and understanding of Takaful in Malaysia will influence the intention and consumption of the customer towards Takaful (sheikh Ali & Jama, 2016). The lower level of awareness and understanding of Takaful in Malaysia will influence the intention and consumption of the customer towards Takaful (R. Hassan, Salman, Kassim, & Majdi, 2018).

According to S. Salman, Rashid, and Hassan (2016) out of the 503 respondents, 124 of the respondents have no knowledge of Takaful and 45% are not aware that Takaful policy holders share risks mutually. Also, 38.8% do not know that Takaful is free from betting (gambling), doubt (uncertainty), and interest (riba) and out of 70.2% respondents, however think that Takaful products comply with Sharia. A high level of awareness was found among the respondents regarding the availability of Takaful and even greater awareness was noted regarding conventional insurance compared to Takaful (Ahmad Mokhtar, Abdul Aziz, & Md Hilal, 2017).

Awareness have a good significant impact on Takaful behaviour intention among a sample of Pakistanis. A high percentage of respondents are aware of the existence of takaful (H. A. Hassan & Abbas, 2019). The awareness has been empirically proven as one of the important aspects that impact market preference. Literature reveals that awareness positively influences preference by give the awareness among people (Hidayat, 2015). Lack of understanding and awareness of the takaful products will decrease takaful demand (Yakob, Hafizuddin-Syah, & Hisham, 2019).

3. Methodology

Quantitative research design is used as the data collection method. This method is used self-administered questionnaire as a tool to get the data from the respondents. This questionnaire is developed based on previous study. The questionnaires are distributed to the respondents randomly by using Google Forms and papers. The total of respondents of this study is 113 students of Universiti Malaysia Kelantan (UMK). From the questionnaire, the researchers key in the data by all researchers to avoid from any error data installation. Data is analysed by using IBM SPSS version 25. T-test, Regression analysis is applied to identify factors that influence the awareness of bancatakaful among university students.

4. Results and Discussion

Table 1.0, shows the respondents’ demographic that consists gender, age, years of study and level of education. In detail, it can be seen that female stated the higher frequency (n=94) than male (n=19) with the percentage of 83.2 % and 16.8% respectively. Majority of the respondents age is come from 21 years old student with the 41.6% (n=47). The age of 20 and 24 years old illustrate the minority with the percentage of 1.8% (n=2).Moving on to the years of study, fourth year student demonstrate the highest frequency (n=52) with the percentage of 46% while first year student shows the lowest frequency (n=6) at the percentage 5.3%.Next, it is evident from the table that the level of education in matriculation shows the most number of frequency (n=58) with the percentage 51.3%. The lowest frequency comes from the level of education in diploma (n=8) which is 7.1%.

Table 1: The Demographic Profile of Respondent

n = 113			
		Frequency	Percent (%)
Gender	Male	19	16.8
	Female	94	83.2
Age	20 years old	2	1.8
	21 years old	47	41.6
	22 years old	44	38.9
	23 years old	12	10.6
	24 years old	2	1.8
	25 years old	6	5.3
Years	1	6	5.3
	2	25	22.1
	3	30	26.5
	4	52	46.0
Education	STAM	14	12.4
	STPM	33	29.2
	Matriculation	58	51.3
	Diploma	8	7.1

Comparisons mean score on awareness of bancatakaful between gender, years of study and education level

Based on table 2.0, there was a not significant difference in mean score for awareness between male ($\mu = 3.87, \sigma^2 = 0.68$) and female ($\mu = 3.74, \sigma^2 = 0.74$); $t(111) = 0.73, p = 0.47$. This study indicates mean score for male is higher than female.

The first year student (N=6) has the lowest mean score ($\mu = 3.5$) and the highest mean score ($\mu = 4.03$) is third year student (N=30). However, there was no significant mean score of awareness at the $p < .05$ level for four years of study [F (3,109) = 2.27, $p = 0.084$]. STPM student (n=8) has the lowest mean score ($\mu = 3.70$) and the highest mean score ($\mu = 3.81$) is the matriculation student (n=58). However, there was no significant mean score of awareness at the $p < .05$ for level of education [F (3,109) = 0.18, $p = 0.913$].

Table 2: Mean score for awareness by gender, years of study and education

	Gender	N	Mean	Std. dev	Sig.
Mean score for awareness	Male	19	3.874	0.681	0.450
	Female	94	3.741	0.738	
Years of study					
Mean score for awareness	First year student	6	3.50	0.83	0.084
	Second year student	25	3.79	0.68	
	Third year student	30	4.03	0.83	
	Fourth year student	52	3.63	0.64	
Education					
Mean score for awareness	STAM	14	3.76	0.83	0.913
	STPM	33	3.70	0.77	
	Matriculation	58	3.81	0.71	
	Diploma	8	3.75	0.65	

Factors to influence the awareness of bancatakaful

The mean knowledge and education is significant ($p = 0.000$) and the coefficient is positive which would indicate that higher in knowledge and education is related to higher awareness. Next, the mean of distribution channel is not significant ($p = 0.320$). In addition, religious orientation has positive significant towards awareness on bancatakaful ($p = 0.000$). R square indicates the proportion of variance in awareness of bancatakaful that can be explained 59.1% by knowledge and education, distribution channel and religious orientation. The model of this study can be explained in equation (1).

$$\text{Mean of awareness} = -0.115 + (0.364 \text{ knowledge and education}) + (0.090 \text{ Distribution channel}) + (0.534 \text{ religious orientation})$$

Table 3: Regression result

Dependent : Awareness	
Variables	Coefficient (t-value)
Knowledge and education	0.364* (5.451)
Distribution channel	0.090 (0.999)
Religious orientation	0.534* (5.135)
Constant	-0.115 (-0.317)
Observations	113
R² :0.591	
t statistics in parentheses	
*p <0.05, **p <0.01, ***p <0.001	

Based on the result that has been analysed, it demonstrated that independent variable which is knowledge and education and religious orientation has shown the significant value (p=0.000) respectively and has not significant for distribution channel (p=0.320). The R square illustrates only 59.1% and the rest might be explained by the other variable. This proves the model developed from the researcher were not strong enough to support the hypothesis stated in this research. The awareness can be seen through the knowledge and education of an individual itself due to most of student from year three aware about the bancatakaful product compared to the student in year one.

Knowledge and education were the essential variable which reflects to the awareness because through the knowledge and education the individual will able to make an opinion and decision about the bancatakaful product and can avoid them to choose the bancassurance product. Next, distribution channel were not significant in relating to the awareness of student about bancatakaful product due to the lack of promotion about the existing of bancatakaful in their area. The religious orientation were significant which gives the reflects to the awareness of bancatakaful product because BBA Islamic Banking and Finance student that has the knowledge will know the element that exist in conventional product such as *riba*, *gharar* and *maysir*.

Knowledge and education is one of the independent variable in this study shows that significant to use for giving awareness to BBA Islamic Banking and Finance student. Besides, some people have a knowledge and education that can help build opinions about difference of takaful and bancatakful and same goes between bancatakful and bancassurance. Religious orientation also has positive relationship because religious orientation could bring awareness because it shows of element riba that include in insurance. For future researches religious orientation should be practise by family members which bring the huge impact on creating the awareness.

So, overall that it means that this model is suitable for 113 students because it shows the significant value should be approximately 1% for model to be strong while our significant value only reached 0.59%. It has shown that the model of our studies is moderate to strong by using this model. For future researcher, we would like to recommend for improving the limitation as mentioned above. Firstly, the sampling location in this study is limited. Thus, it is suggested to expand the location for this study to give awareness among people. Also, future research can collect the data from respondents all around Malaysia from west to east to get especially Sabah and Sarawak in order to have whole view from people in Malaysian.

5. Conclusion

Throughout this study, it was noticed that several factors are affecting the awareness of bancatakaful among Islamic banking and finance students. These factors include knowledge and education and religious orientation which are more significant compared to distribution channels. The findings of this study could give benefits to the top management and policy maker in evolving their strategies. The government should provide some exposure regarding future life planner like bancatakaful in earlier stage and also provide some educational advertisement continuously to educate the public on the importance of having bancatakaful. Religious education is more effective if it is taught and practiced by the family members. Thus, one's religion beliefs would affect the individuals to perform a permissible act in any kind of affair including business and transactions. Based on the above suggestions, further in-depth analysis on this topic is needed to overcome the limitations in this study to create better discoveries that could benefit the Takaful industry.

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The factor influence acceptance Takaful among of students in Faculty of Entrepreneurship and Business (FEB) at City Campus, University Malaysia Kelantan.

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Abstract

The purpose of this study is to analyse the factor of acceptance of Takaful among students in Faculty of Entrepreneurship and Business (FEB) at City Campus, University Malaysia Kelantan (UMK). This research involved all students in FEB from year 1 till year 4. A survey questionnaire was conducted to collect relevant and recent data on consumer perception relating to the Takaful. For this study, the factor are background of difference and reliability of Takaful, consumer behavior, awareness and knowledge and acceptance of takaful among students in FEB at City Campus, UMK. By using Pearson's Correlation Coefficient Analysis, Multiple Regression Analysis and Reliability Analysis the result shown that background of difference and reliability of Takaful, consumer behavior and awareness and knowledge have a positive significance relationship toward the factor acceptance of Takaful. This research provides the result factors of acceptance of takaful, which to the best provides suggestions for the future researcher, academic institutions and authorities to make some significant improvement.

Keywords: Background Difference, Reliability, Consumer Behavior, Awareness, Knowledge, Takaful

1. Introduction

Takaful can be defined as financial option other than conventional insurance which refer to Shariah Compliance Insurance. The word Takaful in term of Arabic is kafala which means to guarantee, look after or trust. The word takaful also derived from takafala which means helping one another or looking after one another. In hadith, Prophet Muhammad (peace be upon him) says “tie the cancel, then submit (tawakal) to the will of God”. In Al-Quran Surah al-Maidah (verse 5:2) has mentioned about Takaful Shariah basis Allah says “Help (ta’awum) one another in furthering evil and enmity”.

The basic principle of the Islamic economic system is on how the wealth been distributed equally. Takaful based on system to encourage people to contribute their wealth to help in a dire situation. The Islamic economic system focused on helping certain people through the accumulation of wealth. The Islamic law of inheritance handle all the related work of managing the wealth. It divides the wealth of the dead over a wide range of the beneficiaries. The takaful agent in a family takaful scheme is only a safe keeper and when the participant died all the takaful money will be distributed among the heirs. It is crucial to know the reasoning students in university not to engage in buying or subscribe Takaful products. This happen when student misconceptions about takaful and also Takaful operation itself.

This study aims to investigate the factors influence acceptance of Takaful among the students in Faculty of Entrepreneurship and Business (FEB) at City Campus, University Malaysia Kelantan. This research wants to know on how awareness and knowledge among students about Takaful. So, this research had investigated the factors of background difference, behavior consumer, awareness and knowledge among faculty entrepreneurship and business (FEB) students.

According to Anwar (2008) what made takaful and conventional insurance differ from one another are the participants agree to contribute in the takaful fund and share the loss of each other. So if one of the participant made a claim, it is paid out of the combined takaful fund among the participants. This will eliminate gharar (uncertainty) that was not Shariah compliance. Next, the participants also share the profit and liability where all participant share the same risk from the fund. Takaful company does not bear the risk like the conventional insurance. At year end, if the investment make a profit, it will be shared equally among the participants. Other than that the investment need to follow Shariah law. For example, they cannot invest in a company that sell wine or cigarettes that are not permitted by Islam. Takaful practices are only involves in elements of mudarabah and tabarru’ compare to conventional insurance that has element of riba, gharar and maysir. Lastly, in takaful the paid premium is treated as both donation (tabarru’) and saving (mudarabah) compare to insurance that are more to sale of item. The profit are distributed to the participants and takaful operator based on the agreed ratio between both parties compare to insurance, the participants do not get any share from the investment and shareholder on get profit from the investment return. Under takaful the participant’s funds belong to the participants on collective basis and are managed by the shareholders compare to insurance where all fund only belong to the company and assets are separated between the participants and shareholders.

Takaful now are growing faster than insurance. It is growing at 20 to 25% *per annum* better than insurance which only at 5 to 5% *per annum*. The validity of this growth was made possible since both for the customers and entrepreneurs of Islamic insurance demand takaful. In a market place, the attraction of takaful are well known

since its system priorities justice above others. Takaful has good ethical structure which can be accepted by both Muslim and non-Muslim.

2. Literature review

2.1 Background of difference and reliability.

Hayrettin Karaman (1997), learns in public awareness of how backgrounds can be the background of individuals can influence decisions, repeating the methods introduced to combat dishonest actions that spoil your beliefs must be in line with the rules of Islamic law and insurers must try seek the truth about the right insurer to be under Islamic law. According to Ahmad (2010), examines the problems and prospects of Islamic banking, said compared with Western countries, the Takaful market that has not been introduced in Islamic countries still exists. The background of a country is also important to influence individual decisions in making decisions. In accordance to Ashikin (2012) and Rom (2012), the title Less contribute Takaful scheme and implementation prospect Takaful Micro in Malaysia was said that Low-income groups will only be willing to pay at no more than RM35 per month for Takaful contributions for those who living in rural areas is only willing to pay a monthly premium of RM 20 or less. Beside, Taqiyuddin (1990), said that the poor are the poor and living with the income is not enough to cover their needs while the income groups the low is the only limited financial source. Hassan (2009) found that studying in reliability of something can affect individuals to choose Takaful. Islamic societies enjoy the diversity of financial services that are based on Islamic Shariah law in all Takaful safeguards specific parts of custom recourse procedures can be used. Nunnally (1978), studying in measurement factor that affects reliability. Said that the reliability of each measurement factor is high and reliable for further analysis.

2.2 Consumer behaviour

Consumer behavior is one of the factor influencing acceptance of Takaful among student. Studying by Pace (2013), the studying religious teachings are greatly influenced that said it very well may be said that religion can legitimately impact customer bias through religious precept. According to Karim (2011), studying in buyers goal that said buy goals give a linkage between ability to buy an item or administration. A research conducted by Mokhlis (2009) showed religion can influence consumer behavior by influencing the evaluation of their product information, product and service choices, and usage patterns. Swimberghe (2011), since the development in religious-related literature with marketing and consumer behavior has been slow. This demands the development and creation of greater need for theoretical stripping of how religious beliefs influence consumer marketing and attitude behavior. It is said that development in this area is due to various factors. Robbin (2007), these include religious communities who have a negative perception of marketing, religious sensitive nature as the subject of measurement problems and methodologies in producing legitimate and credible data. Organizational Behavior by Kotler and Keller (2012) found that, client conduct is an investigation of how people, gatherings, and associations pick, buy, use and discard merchandise, administrations, thoughts, encounters to address their issues and needs.

2.3 Awareness and knowledge.

Awareness and knowledge is the most influencing acceptance of Takaful. A research conducted by Norlida et al (2004) showed evaluates people awareness about family Takaful through questionnaire with 220 respondents. The study reveal only 51.1 % respondents are aware of the existence of family Takaful. It also reveals that the higher their education, the more they are aware about Takaful plan. A study conducted in Brunei by Matsawali et al., (2012) is to investigate customers' awareness about the different between them, focused on benefits, principles and values, it has a significant lack of awareness among the consumers. Brunei being an Islamic state, one would like to imagine that sensitization of Takaful has been done successfully. The finding revealed that 85% of customers used Takaful because it was available, and the other 65% also noted to use conventional insurance because it also available in the country. Matsawali et al. (2012) supported this researcher uses a random sample basis and record the consumer preference and how they understand Takaful and Conventional insurance. It reveals that even though most of the public choose Takaful over conventional insurance but their knowledge on Takaful are still very low. From the view of the Malaysian small medium enterprises (SME), a qualitative study by Ismail et al.(2012) An investigation of the awareness level of Takaful products among the micro enterprises in Malaysia, it shows that majority of them only know about conventional insurance. However, most of the respondents didn't know about the availability of Takaful product. For example the Takaful has exist in India for more than 20 but not many people subscribe it.

2.4 Factors Influence of Acceptance Takaful

Based on Razak et.al (2013), the study aims to find out the factors that influence the acceptance of Takaful among people based on service quality, product, characteristics, advantages and perception among people. It also to know what kind of factors that mostly giving the higher affect about the acceptance of Takaful among people. Based on finding, it shows that service quality is the main factors on why people choosing Takaful plans. It can be concluded that service quality is the key to make sure people choosing this plan for their protection plans. Other than that, research by Zainal Abidin (2005), this study aims to find out the factors that influence the acceptance by using random pick among people to measure the level of acceptance about the Takaful. Based on the research, the finding is to make sure that the customer always satisfied about this plan as their protection plans. It can be concluded that protection is very important to make sure that in future we have the backup protection plan if something bad happen. Then, according to Rahim and Amin (2011), the study aims to explore about the factors that encourages the acceptance of the Takaful. There are some factors that influence about this research which are attitude, subjective norm and amount of information (AOI). Based on the researched, it shows about 176 respondents that clear and accept about this plan of Takaful. It can be concluded that customer accept Takaful plans because the impact of factors that influence it. So, to increase the acceptance among people the right plans need to be follow up and always choosing the best strategy.

3. Methodology

3.1 Research Design

Through this research design it involves planning and structuring of research activities. Data are collected to help researcher in accessing the relationship between

independent variable. This quantitative research method was used because data can be collected through questionnaire. The purpose of this study will be figure out the level of acceptance of Takaful among students in Faculty of Entrepreneurship and Business (FEB) at City Campus, University Malaysia Kelantan (UMK). It is conceptual correlation in that it tries to determine the relationship between background of difference and reliability of Takaful, behavior consumers and knowledge and awareness.

3.2 Research Instrument

The test use for information accumulation for this examination will be utilized overview poll. The surveys will act naturally gave and will be appropriated to every one of the general populations. Engaged with this investigation and will always follow up on people who responded related to the questionnaires.

3.3 Population/ Sample Size

The population for this study, for quantitative method, contained of the all of students in Faculty of Entrepreneurship and Business (FEB) at City Campus, University Malaysia Kelantan. As the record, students in Faculty Entrepreneurship and Business (FEB) of City Campus, UMK there are 3020 students (N) from the total 4354 students at City Campus, UMK. So, the total of population FEB students is 3020 and it is chosen because we want to find out factors influence acceptance Takaful by FEB students at City Campus, UMK on Takaful.

3.4 Determination of sample size

To simplify the process of determining the sample size for a population, Krejcie & Morgan (1970), produce a table using sample size formula for limited population. For the purpose of this study, the population sample was determined on the basis of Krejcie Morgan table 1970. By using Krejcie Morgan table of sample determination, the sample for the study is 346 (S). The sample size representatives of the student in this study were 346.

3.5 Sampling Technique

This survey involved undergraduate from 5 courses in University Malaysia Kelantan at City Campus which is (SAB,SAK,SAL,SAR and SAE) and spread the questionnaire among student. The sample size for this survey is 346 students. The method sampling that we used was stratified sampling because this method can be partitioned into five courses in FEB and also setting apart and distributing based on the total number of students UMK in each campus. All students UMK participated on unnamed and private basis. The majority student in UMK Campus City were Malay. The distribution of the sample size of 346 was an attempt to represent all the FEB's students in the City Campus, University Malaysia Kelantan.

3.6 Data collection method

Data collection method is a process of researcher engages to collect data that would answer the research objectives or research questions. This method basically divided into two which are primary or secondary data. Primary data often based on principles of the scientific method while secondary data refers to the information that has been collected by a person and easily available to the researches. This studied utilized primary data that was collected from the respondent which are FEB's student in

UMK. Primary data was collected using closed ended structured questionnaire. The questionnaire adopted a Likert scale of 5 levels. The questionnaire was administered via email to the respondents.

4. Findings and Discussion

The focused on this study were determining the factors influence acceptance of takaful among the students in faculty of Entrepreneurship and Business (FEB) at City Campus, University Malaysia Kelantan. Based on the study, researcher had applied frequency analysis, reliability analysis, descriptive analysis and Pearson’s Correlation Coefficient. That was analysing, to ensure that the research are achieved and answer the research questions.

Table 4.1: Descriptive Analysis of Consumer Behaviour

Independent Variables	Mean	Standard Deviation
Consumer Behavior	4.130	0.495

Based on Table 4.1 shows independent variable of consumer behaviour has lowest value of mean which is 4.130 and the standard deviation is 0.495. This shows that the respondent still agree with the statement about takaful was important to their live. Kamil and Mat Nor (2014), found that takaful is part of a way of life to a Muslim and it is obligation to get protection of Takaful compared to the conventional insurance.

Table 4.2: Descriptive Analysis of Background of Difference and Reliability of Takaful

Independent Variables	Mean	Standard Deviation
Background of Difference and Reliability of Takaful	4.214	0.449

Based on Table 4.2 shows that the background of difference and reliability of takaful has the value of mean is 4.214 and the value of standard deviation is 0.449. The respondent tended to agree with the statement about the background of difference and reliability of takaful based on they believed that Islamic law is prohibit interest for a loan. Research by Ahmed E. Souiaia (2014) on their study, Muslim scholars on the other hand extend the prohibition on riba to all one cannot profit from interest, cannot charge interest, and cannot be engaged in transactions that charge interest to anyone, Muslim or non-Muslim, under all circumstances.

Table 4.3: Descriptive Analysis of Awareness and Knowledge

Independent Variables	Mean	Standard Deviation
Awareness and Knowledge	4.255	0.514

Table 4.3 shows that independent variables of awareness and knowledge has the highest mean value which is 4.255 and for standard deviation is 0.514. That was meant the respondent tended to agree with the statement that awareness and knowledge provides the more information which will helps students to understanding the important of having Takaful. The respondent tended to agree that they know their contribution part of takaful will be invested in investments that are in line with the Shariah. Based on Mohammad Idham (2013), the takaful operator simply functions

as administrator of the takaful fund whose responsibility includes managing and investing the fund according to the shariah principle.

Table 4.4: Correlation coefficients

Variables	Correlation Coefficient
Consumer Behavior	0.680**
Background of Difference and Reliability of Takaful	0.569**
Awareness and Knowledge	0.683**

** . Correlation is significant at the 0.01 level (2-tailed).

Table 4.4 shows that the value of Pearson’s Correlation (r) is 0.680 which indicate a strong positive linear correlation. Therefore, it can be concluded that consumer behaviour give a great impact on the acceptance of Takaful among FEB students in City Campus. Hence, hypothesis 1 (H_1) is accepted.

Next, the value of Pearson’s Correlation Coefficient (r) is 0.569 which refer to strong positive linear correlation. Therefore, it can be concluding that background difference gives a positive impact on the acceptance of Takaful among FEB students ($p=0.647 >0.01$). Hence, hypothesis 2 (H_2) is accepted.

From the table above the value of Pearson’s Correlation (r) is 0.683 which show a strong positive linear correlation. Therefore, it can be concluded that awareness and knowledge give a great impact in the acceptance of Takaful among FEB students. Therefore hypothesis 3 (H_3) is accepted.

Table 4.5: Multiple Regression Analysis- Coefficient

Model	Standardized Coefficient	t	Sig
	Beta		
Consumer Behavior	0.384	7.349	0.000
Background of Difference and Reliability of Takaful	0.054	1.020	0.309
Awareness and Knowledge	0.383	6.923	0.000

Based on Table 4.5, the factor of consumer behaviour is the highest ($\beta=0.384, p=0.00$), followed by awareness and knowledge ($\beta=0.383, p=0.00$). Overall, result suggest that all saving motives significantly influence acceptance of takaful, with consumer behavior motives as the strongest determinant. However, background of difference and reliability of takaful did not have a significant relationship with acceptance of takaful ($\beta=0.054, p=0.309$), therefore rejecting hypotheses H_2 which postulates a positive relationship between background of difference and reliability and acceptance of takaful. This suggest that acceptance of takaful is not affected by background of difference and reliability of takaful.

Table 4.6: Multiple Regression Analysis – Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.744 ^a	0.554	0.550	0.38071

Based on Table 4.6, the value of R-square is 0.554. From this value, it indicates the independent variables of background of difference and reliability of takaful, consumer behavior and awareness and knowledge contributed 55.4% factors to turnover intention. Meanwhile, another 44.6% factors to turnover intention is obtained by other independent variable which is not been measured in this study.

5. Conclusion and recommendation

The factors influence acceptance of Takaful among the students in Faculty of Entrepreneurship and Business (FEB) at City Campus, University Malaysia Kelantan by specifying the determinants of background difference and reliability of Takaful, consumer behaviour, awareness and knowledge are the main purpose of this study. This research project has met its research objective to identify the factors and the most important factors of background difference and reliability of Takaful, consumer behaviour, awareness and knowledge and analyse the significant effect factor influence acceptance of Takaful among the students in Faculty of Entrepreneurship and Business (FEB) at City Campus, University Malaysia Kelantan (UMK).

The finding of this research indicates that all the independent variables which are background difference and reliability of Takaful, consumer behaviour, awareness and knowledge have a positive significant relationship toward the factors influence acceptance of takaful among the students in FEB at City Campus, UMK after evaluating by Pearson’s Correlation Coefficient Analysis and Reliability Analysis. In addition, this chapter also provided a suggestion for the future researcher, academic institutions and authorities to make some significant improvement.

In the conclusion, the outcome of this study shows that awareness and knowledge is the most crucial factors influence acceptance of Takaful among the students in FEB at City Campus, UMK and the least crucial factors is background of difference and reliability of takaful. Besides, this research has stated some limitations that have been met and recommendation for the future researchers. Thus, this study serves information for those who want to study deeply on the factors influence acceptance of Takaful among the students in FEB at City Campus, UMK. In recommendation, to influence students to accept Takaful, the universities in Malaysia especially Kelantan should organize seminar or campaign about Takaful to give more information and consciousness of having takaful in future to the students and also increase the most factors. Moreover, the takaful agent should also take an action carefully, effectively and seriously to promote their products and services in line with Shariah compliance.

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Islamic Social Finance

Acceptance of cash waqf among muslims in Kelantan: a case study of Bank Muamalat Malaysia Berhad

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Abstract

Bank Muamalat Malaysia Berhad (BMMB) Kelantan branch had joined hand with MAIK to start MAIK-Muaamalat *waqf* where BMMB will be able to include *waqf* elements in its products. The purpose of this study is to understand the acceptance of cash *waqf* among Muslims in Kelantan through a case study of BMMB. In studying the acceptance of cash *waqf*, three influencing variables have been identified which are awareness, religiosity and attitude. There are a total of six branches of BMMB in Kelantan that the researchers have interviewed for the purpose data collection. The results had shown that the acceptance of cash *waqf* in Kelantan is influenced by the three variables. The researchers were subjected to time and money constraints which resulted in the limitation of the study and focused on BMMB. Through the research, the researchers hope to enlighten the Muslims in Kelantan as well as relevant organizations towards the factors that would enhance the acceptance of cash *waqf* in Kelantan. The research takes on a new approach towards cash *waqf* studies by applying a qualitative approach towards the cash *waqf* operators.

Keyword(s): Cash *Waqf*, Awareness, Attitude, Religiosity, Muslim, Bank Muamalat Malaysia Berhad

1. Introduction

The concept of *waqf* had existed before the existence of Islam under the guise of charity, however it was the teachings of Islam that recognizes or defines the concept and established the legal form of *waqf* (Khademolhoseini, 2008). One of the first records of *waqf* property is the endowment of the *Quba* mosque by the prophet Muhammad (Haron, M., Kamarudin, M. K., Fauzi, N. A., Ariff, M. M., & Zainuddin, M. Z., 2016; Khademolhoseini, 2008). This shows that *waqf* in its regulated form had existed since the time of the Prophet Muhammad PBUH and yet the implementation of *waqf* is still deemed as inadequate even in Muslim countries such as Bangladesh as the third largest Muslim country in the world (Karim, 2010; Isa, 2011).

Contrary to public belief, the term *waqf* was never explicitly mentioned in the Holy Quran (Rahaman, 2011). The legal jurisdiction for *waqf* was obtained from several *hadith* that records The Prophet Muhammad PBUH telling the *sahabah* to do *waqf* in its definite sense by telling them to devote the usufruct of a property to the public while barring any transaction from the property albeit without specifying the term (Rahaman, 2011; Puad, 2014). Understandably, there were already records (*hadith*) of both philanthropic and religious *waqf* even back then (Haron, M., Kamarudin, M. K., Fauzi, N. A., Ariff, M. M., & Zainuddin, M. Z., 2016). However, the earliest recorded practice of *cash waqf* was during the time of the *sahabah*, specifically during the era of Roman Empire (Haron, M., Kamarudin, M. K., Fauzi, N. A., Ariff, M. M., & Zainuddin, M. Z., 2016; Ahmad, 2014). Nonetheless, it was not until the 16th century of the Ottoman Empire that *cash waqf* had firmly taken root (Haron, M., Kamarudin, M. K., Fauzi, N. A., Ariff, M. M., & Zainuddin, M. Z., 2016; Khademolhoseini, 2008). Even so, its popularity had led to a heated debate among scholars that lasted until the 17th century (Rahaman, 2011; Cizakca, 2004).

Waqf itself is perpetual in nature. The perpetual nature of *waqf* dictates that *waqf* assets or properties would never reduce instead it would continue to grow throughout the years as a form perpetual charity (Rahaman, 2011; Puad, 2014). *Waqf* has long been determined by researchers as an instrument of poverty alleviation alongside *zakah*. Nonetheless, poverty still remains even in major Muslim countries (Khan F. , 2001; Fazlul, 2010). Previous researchers such as Masruki and Khan F. (2001) also believe that *waqf* property possess the potential to improve the socio-economic of the community which is severely hindered by the inefficiency of *waqf* management, development and administration. Consequently, proper development of *waqf* estates holds the potential to generate a sizeable income for the country (Fazlul, 2010).

Despite the continuous development of *waqf* management over the years, Majlis Agama Islam Negeri (MAIN) still faces multiple challenges in administering *waqf* in its respective states (Majid, 2014). Studies regarding the efficiency, effectiveness and accounting issues of *Waqf* management in Malaysia had been extensively carried out over the years each coming forth with their own recommendations for improvements some of which are similar such as a standard manual for *Waqf* management in Malaysia (Isa, 2011; Khan T. , 2015; Puad, 2014). Consequently, researchers have admitted that *waqf* administrations are the main issue of *waqf* management (Isa, 2011).

In the state of Kelantan, *waqf* management and administration is under the jurisdiction of Majlis Agama Islam Kelantan (MAIK) (Azmi, 2014). The management of *waqf* is in conjunction with *Baitulmal* which is responsible for its management (Majid, 2014). Similar to the management of *waqf* in the country, MAIK also face challenges in administrating *waqf* in Kelantan. The challenges

include legal and regulations, management and administrations and the development of *waqf* projects (Azmi, 2014). A study has shown that the main challenge faced by MAIK is the absence of a law which implements the practice of *waqf*. Nonetheless, these challenges did not stop the advancement of *waqf* management in Kelantan. In the year 2015, MAIK has launched an online cash *waqf* system in its official website of @waqaf.e-maik.my in its effort to facilitate the people and making endowments through online banking (Mutalib, 2015; Kelantan, 2019). This paper aims to know the encouragement of awareness on acceptance of cash *waqf* in Kelantan, to identify whether the religiosity can encourage the acceptance of cash *waqf* in Kelantan and to investigate whether the attitude could enhance the acceptance of cash *waqf* in Kelantan.

2. Literature review

2.1 Awareness

Studies of Islamic finance in Malaysia had shown that Malaysian have low level of awareness in the subject. Ahmad, Shahrizan & al-Hasan (2017) had stated that even customers of Islamic banks are unfamiliar with its principle. The study had attributed the low level of Islamic bank awareness among its customers to the lack of knowledge and appreciation towards Islamic bank caused by substandard marketing strategies. Similarly, Malaysian also has a low level of awareness of other Islamic financial products such as *takaful* insurance, *waqf* and cash *waqf* (Hassan, 2018; Adeyemi, 2016).

Adeyemi (2016) had further stated that the low awareness of cash *waqf* in Malaysia can be contributed to three factors which are a lack of understanding, a lack of promotion as well as social culture influence. Generally, most of the researchers who conducted studies regarding the awareness of Islamic financial products had suggested improving the marketing strategies of the products (Rammal, 2016; Jameel, 2017; Ahmad S. A.-A., 2017; Hassan, 2018; Amin H. A.-R.-A., 2014; Adeyemi, 2016). According to Puad (2014) had also listed the lack of marketability and awareness of *waqf* as challenges in *waqf* practices.

In conclusion, previous studies on Islamic finance in Malaysia had shown that Muslims in Malaysia to have insufficient awareness regarding various Islamic financial products including cash *waqf*. Researchers had also concluded that the awareness level of a particular Islamic financial product in a community would affect its acceptance in said community. Following that belief, this research had listed the awareness level of cash *waqf* as one of the factors that influences its acceptance in the state of Kelantan.

2.2 Religiosity

According to McDaniel and Burnett (1990), the term of religiosity could be translate and being understand in various of form but it is more accurately being described as a belief value in God. Besides, Worthington (2003) stated that the term of religiosity is also known as the degrees to which a person shows their compliance and obeying toward the religious values, beliefs, and practices that are related with their daily life activity and task.

According to Johnson (2000), individuals with higher levels of religiosity will maintain the behaviour patterns that are guided from religion. Furthermore, based on Robert (2014) research it has stated that an individual's religious attitude will play a role as a moderator that will link their behaviour with their belief system. By this,

the liberal attitude will lead to the higher level of theological openness and diversity. Meanwhile, for conservative attitude will leads to a strict and accurate application of religious tenets. Thus, religious attitude may influence individual's decision whether to give charitable donations to secular non-profit organizations or making the cash *waqf* as being recommend in religion of Islam in order to help the development (*Al-Imarah*) of *Ummah* based on the concept of sharing and help between one and another.

According to Carabain and Bekkers (2011), they have stated that normally the term or action of religious giving behaviour is related with the mosque for Muslim, church for Christian and temple for Hindus. They also mention that among this three religion, Muslims show the most high of religious giving behaviour as Muslims have their main *Islamic* charitable giving which is *zakah* and *waqf*. *Zakah* is refers to *Islamic* compulsory charity while *waqf* is related to *Islamic* voluntary charitable. Thus, Muslims with higher level of religiosity will be more religious and more tend to act the religious actions, means that they will have more intention to participate in giving the cash *waqf* compared than others.

2.3 Attitude

Attitude is one of the predictors in the TPB. Theory Plan Behaviour (TPB) which is an extension of Theory of Reason Action (TRA). This theory is focusing on individual's intention to perform a given behaviour. TPB is dealing with attitude, subjective norm and perceived behavioural control. According to Hasbullah (2016), attitude is very important to predict and explain human behaviour. It also refers to degree to which a person has a favourable or unfavourable evaluation or appraisal of the behaviour in question. Plus, according to Lim (2011), the researcher was strongly agreed that it is composed of the individual's salient belief perceived consequences of performing behaviour. In the nutshell, we can conclude that, attitude is main important factors to the intention in giving cash *waqf* towards Islamic institutions.

Moreover, according to Ajzen and Fishbein (1985) intention was also correlated with attitude. They were states that human intention guided by three types of antecedents, namely attitude, subjective norm and perceived behavioral control. Intention is very important as a role for human beings who are seeking the reward from Allah (SWT). Based on Ajzen (1985), there is positive correlation between intention and attitude. For example, the intention is people or this case of *waqf*, the waqif or donor are ty hard to willingness and give a much effort planning to exert or to giving a *waqf*, in order to perform the behavior, while the attitude is the positive and negative feeling (evaluation effect) about performing the target behavior. So it can conclude that the positive the attitude, the positive the intention. Hence, it can be simplify that, attitude among *waqif* towards Allah SWT for Islamic development are the main factors that they are willingness to give a much effort to performing the behavior.

According to Sakti (2014) attitude is the main factors for customer to choose Halal products in Malaysia. According to Razak and Abduh (2013), they are also proven their statement based on customers in Malaysia is using *Musharakah Mutanaqisah* contract is Islamic banking. So that, it is clearly that attitude plays an important role in the selection criteria also it is significantly and positively related to intention. Other than that, according to Simon (2012) suggests that if the increasing of positive attitude towards charitable donation by giving may encourage donation, the intention in giving donation will be increasing too. For example, if the attitude

among *Waqif* or donor in Kelantan is increase for their own *Ummah* Development, their intention in giving cash *Waqf* BMMB in Kelantan also increases.

In conclusion in this research, the factors that have been used in this research to know that the factors that influence among *waqif* or donor in Kelantan’s behaviour in giving cash *waqf* to BMMB is the factor of awareness, religiosity and attitude. These factors work through intention to affect whether one would actually act on the intention or not.

2.4 Theory of Planned Behavior

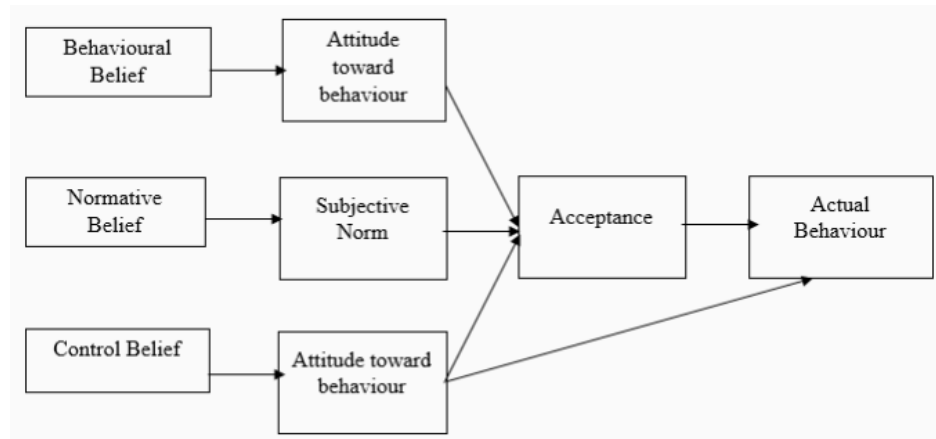


Figure 1: TPB Framework Ajzen &Fishbein

Acceptance

Acceptance can be characterized as the quality or condition of being acknowledged or adequate. Thus, acceptance as used throughout this study would allude to when individuals concur that specific thought and actualize it in daily life which is cash *waqf* itself.

Awareness

According to Ahmad (2014) and Jameel (2017), awareness can be defined as an individual's understanding and learning on a specific topic that comes in the wake of getting something. Ahmad (2014) also stated that person’s level of awareness on a particular subject can impact his behaviour towards the subject matter in the aspects of evaluating and decision making. In this way it very well may be inferred that an individual's awareness towards cash *waqf* enormously influences the individual's acceptance towards it.

Religiosity

Islam is a ‘*deen*’ that emphatically urged its followers to do each and every of good and respectable deeds as they can so as to accomplish ‘*Al-Falah*’. *Al-Falah* could characterized as one accomplishment in their common life and also on the Hereafter as they have followed the right path and rules of *muamalah* during their lifetime (Aminuddin, 2016). It have been discovered that the value of religiosity have linked a significant effect in affecting the behaviour intention youthful taught people to contribute in *waqf* (Osman A. F., 2014).

Attitude

According to Osman (2014), attitude toward behaviour is defined as an individual's positive or negative feelings about performing the particular behaviour. According to Ajzen (2008), attitude towards behaviour generally influences the intention more than the dimensions of subjective norm and perceived behavioural control. Ajzen (1991) expressed that attitude explains over 50% of the variance in intentions.

3. Methodology

The term of methodology refers to the systematic and theoretical analysis of the methods that being applied. It's being done in order to find a solution for the problems that have been listed in a field of study. Besides, the methodology also being known as general research strategy as it outlines the way in which research is to be undertaken. It also will identify and determined the methods that will be need in the research in order to ensure the research can achieve its objectives (Bryman, 2003).

3.1 Research Approach

This research is a qualitative study in which researchers are required to identify and interview relevant informants to collect data. The interview format is semi-constructed to allow smooth conversations with the informants hence ensuring the information taken to be unbiased. A qualitative research analyses data from direct fieldwork observations, in-depth, open-ended interviews and written documents. There are varieties of qualitative research methods that have been used in qualitative research, including observations, textual or visual analysis (from books or videos) and interviews (individual or group) (Gill, 2008). In this research, a case study approach is selected because it allows an in-depth explanation of cash *waqf* acceptance by BMMB. The informants for this research are the branch managers for all branches of BMMB in Kelantan.

In this research, the researchers used in-depth interviews and analyses the documents to strengthen of the study. Both techniques are commonly used in the qualitative research and both of this technique has its advantages and limitations. According to Gill (2008), has recommended the use open-ended questions that are, neutral, sensitive and understandable. Hence, the interviewees are able to give their answers comfortably and researchers can proceed to ask difficult or sensitive questions.

3.2 Data Collection

In order to gain the accurate data that being required by researchers, it lead to the need of the right procedure (Creswell, 1998) as data collection process in Figure 2:



Figure 2: Data Collection Process (Cresswell, 1998)

Interview process is an important method in order to gain high and specific information on the study field. This method is to obtain data and information from the survey informants, by that the researchers can obtain more accurate information that they need directly from their informants (Homburg, 2012). For this study, the researchers have selected the semi structural interview method. Thus, the questions were constructed for the informant was aimed to receive specific responses which are required by the study field.

In this research, the researchers have selected the purposive sampling as the primary focus was acceptance of Kelantan people toward cash *waqf*. Through this, the researchers aim to understand the acceptance of cash *waqf* among locals in Kelantan through a case study of Bank Muamalat Malaysia Berhad (BMMB). Indeed the decision to use the non-probability sampling method was made in order to ensure this research can achieve its objectives and does not go beyond its limit of study. By this, during the interview sessions the researchers will provide the question that is suited with the informant knowledge and expertise. As a result, the information that being recorded can give the suited answer to the research questions.

3.3 Data Analysis

According to Meriam (2001), process of data analysis is a complicated process that involves consideration of concrete data with abstract concepts, between inductive and deductive conquests and between descriptions. In addition, Creswell (1998) stated that the process of organizing, structuring and interpreting data collected is actually known as data analysis. He portrayed a continuous and interconnected loop (spiral) process as shown in figure 3:

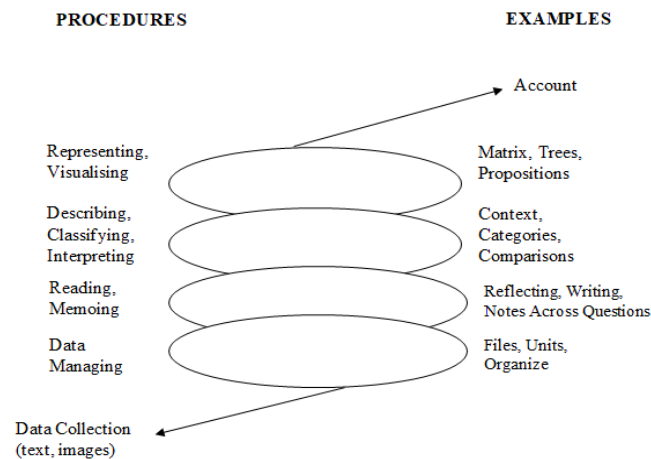


Figure 3: The Data Analysis Spiral (Creswell, 1998)

Qualitative data is very complex and not easily convertible to standard measurement units. The researcher needs to consider the importance of the context in which the data is obtained. Throughout the data analysis process, researchers need to write a memo for the researcher's self so that it can be used as additional data to be analysed, (Renner, 2003).

4. Findings and Discussions

4.1 Awareness of cash *waqf*

Table 1: Analysis of The Results from The Informants towards encouragement of awareness on acceptance of cash *waqf* in Kelantan.

NO.	THEMES/ SUB-THEMES	I1	I2	I3	I4	I5	I6
1.	Awareness						
	Knowledge: (Formal/Informal)	/	/	/	/	/	/
	Advertisement	/	/	/	/	-	/
	Promotion	/	/	/	-	/	/
	Campaign	/	/	/	/	/	/
	Religious lecture	-	/	/	/	/	/
	Social persuasion	/	/	/	/	/	-
	Additional:						
Internal awareness	/	-	/	-	/	/	

The results show that the awareness towards cash *waqf* among Muslims in Kelantan is influenced by knowledge, advertisement, promotion, campaign, religious lecture and social persuasion. Internal awareness towards cash *waqf* is unsaturated and therefore possesses less significance in affecting the awareness towards cash *waqf* among Muslims in Kelantan.

4.2 Religiosity among Muslims

Table 2: Analysis of The Results from The Informants towards encouragement of religiosity on acceptance of cash *waqf* in Kelantan

NO.	THEMES/ SUB-THEMES	I1	I2	I3	I4	I5	I6
1.	Religiosity						
	Awareness	/	/	/	/	/	/
	Responsibility	/	/	/	/	/	/
	Belief	/	/	/	/	/	/
	Perception	/	/	/	/	/	/
	Personality traits: altruism	-	-	-	-	/	/
	Help people in need						
	Additional:	/	/	/	/	/	/
	Education: Obligation	/	/	/	/	/	/

The results above show that the influence of the religiosity of the Muslims in Kelantan towards the acceptance of cash *waqf* is significantly influenced by awareness, responsibility, belief, perception, helping others, education and obligation. An altruistic trait is unsaturated and therefore possesses less significance in affecting the behavior of cash *waqf* among Muslims in Kelantan.

4.3 Attitude among Muslims

Table 3: Analysis of The Results from The Informants towards encouragement of attitude on acceptance of cash *waqf* in Kelantan.

NO.	THEMES/ SUB-THEMES	I1	I2	I3	I4	I5	I6
1.	Attitude						
	Awareness	/	/	/	/	/	/
	Willingness	/	-	/	/	/	-
	Organizational responsibility	/	/	/	/	/	/
	Financial status	/	/	-	/	/	/
	Salvation	/	/	/	/	/	/
	Additional:						
	Perceived benefit	/	/	/	/	/	/
	Social influence	-	-	/	-	/	-

The results above show that the influence of the attitude of the Muslims in Kelantan towards the acceptance of cash *waqf* is significantly influenced by awareness, organizational responsibility, financial status, self-contribution and perceived benefits. Willingness and social influence however are unsaturated and therefore possesses less significance in affecting the attitude of Muslims in Kelantan towards cash *waqf*.

4.4 Discussion and recommendations

Throughout the research, the main purpose of this research is to understand the acceptance of cash *waqf* among Muslims in Kelantan by case study of BMMB. The influencing factors towards the acceptance of cash *waqf* are awareness, religiosity and attitude. Based on the data collection, it can be concluded that all three variables are influenced the acceptance of cash *waqf* among Muslims in Kelantan.

The findings from the research had shown that the Muslims in Kelantan are already aware of cash *waqf*. BMMB had made use of many promotional activities in order to promote cash *waqf* such as promotion, advertisement and religious lectures. BMMB officers would also instruct its staffs to promote *waqf* to its customers over the counter by promoting *waqf* bundled products to them. Furthermore, the branch managers of BMMB also understand the importance of knowledge regarding cash *waqf* towards its awareness and acceptance. Social influence also plays an important role of delivering knowledge among the Muslim community in Kelantan hence increasing the awareness of cash *waqf*.

Awareness also influences the religiosity and attitude of Muslims in Kelantan towards cash *waqf* behavior. The religiosity factors are mostly intrinsic in which it depends on the internal belief, sense of responsibility, perception and personality traits of the individual. BMMB have taken it upon themselves to spread information and knowledge regarding cash *waqf* in religious talks and even makes it an obligation for them to include religious elements such as *dalils* and hadith in cash *waqf* promotions to trigger the intrinsic religiosity of Muslims in Kelantan to create the intention of cash *waqf* behavior within the individuals. Thus, Muslims in Kelantan that participate in cash *waqf* in BMMB generally have one purpose that is salvation. Similarly, the attitude of Muslims in Kelantan towards cash *waqf* behavior is also influenced by intrinsic factors such as awareness, willingness, perceived benefits, salvation and sense of responsibility. Nonetheless, the findings have shown that the perceived benefits as one of the most prominent factors that influences attitude towards cash *waqf*. BMMB officers believe that the total annual contributions towards cash *waqf* would experience a drastic increase should incentive be given in the form of tax rebate.

Contrary to previous belief, an individual's financial status does not influence the acceptance of cash *waqf* behavior for the individual. The findings had shown that Muslims in Kelantan had shown a positive attitude towards cash *waqf* behavior regardless of their financial status. Nonetheless, it does influence the amount of contribution to a certain degree. Furthermore, the cash *waqf* participants in Kelantan also does not exhibit a certain level of religiosity as there are various factors that influences cash *waqf* behavior.

Another recurring sub-theme is the sense of responsibility. The Muslims in Kelantan who participated in cash *waqf* activities including promoting them do so out of a sense of responsibility and obligation whereby it influences their attitude at both individual and organizational level. For instances, companies would allocate annual cash *waqf* contributions and relevant organizations would take it upon themselves to promote cash *waqf*. BMMB takes advantage upon this by allowing its staff to make Semi-Instructions (SI) for *waqf* contributions and encouraging mosques and religious lectures to indirectly promote their product brand in spreading the awareness of cash *waqf*.

For future studies, we hope that other researchers can fill the gaps of this study to other parts of Malaysia and include other financial institutions in the study.

Future studies should also take into consideration the location of the Muslim community towards cash *waqf* acceptance since the findings have indicated that the rural community is influenced differently compared to their urban counterpart. This research format can also be repeated for other Islamic financial products to suit the need of possible future research.

5. Conclusion

The purpose of this research is to understand the acceptance of cash *waqf* among the Muslims in Kelantan through a case study of BMMB. The researchers had interviewed six branch managers of BMMB in Kelantan for data collection. Three independent variables are identified in this research namely awareness, attitude and religiosity. The findings had shown that BMMB places the most significant factor for cash *waqf* acceptance can be summed up into awareness, salvation and perceived benefit (tax rebate). In conclusion, the three factors are comprehensive and inter related and in line with the independent variables of this research hence further strengthening the point that all of the variable are significant towards the acceptance of cash *waqf* among Muslims in Kelantan. Hence, all the three research questions are accepted among Muslims in Kelantan.

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Acceptance of Sadaqa House among Muslim in Kelantan

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Abstract

This study was undertaken to determine the acceptance of Sadaqa House that implemented by Bank Islam Malaysia Berhad (BIMB) as a platform to donate. This study having a qualitative research method as data collection that participated by five informants which is Branch Manager of Bank Islam around the Kelantan state. Future research undertaken expected to use qualitative research method in collecting data and the finding will increase the acceptance of Sadaqa House implementation among Muslim in Kelantan. The research limitations for this study are budget constraints, time constraints and limited sources of study. This study found that acceptance of Sadaqa House by Bank Islam raise alongside with awareness, willingness and benefit. In addition, knowledge became indicator of Sadaqa House acceptance. This research helps people to know and aware about the Sadaqa House and also may be a benchmark to the government to implement a new policy according to the implementation of *sadaqah*. Other than that, Sadaqa House also helps the poor and needy to increase their economics. Furthermore, this research is approaches the people who are using the Saqada House rather than approaches the organizations.

Keyword(s): Sadaqah House, Acceptance, Awareness, Benefits

1. Introduction

This study is related to the acceptance of Sadaqa House implemented by Bank Islam among Muslim in Kelantan which focusing on three main independent variables which are awareness, willingness, benefit and those three variables will related to the acceptance of Sadaqa House by Bank Islam among Muslim in Kelantan. Sadaqah which means charity is the concept of voluntary giving in Islam. The term stems from the Arabic root word *sidq*, gives the meaning sincerity (IKCA, 2015). The idea of establishing the Sadaqa House was mentioned by the Royal Award winner of Islamic Finance 2014, providing products and services in collecting various types of sadaqah, waqf and *hibah* which mainly from the private sector then distribute the fund to the poor and needy communities (Abdul Halim, 2014).

Model Sadaqa House is one of the instruments in social finance. BIMB is the first bank that has adopted the Sadaqa House model as one of the products/services. There are many factors that motivate individuals to make a donation. Among of them is the level of religious knowledge, the level of practice of *sadaqah* and the awareness of the goodness of charity (Hasliza Talib, 2014). These factors also measure the acceptance and execution of the *sadaqah* itself in society. Being a culture is only in a developing society its economy and has a deep sense of charity.

Sadaqa House is one of donation platform established by Bank Islam which enables funds to be channeled to the needy communities through the partners of Bank Islam. Sadaqa House focuses on projects that involve assistance of health, economic empowerment and community empowerment. This is one of the efforts and achievement in creating more sustainable economic development, community and environment (Global Sadaqah, 2018). The relationship between Muslim community in Kelantan and acceptance of implementation Sadaqa House by Bank Islam not widely been recognized.

Research objectives are the purpose or objective of the study thus explains why the study is being done (Uma, 2013). In this study, the research objectives is to know about the awareness of Sadaqa House among Muslim in Kelantan, to investigate the acceptance among Muslim in Kelantan towards Sadaqa House and the last objective is to justify the benefits of Sadaqa House towards Muslim in Kelantan. The researchers in this study have limited sources due to the previous study is more focused on *faraid* and *waqf*. Sadaqa House models and structures that introduced are something new in banking industry and toward society.

2. Literature Review

Acceptance can be defined as consumers are ready to accept a product or service after going through a process of knowledge, persuasion, decision and confirmation (Rogers & Shoemaker, 1971). An adoption and continuing use the product, service or idea also can be defined as acceptance. In this context of study, acceptance is referring to the acceptance of Sadaqa House among Muslim in Kelantan.

The term of acceptance has a number of definitions. Some define acceptance as a mechanism of self-actualization and therapeutic change that willing to approve and receive a situation based on circumstances (Rogers, 1994). Meanwhile, others defined acceptance as mental attitude of non-judgement, openness and receptivity and equanimity toward internal and external experience (Desbordes et al, 2015). The aim of this study is to know in depth the acceptance of *sadaqah* that practice among Muslim and also the acceptance of implementation of Sadaqa House among Muslim

in Kelantan. In the study by Kamil, Areiqat & Al-Zeer (2010) in Jordan, found the net income of bank increased according to the shareholder equity was increased when the bank had implemented to Jordanian citizens an advanced marketing strategy to market their products.

Awareness is an understanding of the activities of others, which provides a context for your own activity (Paul D, 1992). Awareness can also arise from attention directed toward momentary experiences such as the processing of thoughts, feelings or sensation arising from immediate environmental, mental or bodily states (Saunders, 2015). Through practice and depth of concentration, human mental shift from stable perception of an object to a state of awareness because basic state of concentration across visual, auditory language and premotor regions of interest (Vago, 2016). From the social welfare purpose of *waqf, hibah and sadaqah*, *waqf* refers to a transfer of ownership of an asset towards recipient without expecting a reward (BNM, 2016).

In Melaka, there are several of cases regarding *hibah* where beneficiaries of *hibah* provider very aware of these ownership transfer to *hibah* recipient but most of them refuse to accept it. The dissatisfaction of beneficiaries can be challenged in *Syariah* court either verbally or documented by an individual or a lawyer (ICGA, 2016). In past research conducted by International Islamic University of Malaysia shown that contribution of cash *waqf* among students are considered none or small in number because the lack of knowledge and awareness. Due to the lack of awareness, the Students Representative Council not play an active role in conducting the financial aids for charity purpose (Osman, 2012). At international level, people are aware about *sadaqah* and show their acceptance to support *sadaqah* part of importance in daily life. In this study context, it is to identify the willingness of Muslim in Kelantan on their acceptance towards Sadaqa House implementation.

This study also identified the benefits of Sadaqa House implementation on acceptance of it among Muslim in Kelantan. Benefit define as a good effect or helpful or something that intending to help. Through the social studies, a benefit is also a helpful service given to employees in addition to their pay or to someone who needs help. Therefore, the meaning of benefit is also the purpose of raising money by a party or others event. Based on comparison made on *hibah* trust, past study found provides a high degree of freedom to the benefactor to decide on the distribution of his wealth without taking into consideration the interest of the eligible heirs. Nevertheless, undeniable that the practice of *hibah* trust would be able to expedite the lengthy and complex procedures of inheritance, reduce administrative cost, avoid legal impediments and avoid inheritance tax (Noordin, 2016).

From economic perspective, *sadaqah* related to the theory of economic welfare. The welfare economy has gained popularity after the World War II when many countries in the west began to experience economic and political reform to build welfare states mainly to tackle social issues such as poverty, unemployment, poor law, income gap and so on. Social welfare places importance on the achievements of human being success in the world and hereafter by managing the resources based on the basis of cooperation and participation. From interview conducted with the donors, *sadaqah* as a motivation to create strong relationship in the society, to establish a lasting difference as well as to create a social return on investment which is contribution (MDDR, 2013). Sadaqa House concept that implemented by BIMB seems to benefit the donors, beneficiaries and the third party itself.

3. Methodology

This research used a qualitative method that examine attitudes, behavior and experiences which are related to the personal information of participants and fewer people take part in the research but the contact with these people tends to last longer. Whereby these qualitative method helped the researchers to get the meaningful insight of situation and problem. In this study, the data was collected by having in-depth interview through the identified respondents. The researchers were chose the sample of population in order to collect data of the study. This study focused on the Muslim in Kelantan due to Kelantan is a state which the community is mostly Muslims. Meanwhile, the sample size of this study consist five respondents who are the manager of BIMB in Kelantan. This is because of the group typically involves 5 to 10 participants from the target population (John Knodel, 1995). The researchers has selected the manager of BIMB as a sample because they are the person who directly involving in managing Sadaqa House. In order to get the information from informants, structured questionnaire were designed by researchers for in-depth interview session. Most of the information in the questionnaire was derived from previous literature review.

In-depth interview is an approach where the selected Islamic bankers from managerial level were interviewed to get their perceptions and view towards the acceptance of implementation Sadaqa House by BIMB among Muslim in Kelantan. As for manager bank, they have experiences themselves through the implementation of Sadaqa House as a new product of BIMB on their customers. In the interview session, the researcher has to explain purpose of the study before starting with the conversation. Once the manager bank understood the context of study, they would feel free to express the factors of awareness and willingness customers and the benefits of Sadaqa House that lead to the acceptance of implementation Sadaqa House by Bank Islam among Muslim in Kelantan.

Because of the limitation of time, only five of managers BIMB in Kelantan were selected. This study employed purposive sampling for respondents. Purposive sampling is non-probability sampling technique refer to the procedure of sampling which is a group of subject that have certain characteristics only will be choose as informants of study. The researchers select the informants based on the knowledge and the aims of study. This means not all of sample in the population have been chosen by the researcher as the informants. The researchers recorded all the required information and sorting the information of the study into the appropriate categories. The researchers tried to resolve the field work of issues in the study using data collection. In this study, the researchers used Atlas ti software that in analyzing the qualitative data. Atlas ti is a powerful workbench for qualitative data analysis of large bodies of text, graphics, audio and video sources. This software arranges, reassemble and manage collected data in a creative and systematic ways. The reason on using Atlas ti software because it performs fully automated searches across multiple document and other powerful semantic operations in extract the meaning of it.

4. Results and discussion

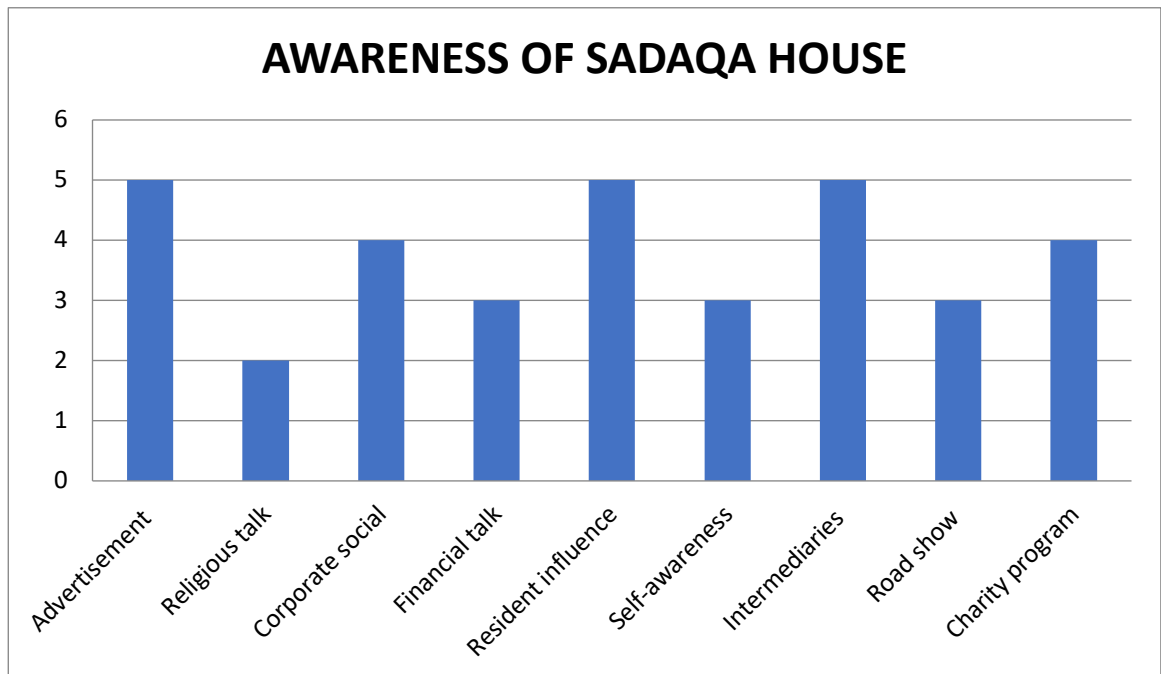
Research finding is to answer the research question on Muslim awareness in Kelantan against Sadaqa House, there are nine sub-themes for the theme of awareness, eight sub-themes for theme of acceptance and eleven sub-themes at all for

the theme of benefit. All these sub-themes had been extract according to the interview data with six informants, namely advertisement, religious lecture, corporate social responsible (CSR), financial seminars, resident influence, self-awareness, intermediaries, roadshows charity programs, religious, interest, technology, perception, more extensive, shariah compliance, loyal customer, benefit, economic growth, reduce poverty, clear cash flow, ease of access, expanding the service, shariah compliance investment, tax exemption, corporate relationship, blessing hereafter, independent and variety of channel.

All these 28 sub-themes are based on three themes, which are very important in determining the factors that influence Muslim’s awareness in Kelantan to realise the existence of Sadaqa House. Overall, the answers provided by all the informants were able to answer the first, second and third research question and indirectly meet the research objectives.

4.1 The awareness of Sadaqa House among Muslim in Kelantan.

One of the objectives of the research is to know about awareness of Sadaqa House among Muslim in Kelantan. Based on the interview session, the findings were illustrated using the graph 4.1.



Graph 4.1: Awareness of Sadaqa House

According to the finding of the research question 1 which is ‘How does Muslim in Kelantan aware about Sadaqa House?’ and research objective is ‘to know the awareness of Sadaqa House among Muslim in Kelantan’, the awareness of Sadaqah House among Muslim in Kelantan can be seen through several ways such as advertisements, CSR and many more. Muslims in Kelantan aware and improve their understanding about the purpose of Sadaqa House.

“Actually we paste all about ads” (IF1) and “ok, let’s say if we have another medium, it should be newspaper” (IF2).

Based on the words by informant 1 and 2 above, it can be support that advertisement be a factor to accept the Sadaqa House. Whereby all managers agreed

that advertisement be a factor the awareness of Sadaqa House among Muslim in Kelantan and lead them to accept the Sadaqa House.

“Usually people ask to the village chief any things like zakat either it is provided or not” (IF4) and *“from mouth to mouth, from a person to other people”* (IF5).

Besides the managers also agreed with the fifth sub-theme of awareness which is resident influence as a factor of acceptance. This support by informants said, informant 4 and 5. Where resident influence make Muslim in Kelantan aware about the implementation of Sadaqa House by BIMB and also lead them to accept the Sadaqa House implementation.

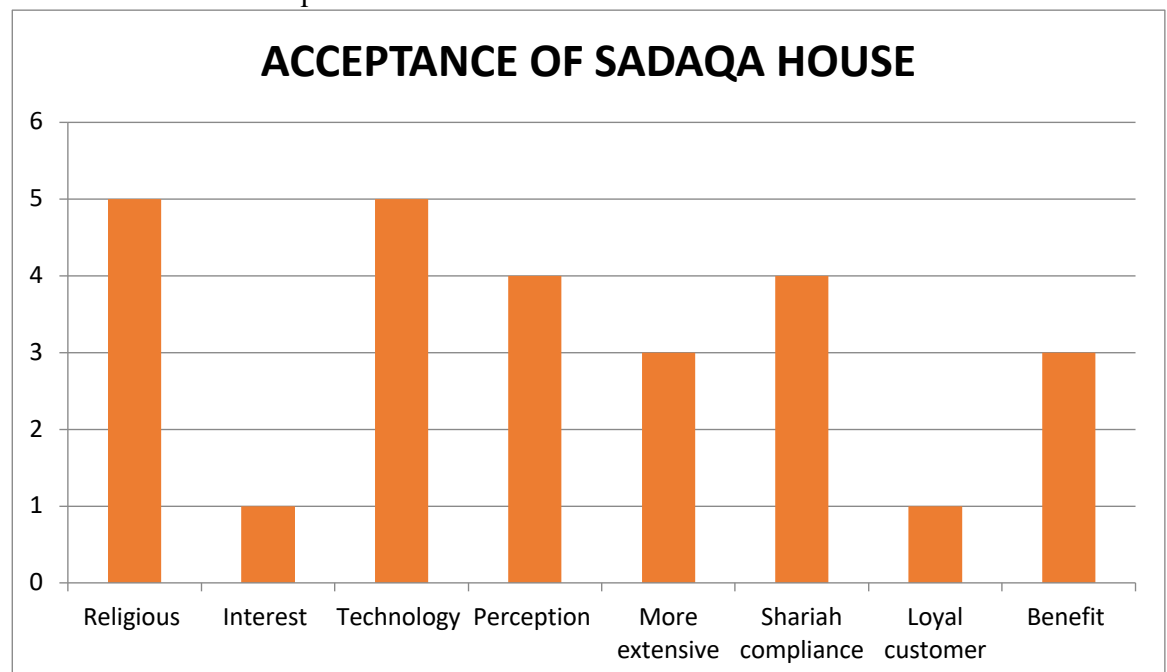
“Yes, because normally we have to cooperate with the mosque” (IF2) and *“maybe through what we call, usually the village chief”* (IF4).

According to informant 2 and 4 from informant. People tend to accept the Sadaqa House because of the awareness through the sub-theme of Intermediaries. Whereby the intermediary factor play a role to increase the awareness of Sadaqa House.

The researchers concluded that the saturation factors which make the Muslim in Kelantan aware about Sadaqa House are advertisement, resident influence and intermediaries. While the dominant factors are corporate social, financial talk, self-awareness, road show and charity programs that lead Muslim in Kelantan aware about Sadaqa House with three or four informants that show the agreement. Last, religious talk is a not dominant factor since only two informants that agreed with that.

4.2 The acceptance among Muslim in Kelantan toward Sadaqa House.

Next, was to investigate the acceptance among Muslim in Kelantan toward Sadaqa House. Based on the graph 4.2, several factors affect the acceptance of Muslim in Kelantan toward Sadaqa House.



Graph 4.2: Acceptance of Sadaqa House

The graph 4.2 above shows the finding of research question 2 (does Muslim in Kelantan accept Sadaqa House?) and research objective 2 (to investigate the

acceptance among Muslim in Kelantan towards Sadaqa House), which related to the acceptance among Muslim in Kelantan towards Sadaqa House. Regarding to the informants and the data that have been collected, Muslim in Kelantan accept the implementation Sadaqa House as a platform to donate because religious influencer, technology and many more.

“Especially to those who have religious knowledge” (IF5).

Based on the first sub-theme of acceptance which is Religious, the informants 5 agreed that people in Kelantan accept Sadaqa House because of religious. It shown that most Muslim in Kelantan accept the Sadaqa House because the religious.

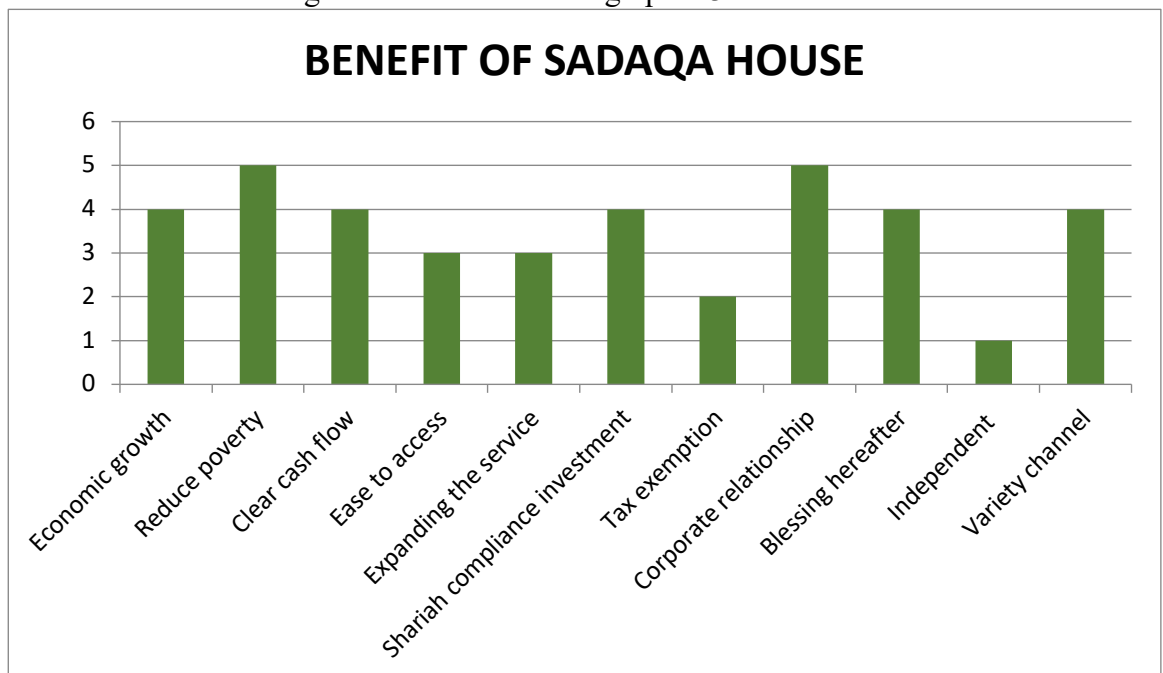
“Using software or system” (IF2), *“nowadays, famous with QR code”* (IF3) and *“they believe on the technology that have been implemented”* (IF5).

Other than that, technology also be a factor of acceptance. According to the informant 2, 3 and 5, it shown that people in Kelantan accept Sadaqa House because people believe with the technology using by BIMB.

The fund of Sadaqa House also showed the acceptance among society. Society accepts a new thing which is Sadaqa House after they acknowledge the benefit of it and being persuaded, then they will make a decision. It shows that all informants agree that religious and technology are the saturation factors that influence Muslim in Kelantan to accept the Sadaqa House. While most informants show their agreement that the perception, more extensive, shariah compliance and benefit are the dominant factors. Another factor such as interest and loyal customers are not dominant because only one informant that show their agreement.

4.3 To justify the benefits of Sadaqa House towards Muslim in Kelantan.

The last objective of study is to justify the benefits of Sadaqa House toward Muslim in Kelantan. The findings were illustrated into graph 4.3.



Graph 4.3: Benefit of Sadaqa House

The graph 4.3 above shows the sub-themes of the benefits on Sadaqa House towards Muslim in Kelantan.

“Help people in need” (IF1) and *“improve the economy of the needy”* (IF3).

According to the informant 1 and 3 said, it shown a few statement by all the informant in order to support the acceptance of Sadaqa House among Muslim in Kelantan. Whereby reduce poverty be a main factor acceptance of Sadaqa House.

“Making a collaboration with MAIK and JAHEIK” (IF2).

The other benefit of Sadaqa House is corporate relationship. This supporting by words from informant 2. This statement shown that corporate relationship as a benefit of Sadaqa House. The relationship

Whereby all of the informants show their agreements on reducing poverty and corporate relationship consider as saturation factor. While majority of informants agree that the economic growth, clear cash flow, ease to access, expanding the service, shariah compliance investment, blessing hereafter and variety channel become the dominant factors. While two out of five informants show their agreements on tax exemption and only one informant shows his agreement on independent that can be considered as not dominant factor.

In short, all informants have a positive feedback toward the acceptance of implementation Sadaqa House by Bank Islam among Muslim in Kelantan. Based on the result, it shows that the findings are parallel with the sayings and citations of scholars. According to research question 1 (RQ1) How does Muslim in Kelantan aware about Sadaqa House. The saturation points are advertisement, resident influence and intermediaries. All the factors are significance to answer the research question 1. Next, according to research question 2 (RQ2) Does Muslim in Kelantan accept Sadaqa House. The saturation points are religious and technology. All the factors are significance to answer the research question 2. Lastly, according to research question 3 (RQ3), what are the benefits of Sadaqa House toward Muslim in Kelantan. The saturation points are reducing poverty and corporate relationship. All these factors are significance to answer the research question 3.

5. Conclusion

In a nutshell, this paper able to answer the first, second and the third research questions and research objectives in detail. The factors of advertisement, resident influence and intermediaries become a saturation point for an awareness of Sadaqa House. Other than that, acceptance of Sadaqa House affected by religious and technology where all of the informants show their strong agreements. The saturation point for the benefit of Sadaqa House are reduce poverty and corporate relationship. Overall, all the highlight sub-themes are meet the research questions and research objectives respectively.

In today's technological age, there are pros and cons for every single things. There are many challenges in this early stage establishment of Sadaqa House. Among of them are first, in terms of technology. The technological challenge in today's fast-paced development is not a problem if the majority of society conform to the current culture. However, there will be a gap of technological advancements in areas that are less exposed to it. Technological development in Kelantan is still modest due to the factors of coverage area and the lack of young people. The existence of Sadaqa House in Kelantan is a challenge as the Sadaqa House uses technology facilities to make it easier for people to donate. In addition, lack of advertising was used to promote the Sadaqa House. BIMB should has a strict regulation and continuously marketing planning in order to create awareness among Muslim in Kelantan and encourage more people to make a contribution on Sadaqa House.

According to the result, it shows that the findings are parallel with the interviews and citations of scholars where it is able to answer all the research questions and research objectives of the study. There are some recommendations in order to improve the practice of Sadaqa House in the future. Firstly, an implementation of tax exemption as it seems can be one of the motivating factors which drives an individual to make a contribution in Sadaqa House. Sadaqa House activities and projects are bringing lot of benefits to the community. Thus, government may consider to give a tax exemption to the contributors. Other than that, expanding and enhancing relationships with the third parties that are not limited to just three bodies as of today. This is because, with the continued funding of the Sadaqa House fund, it is seen can help more people in need and at the same time help reduce the country's poverty gap.

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An analysis of cash waqf participation among Faculty of Entrepreneurship and Business (FEB) students in University Malaysia Kelantan(UMK) City Campus

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Abstract

This study is to prove whether its factors such as attitude, perceived behavioural control and religiosity will influence cash waqf participations among University Malaysia Kelantan students from Faculty of Entrepreneurship and Business (FEB). Even though, the cash waqf have been discussed in the previous article, only a few the researchers cover about the participation of cash waqf. The approach that been used in this study is quantitative instrument. Besides, to collect the data of student in Faculty of Entrepreneurship and Business (FEB) students in University Malaysia Kelantan (UMK) City Campus, the researcher used primary and secondary to collect the information from the respondents. Therefore, the target population on this study is from Faculty of Entrepreneurship and Business (FEB) and it has five courses which is Islamic Banking and Finance (SAB), Enterprise (SAE), Commerce (SAK), Logistic (SAL) and Retailing (SAR) from year 1until 4. The data collection has been collected 150 respondents from the five courses. From the research finding, the researcher can conclude that the attitude, perceived behavioural and religiosity play an important role in cash waqf to improve the participation in cash waqf. In order to prove the relationship between the dependent and independent variable, the researcher use Pearson Correlation Coefficient to test the hypothesis.

Keywords: Cash Waqf Participation, Attitude, Perceived Behavioural, Religiosity

1. Introduction

The Islamic concept of the welfare of society is essentially focused on how wealth and economic resources can be distributed fairly and differently. Waqf has been used as one of the prominent tools in the past decade to alleviate poverty among society and, apart from religious purposes, it also played an important role in the social economy to help the government. In addition, the waqf institution has been developed throughout Islamic history since its beginning during the time of Prophet Muhammad (S.A.W) until today. But over the years, waqf's role in socio-economic has been drastically reduced, and that's because the community or society think that waqf should only be used for religious purposes by building a mosques and schools for Muslims. This kind of situation is quite frustrating because waqf have great potential or a main role to develop the socio economic in community. But in the recent year, awareness of cash waqf is increase drastically and the amount of contribution is flexibility. It means that without the fixed asset, the contribution of waqf can be made by donate the money of cash waqf in any waqf institution. Based on (Antonio, 2002), cash waqf is easy and flexible for Muslim community to contribute or donate in cash waqf form as long as they have cash in hand.

Cash waqf was a special type of endowment that differed from the ordinary real estate waqf in that its original capital, *asl al-mal* or, corpus, consisted purely or partially of cash. As mentioned in (Tohirin, 2010), the Islamic economic system was recognized by two mechanisms in the distribution of income and wealth. Firstly, distribution of income and wealth function and secondly, mandatory and voluntary redistribution of income through transfer payment institutions. (Tohirin, 2010), explained that the first mechanism carries out the distribution through the market mechanism while the second mechanism is carries out the distribution of tools through various instruments such as *zakat*, *indaq*, *sadaqah* and waqf. Lastly, Muslims are encouraged to do charity as they seek to Allah. A well-known form of doing charity is waqf.

According to (Ismail Abdel Mohsin, 2009) cash waqf has several advantages that give a great benefit to all parties, including the financial institutions, corporation and investors. In addition, waqf usually focused on the land or building. However, there are not many people, or the donors have the asset to do waqf. So, cash waqf has a great alternative for individual who do not have a movable asset but rather have immovable assets for instance cash for donating. Finally, a charity in form of cash waqf must be voluntary and willing to receive the blessing of Allah (S.W.T). Besides that, (Antonio, 2002) also explains that cash waqf is easy and does not require a lot of wealth and everyone can contribute to cash waqf and it is suitable for the poor. Moreover, waqf could generate more funds through cash money that could be used to develop assets such as undeveloped waqf land and other abandoned land for business and agricultural purposes. However, several Malaysia studies like (Isa, Ali,& Harun, 2011) and (Ismail, Muda, & Hanafiah, 2014) noted the fact that these state institutions have been somewhat effective, but lack efficiency in the management of Waqf properties and cash waqf under their auspices. The cash waqf institution needs to do something to help the new generation.

The viewed of contributions of cash waqf among students are little in numbers due to some factors; which is lack of knowledge and awareness among the students about cash waqf. Moreover, there was not exceptionally dynamic in leading the financial aids among their peers for charity purpose or in other word promoting

cash waqf among their members from the students 'representative council (SRC). Significantly, this study is meant for distinguishing the factors impacting participation of student in cash waqf. As referenced from the hadith of Rasullullah PBUH that "every action of a man will determine by intention". Next, the theories used to ascertain the influencing factors of cash waqf participation are theory of planned behaviour (TPB), theory of attitude & behavioural intentions and subjective norms and behavioural intention.

2. Literature review

According to (Çizakça, 2000) cash waqf is a special type of endowment and it differs from the ordinary real state waqf in that its original capital, *asl-al-mal* or corpus consisted, purely or partially, of cash. Many Muslim countries has been practiced the current application of cash waqf including Malaysia (Ismail Abdel Mohsin, 2009). Meanwhile, (Sadeq, 2002) explained that cash waqf is usually formed as a financing method of financing waqf property development or supporting and building an educational institution (schools or universities) or orphanage houses. The cash waqf is also known as waqf (*waqf saham*) in Malaysia. The cash endowments are pooled, and the money is used as educational aids for pious purposes such as helping the poor and needy. This type of waqf has some states' SIRC's (i.e. Penang, Johor, Pahang and Selangor). The financial reporting for cash waqf (especially in Singapore) was found to be better because it has a co-operation. (Antonio, 2002) further explains that cash waqf is easy and requires little wealth, making it suitable for the poor. Everyone can therefore contribute to cash waqf. Furthermore, waqf through cash money could generate more funds that could be used for business and agricultural purposes to develop assets such as undeveloped waqf land and other abandoned land.

2.1 Attitude

It is proved that predicting and explaining human behaviour is important attitude (Ajzen & processes, 1991). In addition, (Ajzen & processes, 1991) has defined attitude as a psychological tendency that is explained by an entity's favourable or unfavourable assessment. Generally speaking, the more favourable the attitude a person has towards behaviour, the more likely the person will want to engage in behaviour. The significant relationship between attitude and intention has been demonstrated by several studies (Shih & Fang, 2004).

2.2 Perceived behavioural control

The behavioural control is the main focus in the waqf institution and by this way the researcher can know the intention of society in the waqf institution. According to the (JENNINGS, 1990), the intention will carry out the probability to the behaviour of the society. The behaviour of the Muslim's society lookup by (Ajzen & processes, 1991) on how hardly people are willing to try, and how much of an effort they are planning to apply in order to perform the behaviour. The behaviour is come from the intention of Muslim's society to the donated or give a waqf to the institution to use to help the needy groups. The (Osman, Mohammed, & Amin, 2014), perceived behaviour control refers to people's perceptions of their ability to perform certain behaviours.

2.3 Religiosity

The religious concept has been defined by other authors, based on (Mokhlis, 2006) to define religion as the extent to which certain values and beliefs to certain ideals are held, practiced and become identity marks. It can also be defined as where one is shown to a religious group. While it also means the level of individual commitment to a specific religious community. According to (Allport, Ross, & psychology, 1967) it shows that religiosity is a social term used to mention the fact of a person to be a person full of religion. As we know that, sin and reward are not mention in the situation of cash waqf because it has been discussed under the word religiosity. Based on (Idris, Bidin, & Saad, 2012) that Islamic religiosity measurement in three dimensions which are optional religious worship, believe in Allah's reward and believe in Allah's punishment. Religiosity has been used and it shown a positive relationship in determined cash waqf giving behaviour.

3. Methodology

This research is conducted in the case of Malaysia. In order to gather data on Cash Waqf participation which affect the attitude, perceived behavioural control and religiosity of the survey questionnaire were self-administered. The Likert-scale questionnaire (1-strongly disagree and 5-strongly agree) has been developed to evaluate this information. There are basically approximately 32 items that belong to different factors. These item and factors are developing from the existing studies and literatures. The first part of the questionnaire was mainly focussing on demographic profiles of the respondents such as year of study, courses, marital status, age and gender. Besides, the language used in the questionnaire was in English and distributed as such, since in Malaysia, English is considered as second language. However, our target respondents are only from Muslim because they believe that Al-Quran and As-sunnah is a part of their guidelines and they also have a knowledge about Cash Waqf. The 32 items are comprising from different factors such as Attitude, Perceived Behavioural Control and Religiosity.

3.1 Research Design

In this study, this research used quantitative method by distributing questionnaire to the respondents. Other than that, the researcher used the descriptive design study to collect the data. According to (Burns & Grove, 2005), the descriptive study is useful because by its nature, it allows the researcher to get a lot of information about the characteristics within the study and the purpose of study is to provide a picture of the situation as it naturally exists. This research is meant to identify the relationship of attitude, perceived behavioural control, religiosity and analysis of cash waqf participation among Faculty of Entrepreneurship and Business (FEB) students in University Malaysia Kelantan (UMK) City Campus.

3.2 Theoretical Framework

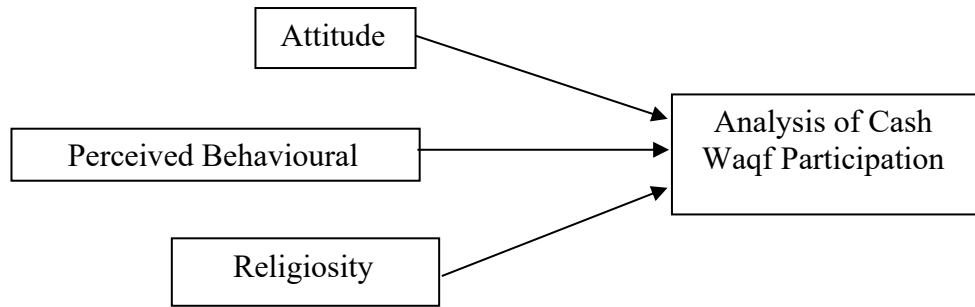


Figure 3: Theoretical Framework of Cash Waqf

To achieve research objective, there are several methods to gather data and the data that has been used in this study is based on secondary data in collecting the information of participation of cash waqf among University Malaysia Kelantan students using quantitative method collection.

3.3 Sampling Design

The approach that been used in this study is quantitative instrument. Besides, to collect the data of student in Faculty of Entrepreneurship and Business (FEB) students in University Malaysia Kelantan (UMK) City Campus, the researcher used primary and secondary instrument to collect the information from the respondents. The questionnaires have been divided in three section which is in section A, B and C. The information in section A is demographic profile, section B is cash waqf participation and section C is been divided into three part which is part A attitude, follow by part B is perceived behavioural control and part C religiosity. The method used to make the questionnaires is five-point Likert scale and it has been developed through partition of the category which is 1 is strongly disagree, 2 is disagree, 3 is neutral, 4 agree and 5 is strongly agree.

3.4 Population

The target population on this study is from Faculty of Entrepreneurship and Business (FEB) students in University Malaysia Kelantan of City Campus. Besides, it has five courses in Faculty of Entrepreneurship and Business (FEB) which is Islamic Banking and Finance (SAB), Enterprise (SAE), Commerce (SAK), Logistic (SAL) and Retailing (SAR). The total of student from Faculty of Entrepreneurship and Business (FEB) is 3264 but the researcher only pick student from year one to year four, 3241 students. The researcher also chooses Muslim’s student to conduct the analysis. The researcher also will pick randomly among the Muslim’s student.

3.5 Sample Size

This study of sample size is depending on the number of respondents in the University Malaysia Kelantan in Campus Kota and the researcher only pick student from year one to year four, 3241 students. Therefore, the data collection has been collected 150 respondents from University Malaysia Kelantan in City Campus, Faculty of Entrepreneurship and Business (FEB). According (U. Sekaran & Bougie, 2016), the rules of thumb for determining sample size where sample size larger than 30 and less than 500 appropriate for most researcher. Besides, the sample size affects statistic power through influencing standard errors, (Pedhazur & Schmelkin,

2013). The quantitative data were collected using structured questionnaire with closed questions. The target of unit analysis is individual among the university's student from year one to year four.

3.6 Data Analysis Method

Data of analysis is the subject to be included in the study. In this study, the researcher focusses on the relationship of attitude, perceived behavioural control, religiosity and analysis of cash waqf participation among University Malaysia Kelantan students. Moreover, in this study, the researcher used student of University Malaysia Kelantan City Campus from Faculty of Entrepreneurship and Business (FEB). The data will be collected from the distributed questionnaire from the respondent by using the Statistical Package for Social Science (SPSS) version 25 software. By using this software, the researcher wants to ensure relevant issues were examined in a comprehensive and cost-effective manner.

3.7 Data Collection Procedure

To achieve research objective, there are several methods to gather data which is primary data and secondary data. The data that used in this study is based on secondary data in collecting the information of participation of cash waqf among University Malaysia Kelantan students using quantitative method collection. Besides, the primary data source is the original source of data where data is directly collected by researchers to do a research. However, the most common techniques are interviews, self-surveys, field observations, and self-executing experiments. Primary data can be collected in several ways and it is quite expensive and takes time compared to secondary data collection. While, secondary sources mean data collected by someone else or already exist. Besides that, this data collected by a party not related to the research study for some other purpose and at different time in the past. For example, if the researcher uses these data then these become secondary data for the current users. There are a few sources of secondary data such as government publications websites, books, journal articles, internal records.

4. Results and Discussion

In this section, reliability test, demographic results and Pearson correlation coefficient are been conducted. The data collection from respondent is 150 from Faculty of Entrepreneurship and Business (FEB) students in University Malaysia Kelantan (UMK) City Campus. As indicated by (Chatfield & Collins, 1992) the fundamental assumption of factor analysis is that various factors existed to clarify the correlations or inter-relationships among observed factors.

4.1 Demographic Results

The number of usable survey questionnaire was 150 and the demographic section has five question that been asked to the respondent which year of study, courses, marital status, age and gender. Therefore, based on the result the year 4 is the highest respondent among year 2, 3 and 1.

Table 5: Demographic Results

Profile	Description	Respondents	Percentage %
Year of Study	Year 1	24	16
	Year 2	37	24.7
	Year 3	29	19.3
	Year 4	60	40
Courses	SAB	59	39.3
	SAE	11	7.3
	SAK	32	21.3
	SAL	22	14.7
	SAR	26	17.3
Marital Status	Single	145	96.7
	Married	5	3.3
Age	20-22	105	70
	23-25	44	29.3
	29 and above	1	0.7
Gender	Male	52	34.7
	Female	98	65.3

As illustrated in Table 5, 40.0% of respondents are from Year 4, 24.7% from Year 2, 19.3% from Year 3 and 16.0% from Year 1. Regarding the respondents' courses, the largest number of respondents were from SAB which is 39.3%, followed by SAK (21.3%), SAR (17.3%), SAL (14.7%) and SAE (7.3%). The information on marital status of respondents revealed that most of the respondent were single (96.7%), followed by married (3.3%). A total of 70.0% of the respondents were aged 20 to 22, 29.3% for aged 23 to 25 and 7% were for 29 and above. In terms of respondents' gender, 34.7% were male and 65.3% were female.

4.2 Reliability Test

The reliability refers to the degree to which it is possible to replicate the results achieved through a measurement and procedure. The way the researcher wants to know if the dependent or independent variable questionnaire achieve the reliable or not by using the Cronbach's Alpha Coefficient size. The arrange of Cronbach's Alpha is between 0.7 to 0.9 and if the reliable achieve 0.9, it's meant the measurement of dependent or independent questionnaire analysis is excellent reliability. The researcher used the table from (U. Sekaran, & Bougie, R, 2010) to test the level of reliability for Cronbach's Alpha coefficient size. It to test the dependent variable cash waqf participation and follow by independent variable which is attitude, perceived behaviour control and religiosity.

Table 1: Reliability for Dependent Variable which is Cash Waqf Participant

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.864	0.865	8

Table 1 above is about cash waqf participant. The result for the Cronbach's Alpha is 0.864. There are eight items under cash waqf participant variable. Thus, the internal consistency reliability of the measures used in this study can be considered to be

good. It also means that the questionnaire about the cash waqf participant is acceptable.

Table 2: Reliability for Dependent Variable which is Attitude

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.923	0.924	8

Table 2 above is about Attitude. From the Cronbach's Alpha, the result is 0.923 and there are eight items under attitude variable. Thus, the internal consistency reliability of the measures used in this study can be considered to be excellent. It also means that the questionnaire about the attitude is acceptable.

Table 3: Reliability for Dependent Variable which is Perceived Behavioural Control

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.918	0.919	8

Table 3 above is about Perceived Behavioural Control. From the Cronbach's Alpha, the result is 0.918. There are eight items under Perceived Behavioural Control variable. Thus, the measures that been used in this study can be considered to as excellent. It also means that the questionnaire about the Perceived Behavioural Control is acceptable.

Table 4: Reliability for Dependent Variable which is Religiosity

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.933	0.936	8

Table 4 above is about Religiosity. From the Cronbach's Alpha, the result is 0.933. There are eight items under Religiosity variable. Thus, the measures of reliability that been used in this study can be considered to be excellent. It also means that the questionnaire about the religiosity is acceptable.

4.3 Pearson Correlation Coefficient

Table 6: Pearson Correlation Coefficient

		Cash Waqf Participation	Attitude	Perceived Behavioural Control	Religiosity
Cash Waqf Participation	Pearson Correlation	1	.612**	.610**	.195*
	Sig. (2-tailed)		0	0	0.017
	N	150	150	150	150
Attitude	Pearson Correlation	.612**	1	.590**	.502**
	Sig. (2-tailed)	0		0	0
	N	150	150	150	150
Perceived Behavioural Control	Pearson Correlation	.610**	.590**	1	.256**
	Sig. (2-tailed)	0	0		0.002
	N	150	150	150	150
Religiosity	Pearson Correlation	.195*	.502**	.256**	1
	Sig. (2-tailed)	0.017	0	0.002	
	N	150	150	150	150

Table 6 shows the Pearson correlation of the variables tested. In order to prove the relationship between the dependent and independent variable, the researcher use Pearson Correlation Coefficient to test the hypothesis is relationship or not. In order to prove the relationship between the dependent and independent variable, the researcher use Pearson Correlation Coefficient to test the hypothesis is relationship or not. For Attitude, the value of correlation is 0.000 ($p < 0.05$), .612** and it have a moderate positive relationship with cash waqf. Therefore, the hypothesis 1 which is “there is significant relationship between Cash Waqf Participation with Attitude” is accepted. Next is, the Perceived Behaviour Control value of correlation is 0.000 ($p < 0.05$), .610** that can be interpreted is second moderate positive relationship between cash waqf participant and the hypothesis statement 1 “There is significant relationship between Cash Waqf Participation and Perceived Behaviour Control” is accepted. But for religiosity, the relationship is almost negligible correlation which means it did not have a relationship with cash waqf participant and the correlation is 0.017 ($p > 0.05$), .195*. Therefore, the hypothesis 1 been rejected and the statement is “There is no significant relationship between Cash Waqf Participation with Religiosity”.

5. Recommendation

The research paper can be used for other researchers. Particularly, the results from this study. The results of this study are valuable for the undergraduate students do research in this field. They can use this study as the references to their research. All

the data collected in this research are legal and the information of the study are reality. In addition, this study is focus on three factors which are attitude, perceived behavioural control and religion. But these are not the only factor that influenced the cash waqf participation. Besides, future research can explore more factors that affected on cash waqf participant among University Malaysia Kelantan students. To improve the quality of this research paper, future researcher suggested to investigate more respondent in Malaysia.

The level of respondents understanding the concept of waqf is still low, though they have some experienced of waqf. In the early stages, community understanding against cash waqf is still lacking and not as deep as it is considered waqf is only restricted to land waqf only. However, public awareness of waqf can be improved by efforts from various parties. It is important to expose of the cash waqf from school education in effort to promote the systems to the public for the benefit of the people.

6. Conclusion

Based on the result, it shows that cash waqf participation can be measured by attitude, perceived behavioural control and religiosity. According to the value calculated for both variables of independent variables and dependent variable, attitude and perceived behavioural control has a strong relationship with participation of cash waqf. The other independent variables were religiosity has a slight, almost negligible relationship with participation of cash waqf. Therefore, two of the hypotheses were accepted where there is a relationship towards cash waqf participation. The other one hypothesis was rejected because there is no relationship towards participation of cash waqf. The present study found that participation of cash waqf highly influences the intention of University Malaysia Kelantan students to perform cash waqf based on their perceptions. The attitude and perceived behavioural control influence are also underlying other factors such as religiosity. This situation has portrayed that University Malaysia Kelantan students put attitude and perceived behavioural control in their day to day life and become the main consideration in doing something. The present study also finds that University Malaysia Kelantan students are attracted to counters approach to performing cash waqf. The attitude, perceived behavioural control and religiosity, needs to be a highlighted for University Malaysia Kelantan students' knowledge to enhance University Malaysia Kelantan students' cash waqf collection in the future better. It is hoped that in the future research students more understand better the factors influencing the intention to perform cash waqf.

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**Factor influencing the effectiveness on zakat management in University
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Abstract

This research aims to determine the factor influencing the effectiveness on the zakat management in University Malaysia Kelantan staff in Pusat Islam UMK, Bachok Campus. The main objective of this study is to determine the relationship between the number of staff, ICT usage, corporate governance, corporation and factor influencing the effectiveness on the zakat management in University Malaysia Kelantan staff in Pusat Islam UMK, in Bachok Campus. This research is carried out through qualitative data method by doing interview with the selected staff in Pusat Islam UMK. The total staff have been interviewed is 5 non-academic staff from Pusat Islam UMK which to and examine the effectiveness on the zakat management in UMK and the issue that affecting the effectiveness on zakat management in UMK. The interviewed data were analyzed using in this research studies is Atlas.ti for qualitative data. The finding show that Pusat Islam UMK should focus on strengthening the efficiency of their organization to increase the factor effectiveness on zakat management. By doing so, the zakat recipients are known to pay the zakat particularly, which enhance the sustainability of zakat management for future development of Pusat Islam UMK. A small number of respondent has been interviewed in this study but to generalize the data doesn't have any difficulty. However, some respondent has problem in answering the interview question used in this research, which less in an amount of information obtained. This

paper determines the factor influencing the effectiveness on zakat management from introduction and conclude to reduce issue on zakat management to achieving the objectives of zakat management in Pusat Islam UMK. This research suggests Pusat Islam UMK responsible to reduce the poverty level of student. When more output is generated with the same or less amount of inputs, the efficiency will be accomplished. Furthermore, if the zakat management in Pusat Islam UMK can produce more goods and service with using limited resources, the economic systems will be more effective.

Keywords: number of staff, ICT usage, corporate governance, corporation, effectiveness, zakat management

1. Introduction

Zakat is the giving of offerings to poor and needy people. Literally, zakat means growth. It can be understood as the growth of wealth in the 'real sense', growth of the community in general or growth of the purged soul. It is one of the pillars of Islam. Moreover, there are two categories which are Zakat Al-Fitr and Zakat Al-Mal. The Muslims usually pays Zakat Al-Fitr in Ramadhan. While Zakat Al-Mal is divided into a few categories which are savings, gold, business, shares, livestock and agriculture.

In addition, zakat can only be paid to certain beneficiaries. There are eight groups are categories according to their priority to receive Zakat (At Taubah, 60). The first group is the poor or Faqir. Secondly is for the needy or Miskin. The third is the Zakat collector or Amil. Forth is for the person who just converted to Islam. They are known as Muallaf. Fifth is for slaves or Ar-Riqaab. Zakat can be used to purchase their freedom. Sixth is for a person who is in debt or known as Al-Gharimin. Seventh is for those who are away from home in the path of Allah or known as Fisabilillah. Lastly, zakat can be paid to a stranded traveler in need of financial assistance or known as Ibnu Sabil. There are several scholars have mentioned that zakat collection and distribution should have the efficiency and effectiveness on zakat management in Malaysia. The good governance should play an important role of zakat institutions.

Zakat management has established in 2007 in University Malaysia Kelantan. All the zakat that have received have been managed by Student Affairs Department in UMK, Kampus Kota Campus. After a few years, zakat management had fully been managed by Pusat Islam UMK. The purpose of zakat management in UMK is to help underprivileged students in the university. Vice Chancellor of UMK, Prof. Ts. Dr. Noor Azizi Ismail said that many of his students were from low income families (B40) of 6,382 from about 8,500 students in UMK. There are the corporate companies that donated zakat to UMK which is Bank Islam Malaysia Berhad (BIMB), Maybank Berhad, and Etiqa Family Takaful Berhad (EFTB).

Bashir (2012) and Ali (2012) addressed that to tackle this mismanagement or in efficiency issues, we need a fully equipped with a computerized zakat collection system. This is because the system will allow direct communication between Amil (including banks) and zakat institutions. The staff can find the information with only using the applicant to identify card number in the system. Next, based on the previous research, the researcher stressed where a new initiative such as system application was introduced to speed up the application process. The tasks given to the staff members were reduced so that they can be more focused (Bashir, 2012; Ali, 2012). Therefore, this study to examine the five main components that may influence

the zakat management of UMK such as number of staff, information and communication technology (ICT) usage, corporate governance and corporation.

The issues on zakat management is citizen needs to have information in Shariah-compliant financial products and they also need to expertise in Information Technology to achieve efficiency of zakat institution (Wahab and Abdul Rahman, 2011). In addition, many Muslims lack information and understanding of zakat collection. It is because the rules, principles, and calculation are rarely delivered by religious teachers (Salim, 2008). Many Muslims lack adequate understanding of zakat collection because the rules, principles, and calculation are rarely delivered by religious teachers (Salim, 2008).

For example, the main reason for dissatisfaction towards zakat institution is the issue of transparency and unclear method of zakat distribution (Wahid et al., 2009). Most the zakat recipients in Malaysia are not satisfied with the way zakat institutions distributed the zakat because they felt the process of distribution and the information is unclear. Many studies also agreed that the zakat collection should be disbursed immediately to the recipients and it also should not be postponed (Nik Mustapha, 1991) and without unwanted delay (Khaf, 1995; Mujaini, 1995). Next, zakat institution also failed to increase the level of trust zakat payers against zakat institution. According to Sanep et al. (2006) shows that there were leakage problems where some individuals still refused to pay zakat through formal institutions or zakat institutions. The tasks given to the staff members were reduced so that they can be more focused (Bashir, 2012; Ali, 2012).

This researcher focuses on the factors that influencing the zakat management and the issues affecting the effectiveness of the zakat management in University Malaysia Kelantan. The findings of the study will help the zakat unit to improve their operation and practice on zakat management. Lastly, the study is to attempts to contribute the body of knowledge on the factors that influence the effectiveness of zakat management in University Malaysia Kelantan between number of staff, Information and Communication Technology (ICT) usage, Corporate Governance, and corporation. The findings of the study will offer an avenue for future research.

2. Literature review

2.1 Number of Staff

According to Cambridge University Press (year), staff refers to all the individuals who gave their service for a company or organization and in place. Furthermore, the number of staff can be defined as number of people employed which is the number total of people who work in the perception unit which is representatives getting compensation, working owners and unpaid family specialist just as outside working people who have a place with the unit and are paid by it according to the article of (Lienhardt, 2004). A high number of group of worker voice mechanisms will be positively associated to excessive expectations of problem decision for many employees and high stages of effectiveness for the organization's problem decision procedure (Specer, 2017). (Eskildsen & Dahlgard, 2000) have mentioned if the employees motivated and they have good work attitude and will work more effectively and efficiently.

The workers also will become satisfied and directly influences their process quality (Matzler, Fuchs & Schubert, 2004). The employees will do their best to strengthen the relationship between them and other workers. Equity is accomplished when the result of the input of one worker is the same with another worker. In

rapidly changing workplaces, motivated workers are need because they help organizations to survive (Lindner, 1998). There are many inputs in production and one of the main input is human capital and it should never be ignored in the evaluation of old effectiveness. Furthermore, human capital serves as important resources to achieve the objectives of the organization. However, motivated workers and how the possess the capability to do a task will affect the service that they give. A number of staff did not affect the service that is given by a certain organization. Based on the previous research, if the number of staff large, it will prevent the efficiency and effectiveness of the zakat (Ginn and Barlog, 1994) and it also can delay the result (Keen, 1991).

2.2 ICT Usage

Telecommunications technologies, digital broadcast technologies and a wide range of technological in include in Information and Communication Technology (ICT) applications as well as electronic information facilities (Ibrahim, Hassan, Gambo & Yusuf, 2016). There are several ways for the Muslims to pay zakat nowadays like pay to the Amil, pay at zakat institution and pay by the online transaction. (Hairunnizam et. al, 2008). The amount of the zakat that has been collected each state such as Kelantan, Terengganu, Penang and Selangor have been increasing year by year. This is because the factors that zakat can be pay via internet banking and the Muslims in Malaysia can decrease the cost and duration to pay the zakat. They can pay the zakat even though they did not go to the zakat institution did not have to go the zakat institution. They also can pay the zakat at home, office or wherever they are.

The zakat institution just not increasing the amount of the zakat but they also increase their effectiveness and efficiency of the zakat institution. Wolf (2001) said that ICTs might influence product-quality improvements and improved services. Meanwhile, the uses of ICT can increase labour productivity (Ndiwalana & Swarray, 2007). (Wahab & Rahman, 2011) mention that the use of ICT through interconnected computer networks allows everyone to stay connected with each other efficiency and cheap. Efficiency of the institutions will be increase if the organization use ICT which is internet access website availability and online payment of zakat. For example, e-Zakat4U System will increase to the efficiency and zakat distribution can be more manageable. It is because this system can recognize and detect person or family who deserved to get zakat based on their income (Dahlan, Awang & Mahmood, 2015).

2.3 Corporate Governance

According to United Nation Development Program (UNDP), the meaning corporate governance is the activity that include the decision that defines grant power and it involves separate process as part of its management and leadership (Corporate Governance in Asia: Lessons from The Financial Crisis, UNDP). Good governance will give good result to an efficient organization (Wahab & Rahman, 2011). Corporate governance is a set of mechanisms through which outside investors protect themselves against replacement by the insiders (Porta, Silanes, Shleifer & Vishny, 1999). One of the possible factors of trust is corporate governance. Zakat recipients expect the corporate governance to demonstrate competence, effectiveness, and fairness in their relationship with all stakeholders, including zakat beneficiaries (Mustafa, Mohamad, & Adnan, 2013).

The corporate governance is focusing on a few major entities which are politics, economics and administration. It is also involved public, private sector and the community, especially in Malaysia. (Al-Qudsy, Ab. Rahman & Zain 2008). There are a few impacts on the corporate governance especially in zakat distribution to make sure that zakat recipients have satisfied with the zakat distribution. Meanwhile, accountability, responsiveness, transparency and disclosure of zakat institution are the four attributes in the governance which are important one. These four attributed is followed by shariah compliance, shariah governance and legal opinion. (Mohd Shazili and Ambali, 2012).

2.4 Corporation

According to the OECD, corporate governance is the system by which business corporation is directed and controlled (OECD, 1999). Before 1990s the actual zakat potential was not realized by the individuals until the institution was corporatized. The reason that occurs that stated to this failure of the zakat institutions, which is application on Zakat Al-Fitr, shortage of in detail information of zakat's concept on several zakatable items and the mindset of the people on the effectiveness of zakat management office. In addition, is a corporation that has been built up under an Act or State organization of Islamic law enactment with an obligation to collect zakat only.

The corporate governance framework defines the distribution of rights and responsibilities among various members of a company, such as the board, managers, investors and other stakeholders, and sets out the rules and procedures for decision-making in corporate matters. Good corporate governance should provide the company's strategic direction, effective management oversight by the board, and transparency by the board (Hafeez, 2013). The problem mention by (al-Qardhawiyy, 2001) who take note five necessity to accomplish the zakat foundation which are the extension of new assets for zakat, the collection of zakat from tangible and intangible wealth, orderly zakat management, proficient zakat distribution and the thoroughness in the execution of Islamic guidelines.

2.5 Zakat Management

The role of zakat organization is to maintain social affordability and ensure the economic sustainability. Therefore, process of organizing zakat faces various challenges due to environmental changes in modern societies whereby some people are reluctant to adopt technology innovation and application of new technique (Johari, Mohd Ali, Ab. Aziz, 2015). An effective zakat institution needs an effective internal control to ensure that the firm's operational and financial objectives are met. Internal control must be comprehensive and involve people at all levels in a firm (Deloitte and Touche LLP, 2004). Furthermore, stated by (Ab Rahman, Alias, Syed Omar, 2012) complaint are made by many people from public because zakat doesn't rise the target due to the lack of knowledge on the other part of community.

Majlis Agama Islam Negeri (State Islamic Religious Councils – SIRCs) is handle the organization of all parts of Zakat in Malaysia. The Religious Council was established with the point of focusing all organization of all religious activities at the state level, which includes collection and distribution of Zakat. According to Farell (1957), there are two components in economic effectiveness measurement which is technical efficiency (TE) and allocative efficiency. First component which is technical efficiency are reflects the firm's ability. The purpose is to obtain maximum

output from a given set of inputs. Secondly, the firm's ability to use the inputs in optimal use, based on prices and production technology is the allocative efficiency reflects. These two measures are then collaborating to offer a measure of total economic effectiveness.

3. Methodology

This research intends to gather information study of the relationship between a number of staff, ICT usage, corporate governance and corporation in the effectiveness of the zakat management. In this research, we use exploratory research. For this study, the researcher used the method which is face to face interview to gather the data from the non-academic staff of zakat management in Pusat Islam UMK. Therefore, the researcher also chooses the staff from the Pusat Islam UMK to interview to gather more information to collect the data. There's reason why the researcher chooses the staff to be interviewee which is the staff is have more information or knowledge about the factors that influencing the effectiveness of zakat management that includes number of staff, ICT usage, corporate governance and corporation. In this study, the researcher will use non-probability sampling which is purposive sampling. Based from the statistic of UMK Pusat Islam staff, the population of staff in Pusat Islam UMK is 13 staff including the academic staff and non-academic staff which is consist of four department with different responsibilities or task. For information, face to face interview were conduct by researcher to interview the selected staff which is five staffs from the zakat and entrepreneurial unit of department in Pusat Islam UMK will be interview. The interview will be held in Pusat Islam UMK, Bachok Campus and the duration of the interview the five staff will be interview approximately one hour for each staff. The interview question based on the objectives of the research which are number of staff, ICT usage, corporate governance, corporation and the issues in zakat management. The researcher used Atlas.ti version 7 for coding process. By using the system, the researcher able to handle the raw data collection by coding every interviewee respond.

4. Findings

Respondent were asked about the main factor influencing the effectiveness on zakat management in University Malaysia Kelantan. The main factor or the themes has been decided before the researcher make the research. There are four main factor influencing the effectiveness on zakat management in University Malaysia Kelantan. The question from the interview that has been asked to the respondent were based on four main factor influencing the effectiveness on zakat management in University Malaysia Kelantan

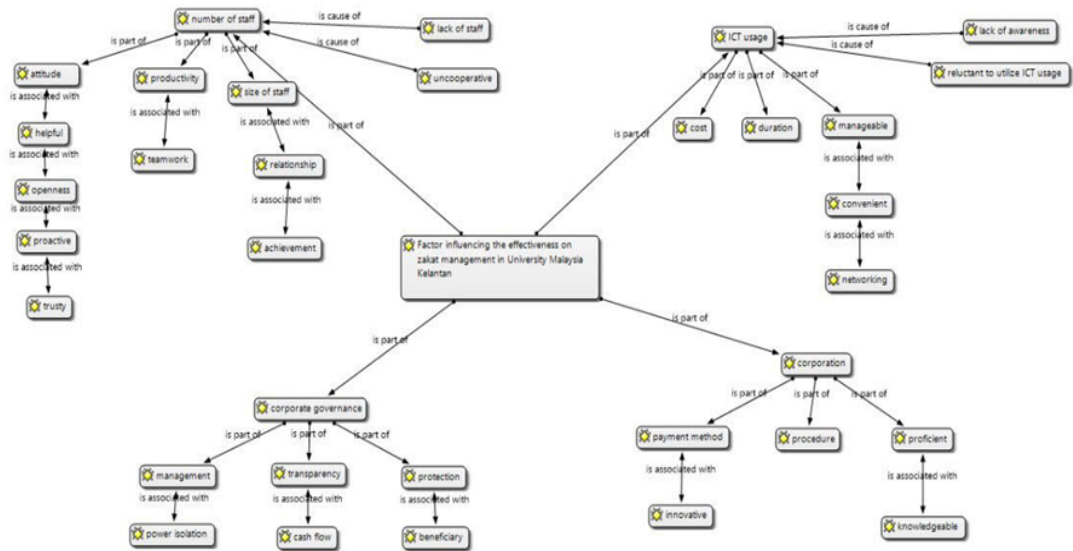


Diagram 1: Factor influencing the effectiveness on zakat management in University Malaysia Kelantan.

Based on the diagram above, the findings showed there are a few of subtheme under the theme. For example, attitude, productivity and size of staff are the themes for number of staff. Helpful, openness, proactive and trusty are the subtheme that the researcher get after having done the interview with five respondents. The diagram also show the issue that influence the effectiveness of zakat management in University Malaysia Kelantan. There are four issues that has been addressed by the respondent while doing the interview.

Research question one:

a) What are the factors that influencing the zakat management in University Malaysia Kelantan (UMK)?

The factor that influencing the zakat management in Universiti Malaysia Kelantan are number of staff, ICT usage, corporation, and corporate governance. The research in line with past research. Number of staff influence the attitude, productivity and number of staff in the organization. The large number of staff can help each other and the size of staff effect relationship in organization. The finding of this study is aligned with the previous research conducted by Eskildsen & Dahlggaard (2000) have mentioned if the employees motivated and they have good work attitude and will work more effectively and efficiently. Some of the respondent prefer with large number of staff and some respondent prefer small number of staff. The attitude of the staff is important in organization because zakat institutions known as trustee so the staff will protect the goodwill of the institution. ICT usage helps more in management organization. They can be sorting student’s application through system by using technology and transfer the data to excel. The past research also state by using technology it can recognize and detect person or family who deserved to get zakat based on their income (Dahlan, Awang & Mahmood, 2015). Besides, they are using zakat calculator to calculate zakat payment for the staff. In addition, some of the client prefer to pay zakat by using video call rather than walk because of time

constraints. This in line with past research that state there are several ways for the Muslims to pay zakat nowadays like pay to the Amil, pay at zakat institution and pay by the online transaction. (Hairunnizam et. al, 2008). Corporation in zakat institutions is about the procedure of the zakat. Means the flow from the zakat application, data collection until the distribution and the scope of the staff. In Pusat Islam Universiti Malaysia Kelantan, they have their own staff on conducting zakat management from collecting the fund until the distribution. The zakat management in Pusat Islam also handle on advertising for student application in website. Corporate governance in zakat institution, the respondent stated that they should have transparency on the transaction so the corporate body and client trust that the transaction in management. Plus, the finding also can identify that in organization, they should have power isolation to protect the transaction and prevent bias on selection on student application.

Research question two:

b) What are the issues affecting the effectiveness of the zakat management in University Malaysia Kelantan?

There are several issues that affecting the effectiveness of zakat management in University Malaysia Kelantan such as lack of staff, uncooperative, lack of awareness, reluctant to utilize ICT usage. The research identify that Pusat Islam University Malaysia Kelantan are lack of staff. They need to help each other to complete the task. Sometimes, they cannot manage to settle thousand application on due date because only two staff handle in zakat management. Next, uncooperative. The research identify that some respondent prefers to work with small size of staff rather than big size of staff because if many staff in one organization, they cannot manage all staff and as human being, there will have some of them cannot corporate with other. Furthermore, lack of awareness of zakat payers. The respondents mentioned that many of Muslim lack of awareness on zakat. They ignore the payment although there are many alternative way to them check whether they are capable to pay zakat or not. Lastly, reluctant to use ICT. The respondent addressed that some corporate body reluctant to use ICT because they worried if the form and document will corrupt and missing in system. The corporate body more prefer white and black document easy for them to proceed the application on zakat.

5. Conclusion

This study is to explore the factors and issues that influence the effectiveness of zakat management in University Malaysia Kelantan. This is performed by exploratory analysis which is the data is obtained by the interview question. These finding have several significant implications on collection and distribution of the zakat by Pusat Islam UMK. The researcher get more information on Pusat Islam and how Pusat Islam operate their operation. The researcher also knows how the the collection that has been made by Pusat Islam UMK which some of the staff from the organization will go to the other corporation to ask them for the fund. The issue that has been faced by the organization is lack of staff, uncooperative, lack of awareness and reluctant to utilize ICT usage. Zakat management in University Malaysia Kelantan, there must be improvement in future and there must have the factor to take an action to gain the effective and efficiency on zakat management in organization. The organization need to provide the best utility standard in the workplace. This is because a good management give the effectiveness and efficient for environment

workplace. To improve the efficiency, zakat management of Pusat Islam UMK should paid more attention in uses of input.

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Factors affecting the acceptance of Blockchain System among zakat users in Pengkalan Chepa

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Abstract

This study was carried out to identify most important factor that affecting the acceptance of the blockchain system with several factors of knowledge, social influence and performance expectancy among zakat users in Pengkalan Chepa, Kelantan. A quantitative research technique in descriptive field of survey method was adopted in this research. A total of 132 respondents which made up from zakat users in Pengkalan Chepa, Kelantan were participated in the study from whom data were collected using questionnaire. The method data analysis were made using Statistical Package for the Social Sciences (SPSS). Using the evaluating by pearson's correlation coefficient analysis, frequency distribution analysis, descriptive analysis and reliability analysis were use in this research. The findings reveal a significant positive relationship between knowledge, social influence, performance expectancy and the acceptance of the blockchain system among the zakat users. However, performance expectancy is the most important factor that influence the acceptance of blockchain system among zakat users. The study provides recommendations on zakat institutions to empower their administrative system to adapt with new technology such as blockchain system to accommodate the administration of zakat to be more efficient and transparent.

Keyword(s): Blockchain System, Zakat Users, Knowledge, Social Influence, Performance Expectancy, Pengkalan Chepa

1. Introduction

Zakat is the third mainstay of Islam. In Arabic, the word is gotten from the root, "z-k-a". The action word zakka, "to purge" additionally signifies, "to influence something to grow and develop" (Al-Sayyid, 1991). Zakat is automatic or mandatory to the each Muslim that are qualified to satisfy the commitments (Yusuf, 1999). In the new era of technology that rapidly grow and information just in the fingertips of human beings, Chief Executive Officer of Islamic Banking and Finance Institute Malaysia (IBFIM), Yusry Yussof recommended that the zakat institution also need to rapidly follow the trend of the new technology to catch up with the demand of zakat payer and its receiver. However, there are some issues and problems occur in the zakat institution in managing the funds.

The issues is about the unorganised zakat distribution. It translates to the fact that zakat distribution system must change along with new technology such as blockchain technology in which it will help to increase efficiency of zakat management in Malaysia (Siti, Shifa and Mariani, 2018). The neediness issues still happen despite with the fact that dissemination has been actualized. Thus, blockchain technology makes the transaction between the zakat distributors, zakat institution and zakat receiver will now be trackable, auditable and immutable. This is the essential qualities to ensure the efficiency, accountability and transparency to the distribution and collection of zakat fund (Khairani, 2018).

Hairunnizam, Sanep and Radiah (2009) demonstrated there was a ton of zakat surplus which were not circulated to the asnafs by the zakat foundation. It will prompt the wastage and bad form Muslim financial aspects. In the meantime, this circumstance will add to the awful impression towards the capacity of zakat organization if this foundation unfit to appropriate zakat to the beneficiaries decently and exhaustively (Hairunnizam, Sanep and Radiah, 2009). Thus, in this study is to examine the factors of knowledge, social influence, performance expectancy that influence the acceptance of the blockchain system among zakat users in Pengkalan Chepa. Besides, this studies also to investigate the important factor that influences the acceptance of blockchain system among zakat users. In addition, this studies also to examine the relationship between knowledge, social influence and performance expectancy on the acceptance of blockchain system among zakat users in Pengkalan Chepa.

2. Literature review

2.1 Knowledge

Knowledge about zakat is one of the significant variables influencing zakat payment among public servants in the environment of compliance behavior of zakat exposed by Yusuf, Mohd, Mohd, Mohd and Siti (2017). It prove that knowledge about zakat significantly influenced zakat compliance. Blockchain is a distributed database system that records transactional data or other information. It is a data structure that combine called blocks, data records in a chain. The concept of blockchain was proposed by Zhi, Wang, Guo, Layne, Jiadong and G.Q. (2017) blockchain is a foundation technology that supports the implementation of the industries. When a user want to search for a particular knowledge, a search query will be formulated in the knowledge application. It will then look the knowledge chain of the distributed

knowledge to find the most related knowledge (Zhi et al., 2017). Basically, a blockchain is a distributed, transactional database. Lack of knowledge among small business owners made them not to comply with a tax obligation (Bernadette, Christian and Erich, 2010). Less of knowledge was likely to lead to non-compliance of tax behavior. It concluded that zakat user has high ethics and that individuals' tax knowledge is a key on their compliance behavior.

2.2 Social Influence

Social influence is significant to the acceptance of blockchain system among zakat users. Social influence had a strong influence on desire, proposing the evaluation of partners expect a significant work in the affirmation of blockchain framework (Nicole, Morgan, Adrian and Anita, 2015). While, according to Reham and Muhammad (2016) social influence is characterised as how much an individual feel others' conviction on the significance of the utilization of the new innovation. A few examinations have likewise appeared social impacts add to one huge pointer to foresee conduct goals of innovation acknowledgment (Hsiu-Ping, Yonggui, Jo-Hi and Chueh, 2015). The unified hypothesis of acknowledgment and utilization of innovation (UTAUT) recommends that social influence is a significant factor in deciding client acknowledgment of a data innovation (Bing and Xiaohui, 2017). At the point when an individual sees that others use of blockchain and see the benefits of its work, that individual will turn out to be additionally eager to utilize blockchain, which can increment both present and future use of blockchain advances. On the off chance that the individual has acknowledged the social influence and has gotten positive input from the significant network, this may additionally prompt fulfilment for the person who is accommodating and following the standards (Juho and Jonna, 2015). Besides, social influence has been appeared to influence people's practices in selection of cell phone administrations, versatile internet (Nicole et al., 2015) and online game networks. For new innovation appropriation including availability among friends, individuals will in general depend vigorously on distributed correspondence and social standards are hence vital predecessors for the selection of innovation with system. Also, social influence may likewise have a circuitous impact by means of apparent convenience on aim to receive blockchain (Nicole et al., 2015).

2.3 Performance Expectancy

Performance expectancy is one of the factor that influence individual behavior intention or acceptance to use blockchain system on zakat institution. Performance expectancy is a measure of believers of an individual to use the system to get the required results of the work (Venkatesh, Morris, Davis and Davis, 2003). In our case, the Performance expectancy levels represent how a zakat payer and receiver believes that new blockchain system on zakat management system will improve performance and change their perception and acceptance towards the new technology of blockchain system. This factor is like seen helpfulness from TAM and is perceived to be a central property in affecting person's disposition towards utilizing any framework (Angela, Greg and Rodger, 2004). Angela, Greg and Rodger (2004) further characterize performance expectancy as how much an individual trusts that utilizing a specific biometric framework would satisfy the association's security gets to necessities in a specific area. Ra'ed, Ali, Ashraf and Mahmoud (2016) analyzed the demonstrating factors that influencing use conduct of understudies towards e-learning frameworks in Lebanon. This exploration was investigated the components

that effect or impact use conduct of understudies towards e-learning frameworks in Lebanon. Performance Expectancy is one of the elements that impact the conduct aim towards acknowledgment to this examination. This examination about an individual or an individual trusts that utilizing an innovation can build his or her exhibition and utilizing an innovation can be helpful for the person in question. Performance expectancy speaks to on how an individual trusts that blockchain utilization in zakat frameworks will change their conduct aim to utilize the zakat frameworks and increment his or her presentation.

3. Methodology

3.1 Research approaches

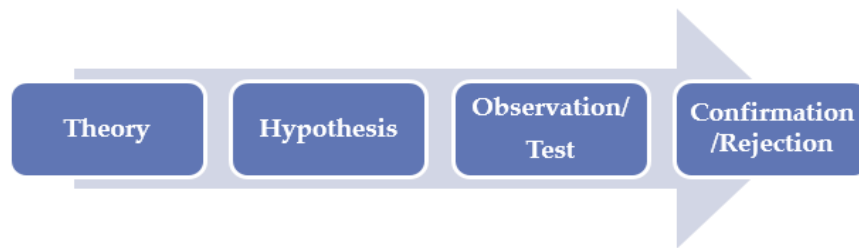


Figure 3.1: Deductive Research Approach

The research that used is flow of deductive research approach and theory of Technology Acceptance Model (TAM) has been stretched out to incorporate emotional standards to clarify apparent handiness and utilization goals regarding social impact and subjective instrumental procedures (Venkatesh et al., 2003) which is known as Unified Theory of Acceptance and Use of Technology (UTAUT). Next was Social Influence model of technology adoption (SIM) that utilization of social influence develops as the predecessor to Technology Adoption.

3.2 Research Design

The study used quantitative research method and using causal research design where the analyst of components and impact connection between the knowledge, social influence and performance expectancy where it accepted to influence the acceptance of blockchain system on zakat users . This investigation will have the review inquire about in light of the fact that the examination is mean to get the related information of which the acknowledgment of blockchain on zakat client can affected by the components, for example, knowledge, social influence and performance expectancy.

3.3 Research Instruments

The researches used open questionnaire to get all the data and information about respondents. Questionnaire is a set of printed or written questions with a choice of answers for the purposes to study about the acceptance of blockchain system among zakat users.

3.4 Population and Sample Size

The respondents are mainly focused on zakat users that reside in Pengkalan Chepa. A list of the zakat receiver who represent the Pengkalan Chepa population for 2018 will be obtain from Majlis Agama Islam Kelantan (MAIK) and serve as a sampling frame for this paper. From the data the researcher gain from MAIK department, there are

around 200 population. According to the table by Krejcie and Morgan (1970), since the populations for this study are 200 asnafs, the sample size will be 132 asnafs.

3.5 Sampling Method and Sampling Technique

This research has been used stratified random sampling . The population is divided into strata which are characteristic like gender (male and female), age (19 until 30 years old and above), marital status (single and married) and educational level (STPM, Matriculation, Diploma, Degree, Master and PhD). The selection of sample will be based on opportunity sampling technique. There are about 200 numbers of zakat users at the time of research. Based on the Krejcie and Morgan (1970) this research must take at least 132 respondents to finish this research.

3.6 Data Collection Procedure and Data Analysis Technique

Information gathering that will utilized is quantitative research. The information aggregated would dissect using Statistical Package for the Social Sciences (SPSS).

4. Results and discussion

4.1 Frequency distribution analysis

Table 4.1: Demographic Frequency Distribution Analysis

Demographic Profile	Percentage (%)
<i>Gender</i>	
Male	34.10
Female	65.90
<i>Age</i>	
19-22 years old	37.12
23-26 years old	33.33
27-30 years old	4.55
31 years old and above	25.00
Total	100%
<i>Marital Status</i>	
Single	72.73
Married	27.27
<i>Education Level</i>	
STPM/Matriculation	18.94
Diploma	12.88
Degree	62.12
Master	3.79
PhD	2.27
Total	100%

4.2 Reliability Analysis

Table 4.2: Cronbach's Alpha Results

Indicator	Cronbach's Alpha
Knowledge	0.734
Social Influence	0.788
Performance Expectancy	0.899
The Acceptance of Blockchain System among Zakat Users	0.889
Total	0.930

Based on the table, the highest cronbach's alpha value is performance expectancy which is 0.899. It shows that the strength of association for performance expectancy is very good and effective towards the acceptance of blockchain system among zakat users in Pengkalan Chepa. While, cronbach's alpha value for social influence and knowledge is 0.788 and 0.734 respectively. Furthermore, the acceptance of blockchain system among zakat users gives a cronbach's alpha of 0.889. From the analysis, concluded that performance expectancy is the most significant factor on the acceptance of blockchain system among zakat users in Pengkalan Chepa. Overall, the result of cronbach's alpha test for all variables is 0.930 which is high and excellent reliability value. Hence, it means that all factors have a good relationship and significant with the acceptance of blockchain system among zakat users.

4.3 Descriptive Analysis

Descriptive analysis are utilized to describe the fundamental highlights of the information in an examination and representation of the whole population. It give basic rundowns about the example and the measures. Together with basic designs examination, it measured by looking at the standard deviation while central tendency has been estimated by mean.

4.3.1 Descriptive Analysis of Knowledge

Table 4.3: Descriptive Analysis of Knowledge

No.	Statement	Mean	Standard Deviation
1.	Knowledge is important to zakat users know about blockchain.	4.43	0.73
2.	I believe with the proper knowledge zakat institution will provide an efficient operation.	4.56	0.61
3.	Knowledge is important to ensure the effectiveness of zakat institution operation.	4.61	0.61
4.	Zakat institution staff need to have knowledge on blockchain system.	4.67	0.56
5.	A less knowledge will lead to non-compliance of tax behavior.	4.27	0.77
6.	I believe when a zakat user has high ethics knowledge is a key on their compliance behavior.	4.42	0.67

Based on the table, which is “Zakat institution staffs need to have knowledge on blockchain system” has the highest value of mean. Yusuf et al., (2017) said that knowledge is important because it could change attitude and perception on the acceptance of blockchain. It indicates that respondents are more agree with this statement that staff of zakat institution need to have knowledge in order to accept the application of blockchain system. The lowest mean value is 4.27 with standard deviation of 0.77 asked that “a less knowledge will lead to non-compliance of tax behaviour”. It shows that respondents less agree with that statement and this supported by Zainol, Mohd and Farah (2013) who substantiated that knowledge, together with other variables was not a significant factor which related to zakat compliance behavioral intention.

4.3.2 Descriptive Analysis of Social Influence

Table 4.4: Descriptive Analysis of Social Influence

No.	Statement	Mean	Standard Deviation
1.	I believe social influence can attract people to use new technology.	4.51	0.57
2.	Age will influence the acceptance of blockchain system.	4.13	0.82
3.	Gender will influence the acceptance of blockchain system.	3.58	1.11
4.	Experience can influence the acceptance of blockchain system.	4.25	0.69
5.	Social influence has high influence on zakat users to accept blockchain system.	4.17	0.71
6.	Zakat users tend to receive changes and innovations based on others perspectives rather than their own self.	4.01	0.81
7.	Social influence can affect zakat users in making decision to accept blockchain system.	4.17	0.62

Table above shows the descriptive analysis for second variable which is social influence. “I believe social influence can attract people to use technology” has the highest value of mean which is 4.51 and standard deviation of 0.57. It shows that mostly respondents agree with this statement as people tend to receive a specific innovation not on account of their very own influences but rather as a result of the perspectives on others (Bing and Xiaohui, 2017). “Gender will influence the acceptance of blockchain system” have the least mean value of 3.58 and standard deviation of 1.11. This indicates that this statement are not reliable and not concentrate as the mean value for both are lower and standard deviation shows higher value. Respondents are less agreeing with this statement as gender are not affecting in the decision making.

4.3.3 Descriptive Analysis of Performance Expectancy

Table 4.5: Descriptive Analysis of Performance Expectancy

No.	Statement	Mean	Standard Deviation
1	Performance expectancy can measure the believing of zakat users towards blockchain can increase performance.	4.11	0.74
2	I think blockchain system is really useful to the zakat institutions.	4.23	0.77
3	Blockchain system is very useful in zakat management.	4.23	0.72
4	Transaction in blockchain system are trusted.	4.06	0.86
5	Blockchain system allows me to keep update about transaction of zakat.	4.18	0.74
6	Using blockchain helps me know the transactions in zakat.	4.15	0.81
7	I believe blockchain system is a tool to standardize the zakat management.	4.15	0.72

Table 4.5 shows descriptive analysis for the third variable which is performance expectancy. The highest mean value is 4.23 for “blockchain system is very useful in zakat management” with standard deviation of 0.72. That means most of the zakat users believe that blockchain system is useful in helping the operation of zakat management to be more effective as performance expectancy is a measure of believers of an individual to use the system to get the required results of the work (Venkatesh et al., 2003). The very small standard deviation shows that the answers are very projectable to a larger group of people. While, for the lowest mean value is 4.06 for “Transaction in blockchain system are trusted” and standard deviation of 0.86. That mean the zakat users not really trust on the transaction that use blockchain system.

4.3.4 Descriptive Analysis for the Acceptance of Blockchain System among Zakat Users

Table 4.6: Descriptive Analysis of the Acceptance of Blockchain System among Zakat Users

No.	Statement	Mean	Standard Deviation
1	Increase in awareness and utilization of the system improves acceptance of blockchain on zakat users.	4.37	0.66
2	I think by using blockchain technology helps to fulfill human needs and comfortability.	4.12	0.76
3	I believe by using the latest technology helps improve the work flow and give benefits to zakat institution.	4.31	0.72
4	Zakat institution will not affected on implementation of blockchain system in term of human resources and finance.	4.05	0.86
5	Blockchain system is secure and make zakat administration work systematically and efficient.	4.20	0.87
6	I think more advertisement needed to give information about blockchain system.	4.53	0.64
7	I trust with unique characteristic that offer by blockchain technology give guarantee of safety to zakat users.	4.25	0.76

Table 4.6 shows the mean and standard deviation value for dependent variable which is the acceptance of blockchain system among zakat users. “I think more advertisement needed to give information about blockchain system” has the highest mean value which is 4.53 and standard deviation of 0.64. It proposed by Nurul, Mahlindayu, Izzatul, Masdiah and Rusli (2014) that is necessity of improving an awareness and utilization of new system and technology. It shows that respondents are agree with this statement as people are lacks of awareness and information about blockchain system due to Malaysian environment is not ready for the technology advancement. The lowest mean value is 4.05 and standard deviation of 0.86 for “Zakat institution will not affected on implementation of blockchain system in term of human resource and finance”. This is because the implementation of blockchain will give impact to zakat organization.

4.4 Pearson’s Correlation Coefficient Analysis

Table 4.7: Correlation Coefficient Results

Independent Variables	Correlation Coefficient (r)
Knowledge	0.522**
Social Influence	0.583**
Performance Expectancy	0.750**

** Correlation is significant at the 0.01 level (2-tailed)

Hypothesis 1 : Knowledge

H1 : Knowledge is positive effect to the acceptance of blockchain system among zakat users in Pengkalan Chepa.

The value of pearson’s correlation (r) is 0.522 which indicate strong positive linear correlation. This means that there are significant relationship between knowledge and the acceptance of blockchain system among zakat users. Therefore, it can be conclude that knowledge can give positive effect to the acceptance of blockchain on zakat users in Pengkalan Chepa ($0.5 < r < 1$). Therefore, hypothesis 1 (H1) is accepted.

Hypothesis 2: Social Influence

H2 : Social influence is positive effect to the acceptance of blockchain system among zakat users in Pengkalan Chepa.

The value of pearson’s correlation (r) for second independent variable which is Social Influence had 0.583 ($0.5 < r < 1$) which indicate to strong positive linear correlation. This shows that social influence gives big impact on the acceptance of blockchain system among zakat users in Pengkalan Chepa. Hence, hypothesis 2 (H2) is accepted.

Hyphothesis 3 : Performace Expectancy

H3 : Performance expectancy is positive effect for the acceptance of blockchain system among zakat users in Pengkalan Chepa.

The table above shows that the value of pearson’s correlation (r) is 0.750 ($0.75 < r < 1$) which indicate to strong positive linear correlation. Therefore, it can be conclude that performance expectancy get the highest positive impact on acceptance of blockchain system among zakat users in Pengkalan Chepa. Therefore, the hyphothesis 3 (H3) is accepted.

5. Conclusion and recommendation

In conclusion, this study found that knowledge, social influence and performance expectancy has a significant value toward the acceptance of blockchain system among zakat users in Pengkalan Chepa. However, the outcome of this study show that performance expectancy is the most crucial determinants that affect the acceptance of blockchain system among zakat users and the least crucial determinants is knowledge. Besides, this research shows people is ready to accept and use the blockchain system in zakat institutions. Thus, zakat institutions need to empower their administrative system to adapt with new technology such as

blockchain system to accommodate the administration of zakat to be more efficient and transparent. Furthermore, the researcher may also do a research on the readiness of zakat institutions to administer the system and its operation with blockchain system. Next, the researcher also recommend that future research will touch deeper upon the efficiency of the blockchain system once it is been roll out for the public usage on zakat institutions. Hence, the abroad researches need to be done to tackle the issue of inefficient of zakat institutions for the betterment of the zakat institutions and its beneficiaries.

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Microcredit : it is a savior or a destroyer ?

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Abstract

Micro businesses are popular and profitable activities that helped the economy development and growth. However, most of micro business unable to sustain longer due the deficiency of capital, equipment, networking and support. Hence, a conceptual framework has been developed to expose the role of microcredit institutions such as Amanah Ikhtiar Malaysia (AIM) and Tabung Ekonomi Kumpulan Usaha Niaga (TEKUN) in helping these entrepreneurs. The objective of this study is to investigate the impact of microcredit factors such as loan size, tenure, help and support, management fees, and mode of payment towards the micro business performance which has not been fully covered. This research was held in Kota Bharu, Kelantan and the respondents are from the micro business who borrowed the microcredit from AIM and TEKUN. A total of 150 AIM and TEKUN borrowers have been selected by using cluster sampling method and data was collected by using scaling questionnaires. Quantitative data have been analyzed using the data analysis of the method of correlation and regression analysis. The findings of this research will help the micro business evaluation, microcredit institution's scheme improvement, government policies and academician for their study references.

Keywords: Microcredits, Business Performance, Amanah Ikhtiar Malaysia (AIM), Tabung Ekonomi Kumpulan Usaha Niaga (TEKUN), Kota Bharu; Kelantan.

1. Introduction

Generally, microcredit can be defined as an extension of very small loans of Micro finance system to poor lenders who have a collateral or no collateral, regular employment or no creditworthy. Besides, demand from micro business who do not qualify for receiving loans from commercial banks but need capital for running and expanding larger business can seek from other Micro Finance Institutions (MFIs) such as Tabung Ekonomi Kumpulan Usaha Niaga (TEKUN) and Amanah Ikhtiar Malaysia (AIM). This institution is functionally provides microcredit service throughout Malaysia where the poor can start an income-generating activity.

In Malaysia, MFIs only focus on microcredit and do not offer any micro insurance or micro saving. Besides, both AIM and TEKUN has been imposing the weekly installment loan for micro and small enterprises and monthly installments loan for agriculture activities. Apart from that, the restrictions of Islamic teaching that interest rates cannot be impose on financing of MFIs in Malaysia, therefore the interest rates has been replaced with management fees (Mokhtar, 2011).

Furthermore, the studies related to the impact of microcredit on the micro business's performance still have limited in Malaysia. The effectiveness of subsidized micro finance system in Malaysia is not well recorded (Mokhtar, 2011) although the total of AIM cumulative financing expenditure that used to help borrowers is about 21 billion. Therefore, weekly repayment mode was the crucial factor impacting the loans repayment issues and it referred to repayment problems where TEKUN did not record such a good repayment in 2009 (Mokhtar et al., 2012).

In addition, the borrowers of microcredit scheme also have only allowed pay the loans in lump sum after partially payment made that impacted to company's profits. According to AIM statement, the borrowers have to pay the loans according their chosen tenure where is the management fees were charged of 10% on above 6 months and 5% for 6 months and below. Besides, the higher of loan size is crucial for expanding market business size (Nor & Chin, 2016).

Moreover, the problems faced by microcredit borrowers are not have education or less knowledgeable on business management and technical skills related to their business. According to previous studies from Hamdan et al., (2012) found that MFIs were passive and not aggressive in monitoring and were not interested in knowing how micro financing was used by participants. Thus, the researchers of this study aims to explore the effects of loan size, management fees, repayment mode, tenure, and help and support for micro business's performance and to identify whether those factors have a significant impact on the development of micro business.

2. Literature review

Micro Business Performance

This paper intends to measure the effectiveness of microcredit received by AIM and TEKUN towards the micro business's performance in Malaysia. Business performance is chosen as dependent variable in the management practices and activities context as it explained the connections and possible influences to improve better micro business results (Leković & Marić, 2015). Measuring the performance of a micro business is about the examining progress and determining whether the company's objectives have been met.

However, a higher management fee or interest rate that imposed by micro institutions can impacted the micro business's profitability. In explanation, since the Malaysia Microfinance System is subsidized and loan can be characterized as a free interest loan except imposing the operational and management fees, the borrowed funds in Malaysia's system lending can lead to the lower costs for micro business (Caballero & Gourinchas, 2008). Following to this statement, it translates that the returns and profitability of company can become high due the lower of debt costs (Kirimi et al., 2017).

Besides, the other micro credits factors such as repayment mode and tenure loans also can impact the firm's performance (Mokhtar, 2012). The short period of microcredit payment has difficult the borrowers to pay the loans and make company's development in same time which it impacted to cash flows insufficiency. On the other hand, the study of Shaw and Pretorius (2004) found the accessibility to external capital (microcredit) has positive impacted to business's performance that it utilized to solve the deficit of micro business's cash flows. However, most of MSEs can't afford the payment of external finance easily therefore they rely on internal finance.

In addition, the loans size that provided by micro institutions in Malaysia also has impacted the micro business's performance where it was supported by the study (Wanambisi & Bwisa, 2013) who agreed a positive and significant relationship between the achievement of SMEs' goals and loans amount. Following this statement, an accessibility to credit has helped the SMEs owner to cover all of the cost of renovation of buildings, capital equipment, and expansion. Besides, the stage of small business also can be improved and developed to mediums enterprises by using the higher loans size received.

Loans Size

The relaxation of reasonable amount given to micro business helps them begin a business properly, timely response and provide sufficient information regarding the service terms (Nor, 2016). In another studies, increasing in given loan size is crucial to expand the market and business size. Demand from better-performing 'graduating' borrowers for larger loans compared to loans normally given under 'mainstream microcredit'. These statements supported by Salwa et al., (2013) which has shown an increasing given loans number has result in emerge more successful micro loans program.

In line with the finding of Salwa et al. (2013), the loan amount also influence the positive relationship between the financing method and the performance of SMEs. According to Pereira & Mourao (2012), micro loans programs succeed rely on given loan amount. Women entrepreneurs who take medium lending amounts are more encouraged to report growing in earning than whose take lower lending. This is due to findings by Mahmood (2014) which is growing in microcredit loan size taking by women entrepreneur contribute to an increasing in family earning.

Management Fees

Islamic MFIs that provide non-profit financing and charging service or management fee (ujrah) on the financing is allowed. This is because the imposing service or management fee is to cover the processing incurred from the loan application until full loan settlement (Hassan, 2011). For instance, AIM and TEKUN are free interest based and practicing management fees in their financing. This statement supported

by Kadri, (2011), AIM loans is free interest based on Islamic principles which is AIM using concept Qard Hassan (principal amount) and plus ujah (fees service) as management fees. According to Rashid, et al. (2014) revealed that TEKUN practice 4% management fees of the loan.

AIM and TEKUN is practicing percentage base to be charged as management fees on their financing. However, according to The Islamic Fiqh Academy, Organization of Islamic Cooperation (OIC) (1986) has determined that the service or administrative fees must be fixed in term of sum and based on the actual incurred by IFI issuer in providing this convenience. Management fees should not be related with the total or time period of the qard (Najeeb et al., 2012). However, in other studies considering the variant rates based on the amount borrowed, and the term paid (Chan, 2010).

Repayment Mode

Technically, the microcredit repayment usually made in periodic form that included the calculation of management fees or interest rates. In Malaysia, microcredit products are widely used the weekly installments whereas semi-annual installments and monthly payments are usually imposed for credit products that focused on seasonal activities, such as agriculture (Mokhtar, 2011). For details, the micro finance institutions imposed the weekly repayments for small scale businesses because these businesses are able to acquire a daily or weekly's income flow (Yunus, 2007).

As quoted by Stiglitz and Weiss (1981), the loans agreement should match to the business's cash patterns to help the clients for budgeting their cash flows. For details, they need the sufficient time frames for their revenue cycles (Mokhtar et al.,2012). Besides, this statement was supported by Hilman Muhammad (AIM borrower) in Malaysian Local Newspaper, Sinar Harian 14 December 2018 that stated the weekly repayment mode has caused the borrowers to unable doing capital round for their business where the company is still in launch stage.

Tenure

Loans tenure is a the period that micro business must make repayments to the MFIs (Annuar et al., 2016) .The loans tenure has also been found to have a positive impact to the micro business performance. According to Yehuala (2008), making a long-term loan will increase the rate of interest to be paid in the long duration when micro business not flexible to repay the loan through the schedule. Then, the MFI sees the repayment period as inflexible, they will have no opportunity to apply for other funding and this will affect the performance of micro businesses to recover their investments.

A previous study found that the loan period was positive and significant with business income being financed by the MFI government (Wen et al., 2016). This statement was supported by the research of Zariyawati et al.,(2016). Besides, previous studies also found that the loan tenure did not significantly affect the performance of micro business. It's drawn from the researcher that the loan tenure has its own capabilities and the ability of financial institutions to collect and secure repayments (Chin, 2016).

Help and Support

MFIs in Malaysia such as AIM and TEKUN play an important role in providing financial assistance to micro businesses. Therefore, with help and support of government agencies such as MFIs, they provide microcredit to start and extend business to micro enterprises. In addition, there are also providing advisory services, business location visits, guides to business successes such as lectures, workshops, and courses to micro enterprises (Ramli & Taib; 2017).

Previous studies of Hamdan et al. (2012), found that there were differences in the nature of the program, particularly in terms of program monitoring, effectiveness of program processes and procedures. The micro credit program has closely monitored its programmers although it is only the average monitoring quality by program management and this is done through weekly meetings with program managers. This statement supported by previous study Norma and Jarita, (2010) state that AIM's staff has made field trips to monitor member projects through the implementation of compulsory weekly meetings.

3. Methodology

Participants

The researchers have choose the AIM and TEKUN borrowers in Kelantan state as target population because this state have large of entrepreneurs number especially women category. The statement has been supported by the Malaysian Deputy Minister of Women, Family and Community, Datuk Azizah Mohd. Dun that said in Utusan Malaysia 17 March 2016, “women from Kelantan were the most active in business”.

For information, the total number of AIM borrowers that known as Sahabat in Kelantan state is about 42,232 whereas the number of TEKUN borrowers (Teman) is 938. However, this study uses the respondents from Kota Bharu branch only which it is about 2910 borrowers of AIM (98.91%) and 32 borrowers from TEKUN (1.09%). From the analysis, the researchers found that total gap between two microcredit institutions whereby it has been affected by the type and procedures of loan offered for customers. For the sample size, this study has decided to pick up 150 respondents whereby it included 118 borrowers of AIM and 32 borrowers of TEKUN. These samples have been chosen according to decision of AIM Manager of Kata Bharu branch.

Sampling Technique

This study has applied the cluster probability sampling whereby the sample can be chosen from a lists of identified elements. This technique is chosen because it is related to the feasibility of human population in the large geographical.

As explanation, the borrowers of microcredit in Kelantan state can be divided into 3 major districts that included North, Centre and South of Kelantan. However, this study is only focused on the Center of Kelantan only whereas Kota Bharu is one of the five branches in this district. According to Mohd Uzir (AIM Manager of Kota Bharu branch), he said that there are 74 ‘Pusat’ or ‘Balai raya’ of AIM in Kota Bharu branch whereas it involved 2930 borrowers. Meanwhile, the total of TEKUN borrowers in Kota Bharu branch is only 32 and the researchers have decided to select all of them as the respondents from the total sample size. The percentage of sample size chosen in this study is about 5.1% from the overall total of micro business that borrowed the microcredit of AIM and TEKUN in Kota Bharu branch where it

concluded 78.67% are from AIM borrowers and 21.33% are from TEKUN borrowers.

Data Collection Method

This study has used the primary data to collect the information from respondents whereas it applied the self-constructed questionnaires. For details, this type of collection method is much easy and has high return rate whereby it obtained directly from the individual or groups. These questionnaires will distribute to AIM and TEKUN borrowers that has been chosen based on the location of ‘Pusat’ in Kota Bharu branch.

All factor of dependent variable and independent variables in the questionnaire will use Five-Point Likert Scale. The ranging will start from 1 to 5 whereas 1= “Strongly disagree”, 2= “Disagree”, 3= “Neutral”, 4= “Agree” and 5= “Strongly agree”. It’s to examine to what extent the strongly subject agree or disagree with the listed statement.

For questionnaires testing, the researchers also applied the pilot study in this study to evaluate the scale reliability and the total of corrected item in the questionnaires. For details, pilot study is important to improve the content validity and transparency of any doubt in the questionnaire before the actual survey.

The researchers have run the pilot study among 20 respondents in Kota Bharu, Kelantan that is involved 15 from AIM borrowers and 5 from TEKUN borrowers. Therefore, 20 sets of questionnaires were used for this pilot test.

From the pilot study’s result, the researchers found that the questions of each scale of dependent variable and independent variables have reached the acceptable value whereby the coefficient of Cronbach Alpha is about 0.70 to 0.82. This statement has been supported by Murat and Baki (2011), they said that the construct is considered as acceptable if the value is 0.7 and over and the construct needs to be eliminated from the questionnaires if the value is less than 0.70.

4. Findings

Demographic Statistic

Table 1 shows the profile of the respondents in the study. There are both involvement from male and female respondents in the study with total 131 responses from AIM and TEKUN been included 99 respondents from AIM (75.6% response rate) and 32 respondents from TEKUN (24.4% response rate) with 10 (7.6%) male and 121 (92.4%) female. In term of age, (33.6%) of them are 50 years old and above and another (66.4%) of them are below than 50. The majority of borrowers are (93.1%) Malays meanwhile the others are (6.9%) Chinese. Most of respondents (84.8%)b attended have graduated from the secondary school and another (15.4%) received a higher education at diploma, degree or other level. More than half of respondents (61.8%) offer products and the rest (30.5%) offer services and (7.6%) offer agro. The business period run by the borrowers are (35.9%) 10 years and above and about (64%) 9 years and below. They also have been asked to state amount of loan borrowed by them whereas the majority (70.2%) received between RM 1000 - RM 10,000 followed by (29.0%) RM 10,001 - RM 30,000 and (0.8%) RM 30,000 - RM 50,000. Lastly, most of respondents (59.5%) likely to have loan tenure in 50 weeks / 1 year (AIM), (20.6%) 1 year - 5 years (TEKUN), (11.5%) 1 year - 5 years (AIM), (3.1%) 35 weeks/ 9 month (TEKUN), (2.3%) 25 weeks/ 6 month (AIM), (1.5%) 35

weeks / 9 month (AIM) and (0.8%) respectively for 5 years - 10 years (AIM) and 25

Gender	N	%	Age	N	%	Race	N	%
Male	10	7.6	18-28	17	13.0	Malay	122	93.1
Female	121	92.4	29-39	39	29.8	Chinese	9	6.9
Total	131	100	40-50	31	23.7	Total	131	100
			50 and above	44	33.6			
			Total	131	100			
Education	N	%	Business type	N	%	Business period	N	%
SRP/PMR	28	21.4	Product	81	61.8	Below 1 Year	5	3.8
SPM	74	56.5	Service	40	30.5	1-3 Years	26	19.8
STPM/STAM/Asasi	9	6.9	Agro	10	7.6	3-5 Years	32	24.4
Diploma	5	3.8	Total	131	100	5-9 Years	21	16.0
Bachelor Degree	5	3.8				10 Years And Above	47	35.9
Others	10	7.6				Total		
Total	131	100					131	100
Amount of loan	N	%	Loan tenure	N	%		N	%
RM1,000-RM10,000	92	70.2	25 Weeks/ 6 Month (AIM)	3				
RM10,001-RM30,000	38	29.0	35 Weeks/ 9 Month (AIM)	2				
RM30,001-RM 50,000	1	.8	50 Weeks / 1 Year (AIM)	78				
Total	131	100	1 Year - 5 Years (AIM)	15				
			5 Years – 10 Years (AIM)	1				
			25 Weeks / 6 Month (TEKUN)	1				
			35 Weeks / 9 Month (TEKUN)					
			1 Year - 5 Years (TEKUN)	4				
			Total	27				
				131				

weeks / 6 month (TEKUN).

Table 1: Profile of respondents

Test of reliability and validity

Cronbach’s Alpha coefficient (a) is one of foremost used indicators of internal consistency. According to Singh (2008), Cronbach’s Alpha used to measure scale reliability of collected data. Table 2 shows the values of Cronbach’s Alpha coefficient with all values for the variables being above 0.70, suggesting very good internal consistency reliability for the scale in this sample. Value of 0.70 in the reliability result considered to be acceptable (Nunnaly, 1978) and value of 0.80 or higher are preferable (Pallant,2010).

However, based on table 2, the researchers found there are three results scale that below than 0.70 in this reliability analysis which is Micro Business Performance, Management Fees and Repayment Mode. Following to this result, the researchers should remove one item in these variables scale to make the questionnaire be acceptable for reliability analysis. This decision made based on the Item-Total Statistic whereas there are two columns in this table should be referred that included the Corrected Item-Total Correlation and Cronbach’s Alpha if item Deleted. For Micro Business Performance scale, the researchers should removed the item 5 while Management Fees and Repayment Mode should remove item 3 and item 2. It is because the question item are not reach the r value and seems problematic considering to criterion. After delete these questions the researchers found new result of Cronbach’s Alpha that above 0.80 for reliability analysis.

Table 2: The Cronbach’s Alpha

Variables	Items	Cronbach’s Alpha
Micro Business Performance	7	0.447
Loan Size	5	0.883
Management Fees	5	0.333
Repayment Mode	5	0.357
Tenure	5	0.903
Help and Support	5	0.837

Test of relationship

To test relationship between all independent variables in the study, Pearson product-moment correlation coefficient (r) is used to measure relationship between variables and express the degree of relationship. The test is to check relationship between dependent variable and all independent variables. The strength of the relationships are values ranges -1 (perfect negative relationship) to 1 (perfect positive relationship) with value of 0 means no relationship. A positive sign shows there is a positive relationship between two variables and vice versa. The strength of the relationships are low when (r=0.10 to 0.29), medium (0.30 to 0.49) and high (r=0.50 to 1.00). The result from the table 3 shows the test of relationship. All of relationships in the study have positive correlations. In this study, only loan size and management fees have positive and statically significant correlation of 0.519 and 0.889 respectively, a strong relationship between the dependent variable and both the independent variables. Repayment method, tenure and help and support only have small relationship with micro business performance. Correlation between each independent variable also important because of relationship value should not be 0.70 and above (Pallant, 2010). However, in the study there are two the values above than 0.7 which are 0.769 and 0.713, which is correlation between tenure and loan size; tenure and help and support respectively. Because of this existing situation, one of the independent variable which is tenure has been considered omitting. The highest value between each independent variable after omitting tenure is 0.489, which is the correlation between loan size and help and support.

Table 3: The Correlation Coefficient (r)

	MBP	LS	MF	RM	Tenure	Help and Support
MBP	1	.519**	.889**	.335**	.426**	.393**
LS	.519**	1	.426**	.478**	.769**	.489**
MF	.889**	.426**	1	.271**	.411**	.318**
RM	.335**	.478**	.271**	1	.479**	.415**
Tenure	.426**	.769**	.411**	.479**	1	.713**
Help and Support	.393**	.489**	.318**	.415**	.713**	1

** . Correlation is significant at the 0.01 level (2-tailed).

Hypothesis testing

Multiple regression is used to assess the micro business performance factors of loan size, management fees, repayment method, help and support and tenure to predict micro business performance. Table 4 displays the model summary results of the multiple regression analysis. The value of R in this model summary can be considered to be a measure of the quality of micro business performance prediction. Based on the table, the value of 0.913 indicated a good level of prediction. Meanwhile, the R square column is about the proportion of variance in the dependent variable that can be explained by the independent variables. From model summary, the value of 0.834 of independent variables explain 83.4% of the variability of the dependent variable, Micro Business Performance.

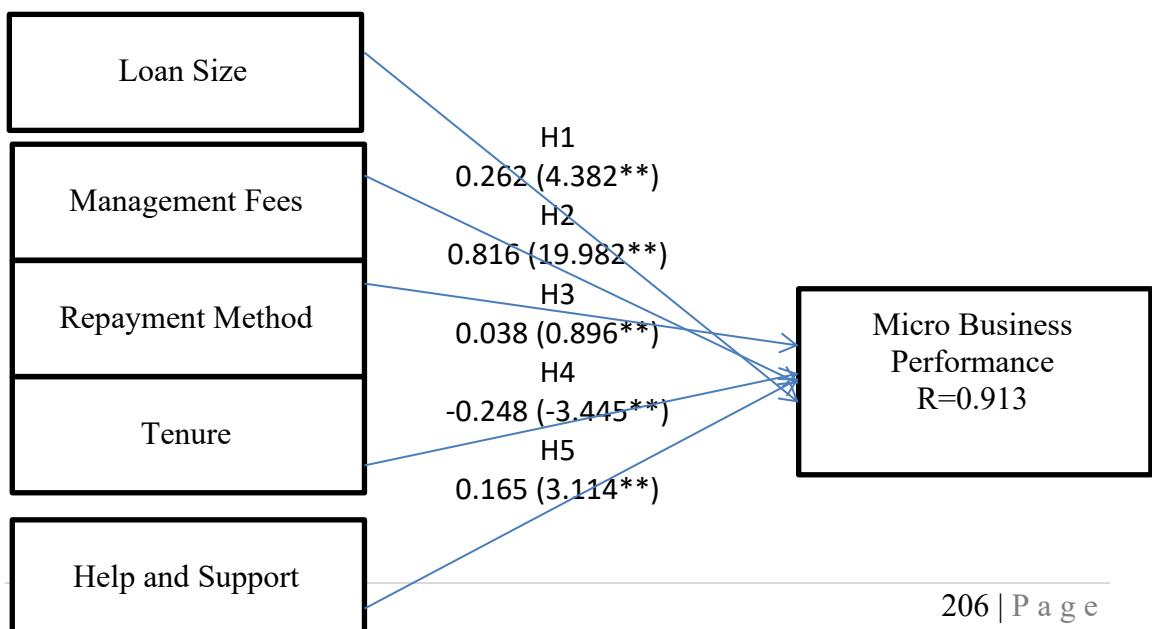
Table 4: Model Summary
Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.913 ^a	.834	.827	2.54331

a. Predictors: (Constant), Total Help And Support, TotalMF, TotalRM, TotalLS, Total Tenure

b. Dependent Variable: TotalMBP

The results from figure 1 below show that the beta path coefficient between loan size and micro business performance (H1) is positive and statistically significant at p-value 0.05 (B=0.262; t= 4.382). The co-efficient originating from management fees is positive and statistically significant to the micro business performance (H2) at p-value 0.05 (B= 0.816; t=19.982). In term of repayment mode (H3) the co-efficient linking the construct with micro business performance is positive but insignificant (B= 0.038; t= 0.896). The results also show a negative and statistically significant at p-value 0.05 (B= -0.248; t=-3.445) for (H4). Finally the relationship between help and support and micro business performance (H5) show a positive and a statistically significant at p-value 0.05 (B= 0.165; t= 3.114).



**significant at p-value<0.05

Figure 1: Result of Multiple Regression Analysis.

5. Discussion

Figure 1, demonstrates the result of multiple regression on the impact of loan size, management fees, repayment method, tenure and help and support towards micro business performance. The researcher focused on AIM and TEKUN microcredit on borrowers in Kota Bharu, Kelantan. The finding of figure 1, indicates that tenure from AIM and TEKUN has a smallest relationship with the business performance for micro business. In this case, tenure did not give impact to business performance of micro business like previous study said. This is due because, they can choose the amount of loan and the loan tenure that based on their ability. For example, Yehuala (2008) found that tenure of the loan is negatively affected to the micro business performance.

Management fees has the strongest relationship with the business performance. The larger of loan amount that borrowed, the higher the management fees received and effect of the micro business performance. According to the Maes & Reed, 2012, only 200 million poor people were served by MFIs compared to the 900 million poor people in the Asia-Pacific Region alone. Due to the small size of the loans and the information asymmetry problem, the interest rates charged by MFIs are much higher than commercial rates (Calabrese, R., Zenga, M., 2008) in most situations. According to Othman C., & Maisyarah M., N., (2016). The interest rate charged by financial institution to micro enterprise is positively affected to the micro business performance.

Loan size also has a quite strong relationship with micro business performance and it's significantly give impact of micro business performance in Kota Bharu, Kelantan. According to Morobe ,D,M (2015) loan size is a crucial tool for economic empowerment to individuals especially the women. The microcredit industry has supported more than 3 million micro business for close three decades. Wanambisi (2013) also recommended that amount of loan given by MFIs to borrowers should be increased to enable the micro business grow to medium scale enterprises. This proves that the business incomes of borrowers will increase when they are receiving micro financing from MFIs.

In term of help and support, it's also significantly effect and give impact towards micro business performance. According to past study, help and support programme can positively impact the micro business performance (Stevenson & Sahlman,1988; Juita-Elena, 2010). Besides, they also stated micro business who want to involve in support programs need to sacrifice resource commitments for service providers. Then, they need to spend the time to participate the training. Therefore, the effectiveness of help and support programme can be measured by the performance after their received the support programme by the micro financing institution.

Lastly, the repayment method has the smallest relationship with the micro business performance but it's significantly effect. Even though the economic theory suggests that a more flexible repayment schedule would benefit borrowers and potentially increase their performance in business, micro finance experts believe that the discipline imposed by regular repayment maintains high repayment rates in the absence of collateral. Although this feature is less usual than the previous

mechanisms, it helps MFI to maintain high repayment rates (Armendariz & Morduch, 2000; Morduch, 1999). In the MFI, the repayment starts almost immediately after disbursement and then occurs on a weekly or monthly basis.

6. Conclusion

The findings of this study have several main implications. This study for the academic, micro finance institutions and the policymakers. Firstly, for the academic, it's added new evidence on the impact of microcredit on socioeconomic development especially of low income household who cannot access to financial services. Therefore, it helps them to diversify their household income and reduce their poverty. In short, this study gives an insight about the role of micro credit on man empowerment whether in the urban and rural developing country from the perspective of Malaysian context. In a similar research, this study also suggests that microcredit has the ability to contribute significantly to the achievement of new economic policy (NEP).

Besides, this study has ability to contribute significantly to the achievement of new economic model (NEM). Both are guide the achievement of Malaysian 2020 vision to become developed nation. It also creating jobs for man especially those with low income or low education or both. Hence, microcredit opens an opportunity for borrowers to play significant role in economic development. The Micro Finance Institution (AIM and TEKUN) should be addressed in how to transform the strategy from relying on loan as a source of income to build their capacity. Hence, the future research should give attention on how to improve the growth of micro and small businesses that financed by micro credit like AIM and TEKUN.

Therefore, the researchers have suggested few recommendations to AIM and TEKUN. First, the microcredit institutions such as AIM and TEKUN should create one digital application for market place site. Bring together all businesses of borrowers from AIM and TEKUN in one application. The application is domestic e-commerce market platform for small and medium-sized enterprises (SMEs) to promote their products and services. This apps also aims to help export Malaysian product which consists of AIM and TEKUN borrower's products and services to the global market as well as address World Trade Organization (WTO) challenges. In order headed for 4.0 industries, most of people from all ages are familiar with technologies. So that, AIM and TEKUN party should take this opportunities to develop business of their borrowers as well promote their scheme to attract more Micro Traders to borrow money from AIM and TEKUN. For example, the application can be look as Lazada, Mudah.com and Shopee apps that it will be named as TEKUN or AIM to attract more participants and have easier away for them to register.

Second, having meeting through video conferencing. Video conferencing is a higher quality groupware technology that creates illusion that remote participant in a room. It's easy to having meeting nowadays for an organizational or group without needs to having face to face meeting. This can help to reduce costs of travel and save time. By having meeting through video conferencing, participants will get the same benefit as meeting face to face but will more accommodation and easy ways. Third, using auto debit from bank account. Auto debit or payment through deduction of bank account is a bill payment facility that automatically settles the borrower's loan by deducting their saving or current account on a fixed schedule such as weekly or monthly installment. The benefits are AIM and TEKUN party do not have to worry

about late payments, borrowers do not have to worry because there is no limit to the amount of payment or number of transaction as long as the balance in the account is sufficient for payment and it is easier to borrowers which do not have to come to meeting at the place of AIM and TEKUN.

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The effects of zakat on the quality of life for asnaf among students in University Malaysia Kelantan, City Campus

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Abstract

The word of zakat is synonymous to Muslim. Zakat is one of the pillars of Islam plays a very important role in the lives of Muslims throughout its history. It is a mechanism of financial and economic worship that is between the goal of cleansing the human soul and its property because it is possible that the rights of others in the process of acquiring the property. Due to of zakat contribution, poor people can live better. The objective of this study to investigate the effectiveness of zakat contribution to people especially to students and also the effect of the contribution to the recipients (health, education, living standard and social participants). This current study adopted a quantitative methodology and randomly collected data from 123 respondents who had receive zakat in Universiti Malaysia Kelantan, City Campus. The findings of this study revealed that health, education, living standard and social participant had positive relationship with zakat contribution. The finding of this study will improve the system of collecting and receiving zakat contribution and in the same time can help the economic growth.

Keywords: Education; Health; Standard of Living; Social Participant; Quality of Life.

1. Introduction

Zakat theoretically is paid by the rich and will be distributed to the poor and the zakat distribution process is expected to reach the optimum level to the zakat asnaf. Hence this optimum process will have an effective and great impact not only on the zakat asnaf especially in the economy of a country in general. It is also one of the way for Muslim to clean their property. This is because in most economic activities, there is an externality impact on third parties in the process of generating output or income. Through the intervention of the government through tax imposition, subsidies and so on an optimal balance can be achieved. In the Islamic economic system, zakat permits all economic activities that occur in the system towards optimization (Sanep & Hairunnizam 2005). Zakat is defined as purify. Zakat is a mandatory donation given by Muslims who can afford it to 8 groups (asnaf) entitled to receive it. There are eight categories of zakat receivers which are al-fuqara '(poor people), al-masakin (poor people), amil, muallaf who need to be tamed, al-riqab (slave), al-gharimin (people who have debt) (people who fight in the way of Allah) and finally ibn sabil (the traveling traveler).

Zakat is the one of the most important aspects in the economic. In Malaysia, the collection of zakat has been raising over the years due to the awareness of Muslims to pay zakat. The distribution of zakat also can increase the qualification of education to the students. There is a problem with the recipients which they use the money on others purposes such as buy new gadget that not important or go to holiday. Based on Majlis Agama Islam Kelantan (MAIK) statistic 2016, only 1% zakat distribute to the undergraduate degree students which is RM22, 580. The 1% includes fees, living allowance, accommodation and others. Students also always facing this problem, the PTPTN money that they get actually did not enough. They had to use the money to support their daily expenses and have to cut the expenses of study need such as reference books. The total of loan that receives for every semester is RM 3000.00. After deducted the tuition fees the money only left RM 1070.00 for student's daily expenses. While, the expenses of reference book for each subject is quite expensive and students need other resources to earn money to cover their daily expenses.

The poverty issues in Malaysia is not a new issue but government try their hard help the people to through the hardship. The efforts to eradicate poverty have begun since the implementation of the New Economic Policy (NEP) launched by the government in 1970. There are many programs that government do for the sake of people such as the Poverty Eradication Program, Entrepreneurship Program and the Economic Development Program. These kinds of programs make the poor feel enjoys and grateful that still have parties remembering them.

According to Anas Karzon (2012), zakat refers to the blessing of the treasure as well as the purification of the soul from the stinginess. Education is not the thing that we can see physically but we can see with our heart, education is one the thing that can help the poor to changes their fate. Mostly, people did not further their study is due to the financial problem. So the education aid that we provide for them is very meaningful to them.

2. Literature Review

Education

The cost of studying at university is associated with the cost of living as it mentioned by (Abdul Razak et al, 2017; and Idris et al. 2013). Consequently, it affects their performance in the subject and exam (Turner et al 2015). According to (Ahmad, 2016) due to the inadequacy of money while studying at universities, students are encouraged to do part-time job that can provide them with little income to sustain their lives while studying. According to (Othman and Mohamad, 2014), the provision of zakat aid can benefit students to be more innovative in the field of education to give positive progress to Malaysia. As studied by (Ag Omar et al. 2017; and Aminuddin et al. 2017) in terms of management of zakat institutions, the performance of financial management by zakat institutions shows the ability of current liabilities and profitability consistency for this recent year. The basis of this quality management is adherence to halal and illegal law and it operates based on values and decisions in accordance with Maqasid Syariah (Basir et al., 2017). (Zainal et al. 2016) has developed a conceptual model that proposes trust of zakat payers to zakat institutions in terms of reputation, zakat distribution satisfaction to those who are well qualified and the quality of services that the community receives.

Health

Physical body health is a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity (World Health Organization, 2006). The enjoyment of the highest attainable standard of health is one of the fundamental rights of every human being without distinction of race, religion and political belief, economic or social condition. Comparing United States and others countries, American always reported having low stage of satisfaction and it does not appear to be correlated with per capita health expenditures as it is in many other countries (Hero, Blendon, Zaslavzky, & Campbell, 2016).

Zakat can be used for the medical treatment of the poor, including purchase of medicines and other operational costs (Abdullah Al-Mutlaq). The Royal Court adviser stated that are multiple needs of the poor such clothing, shelter, medical treatment and education.

Standards of living

One of the projects that Lembaga Zakat Selangor currently being carried out (Asnaf, 2007 and (<http://www.e-zakat.com.my>) is D'Asnaf Craft. The objective is to generate more income through home-based activities while to strengthen the confidence of the asnaf in the way of creating handicraft entrepreneurs and to increase the asnaf' standard of living. The main objective of zakat is to eliminate poverty and in line with the government's fourth NKRA in Government Transformation Programs (GTP), to improve the standards of living in low income. Financial support from institutions of zakat provides an opportunity for improving themselves to higher socioeconomic levels. Mackenbanch, Meering and Kunst, 2007). No matter how well and good the developed system, if it is unable to meet the needs of the community, especially the poor and needy, such institutions are considered inefficient. To strengthen the institutions of zakat in Malaysia, some issues need to be addressed (Mohammad et al., 2011)

Social Participants

Many studies have discussed the aspects of collection and how methods and ways to increase the amount of zakat collection so that the large amount of collection will increase the distribution to asnaf zakat (Hairunnizam et al., 2010). This is in line with the purpose of increasing the distribution will have a positive impact on the economic development of the family, the nation's next (Ghazali Ibrahim, 2009). As mentioned by Mohd Nasir, Siti Norlina & Siti Aisyah (2015) view that the relationship between mental health and zakat is zakat and charity can form a compassionate and helpful human being. The zakat institution should be the primary institution in the Islamic financial system in Malaysia. In order to achieve the objective of the study, Abdul Rahim Abdul Rahman (2007) recommends that zakat institutions require the measurement of business zakat property, the coordination of zakat certificates and the development of zakat size system. Zakat institutions consider the six essentials of human capital provided through zakat aid schemes provided in five main programs namely social, economic, education, religious and humanitarian programs (Hailani Muji Tahir, 2009) social participation is divided into two parts that is to preserve life and to preserve religion. In addition, there is also a study on the issue of management in zakat institutions as a study conducted by Azninainie (2013) which analyzes the method of zakat fund management managed by the Kelantan Malay Islamic Religious Advisory Council (MAIK) in the state of Kelantan, in particular relating to distribution of zakat funds to local communities.

Quality of Life

As we know, the main purpose of zakat is to help fellow Muslims to improve the socioeconomic status of individual asnaf in Malaysia and help to improve the country's economy as a whole (Othman, Ahmad, and Salleh, 2015). Zakat can be summarized as an alternative way of reducing poverty and further improving the quality of life among the society so that there is no gap between the rich and the poor (Abdul Rahman, Al Smady, and Kazemian, 2015; Nadzri, Rahman, and Omar, 2012). Otoum and Jarrah (2015) stated that high thinking is needed for people because it is to ensure that high-level thinking can motivate individuals to achieve the right abilities and success in achieving a comfortable life. Zakat institutions need to understand the determinants that influence zakat payers to perform the duty of paying zakat to zakat institutions. This is because it can lead to the future development and integrity of zakat institutions (Abioyea, Mohamad, and Adnan, 2011; Abdul Rahman, et al, 2016). On the other hand, environmental determinants also play an important role in ensuring the quality of learning as it involves facts such as student's interest in contributing to the educational process, the relationship between students, cooperation and friendship (Ayik and Aktas Akemem, 2015) as quality improvement is due to self-assessment of students (Tosun, 2012).

Conceptual Framework

The conceptual framework of this study is illustrated in Figure 1.

**Independent Variable
Variable**

Dependent

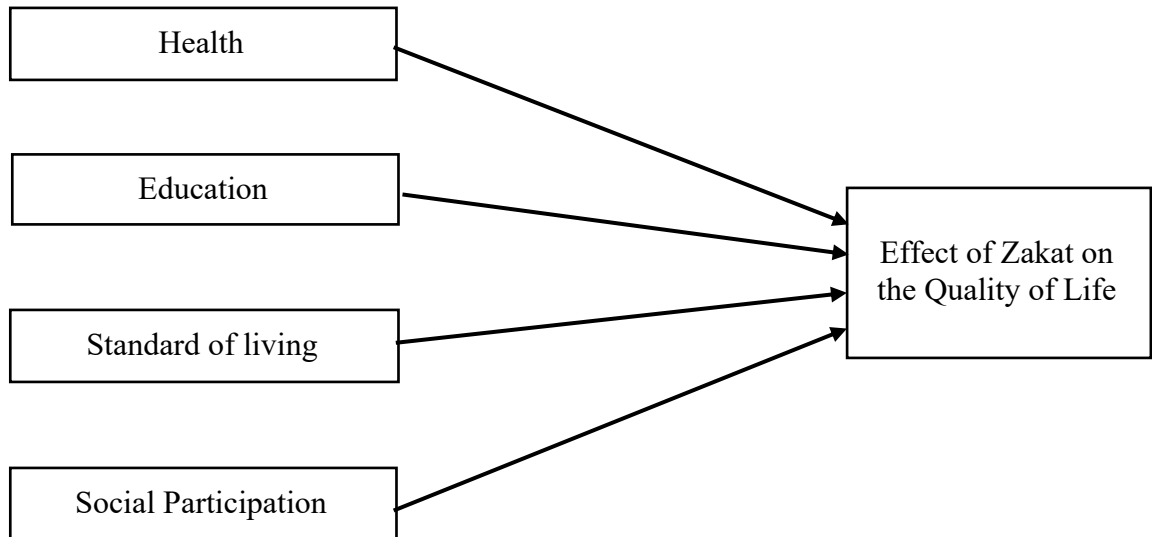


Figure 1: Conceptual Framework of the study

3. Methodology

This study uses an empirical approach focusing on a quantitative methodology. By implementing a quantitative approach, the relationship between education, health, social of participant, social participant and quality of life can be exposed. The total population for this study is about 180 obtain from table of Krejcie and Morgan (1970). In this study, the unit of analysis person who the zakat Universiti Malaysia Kelantan (UMK). The questionnaire has three section. The contain of section A is about the demographic profile of respondent. Section b is regarding education, health, social participant and living of standard while section c is about quality of life. A stratified sampling method is used to selected the target respondent. For the purpose analysis of analyzing the data, Statistical Package for Social Science (SPSS) version 22.0 was used to run the distribution demographic test, reliability test, descriptive statistics, and Pearson correlation analysis.

4. Findings and discussion
Demographic test

Table 4.1.1 Gender of Respondents

	Frequency	Percent	Valid percent	Cumulative Percent
Valid Male	13	10.6	10.6	10.6
Female	110	89.4	89.4	100.0
Total	123	100.0	100.0	

Table 4.1.1 shows the gender of the respondents that involved in this survey. We can see that most of the respondents are female with percentage of 89.4% while the percentage of the male respondents is 10.6% only. From total number of 123 respondents 110 of them are female while 13 of them are male.

Table 4.1.2 Age of Respondents

	Frequency	Percent	Valid percent	Cumulative Percent
Valid 20 – 21	8	6.5	6.5	6.5
22 - 23	102	82.9	82.9	89.4
24 – 25	13	10.6	10.6	100.0
26 - above	0	0	0	
Total	123	100.0	100.0	

Referring to the table 4.1.2, the results shows that 123 respondents have been grouped into four categories of age range. 6.5% (8) of the respondents consist of the 20-21 years old age group. Then, 82.9% (102) from the 22-23 years old age group and 10.6% (13) from the group 24-25 year’s old age group. However, no respondents from the group 26 years and above.

Table 4.1.3 Race of Respondents

	Frequency	Percent	Valid percent	Cumulative Percent
Valid Malay	123	100.0	100.0	100.0
Chinese	0	0	0	
Indian	0	0	0	
Others	0	0	0	
Total	123	100.0	100.0	

Table 4.1.3 show the race of respondents in this survey. We can analyze the respondents into four group which is Malay, Chinese, Indian and others. But, for our survey, we only focused on Malay respondents because our topic is about zakat that have been distributed to Muslim only. We can see that the total of 123 respondents are Malay students.

Table 4.1.4 Gender of Parent’s Salary

	Frequency	Percent	Valid percent	Cumulative Percent
Valid RM1000 below	47	38.2	38.2	38.2
RM1001-	46	37.4	37.4	75.6
RM3000	17	13.8	13.8	89.4
RM3001-	13	10.6	10.6	100.0
RM5000	123	100.0	100.0	
RM5001 above				
Total				

Referring to the table 4.1.4, the parent’s salary is divided into four categories. We can see the number of respondents based on parent’s salary below RM1000 are 38.2% which is 47 respondents. Next, from RM1001-RM3000 we have 46 respondents which is their percentage are 37.4%. For their parent’s salary between RM3001-RM5000 we have 13.8% which involved 17 respondents. Lastly, for their parent’s salary above RM5001, we got 13 respondents which is their percentage are 10.6%.

Reliability Test

Reliability test was conducted using a Cronbach’s Alpha analysis. It’s will be used to test the question whether the independent variables and dependent variables are accepted or not for this study. Furthermore, the analysis enables the research to determine whether these sets of items have a strong level of stability in measuring variables. The Cronbach’s Alpha value that above 0.60 or greater can be accepted in research.

Table 4.2 The Cronbach’s Alpha

Variables	Items	Cronbach’s Alpha
Education	5	0.635
Health	5	0.868
Standard of living	5	0.857
Social participant	5	0.833
Quality of life	5	0.802

Descriptive Statistics

Table 4.3 Descriptive Statistics

	Mean	St. Deviation	N of items
Quality of life	4.462	.463	123
Education	4.447	.447	123
Health	4.356	.597	123
Standard of living	4.276	.589	123
Social participant	4.249	.585	123

Based on the table 4.3 descriptive statistic above, the mean number of quality of life (DV) is 4.462 with SD=0.463 that showed that most of the respondents agree with the quality of life. Meanwhile, the mean score for education is 4.447 with SD=0.447 that shows most of the respondents also agree that the education can highly effects of

zakat on the quality of life for asnaf. For the health of independent variable, it shows that the mean is 4.356 with SD=0.597. It means that the respondent agree health can affects the zakat. Next is on the mean score of standards of living showed 4.276 with SD=0.589 while mean score of social participants is 4.249 with SD=0.585.

Pearson Correlation Analysis

According to Hinkle DE, Wiersma W, Jurs SG (2017) Pearson’s correlation coefficient was the test statistics that measures the statistical relationships, or association, between two continuous variables which was relationship between independent variables with the dependent variable. Besides, this analysis was used to identify if the hypothesis can be accepted or rejected.

Table 4.4 Correlation

		Education	Quality of life
Education	Pearson Correlation	1	.473**
	Sig. (2-tailed)		.000
	N of items	123	123
		Health	Quality of life
Health	Pearson Correlation	1	.599**
	Sig. (2-tailed)		.000
	N of items	123	123
		Standard of Living	Quality of life
Standard of Living	Pearson Correlation	1	.608**
	Sig. (2-tailed)		.000
	N of items	123	123
		Social Participant	Quality of life
Social Participant	Pearson Correlation	1	.683**
	Sig. (2-tailed)		.000
	N of items	123	123

Hypothesis testing

Four hypothesis testing have been made in this research.

Table 4.5 Hypothesis Result

	Hypothesis	Result
H1	Education has positive significant relationship between quality of life.	Supported (Othman and Mohamad, 2014)
H2	Health has positive significant relationship between quality of life.	Supported (Abdullah Al-Mutlaq, 2016)
H3	Standard of living has positive significant relationship between quality of life.	Supported (Pandey and Nathwani, 1996)
H4	Social participant has positive significant relationship between quality of life.	Supported (Ghazali Ibrahim, 2009)

5. Conclusion

By conducting this research, new findings about effect of zakat were discovered to investigate and defined the relationship between the both variables whether the factor have any relationship between independent variables and dependent variable. Thus, it has been proved and concluded that all the independent variable has relationship between quality of life. Then, we also can identify the dominant factor that has a strong relationship with the effect of zakat on the quality of life for asnaf students. Since the correlation analysis showed significant result, therefore the objectives were achieved.

Muslims' population grow steadily and the quality of life of a person is increasing over time. While the country's economic potential is getting higher, there are still asnaf who do not get their rights. In an institution, the head should always be sensitive and strive to take care of the welfare of the people. Therefore, the university's Zakat must endeavor to provide zakat to the appropriate student. This finding provides empirical evidence on the effect of zakat to asnaf. Insights gathered from this study enable the university provides a strong platform to identify the impact of zakat granting to asnaf plus improve their quality of life. It is important to ensure the sustainability of students' living.

6. Recommendation

Our study found that all the variables which are education, health, standard of living, social participant and quality of life factors can be suggested to be included in the next research to achieve better understanding about the effect of zakat on quality of life for student and society. It can be guideline to the new researchers by providing more perspective and improve the scope of research in decisive of factor influenced to effect zakat. Therefore, for the future researchers who wish to conduct similar research should consider the entire factor to achieve more exact and valid results. The large collection of zakat by the charity center is expected to reduce the number of poor households and students in need. Many studies have been made only focusing on the impact of the income of the poor and needy by fixing only the poverty line is not really accurate. If the value of zakat assistance given in cash

increases significantly, the zakat beneficiaries will be more satisfied with the quality of their lives.

It is most effective if the zakat donations are provided in the form of non-profitable forms of education such as scholarships, business capital for those who want to start small businesses and so on. Authorities can also donate zakat in the form of appliances as well as kitchen items and so on. This may increase their satisfaction and feel that their quality of life improves when compared to the situation before they received zakat. Help charity can have a major impact on the quality of life of the poor. The value of charity aid needs to be re-evaluated as the value of the aid given is very small compared to the needs of current life. This is desirable to ensure that at least they are a good quality of life comparable to other communities in Malaysia even though their incomes are still below the poverty line. The education sector should also be given due attention by the government since it is one of the effective methods in eradicating poverty.

7. Suggestion

Education

Education is an essential part of someone life to ensure that the basic needs are always met to get a good life. Among the suggestions is helping improve the underprivileged by providing monthly help based on student's examination results that they receive. From there, we can look at the performance of the students whether they are performed or not for institution of zakat to analyze. Then, institution of zakat can improve and update their system every month so that they do not overlook on the asnaf student that need their help from time to time to receive zakat. Due to this, it will give impact to the government to eradicating poverty as one of the effective methods for student getting full education from the university.

Health

For the health, zakat institution needs to improve their system. Means, they need to separate the zakat receiver categories. For example, they cannot put the collecting data of health zakat receiver and study zakat receiver in one system or file. This will lead the zakat recipient information changing between others. So, in this case improving system will make the work more effective.

Standard of living

For point of standard of living, we recommend that the zakat's institution of University Malaysia Kelantan to make more research and deeper assessment about the detail of all students who are potential to receive zakat aid to ensure that students with lower standards of living can be identified and given appropriate zakat assistance. We are aware, in some cases; there are distributions of zakat to students who have a high standard of living due to any misunderstanding of data information in the institutional reserve. Zakat institutions should pay attention to students who feel that they are unable to continue to live in the university due to the high cost of self-esteem and declining standards of living. Zakat distribution needs to reach the level of adequacy and comfort of zakat recipient family. It is the best way for zakat institutions to be able and help our Muslim students.

Social Participation

For the social participation, institution of zakat should improve more program that involved student who got zakat so that they also know that we need to help each other by collecting a small donation to be given to the needy. Each student has the right to meet their individual needs. One of their basic needs is to participate in social activities that take place in people's lives. It can encourage students to make an active contribution to the community. In this study, social participation is assessed by the extent to which the respondents had the opportunity to build and develop their own potential.

Quality of life

Lastly, for quality of life we recommend institutions of zakat can help students achieve a comfortable life by repairing an unpleasant situation to a better one and will be guaranteed not only for economic development but also the various aspects of education, health, standard of living and social participant. Zakat institutions can hold forums or talk about the important quality of life to everyone and make effort to get a better life for themselves and their families. The staff of institution of zakat can also join activities that have been recommended to see by themselves the situation that students need to face.

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The efficiency zakat distribution among asnaf through MAIK's system

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Abstract

Zakat is one of the five pillars in Islam where it is obligation for those who admitted they are the believer and hold a faith only to Allah S.W.T. Zakat is the way of giving away a proportion of wealth with a certain requirement to those who recognized as al-mustahiqqin (beneficiaries) and then the maqasid (purpose) of paying the zakat is to guarantee the achievement of socioeconomic impartiality and justice. Al Quran verse explained [2:215] *"They ask you about giving: say, "The charity you give shall go to the parents, the relatives, the orphans, the poor and the traveling alien." Any good you do; God is fully aware thereof."* Zakat is the most suitable ways of Islamic taught to encounter with the issues of poverty in Muslim society by allocation of one wealth to significant beneficiaries. In order to collect and to distribute the zakat, Malaysia is doing well when they establishing an institution by regional to manage the zakat. Pusat Urus Zakat (PUZ) is a trusted body with a role to make zakat management is well organized, efficient and effective. Even Malaysia has an institution that manage the zakat by regional, the problem and issue still rose up for some reason, a lot of complaints and case of zakat distribution is not really receive to those who qualify is doubted. This paper will further discuss about the Malaysian perspective of inefficiency issues encountered, potential payer and capacity building.

Keywords: Zakat, Zakat Management, Malaysian Perspective

1. Introduction

Zakat is an important concept, method and way in Islam where it ranks the 3rd place in the pillar of Islam. Zakat is an obligation to all Muslim, in order to balance the socioeconomic amongst Muslim society, in these case Malaysian perspectives. A respective state authority who directly involved in zakat management will continuously carries out the following errands; promoting the zakat collecting the zakat, distributing in an organized manner to those who need as describe in Shariah. The word zakat is derived from an Arabic word which means “that which purify” and “that which foster”. In the other hand, zakat also means give or virtue. As per said in Al-Quran, that mentioned zakat as “sadaqat”, convey the meaning of giving and do the charity. Measuring how productive inputs is the best words to describe efficiency. Effectiveness is concentrated primarily to the outputs of goods and services based on activities undertake in management. In Kota Bharu, a body that manage the zakat is Majlis Agama Islam Kelantan (MAIK). MAIK plays an important role to promote the solidity of socioeconomic by zakat collection activities. Most prior studies show one similar view of MAIK which is issue of fast and speedy disbursements whereby the collection of zakat is getting better year by year but they don’t reach their target. Even though the issue regarding the distribution still not being paid proper attention.

Research Objective

- i. How the system using by MAIK influence zakat distribution among Asnaf in Kelantan?
- ii. How does the zakat collection can affect the zakat distribution?
- iii. Which are the factors that affect the efficiency of zakat distribution among Asnaf in Kelantan?

Research Question

- i. To identify whether the system using by MAIK influence zakat distribution among Asnaf in Kelantan
- ii. To understand the relationship between the data collected by MAIK and zakat distribution among Asnaf in Kelantan.
- iii. To explore the factors that affect the efficiency of zakat distribution among Asnaf in Kelantan.

2. Problem Statement

Zakat is where a people contributed his or her wealth by specific requirements to the beneficiaries who qualify to get it. Zakat also becomes an obligatory action to every Muslim in this world with an objective to fight against poverty and imbalance over economics and also to take care over Muslim-society social problems such theft and beggars. There are some issues that all the zakat institutions need to be aware. Firstly, it indicated that the systems used like the distribution and collection zakat is still not really effective. It creates the problem such as lack of accessing Asnaf information. The problem of the lack in accessing Asnaf information

happen because of the failure of the zakat institutions that unable to recognize exactly the zakat recipients. This issue also can lead to other problem such as increasing of poverty. It still happened among Asnaf because zakat payers do not use the right channel. Then, it also leads to dissatisfaction among Asnaf towards the inefficiency of zakat distribution by MAIK.

3. Literature review

According to Ali (2013:270-271), in the context of zakat distribution in Malaysia, the difference in interpretation of zakat is very obvious among the states in Malaysia. The unstandardized zakat system has created confusions among the Malaysian citizens regarding the distribution of zakat in the institution. In order to have an efficiency in distributing zakat to asnaf, MAIK need to have a good system of zakat that will be managed by the State Islamic Religious Councils (SIRCs) and this institution expected to play a key role in promoting the socio-economic objectives of zakat in Malaysia.

For instance, MAIK need to establish system that can be as easy payment method to pay zakat which is like E-Zakat system that had been launched in Selangor that can increase the efficiency the zakat distribution towards Asnaf. This system can easier for zakat payer to fulfil their obligations without using a traditional method which is need to find the person that responsible in zakat fund which is Amil that is sometimes is difficult especially for the zakat payers that are busy and then forget to pay zakat

At the same time, to have efficiency system in distributing zakat to Asnaf, the MAIK need to make sure that the management is effective to ensure that all zakat beneficiaries will have the same opportunity to receive zakat benefits. The key main to have effective management is MAIK need to monitor the implementation of the policies and activities of the management of the zakat that must be organized based on the transparency and follow with shariah governance.

4. Methodology

This study used qualitative data about attitudes, behaviour and experience. In order to get the information, it is needed to interview the specific informants where enable the study to obtain accurate information. The data collection for this particular conceptual paper might be from the distribution of questionnaire and parts of interview session with respective respondents include public, zakat institutions and expert. The data collected must be related to the objective of the case study.

5. Finding

The main source of the information is come from the interview session from the four informant which are MAIK, Amil, Head of the village and Asnaf. The finding is to discuss on how the effective system using by MAIK influence zakat distribution among asnaf in Kelantan. So, the interview had been made towards officer MAIK that responsible as 'Ketua Unit Pengagihan Zakat' to know more detail in effectiveness of system used by MAIK. As the result to ensure the efficiency of MAIK's system in zakat distribution among asnaf is first of all to make sure that asnaf will be satisfy with the system provided by MAIK in distributing zakat to the right asnaf. In this finding the efficiency system in distributing zakat is just not only from the zakat institutions but also can be related with zakat applicants as they also need to know the stipulated condition which are the applicant should be from the

category who are eligible to receive zakat. It is important for them to know and understand because if they do not understand the condition that made it possible the application will be rejected by MAIK. This research also conducted to know whether Amil and Head of village able to collect zakat from zakat payers and responsible give to MAIK in order to be contribute to selected asnaf.

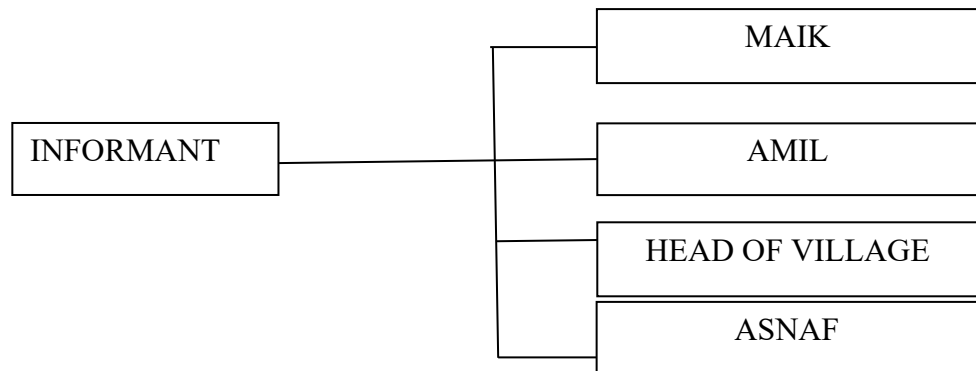


Figure 5.1: Research informant of the research

6. Conclusion

In conclusion, the researcher conducts the study on the efficiency of MAIK’s system toward zakat distribution among Asnaf. This research has been run in order to identify whether the system in MAIK is efficient based on the easy payment method, effectiveness of zakat management and knowledge about zakat system. Last but not least MAIK need to make sure the distribution of zakat is efficient and also needs to make sure the benefit will be distributed to the right Asnaf in order to avoid any dissatisfaction among Asnaf as some of them make a complaints towards the institutions as they did not get the benefit even they feel that they are eligible

7. Recommendation

MAIK need to reduce the bureaucracy that is in zakat, MAIK should simplify payment methods such as using Wa'ad and Wakalah methods. For example, in a situation where a person has paid zakat for MAIK of RM 1000 and had been find out that their neighbour is a poor person and needs financial help. The person can come to MAIK and can take a 25% paid zakat to distribute himself to his poor neighbor of RM 250. That is a way to reduce the bureaucracy because otherwise MAIK is forced to follow the standardized of procedure (SOP).

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Thematic analysis on zakat management among university student

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Abstract

This study to explore how student manage their zakat received. The way of the student manages their zakat is related to their spending behavior of their money and types of aid that they get from the zakat institutions. This study applied a qualitative approach that allowed researchers to identify data without constraints and to understand the reality of zakat management among student's data through a semi-structured interview method with zakat officers responsible for distributing zakat to students and the students receiving zakat. The research conduct on the zakat management of the students. There are three main themes of the research. The first theme is types of aids. As the result of the research, it is nine subthemes available for types of aids. The second theme is types of spending which contains five subthemes. The third theme is reason of applying zakat that consist of two subthemes. This research is exclusive to attract student in higher education institution to know on how they manage their zakat. It attracts the attention of students in higher education institution, academics and governments to roles of zakat that have not been studied in details.

Keyword(s) : Zakat management, Types of aid, type of spending, reason of applying zakat, Thematic analysis

1. Introduction

The organization of Zakat is important in guaranteeing every related issue to the collection and distribution of Zakat could be completed in the most ideal way. Zakat organization in the different states and government regions have experienced periods of advancement and rebuilding so as to reinforce the establishment of Zakat machinery in conveying productive support of the community overall (Zakaria, Yusoff, & Sanusi, 2019).

The awareness of zakat fortunately has been keeping rising in society. This has been proved that the statistic of collection published out by 'Portal Pengurusan Zakat Dan Baitulmal Malaysia (2019) shows an increasing pattern. In 2016, zakat that has collected is about RM 92.133 million while in 2017, there is about RM 96.631 million been collected. Increase about RM 4.498 million. There are RM 1,680,248,616.60 has been distributed in 2017 to 8 categories of *asnaf* all over Malaysia. From this figure, 23.74% has been distributed to *fisabilillah*, 23.01% has been distributed to *faqir*, 28.79% been distributed to poor, 12.84% been distributed to *amil*, 4.93% to *muallaf*, 1.99% been distributed to *riqab*, 4.59% had been distributed to *gharimin* and other 0.11% been distributed to *ibnu sabil*.

Although *fisabilillah* particularly university's student received large portion of the zakat distribution, their expenditure are still questionable. Furthermore the discussion of student financial management after receiving zakat is remained scarce. Thus, aim of this study to explore how student manage their zakat received.

The research is structured as follows: In Section 2, this study discusses the related previous literature regarding to zakat recipients and understanding of zakat. Section 3 offers the data collection method and data analysis. In Section 4, the finding of zakat management among students is discussed. Finally, this paper summarises out result and conclusion.

2. Literature review

Zakat moneys would be one of the best options to eliminate poverty and accomplish economic wealth more especially in overloaded Muslim societies (Bin-Nashwan, Abdul-Jabbar, & Abdul Aziz, 2019). Zakat affects consumption over marginal tendency of zakat receivers who spend zakat money on basic essentials (Abdullahi, 2019). Attractiveness of zakat prevailed as the moneys had positively changed the lives of the poor to comfy living. This directed to a additional in the zakat money as there were no suitable receivers and eventually, the zakat were conducted for the improvement actions for the culture (Zakaria et al., 2019).

Zakat influences on the development of human capital either in short or long as one signal to implement fiscal policy in Malaysia. Zakat might be a saving tool or collection for distinctive financial plan due to absolutely allocate to the unfortunate and needy students as such human capital development platform (Mahmud, Hashim, Ahmad, Mohamad, & Ahmad, 2015; Suprayitno, Aslam, & Harun, 2017). Some of zakat institution such as Lembaga Zakat Selangor offers tremendous support for higher education such as "Dermaiswa Pelajar Cemerlang", "Bantuan Pendidikan" and "Dermaiswa belajar di luar negara." (Ab Rahman, Syed Omar, & Mokhtar, 2016).

Zakat Unit at higher education institution performs significant parts to support students who face financial problem and needs some supports. Decentralized process in terms of zakat administration and management should be combined with the concept of localization to create various program to enhance students personality,

motivation and sociality (Jalil, Wahid, & Ahmad, 2017). Students consume zakat aid in a positive means to survive in university life and studies, to pay tuition fees, to purchase refreshment, books and learning equipment or prior to receive education loans (Abd Ghani, Daud, & Abd Latif, 2016; Ahmad Razimi, Romle, & Muhamad Erdris, 2016; Hapsari, et al., 2016; Nor Muhamad, Mohd Sahid, Kamarudin, & Abdul Karim, 2018).

3. Methodology

This study applied a qualitative approach that allowed researchers to identify data without constraints and to understand the reality of zakat management among student’s data through a semi-structured interview method with zakat officers responsible for distributing zakat to students and the students receiving zakat. This method is selected for new ideas and experiences of zakat institution and zakat recipients. Two researchers were responsible for the exhibitors and recorded using two recorder devices. Recorded audios are transcribed verbatim by other two researchers separately. Then thematic analysis is conducted by all researchers together. The first step is familiarised with data by read repeatedly. Second is generates initial codes by gaining feedback among researchers. The third step is searching for theme by group discussion. Reviewing theme is fourth step which allow vetting themes and subthemes by each researcher. The fifth step is defining and naming themes by researcher consensus. Lastly producing report by defining procedure of coding and analysis.

4. Results and Discussion

Table 1 show that three participants are zakat officer from three universities which is University Malaysia Kelantan, University Sains Malaysia (Kubang kerian), University Teknologi Mara (Kota Bharu) and four from zakat recipients. Meanwhile table 2 illustrate theme and subtheme distribution. For theme 1, subtheme 9 is agreed by three participants and subtheme 1, subtheme 4, subtheme 6 and subtheme 7 is the only agreed by one participant. For theme 2, subtheme 2 is proposed by all participants and subtheme 5 is only proposed by participant 3. Theme 3, subtheme 1 is decided by three participants and subtheme 2 is decided by two participants.

Table 1: Participant Demographic

Participant	Name	Institution
P1	Muhammad Benyamin bin Che Yaakub	Head of Unit Zakat Welfare and Entrepreneurship, University Malaysia Kelantan, Pengkalan Chepa Campus
P2	Md Suhaimi bin Mostapar	Islamic Affair Officer of University Sains Malaysia, Kubang Kerian Campus
P3	Mohd Khusyairie bin Marzuki.	Senior Islamic Affair Officer of University Teknologi Mara, Kota Bharu Campus
P4	Nurul Izzati binti Jarofah	Student of University Malaysia Kelantan, Pengkalan Chepa Campus
P5	Nur Athirah binti Mohd Nordi	Student of University Malaysia Kelantan, Pengkalan Chepa Campus
P6	Nur Hafizah binti Zualkaffly	Student of University Malaysia Kelantan, Pengkalan Chepa Campus
P7	Nur Fadhilah binti Zakaria	Student of University Malaysia Kelantan, Pengkalan Chepa Campus

Table 2: Themes Distribution

		P1	P2	P3	P4	P5	P6	P7
Theme 1 – Types Of Aids	Subtheme 1 – “Bantuan Ihsan”		/					
	Subtheme 2 – “Bantuan Kecemasan”	/	/					
	Subtheme 3 – “Bantuan Sara Hidup”	/	/					
	Subtheme 4 – “Bulanan”	/						
	Subtheme 5 – “Agihan Makanan”	/	/					
	Subtheme 6 – “Skim Pelajar Baru”	/						
	Subtheme 7 – “Skim Rumah Sewa”	/						
	Subtheme 8 – One-Off	/						/
	Subtheme 9 – “Agihan Tunai”	/	/	/				
Theme 2 – Types Of Spending	Subtheme 1 – “Perbelanjaan Makanan”	/	/		/	/	/	/
	Subtheme 2 – “Perbelanjaan Pembelajaran”	/	/	/	/	/	/	/
	Subtheme 3 – “Keperluan Asas”	/		/	/	/	/	
	Subtheme 4 – “Perbelanjaan Sewa Rumah”	/		/				/
	Subtheme 5 – “Perbelanjaan Perubatan”			/				
Theme 3 – Reason Of Applying Zakat	Subtheme 1 – “Yuran Pengajian”	/	/	/				
	Subtheme 2 – “Masalah PTPTN”	/	/					

Theme 1: Type Of Aid

This study indicates 9 types of aid. The first aid is ‘*Bantuan Sara Hidup*’ as stressed by Participant 1 and Participant 2.

“...we see that their families, even their siblings have limited income and they can only afford to support their families and for this student, we will pay for her expenses which means we have a monthly scheme for students whose mother dies, neither father nor family member can assist them or the death of the father and their mother’s unemployed and the siblings are still attending school and they are expecting alms from the Islamic Religious Council in their states for monthly support.”

(P1)

“Bantuan Sara Hidup given to the students every semester, where eligible students will be called for interviews and those who passed the interview will be assigned help. The conditions that need to be fulfilled by the applicant’s will be stated in the form. It’s simple and easy. The parent’s income of the student is in not exceeding RM 3500.00 per month which is both husband and wife. The aids given to the students for each semester.”

(P2)

Participant 1 explains that ‘*Bantuan Sara Hidup*’ is providing to the students in need based on their family income where the income only can fulfil daily expenses. ‘*Bantuan Sara Hidup*’ had been given to the students for them to spend on

their study. *'Bantuan Sara Hidup'* also been given towards orphan or the students who are from unemployed parents. For example, students who their families income only from one resource and they have numerous siblings. They only depends on zakat from Majlis Agama Islam Negeri that been given monthly. Meanwhile, Participant 2 mentioned that *'Bantuan Sara Hidup'* has been given to the students for every semester where the students who are qualified need to attend an interview in order to get the aid. Every students need to fulfil the conditions such as parents household income not exceed RM 3,500.00 per month.

The second aid is *'Agihan Tunai'* illustrated by all participants. Participant 1 indicated, "... the cash distribution been distribute RM500 monthly for student expenditure. We estimated that the money given to student will be used RM300 monthly for food and the rest RM200 for other expenses." Participant 2 explained, "...the distribution of money depend on approval from Chairman of the zakat committee. The amount is based on the money that the zakat committee have. The latest record of money that we give to student is RM300. Before this, we give RM500 and RM350 to the students. The aid is given by cash to students."

Participants 3 mentioned, "*Asnaf fakir are divided into three categories. There are asnaf given RM500, RM400 and RM300. The students have their criteria for why they are given RM300 or RM400.....The first asnaf fi sabilillah, we give RM150. The student parents' income above RM1000 but does not exceed the kifayah limit which does not exceed the dependents of the siblings who are still studying. We take this into account, even though the requirements we set for students 'parents' income do not exceed RM1000. But not necessarily that those who earn more than RM1000 are not eligible to apply, we look at other factors such as siblings who are still learning even though their father's salary is RM1500. The second category, however, is given at RM100. In her category, her parents earn more than RM1000, but the student has many siblings.*" Meanwhile Participants 4, 5 and 7 received zakat from MAIK (Majlis Agama Islam Kelantan) by cash while, Participant 6 receive zakat from Lembaga Zakat Negeri Kedah (LZNK) by cash too.

The third aid is *'Agihan Makanan'* agreed by Participant 1 and Participant 2. Participant 1 mentioned, "...we provide *infak* with the meal coupons...the latest project is *'gerobok syurga'*. We use zakat money for the poor, the low-income. Food coupon is only valid at certain place and has an expired date. " Meanwhile Participant 2 indicated, "...we provided rice for the student to take. This one we use for zakat money. But we also provide it in education center. PPSK collected their own money, and then we used the mosque. *'Gerobok syurga'* that we provide is for students from the zakat money and Islamic Center only. The free food includes fruit, biscuit, bread, drink and so on. Every day we allocate 50 free packs of rice for student that in need. "

The fourth aid is one-off distribution agreed by the majority of the Participants.

"...that's five hundred ringgit a month .. that's five hundred ringgit a month is on one-off.. one-off"

(P1)

"I received zakat from the Kedah Islamic Religious Council when I was first registered to study at UMK. In fact, the zakat was a one-off and I received RM1200. "

(P6)

Participant 1 stated that RM500 is given one-off to the student based on certain criteria. Participant 6 added that she get it from Majlis Agama Islam Kedah. Participant 2 stipulated that '*Bantuan Ihsan*' is given towards student that in need, orphan and *muallaf* as explained by participant 2, "to the hard-pressed students as well as to the orphan, the poor orphan and to the aid of the *muallaf*." Participant 1 and participant 2 agreed that '*Bantuan Kecemasan*' is given to the students that has "chronic illness, accident that belongs to the fakir and poor, they will give an aid by visiting them to observe their daily life. The student that has been warded, they also visit student at hospital to know their conditions and give a moral support. "There are also students with critical illness, cancer or incident and whatever they are in the poor category... we are going to help and we are going to visit their homes and we are going to see their lives at homesick...we will visit them at hospitals for a charity and we will evaluate what the students need." At the same time, participant 2 mentioned that the emergency relief distribution is given when this situation happens. "For example, when they loss their parent, unfortunate event like house on fire and the student that has a health issue. Besides, participant 2 added that, "Examples are the death of students' parent as well as the students who were in a hardship such as a house fire of their parent's house and the student who has a health problem."

'*Agihan Bulanan*' is stipulated by Participant 1 where they give zakat monthly towards the student for RM300 and credited directly every month in the students account. Participant 1 said that, "monthly zakat distribution... monthly payment is RM 300 per month...which will be in your account."

'*Skim Bantuan Pelajar Baru*' also is stipulated by Participant 1 which explains that this scheme is given to student that just register to UMK and they identified that this student under *asnaf*, poor and qualified to receive this scheme. As participant 1 explains that "new student aid scheme, new student who registered in UMK and we find them as passionate, hardworking and well deserved."

The ninth aid is '*Skim Rumah Sewa*' by Participant 1 which is focusing on student that in need. The condition that qualified them for this scheme is parent and siblings don't have other income sources to support their family. They will give this scheme monthly to the students. Participant 1 they added that "*There are also rental housing schemes, we see a lot of need for a living when their dad, their mom and their siblings they have no other sources for them to support themselves, We will allocated zakat to them monthly.*"

Theme 2: Spending

This study indicates 5 types of spending. The first spending is for food as agreed by majority of participants. Participant 1 mentioned that they make a survey towards student and find out that around 30% to 35% of the student that really in need. Because some of them have a lack of financial resource and it is only enough for food. They had to spend on food thriftily. They had spent zakat on daily expenses as for food and drink.

Participant 2 explained that give an aid towards the people that really in need. The participant had estimated how much they spend for food in a month. With the zakat that they give, they assume that student use the money to buy foods. Participant 4, 5, 6 and 7 concede that they use money that they received to buy food and did not spend lavishly.

"We do a survey of these students, find out that thirty to thirty-five percent of them really in need because some of them aaa has no financial or financial disadvantage to spend on not just for learning expenses but also for food."

(P1)

"For 'bantuan sara hidup' when we give their money, we had counted how much they spent for food in a month. And we considered they had used the money to buy food."

(P2)

"Of course the zakat been spent on the food."

(P4)

"Zakat that I received, I had spent on registration fee, learning expenses and food too."

(P5)

"I used zakat to support food and drinks daily expenses throughout stay in university. I am not spending it in a lavish way; it's enough to be satisfied because I know my level of ability."

(P6)

"The zakat given, I use it to cover my learning expenses. When I first came to UMK, I used my zakat money to pay for books, transportation and food."

(P7)

The second spending is on learning expenses. This has been clearly discussed by all the 7 participants. Participant 1 stipulated that this zakat is important to student in order to spend on learning. They give to lighten the burden of student to buy a thing that need for learning. They decide to give this zakat after they found out that the hardship of student.

Participant 2, 4, 5, 6, 7 acknowledge that most of the student spends the money for book and other thing that related to their studies. Participant 6 add that she use the zakat to buy laptop for learning process.

Participant 3 stated that when the students apply for zakat, they need to make a draft on their monthly expenses for one semester such as house renting, fee payment, learning expenses and so on. The zakat should be spent more on learning expenses.

"The next part is in the aspect of learning expenses. This is one of prove that zakat is very crucial toward the students."

(P1)

"Buying books and things that related to learning expenses"

(P2)

“The student needs to submit an applicant's personal form, meaning that at the end of the form we ask the student to state the monthly spending plan. Examples they spent on rent, fee and more. it should be focus more on education, the cost of buying books on anything related to education, that's what it is. ”

(P3)

“To buy a book, transportation costs for an assignment....to buy that book is for sure...This is because it is usually zakat been used for meals, books and assignment.”

(P4)

“The zakat we get we use for registration fees, learning expenses.”

(P5)

"I used that money to buy a laptop for university study because it was important for me as it will assist me for my study and to do the assignment."

"I also used it to buy books because books are so important during the learning process."

(P6)

“I am absolutely use zakat for my learning expenses. When I first came to UMK, I paid my zakat to pay for books, transportation costs.”

(P7)

The third spending is on essential needs that been admit by among the majority of participants. Participant 1 and 3 explains that students can used zakat to buy smartphone and prepaid reload and this kind of expenses does not classified as misused of zakat money. This is because this kind of expenses is essential needs for them. Students can used zakat to spend on their basic needs. Participant 4, 5 and 6 mentioned that they spend zakat on essential needs such as clothing.

“If that student used the zakat money to buy a cellphone or for the topup it was not categorized as a misuse as it is necessary for them...and at whatever expense you buy, to buy the equipment for study, we look at the needs of those students who are asking for it, that's all. ”

(P1)

“If he thinks he should, ok then no matter what, if he wants to buy a topup.”

(P3)

“At that time PTPTN could not be reached, so buying cloth is under the same expenses but I rarely buy clothes.”

(P4)

“The zakat received we had spent for registration fees, tuition, and other basic necessities.”

(P5)

“In addition, I also use this zakat money to cover my daily expenses, although not being able to fully support it at least helps eases my expenses.”

(P6)

The forth spending is on house renting expenses. These were agreed by Participant 1, Participant 3 and participant 7. Participant 1 explains that before they advertise this benefit to the students, there are some of them come to Pusat Islam UMK because they cannot afford to pay for house renting. Pusat Islam UMK will consider the students' application. Participant 7 agreed that “student used zakat to pay house rental.” Participant 3 added “For the application on this aid, at the end of the application we ask the student to state the monthly one-month spending plan. House renting is included in their draft monthly expenses for one semester.”

The fifth spending is for medical expenses. This has been stipulated by Participant 3. It says “if the students' parent is unemployed due to sickness they need to use zakat money to buy their parent's medicine or for themselves when they sick.” Means those students need to help their parent by paying for medicine if the parent cannot afford.

Theme 3: Reason For Applying Zakat

The first reason why the students apply the zakat is for studies fee. This is agreed by Participant 1, Participant 2 and Participant 3. Participant 1 stated that there are students who only pay half of the studies fee for the first semester and not afford for full payment. That is the reason why the students applied for this zakat and Pusat Islam UMK will consider it. It stated by participant 1 during the interview “The first semester when he get to register to UMK he had to paid... he paid half of the UMK fee.. and there was another half of that UMK fee he couldn't pay so he came to apply to us, we will consider to pay his studies fee based on needed.”

Participant 2 added that for the “*specific case such as cannot afford to pay the studies fee because does not get studies loan from PTPTN due to a few reasons. Pusat Islam USM will pay the studies fee of the students if the students share their problems to Pusat Islam.*” Participant 3 indicates that that this zakat has plays a role in helping students in order to pay the studies fee because it can lighten their burden a little bit.

He also says that “*And we're doing these isolated cases. Students who do not pay fees, we will pay. The cases are isolated. For example, if a person makes a diploma at the UNISZA, and at USM also for a diploma under other courses, he is not eligible to receive another loan from PTPTN. And we pay her the fee, if she comes here she complains. We pay them because we are sympathy. My advice is not to accidentally ask for PTPTN. Except for the cases he couldn't get PTPTN like before, we gave. If you want to stay here, it's not enough so need to get another loan.*”

The second reason why the students apply the zakat is due to PTPTN's problem. Participant 1 and participant 2 have agreed, participant 1 stated that the students who faced the problems of PTPTN are due to the extended semester. Participant 1 also added "If a student has... special cases such as what.. PTPTN money is delayed... delayed because the student postpone his studies, so he has a PTPTN problem. "

Meanwhile, Participant 2 mentioned that "zakat has been used for a specific case such as cannot afford to pay studies fee because of does not get PTPTN loan." It can be happen not to get PTPTN loan because of the document does not complete and so on.

5. Conclusion

In conclusion, the researcher conducts the study on zakat management among students of higher education institution in Kelantan. This research has been run in order to acknowledge how students spend zakat, type of aid given to the student, reason of applying zakat and how the student manage zakat. According to the interview conducted by the researcher, all the interviewer questions given were understood by the selected informants. The result provides is positive and relevant on zakat spending behaviour by the students. According to the research, there are still a few flaws that can be improved in an aspect of aids offered. Among the nine aids that are been founded there is one aid called *agihan bantuan kecemasan* but not been elaborated clearly the definitions of 'kecemasan or emergency'. The offeror should explained and ensure that student is aware of this scheme in order to help them apply for this scheme when they are in need.

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Zakat institution management on distributing zakat education to fi sabilillah

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Abstract

The purpose of this research is to study the effectiveness of Zakat institution in distributing zakat through education. This research is an exploratory research. This study uses qualitative approach as method to carry out the study in order to understand the Zakat management. Zakat education is important for Asnaf student especially in high education institution studies. Zakat institution had effectively distributed zakat in education even though some problem occurred with the process of the application. In conducting this research, the researchers face a few challenges regarding the contribution of respondent to be in the interview. Respondent from Zakat institution did not want to contribute because they stated that they did not have time for interview session. Thus, further research is needed in order to provide more information and awareness in Islamic community.

Keywords: Effectiveness, Distributing, Zakat Education, Asnaf Students, Institution.

1. Literature review

Islam introduces zakat as the resolve to address poverty and a response to social concern or worries towards the poor. Asnaf as recipient will reach a better quality of life and in turn become a contributor for well-being of others. The idea of zakat that is manage under the rule of Islam was to fulfil the right and responsibility, and to enhance the life of Asnaf.

The distribution of zakat is responsible to assist the Asnaf who are experiencing a huge situation so that their daily burden would be lightened. The stage of standard

development that has been set by Ijtihad, which are including socio development, economy, education, and spiritual, and also to intensify and to defend by helping to administer the programs, projects, and striving to enhance the Islamic thought as well as defending the dignity of the Ummah.

Zakat education given is provided in the form of school fee, scholarship, ticket, school uniform, zakat aid for those are entered university either in the country or oversea. (Yusof, 2011, 2014) he stated that Zakat institution should focus on education in order to increase the quantity of human capital just as to accomplish and support monetary development.

Effectiveness means the degree of success of objective that some matters achieve. The effectiveness of helping the poor relies upon the technique for dissemination and furthermore the reason for it.

2. Methodology

Researchers are using qualitative approach through judgment which is semi-structured interview. There are three sample size that chosen by researches which are Asnaf student from University Malaysia Kelantan, the academic lecturer that experts in Islamic studies at University Malaysia Kelantan and expertise of Pusat Islam University Malaysia Kelantan. The analysis made by researches is data obtained by transcript data collection and validity and reliability.

3. Findings

The chapter will be presenting the result of finding of the data collected from the targeted samples. The main source of the information and is from the interview session with the respondent as this case study targeted. Besides, the research objectives mentioned in this study will be related to the result of the findings.

Table 1 : The summary of respondent’s information

Categories 1		
Respondent ID	Definitions	NO. of respondents
RP 1	<i>Asnaf</i> Student	1
RP 2	<i>Asnaf</i> Student	1
	TOTAL	2
Categories 2		
Respondent ID	Definitions	No. of respondents
RP 3	Expertise In Zakat	1
	TOTAL	1
Categories 3		
Respondent ID	Definitions	No. of respondents
RP 4	Pusat Islam UMK	1
	TOTAL	1

After data was collected, the researchers found that there have a few theme and sub-theme based on research about the effectiveness of zakat institution towards zakat education. The sub-theme exists from the main factors. Thus, we found that only six sub-themes could relate to effectiveness of zakat institution concept. The main factor consists of effectiveness, proportion and lastly is were problem. The six sub-themes are “Application”, “Duration”, “Technology”, “Peer pressure”, “Zakat fund” and “Percentages”.

So in this research, researchers found there were six sub-themes and three main themes, which are the factors of effectiveness of zakat institution. All sub-themes and main themes were summarizing in Table 1. The biggest main theme in this research is ‘Effectiveness’, which is having two sub-themes are “Application” and “Duration”. This sub-theme, “Application” is the most mention by all informants. It is show the effectiveness of zakat institution by giving application, which are pasting posters, spreads news by group what’s app and blast in Eccom Umk. The information for application of zakat can receive to *Asnaf* students. Then, second sub-theme is “Duration”, this sub-theme mention by informant 1, informant 2 and informant 4. The period of processing is not taking a long duration. This sub-theme gets positive feedback that student’s application can be processing and the Zakat fund can transfer to account student in a short time.

Next, for second main theme is “Proportion” and it has two sub-themes. “Zakat fund” is about the fund get from corporate zakat, from the banks and income zakat from the staffs. “Percentages” describe the percentage that Pusat Islam Umk get is 25% from that funds and 1.5% given to *Amil*. That 25% called Zakat *Waat*,

which is the staff pays Zakat RM100 per a year. This theme only mention by informant 4, who is our respondent from Pusat Islam Umk.

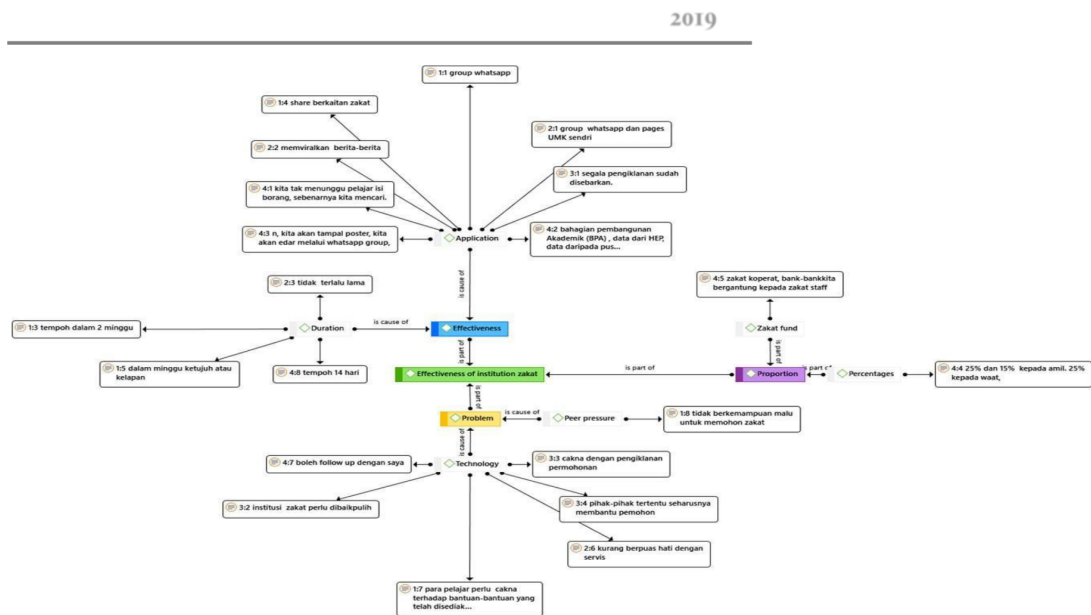


Figure 1: Atlas result

In conclusion, the main themes that made up are based on research objectives, the researchers found the effectiveness of zakat institution in zakat distribution, identify zakat distribution proportion for zakat education and lastly the problem that *Asnaf* students face in getting the Zakat education. The issues that we found after doing interviews the informants, we can conclude that Pusat Islam University Malaysia Kelantan should do improvement for this issues. The Pusat Islam UMK should be more innovative to spread or promoting their Zakat applications to help more *Asnaf* students such as Pusat Islam spread zakat application in Facebook or blast in Ecomm UMK, which is platform that students always use in their studies life. For the students, they should be more alert with notifications from Pusat Islam UMK, when they get the zakat funds or why their applications rejected. The effectiveness of zakat distribution from Pusat Islam UMK is effective because they struggle to find the *Asnaf* students not waiting the *Asnaf* students to come and find them. Their objective to help *Asnaf* students is the main points and they struggle to find *Asnaf* student.

4. Conclusion

In conclusion, this research achieved all objectives and also found that some improvement to Zakat Institution. Such as, Zakat Institution should improve their customer service and standardize their process in managing the application to maintain customer’s satisfaction. Zakat fund also significant in development of education as well it could lead *Asnaf* student for a better education life. From this research, the researchers hope that the authority will take action on improving and spread the awareness of *Asnaf* student that need help to apply for Zakat Education.

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Islamic Financial Planning

**A study on factors influencing saving behaviour among community in
University Malaysia Kelantan Pengkalan Chepa**

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Abstract

The purpose of this paper is to identify fundamental factors that influence community in making saving which were parental socialization, financial literacy and peer influence in UMK Pengkalan Chepa. This paper employed quantitative study, through descriptive study, by using set of questionnaire and distributed to 150 communities in University Malaysia Kelantan (UMK) Pengkalan Chepa. Convenience sampling technique was adopted during the data collection. This research collected data through questionnaires such as Google Form. The software used to analyse data from respondents was statistical package for the social sciences (SPSS) version 25. The findings indicate that the peer influences dimension has the lowest influence on saving behaviour. The effects of peer influences are lower than effects of financial literacy and parental socialization dimensions. This propose only that greater gains in saving behaviour can be realized through attending to financial literacy and parental socialization dimensions for the communities in UMK Pengkalan Chepa. Firstly, the sample size drawn from this study only limited to UMK Pengkalan Chepa. Therefore, results may not be representative to all community in other universities. In addition, this study was using community as their respondents. Thus, independent variable seems to reflect their background. The result might not be generalized to respondents who are already worked and have fixed income. There are many other variables that can determine the behavioural factor to a person's action in making savings.

Keyword(s): Saving Behaviour, Financial Literacy, Parent Socialization, Peer Influence

1. Introduction

Saving refers to the income that is not spent on expenses and being kept as a preparation for unexpected events or emergencies in the future. This saving principle is in line to Islam that teaches people to avoid extravagance in spending and spending wealth. This is based on the word of Allah SWT in Surah al-A'raf verse 31 which means, "And eat and drink but do not exaggerate, indeed Allah do not like to excessive people." Islam has set guidelines and aims for the sake of the ummah. In the objectives of Maqasid Shariah, instead of maintaining religion, souls, lineage and intellectual, the property also are need to be kept from being mistreated that causes self-determination and begging.

Researcher should examine the factors that influence community in making saving which were parental socialization, financial literacy and peer influence. The combination perceptions of saving behaviour are about future needs. This can be an early preparation to individuals but it is based on how people make decision on their saving and what the action taken for their saving. Therefore, are main objective as follow:

1. To identify whether parental socialization influence saving behaviour among community in UMK Pengkalan Chepa.
2. To identify whether financial literacy influence saving behaviour among community in UMK Pengkalan Chepa.
3. To identify whether peer influence, influence saving behaviour among community in UMK Pengkalan Chepa.

2. Literature review

Saving Behaviour

According to Jamal (2015), saving habits have different needs. This is said to be because the method savings of financial are differently due to mind-set, culture, social and economic environment and also different financial knowledge. According to Bayar (2017), there are different factors and have different effects on student financial behaviour. Listiani (2017) stated that financial attitude positively impacts on financial management behaviour, so more individuals can use good financial stance and also have a better influence on personal financial management.

Parental Socialization

Family is a place of the socialization process that can guide their children. According to Jamie Abaied et. al (2014), parental socialization is a moderator of parent copying and youth response towards parent copying. Through parental, the behaviour were seen based on parent copying and will give effect to community behaviour. According to Rahayu Setya Ningsih et. al (2018), the parents who love to save can be an example for their children to love saving. According to Alwi et. al (2015), parental socialization has a strong influence on saving habits among Generation Y in Malaysia because family involvement plays a major role in nurturing community' saving behaviour. Thus, it will affect community towards their saving behaviour. Saving plays a crucial role in the continuation of the development.

Financial Literacy

According to Lusardi & Mitchell (2014), there are many financial literacy that can affect financial behaviour. This is said to be because financial literacy can be measured using questions aimed at evaluating one's basic knowledge of four basic concepts that is needed in making financial decisions namely knowledge of interest rates, compounding of interest, inflation and variety of risks that a person needs to bear. Thus, knowing the level of understanding in a person on the basis concept of financial is very important. Albeerdly & Gharleghi (2015) stated in previous study that someone will get benefit form understanding the concept of money management, the recognition of financial institutions as well as the attitudes which enable an effective and responsibilities on financial management.

Peer Influence

Noor Zaihan (2016), peer influence is defining as the degree to which the peers affected a person's state of mind, thinking and behaviour. Jamal et. al, (2015) prove that peer's influence has a crucial part in deciding the abilities of community's saving. Noor Zaihan (2016) found that even though parents formed their children with a positive financial behaviour, but still peer socialization angle existed in children's saving behaviour. This is because community saving behaviour could be influenced by the association in spending exercises during social time and exchanging ideas about financial management matters among their peers. According to Jamal et. al (2015), it is stated that a person's financial behaviour could also be affected by peer influence. Amer Azan & Abdul Jamal (2015) agreed that individuals' financial behaviour could also be effected by peer pressure.

Research Hypotheses

The hypotheses of this study is based on the factor such as parental socialization, financial literacy and peer influence among community University Malaysia Kelantan, Pengkalan Chepa.

H1: Parental socialization influence saving behaviour among community in UMK Pengkalan Chepa.

H2: Financial literacy influence saving behaviour among community in UMK Pengkalan Chepa.

H3: Peer influences influence saving behaviour among community in UMK Pengkalan Chepa.

Research Framework

Figure 1 showed that the independent variable (IV) and dependent variable (DV) of this study. There are four independent variables which is parental socialization, financial literacy and peer influences.

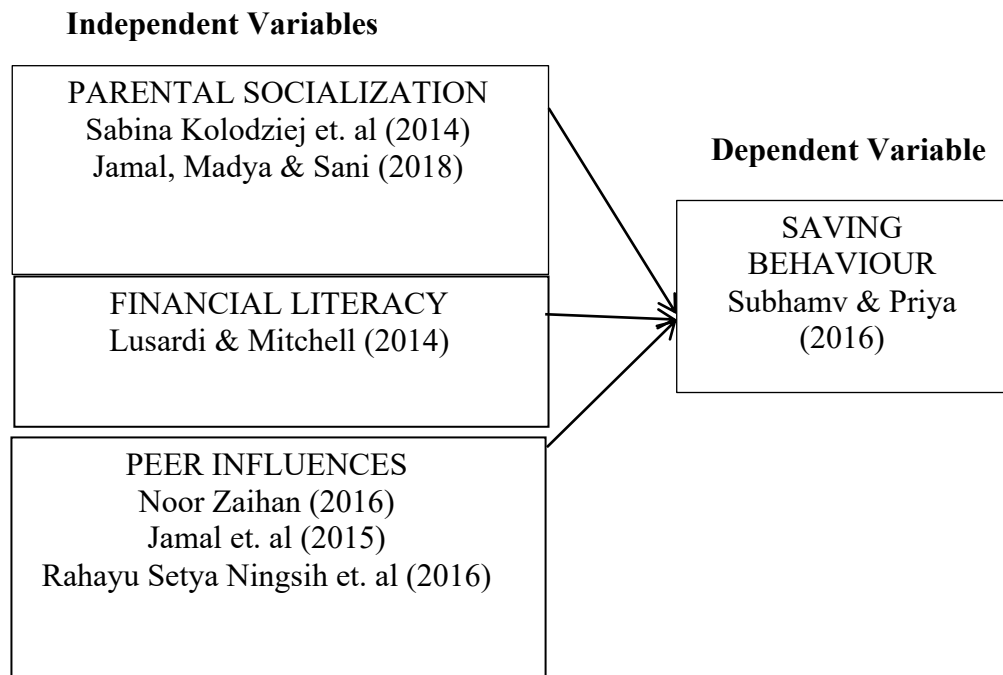


Figure 1: The theoretical framework of the study

3. Methodology

Research design

Research design is a method that is used to collect and analyse the measures of the variables specified in problem research. These study conducted using descriptive survey research cross-sectional study where the information used are from previous study of research who has studied the saving behaviour among community. The descriptive use in this study is due to the current phenomenon or condition on how community managing their financial saving. This descriptive study is used to answer questions related to whom, how, where, when and how, it is also related to the question or problem of research.

Data Collection

Data collection is the procedure of gathering and measuring the information on interested variables which enables the research questions to be answered, test hypothesis, and evaluating the outcomes. There is list of community in different courses represented students from Year 1 to Year 4, lecturer and administration staff in UMK Pengkalan Chepa. The researcher choose population as a respondent from FKP (3006 students), FHPK (1621 students), lecturers (190 academic staff) and administration staff (184 administrative staff) for answering the questionnaire and to get responses between the relationship of the main factors and saving behavior. The questionnaire separated into three sections A, B and C. Section A consist of general information related to demographic of community such as gender, religion, race, age, job scope, saving range per month and purpose of saving. Section B where the questions are related to the independent variables namely parental socialization, financial literacy and peer influences. While section C, are questions about saving behavior among community in University Malaysia Kelantan. The questionnaire will be written in English and Malay. These scales were based on five-point Likert-scale.

Each of close-ended question will be rated at numerical values with the statement of “strongly disagree, disagree, neutral, agree and strongly agree.

Sampling Technique

The selection of respondents was based on non-probability sampling which is convenience sampling method. The sample randomly distributed to respondent which is student in FKP, FHPK, and lecturer and administration staff. Convenience sampling is a sampling technique wherever the samples are chosen due to easy access and easy to reach respondent by handing out questionnaire randomly.

Data Analysis

The data that is collected in the study will be analyse using Statistical Packaged for the Social Science (SPSS) version 25.0 software program. SPSS are used to analyse and interpret the quantitative data. The data was obtained are descriptive analysis and multiple regression.

4. Findings/Results and Discussion

Demographic Profile of Students

Table 4.1: Demographic percentage

No	Profile	Description	Frequency	Percentage (%)	
1	Gender	Male	78	52.0	
		Female	72	48.0	
		Malay	127	84.7	
2	Race	Indian	12	8.0	
		Chinese	6	4.0	
		Others	5	3.3	
		Islam	126	84.0	
3	Religion	Hindu	12	8.0	
		Buddha	3	2.0	
		Christian	5	3.3	
		Others	4	2.7	
4	Administration	Administration	15	10.0	
		Job Scope	Lecturer	14	9.3
			Student	108	72.0
		Others	13	8.7	

Table 4.1 present the frequency analysis of demographic for 150 respondents involve in this survey. From analyses, we can see most of the respondent are male in gender, with male constituting 52.0 % (78 respondents) of all respondent, while the female constituting 48.0 % (72 respondents). Next is respondent by the races which is Malay get 84.7 % (127 respondents), Indian respondent is 8.0 % (12 respondents), Chinese is 4.0 % (6 respondents) and others is 3.3 % (5 respondents). Followed by the religion which is Islam get 84.0 % (126 respondents) while Hindu respondents get 8.0 % (12 respondents), Buddha respondent gets 2.0 % (3 respondents), Christian 3.3

% (5 respondents) and others religion get 2.7 % (4 respondents). Throughout the community had be decided by job scope University Malaysia Kelantan community which is firstly is by Administration getting 10.0 % (15 respondents), Lecturer 9.3 % (14 respondents). Student get the highest which is 72.0 % (108 respondents) and others is 8.7 % (13 respondents).

Table 4.2: Descriptive Statistics

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std.
	Statistic	Statistic	Statistic	Statistic	Deviation
Age	150	1	4	1.30	0.673
Income	150	1	7	2.01	1.946
Range Saving	150	1	6	2.27	1.706
Valid N (listwise)	150				

The table 4.2 above shows, the descriptive statistic of age, income and range saving. From the results, the mean for age is 1.30 with std. deviation 0.673. From 150 of respondents, there are 122 respondents who is age (19 to 29 years old), 12 respondents (30 to 40 years old), 15 respondents (41 to 49 years old) and 1 of the respondents (above 50 years old). For the mean of income is 2.01 with std. deviation 1.946. From 150 of respondents, there are 106 respondents who have income below RM1500, 12 respondents (RM1501 to RM2000), 7 respondents (RM2001 to RM3500), 7 respondents (RM3501 to RM4000), 3 respondents (RM4501 to RM5000) and 15 respondents (above RM5001). While the mean for range saving is 2.27 with std. deviation 1.706. From 150 of respondents, there are 77 respondents who have saving range below RM100, 25 respondents (RM101 to RM200), 17 respondents (RM201 to RM300), 8 respondents (RM301 to RM400), 7 respondents (RM401 to RM500) and 16 respondents (above RM500). The highest mean is range saving, while the lowest mean is age.

Reliability Analysis Cronbach's Alpha

Table 4.3: Reliability

Indicator	Number of Items	Reliability
Peer Influence	4	0.599
Parental Socialization	8	0.767
Financial Literacy	8	0.777
Saving Behaviour	5	0.642
Total	25	0.873

Based on the table 4.3, the highest reliability value is financial literacy which is 0.777. While, reliability value for parental socialization and peer influence is 0.767 and 0.599 respectively. Furthermore, the factors that influencing saving behaviour among community in University Malaysia Kelantan gives a reliability value is 0.642. Overall, the result of reliability test for all variables is 0.873 which is high and excellent reliability value. Hence, it means that Parental Socialization and Financial Literacy have significant with saving behaviour.

Descriptive Analysis

Table 4.4: Descriptive analysis for all variables

Item	Mean	Std. Deviation
Mean_PI	2.7467	.63457
Mean_PS	3.1457	.51729
Mean_FL	3.1208	.50799
Mean_SB	3.3427	.49118

Based on table 4.4, it shows the mean score for all item which is between 2.7467 and 3.3427. The item for mean SB (saving behaviour) had been recorded as the highest mean score of 3.3427 with standard deviation 0.49118. This is show that majority of the respondents agree saving behaviour is important to everyone. However, the lowest mean score recorded by mean PI (peer influence) which is 2.7467 with standard deviation 0.63457 and the second lowest mean is, mean PS (parental socialization) which is 3.1208 with standard deviation 0.50799. Next is mean financial literacy (FL), had recorded mean score 3.1457 with standard deviation 0.51729.

Table 4.5: The overall factor that influencing saving behaviour among 150 participants from community in University Malaysia Kelantan Pengkalan Chepa

Model		Sum of Squares	df	Mean Square	F	Sig
1	Regression	12.094	1	12.094	75.038	0.000 ^b
	Residual	23.853	148	0.161		
	Total	35.947	149			
2	Regression	15.406	2	7.703	55.125	0.000 ^c
	Residual	20.541	147	0.140		
	Total	35.947	149			

Dependent Variable: mean_SB (saving behaviour)
 Predictors: (Constant), mean_FL (financial literacy)
 Predictors: (Constant), mean_FL, mean_PS (parental socialization)

According to table 4.5, for model 1, the F-value of 75.038 is significant at the 0.05 level. Meanwhile for model 2, the F-value of 55.125 is significant at the 0.05 level indicates that the overall regression model with these two independent variables (PS and FL) can well explain the variation of the dependent variable (SB).

Table 4.6: The dimensions showing the greatest factor influencing saving behaviour among 150 participants

Model		Unstandardized B	Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	1.592	0.205		7.780	0.000
	mean_FL	0.561	0.065	0.580	8.662	0.000
2	(Constant)	1.088	0.217		5.014	0.000
	mean_FL	0.383	0.071	0.396	5.427	0.000
	Mean_PS	0.337	0.069	0.355	4.868	0.000

Dependent Variable: mean_SB

An equation is formed based on Table 4.6 to determine the statistical significance of each independent variable on the dependent variable.

$$\text{Equation: } SB = 1.088 + 0.383FL + 0.337PS$$

The linear equation above shows that parental socialization and financial literacy have significant positive relationship with saving behaviour. ($p < 0.05$). According to the results, financial literacy ($\beta = 0.396$) has the greatest impact on saving behaviour. This can be explained as every unit increase in financial literacy will result an increase of 0.396 units in saving behaviour, holding other variables constant. Subsequently, parental socialization ($\beta = 0.355$) has the second strongest impact and has the most insignificant impact on saving behaviour whereby saving behaviour only increase 0.355 units for every unit increase in parental socialization.

5. Recommendation

Based on the results of the present study, some recommendations are proposed for the government provided the policy which should be aimed to raise awareness of the importance of saving in society. Next is for universities which is universities can create effective education programs based on students' needs and level of financial literacy. Last but not least is for parents. It is better if the parents can create confidence between themselves and their children. It is nice if parents can start teaching their child to save since they were little.

6. Conclusions

The study is meant to identify factors that influence saving behaviour among community in UMK Pengkalan Chepa. Based on the data analysis, there was a positive and significant relationship between factors and saving behaviour. The dimension of factors is financial literacy and parental socialization that have significantly relate to saving behaviour among community in UMK Pengkalan Chepa except peer influence did not has significant relate with saving behaviour.

However, the study has several limitations. Firstly, the sample was small because the researcher only targeted on communities among University Malaysia of Kelantan located in Pengkalan Chepa. Next, the study emphasized merely only on three dimensions of the factors in measuring the saving behaviour among communities UMK Pengkalan Chepa. Thus, caution needs to be taken when generalizing the findings and discussion of other service quality model and other target groups.

Despite the limitations, it is recommended that further research needs to enlarge the scope of the study. Moreover, the researcher should be distributed the

questionnaire by hand out to the respondent directly to ensure that the respondent could answer without misunderstanding the question or the respondent could ask the researcher if they did not understand the questions given.

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A study on level of financial literacy among students University Malaysia Kelantan

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Abstract

The purpose of this paper is to measure the level of financial attitude between respondents' course, to examine the level of financial behaviour between respondents' course and to determine the level of financial knowledge between respondents' course among students in Faculty of Entrepreneurship and Business (FEB in University Malaysia Kelantan. Quantitative method was used in this research. The study investigated a Stratified Proportionate Random Sampling technique of 341 students in Faculty of Entrepreneurship and Business (FEB in University Malaysia Kelantan. Sample size calculated based on the table of Krejcie and Morgan (1970). This research collected data through questionnaires such as Google Form. The questionnaires are divided into few sections which are section A consist of demographic profile, section B for financial attitude, section C for financial behaviour and section D for financial knowledge. In this study, nominal scale, interval scale which is Likert scale and ordinal scale were used. The software used to analyse data from respondents was statistical package for the social sciences (SPSS) version 24. The findings indicate that SAB course was the highest level in financial attitude. Besides, SAK course was the highest level in financial behaviour and SAB course was the highest level in financial knowledge. Therefore, the

hypothesis shows that there is no significant different among courses in terms of financial attitude, financial behaviour and financial knowledge since $p\text{-value} > 0.05$. Firstly, for generalization, the survey was administered to only students of Faculty of Entrepreneurship and Business who study in University Malaysia Kelantan for City Campus. In addition, researchers have been talking to some students of this university, this is done to ensure that this survey can be received and understood by the university students. Unfortunately, it is done to only a few of students and the researchers do not know the other respondents who answer the survey are really understood about financial literacy or just answer it blindly.

Keyword(s): Financial Attitude, Financial Behaviour, Financial Knowledge,

1. Introduction

The financial literacy contains the ability of an individual to understand and interpret fundamental of financial concepts and apply that knowledge in order to make sensible decision (ALBERT, 2014). Thus, financial literacy can also be related to financial knowledge, financial behaviour and financial attitude. According to (Huston, 2010) from article (Garg & Singh, 2018) stated that financial knowledge is termed as a key dimension of financial literacy. In addition, financial behaviour is possible to change throughout the whole life cycle (Agarwal, Driscoll, Gabaix, & Laibson, 2009). However, the attitude and priorities are considered as a major basic of finance literacy (Co-operation & Development, 2013). A good financial attitude can help youngster to manage their money properly.

Consequently, the lack of information about financial literacy may lead youngster become involved in higher financial problems like debt or bankruptcy. Statistics from the Malaysian Insolvency Department showed bankruptcy that occurred five years ago involved 64,632 Malaysians (Harian Metro, 2019), Malaysians that involved in bankruptcy is mostly youngster. The Federation of Malaysians Consumers, Associations and the Education Minister fully agree that people still have a low level of financial literacy (The Star online, 2019). Nowadays youngsters do not know how to manage their finances properly and therefore tend to bankruptcy. This proves that bankruptcy occurs daily and this also shows that many Malaysians are surrounded by debt and cause individuals to experience bankruptcy. The Department of Insolvency Malaysia issued a report in November 2018 a total of 13,338 individuals had registered with the agency for bankruptcy in September 2018 (Harian Metro, 2019). Ages of youngsters who are involved in this bankruptcy are from 18 to 44 years old. Further, youngsters which are students tend to spend their money indiscriminately because lack of financial understanding (Ibrahim, Harun, & Isa, 2009).

This is essential to understand financial literacy as it will help students understanding money and how they use their money. Besides, financial literacy is too important for students in their daily life because financial literacy can help them to manage their money wisely and properly. In brief, financial literacy is defined by financial attitude, financial behaviour and financial knowledge. Further, the study aimed to measure the level of financial attitude between respondents' course, to examine the level of financial behaviour between respondents' course and to determine the level of financial knowledge between respondents' course among students in Faculty of Entrepreneurship and Business in University Malaysia Kelantan Campus Kota.

2. Literature review

The Underpinning Theory

This study implements social learning theory. Bandura, Ross, and Ross (1961) assume the theory of social learning describes how social factors such as financial advice and information sources affect the behaviour of a person. Besides, financial attitudes and values of people towards money come from their environment. The consequence on individual behaviour of social interactions was constructed, examined and applied to a wide variety of scenarios (Bandura & Walters, 1977). Social interaction can influence financial decision when people receive data and process it by communicating with others. Furthermore, environment factors may affect the financial knowledge, financial behaviour and financial attitude as people now days get information about financial literacy in many ways.

Financial Literacy

Based on Servon and Kaestner (2008), financial literacy can be refers to a person's ability that helps to figure out about how to use the financial conception. Besides, financial literacy is very important for students in their daily life because it can affect the flow of financial management. Besides, based on research in the United States, they found that there were many young adults were lacks of financial literacy. From previous research, Conger, Conger, Matthews, and Elder Jr (1999) in Mustapha and Jeyaram (2015) examines that it is crucial to running financial literacy study because it claims that this study help to encourage self-control, self-confidence, and self-reliance of the student. Consequently, the quality of life will be better if financial literacy increase

Financial attitude

Remund (2010) has shown that the writing on financial attitude since 2000 has concentrated on five spaces. These areas are information, money related ideas, and capacity to impart about budgetary ideas, mentality in overseeing individual accounts. Pankow (2012) at that point characterizes financial attitude as a perspective, assessment, and judgment of an individual about funds. This survey utilizes a quantitative methodology. The study used the technique for gathering information by utilizing examiner and Information investigation methods utilizing way examination. The scientist found that the money related mentality has positive impact toward monetary administration conduct of understudies in the Faculty of Economics, State University of Semarang in the year 2015.

Financial Behaviour

The importance of financial behaviour is to raise awareness about the importance of saving, and planning to retire. In addition, gathering information to make financial decisions, many users do not collect or review information. We include for stimuli affect the vital experience in our memory. In the context of socialization, early parental socialization can influence individual ideas about the importance of childhood savings (Van Dalen, Henkens, & Hershey, 2010).

Financial Knowledge

Financial knowledge is about understanding about the concept of financial and procedures as the use of understanding to solve the financial problems. Besides, it is

also about the ability on how to manage money in many kind of usage including the monitoring of day to day financial matters and make the right choices. In addition, the finding from research in Vietnam by Nguyen, Rózsa, Belás, and Belásová (2017). They found that actual financial knowledge is combined of financial literacy. There is a fundamental part of financial knowledge, and general investment knowledge with self-assessed financial knowledge that has been found to be significantly positive in relation to actual financial knowledge and saving behaviour

3. Methodology

The population involved in this research was an undergraduate students of faculty of entrepreneurship and business (FEB) in University Malaysia Kelantan campus Kota. The goal for this research was to recruit a sample size of 341 students of University Malaysia Kelantan. Sample size calculated based on the table of Krejcie and Morgan (1970). Only 303 total students respond to the survey. Quantitative method was used in this research. In order to collect data, self-administered structured which is close-ended questionnaire was given to the respondents. The questionnaires are divided into few sections which are section A consist of demographic profile, section B for financial attitude, section C for financial behaviour and section D for financial knowledge. Nominal scale, interval scale like Likert scale which is the respondents will answer on a set of statements how strongly agree or disagree based on five point-Likert scale and ordinal scale were used. All data collected were analysed using SPSS Windows (Version 24).

4. Findings

Demographic Profile of Students

Table 4.1: Demographic Profile of Students

Demographic	Frequency	%
Gender		
Male	100	33.0
Female	203	67.0
Age		
19-20 years	115	38.0
Table 4.1 (Continue)		
21-22 years	124	40.9
23-24 years	43	14.2
25 and above	21	6.9
Race		
Malay	263	86.8
Chinese	14	4.6
Indian	9	3.0
Others	17	5.6
Course		
SAB	134	44.2
SAK	63	20.8
SAL	55	18.2
SAR	51	16.8
Year of Study		
1st year	106	35.0
2nd year	52	17.2
3rd year	42	13.9
4th year	103	34.0
Place of residence		
City	182	60.1
Rural	121	39.9

Based on the table below, it shows the results of demographic information of respondents based on frequency and percentages to make the interpretation easier. Regarding gender, the highest frequency is female which represent 67.0% and the rest 33.0% which is male. The majority of aged is between 19 years and 22 years with (78.9%). Based on the research, the students at this age are more prefer to examine because they need more knowledge in their financial for their future. In term of race, the highest number of respondents was from Malay students with 86.8%, followed by others (5.6%), Chinese (4.6%) and Indian (3.0%). Concerning course, 44.2% of respondents are from SAB. Meanwhile, 20.8 % from SAK, 18.2% from SAL and 16.8% were the lowest of respondents are from SAR. For the year of study, 1st year obtained the highest number of respondent which represent 35.0%,

followed by 4th year (34%), 2nd year 17.2%) and 3rd year (13.9%). For the place of residence, 60.1% of the respondents are from city and the balances are from rural (39.9%).

Frequency Financial Attitude

Table 4.2: Frequency of Financial Attitude

		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
FA1	It is important for a family to develop a regular pattern of and stick to it.	2	0	13	77	211
		0.70%	0.00%	4.30%	25.40%	69.60%
FA2	A written budget is absolutely essential for successful financial management.	3	2	18	101	179
		1.00%	0.70%	5.90%	33.30%	59.10%
FA3	Planning for spending money is essential to successfully managing one's life.	2	1	13	91	196
		0.70%	0.30%	4.30%	30.00%	64.70%
FA4	Planning for the future is the best way of getting ahead.	2	5	9	96	191
		0.70%	1.70%	3.00%	31.70%	63.00%

The table shows the frequency of financial attitude. The statement on “It is important for a family to develop a regular pattern of and stick to it” recorded that strongly disagree is 2 (0.7%), for disagree is 0 (0%), for neutral is 13 (4.3%), for agree is 77 (25.4%) while for strongly agree is 211 (69.6%). Next, statement on” A written budget is absolutely essential for successful financial management” recorded that strongly disagree is 3 (1%), for disagree is 2 (0.7%), for neutral is 18 (5.9%), for agree is 101 (33.3%) while for strongly agree is 179 (59.1%). Furthermore, statement on “Planning for spending money is essential to successfully managing one's life” recorded that strongly disagree is 2 (0.7%), for disagree is 1 (0.3%), for neutral is 13 (4.3%), for agree is 91 (30%) while for strongly agree is 196 (64.7%).

Frequency Financial Behaviour

Table 4.3: Frequency of Financial Behaviour

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
FB1 I take notes and control my personal expenses (e.g., expense)	19 6.3%	29 9.6%	113 37.3%	96 31.7%	46 15.2%
FB2 I compare prices when buying something	5 1.7%	9 3.0%	31 10.2%	96 31.7%	162 53.5%
FB3 I save some of the money I get each month for a future need	12 4.0%	18 5.9%	84 27.7%	114 37.6%	75 24.8%
Table 4.3 (Continue)					
FB3 I save some of the money I get each month for a future need	12 4.0%	18 5.9%	84 27.7%	114 37.6%	75 24.8%
FB4 I have a plan for expenses/budget	8 2.6%	27 8.9%	83 27.4%	118 38.9%	67 22.1%
FB5 I analyse my financial situation before a major purchase	3 1.0%	11 3.6%	56 18.5%	134 44.2%	99 32.7%
FB6 I save regularly to achieve financial targets in the long term	9 3.0%	19 6.3%	82 27.1%	114 37.6%	79 26.1%
FB7 I am satisfied with the way I control my finances	16 5.3%	42 13.9%	91 30.0%	101 33.3%	53 17.5%

The table shows the frequency of financial behaviour. The statement on FB1 recorded that strongly disagree is 19 (6.3%), for disagree is 29 (9.6%), for neutral is 113 (37.3%), for agree is 96 (31.7%) while for strongly agree is 46 (15.2%). Next, statement on FB2 recorded that strongly disagree is 5 (1.7%), for disagree is 9 (3.0%), for neutral is 31 (10.2%), for agree is 96 (31.7%) while for strongly agree is 162 (53.5%). Furthermore, statement on FB3 recorded that strongly disagree is 12 (4.0%), for disagree is 18 (5.9%), for neutral is 84 (27.7%), for agree is 114 (37.6%) while for strongly agree is 75 (24.8%). After that, statement on FB4 recorded that strongly disagree is 8 (2.6%), for disagree is 27 (8.9%), for neutral is 83 (27.4%), for agree is 118 (38.9%) while for strongly agree is 67 (22.1%). Moreover, statement on FB5 recorded that strongly disagree is 3 (1.0%), for disagree is 11 (3.6%), for neutral is 56 (18.5%), for agree is 134 (44.2%) while for strongly agree is 99 (32.7%). Besides, statement on FB6 recorded that strongly

disagree is 9 (3.0%), for disagree is 19 (6.3%), for neutral is 82 (27.1%), for agree is 114 (37.6%) while for strongly agree is 79 (26.1%). Lastly, statement on FB7 recorded that strongly disagree is 16 (5.3%), for disagree is 42 (13.9%), for neutral is 91 (30.0%), for agree is 101 (33.3%) while for strongly agree is 17.5 (17.5%).

Frequency Financial Knowledge

Table 4.4: Frequency Financial Knowledge

			Frequency	%
Basic Financial Knowledge	Interest On Saving Account	More than RM150.00	82	27.1
		Exactly RM150.00	86	28.4
		Less than RM150.00	63	20.8
		Do not know	72	23.8
	Time Value Of Money	Joseph	120	39.6
		Peter	94	31.0
		They are equally as wealthy	39	12.9
Table 4.4 (Continue)				
Advance Financial Knowledge	Shares	Do not know	50	16.5
		Allow for the meeting of people who want to buy and sell shares	109	36.0
		Predict gains of shares	81	26.7
		Increase the prices of shares	45	14.9
		Do not know	68	22.4
	Higher Return Assets	Account	43	14.2
		Bon	114	37.6
		Stocks	83	27.4
		Do not know	63	20.8
	Investment Refund	Once investing in investment refunds, it is not possible to take the money out in the first year	53	17.5
		Investment refunds can be invested in many assets such as shares and securities	83	27.4
		Investment refunds pay assured return rates that depend on past behaviour	26	8.6
		None of them	11	3.6
Do not know		130	42.9	
Assets	Saving account	49	16.2	
	Shares	156	51.5	
	Public securities	31	10.2	
	Do not know	67	22.1	
Risk Diversification	Increase	100	33.0	
	Decrease	105	34.7	
	Remain the same	27	8.9	
	Do not know	71	23.4	

The table above shows the frequency and the percentage of students answering the seven question of financial knowledge. The first question is about interest on saving account. 82 students (27.1%) able to answer correctly which is more than RM150.00, 86 students (28.4%) answered exactly RM150.00, 63 students (20.8%) answered less than RM150.00 and 72 students (23.8%) answered do not know. The second question is about time value of money, 120 students (39.6) answered correctly which is Joseph, 94 students (31.0%) answered Peter, 39 students (12.9%) and 50 students (16.5) answered do not know. Next, the question is about shares. 109 students (36%) manage to answer the question correctly which is allow for the meeting of people who want to buy and sell shares. 81 students (26.7%) answered predict gains of share, 45 students (14.9%) answered increase the price of shares and 68 students (22.4) answered do not know. Besides, question about the highest return assets. 43 students (14.2%) answered account, 114 students (37.6%) answerer bon, 83 students (27.4%) answered stocks and 63 students (20.8%) answered do not know. In addition, question fifth is about investment refund. 53 students (17.5%) answered one investing in investment refunds, it is not possible to take the money out in the first year. 83 students (27.4%) answered investment can be invested in many assets such as shares and securities. 26 students (8.6%) answered investment refunds pay assured return rates that depend on past behaviour. 11 students (3.6%) answered none of them and the rest 130 students (42.9%) answered do not know. The next question is about assets, 49 students (16.2%) answered saving account, 156 students (51.5%) answered shares, 31 students (10.2%) answered public securities and 67 students (22.1%) students answered do not know. The last question is about risk diversification. 100 students (33%) answered increase. 105 students (34.7%) managed to answer correctly which is decrease, 27 students (8.9%) answered remain the same and 71 students (23.4%) answered do not know.

Validity and Reliability Analysis

Table 4.5: Validity and Reliability Analysis

Construct	No of Items	Cronbach's Alpha
Financial Attitude	4	0.845
Financial Behavior	7	0.816

Based on table, the result has shown that the reliability of each variables. Financial attitude was ranged the highest which is 0.845. Other than that, the Crobanch’s Alpha value for financial behaviour is 0.816. Therefore, all of the variables tested had met the requirement of reliability test since Cronbach’s Alpha value resulted more than 0.7 and the variables used are reliable and acceptable.

Descriptive Analysis

Table 4.6: Descriptive Analysis for Financial Attitude

Item	Mean	Std. Deviation
FA1 It is important for a family to develop a regular pattern of and stick to it.	4.63	0.63
FA2 A written budget is absolutely essential for successful financial management.	4.49	0.72
FA3 Planning for spending money is essential to successfully managing one's life.	4.58	0.65
FA4 Planning for the future is the best way of getting ahead.	4.55	0.69

Based on table, the mean score for items in financial attitude measure section lied between 4.49 and 4.63. The statement on FA1 had recorded the highest mean score of 4.63 with standard deviation 0.63. This shown the majority of the respondents agreed that financial attitude is important to develop a regular pattern and stick to it. Moreover, the lowest mean score was 4.49 with standard deviation 0.72 came from second statement FA2, with standard deviation 0.72. Next, on the statement FA3 had a score of mean 4.58 with standard deviation 0.65. Besides, FA4 had a score of mean 4.55 with standard deviation 0.69.

Table 4.7: Descriptive Analysis of Financial Behaviour

Item	Mean	Std. Deviation
FB 1 I take notes and control my personal expenses (e.g., expense)	3.40	1.06
FB 2 I compare prices when buying something	4.32	0.90
FB 3 I save some of the money I get each month for a future need	3.73	1.03
FB 3 I save some of the money I get each month for a future need	3.73	1.03
FB 4 I have a plan for expenses/budget	3.69	1.00
FB 5 I analyse my financial situation before a major purchase	4.04	0.86
FB 6 I save regularly to achieve financial targets in the long term	3.78	1.00
FB 7 I am satisfied with the way I control my finances	3.44	1.09

Based on table, the mean score for items in financial behaviour measure section lied between 3.40 and 4.32. The statement on FB1 had recorded the lowest mean score of 3.40 with standard deviation 1.06. Besides, the statement on FB2 had recorded the highest mean score of 4.32 with standard deviation 0.90. Next, on the statement FB3 had a score of mean 3.73 with standard deviation 1.03. Besides, FB4 had a score of mean 3.69 with standard deviation 1.00. After that, on the statement FB5 had a score

of mean 4.04 with standard deviation 0.86. Moreover, FB6 had a score of mean 3.78 with standard deviation 1.00. Last but not least, on the statement FB5 had a score of mean 3.44 with standard deviation 1.09.

Test of Normality

Table 4.8: Tests of Normality Financial Attitude

		Kolmogorov-Smirnov ^a			Shapiro-Wilk		
		Statistic	df	Sig.	Statistic	df	Sig.
FA 1	It is important for a family to develop a regular pattern of and stick to it.	0.416	303	0.000	0.603	303	0.000
FA 2	A written budget is absolutely essential for successful financial management.	0.350	303	0.000	0.681	303	0.000
FA 3	Planning for spending money is essential to successfully managing one's life.	0.387	303	0.000	0.642	303	0.000
FA 4	Planning for the future is the best way of getting ahead.	0.372	303	0.000	0.643	303	0.000

a. Lilliefors Significance Correction

The table above presents the results from two well-known tests of normality, namely the Kolmogorov-Smirnov Test and the Shapiro-Wilk Test. Based on the Kolmogorov-Smirnov result of the table show that “Financial Attitude” is non-normal based on significant result that show 0.00 since p-value > 0.05. Moreover, Based on the Shapiro-Wilk result of the table show that “Financial Attitude” is non-normal based on significant result that show 0.00 since p-value >0.05.

Table 4.9: Tests of Normality Financial Behaviour

		Kolmogorov-Smirnov ^a			Shapiro-Wilk		
		Statistic	df	Sig.	Statistic	df	Sig.
FB1	I take notes and control my personal expenses (e.g., expense).	0.194	303	0.000	0.896	303	0.000
FB2	I compare prices when buying something.	0.310	303	0.000	0.736	303	0.000
FB3	I save some of the money I get each month for a future need.	0.227	303	0.000	0.871	303	0.000
FB4	I have a plan for expenses/budget.	0.233	303	0.000	0.883	303	0.000
FB5	I analyse my financial situation before a major	0.251	303	0.000	0.835	303	0.000

	purchase.						
FB6	I save regularly to achieve financial targets in the long term.	0.226	30 3	0.00 0	0.871	30 3	0.000
FB7	I am satisfied with the way I control my finances.	0.204	30 3	0.00 0	0.903	30 3	0.000

a. Lilliefors Significance Correction

The above table presents the results from two well-known tests of normality, namely the Kolmogorov-Smirnov Test and the Shapiro-Wilk Test. Based on the Kolmogorov-Smirnov result of the table show that “Financial Behaviour” is non-normal based on significant result that show 0.00 since p-value >0.05. Moreover, Based on the Shapiro-Wilk result of the table show that “Financial Behaviour” is non-normal based on significant result that show 0.00 since p-value >0.05 .

Kruskal-Wallis Test

Table 4.10: Kruskal-Wallis Test of Mean Financial Attitude between Courses

	Course	N	Mean Rank
Mean Financial Attitude	SAB	134	164.22
	SAK	63	154.75
	SAL	55	134.37
	SAR	51	135.49
	Total	303	

Table 4.11: Test Statistics^{a,b}

	Mean Financial Attitude
Chi-Square	7.252
df	3
Asymp. Sig.	0.064

a. Kruskal Wallis Test

b. Grouping Variable: Course

Based on table 4.10 and 4.11, the mean rank for Financial Attitude between Course measure sections lied between 134.37 and 164.22. The SAB students are the highest mean rank with 164.22 which is 134 respondents Moreover, the second highest mean rank was SAK students with 63 respondents. Then, SAL students are the lowest mean rank with 134.37 which is 55 respondents. Next, the second lowest of mean rank is SAR with 135.49 which are 51 respondents. This shown from the majority of the respondents, students from SAB Course is the highest respondents than another Course.

Besides, the table above shows the result of Chi Square for mean Financial Attitude between courses. There was a statistically no significant difference in mean financial attitude between the courses since p-value 0.064 which is (p<0.05).

Table 4.12: Kruskal-Wallis Test of Mean Financial Behaviour between Courses

	Course	N	Mean Rank
Mean Financial Behaviour	SAB	134	146.19
	SAK	63	168.21
	SAL	55	151.40
	SAR	51	147.88
	Total	303	

Table 4.12: Test Statistics^{a,b}

	Mean Financial Behaviour
Chi-Square	2.872
Df	3
Asymp. Sig.	0.412

a. Kruskal Wallis Test

b. Grouping Variable: Course

Based on table, the mean rank for Financial Behaviour between Course measure sections lied between 146.19 and 168.21. The SAK students are the highest mean rank with 168.21 which is 63 respondents. Then, SAB students are the lowest mean rank with 146.19 which is 134 respondents. Moreover, the second highest mean rank 151.40 was SAL students with 55 respondents. Next, the second lowest of mean rank is SAR with 147.88 which are 51 respondents. This shown from the majority of the respondents, students from SAK Course is the highest respondents than another Course. Besides, the table above shows the result of Chi Square for mean Financial Behaviour between courses. There was a statistically no significant difference in mean financial attitude between the courses since p-value 0.412 which is ($p > 0.05$).

Research Hypothesis

H1: There is no significant difference between financial attitude and respondents' course among students in Faculty of Entrepreneurship and Business (FEB) in University Malaysia Kelantan Campus Kota.

Based on the result from Chi-Square, four statement from financial attitude shows there was a statistically no significant difference in mean financial attitude between the courses since p-value 0.064 since ($p < 0.05$).

H2: There is no significant difference between financial behaviour and respondents' course among students in Faculty of Entrepreneurship and Business (FEB) in University Malaysia Kelantan Campus Kota.

The result of Chi Square for mean Financial Behaviour between courses shows that there was a statistically no significant difference in mean financial attitude between the courses since p-value 0.412 since ($p < 0.05$).

H3: There is no significant difference between financial knowledge and respondents' course among students in Faculty of Entrepreneurship and Business (FEB) in University Malaysia Kelantan Campus Kota.

Based on the result from Chi-Square of Cross-tabulation of 7 questions on financial knowledge between respondent's course only one question which is "Normally, which asset exhibits higher oscillations over time" shows significant differences between course p-value 0.035 since p-value ($p < 0.05$). Others six questions shows there is no significant differences in terms of course since ($p > 0.05$).

5. Recommendation

There are several recommendations in which the researchers might think that it is worth to be implemented. Firstly, it is recommended that the financial related subject as compulsory to be taken by students in University Malaysia Kelantan. Although there are courses in UMK which provide basic knowledge and understanding of the management of finance in daily life through the subject such as Islamic Financial Planning and Investment, it is only available for the students whose course specifically focused on finance like Islamic Banking and Finance program. Besides, financial knowledge can also be implemented through the organizing of events which related to the finance such as trading session at Bursa Malaysia, financial management which involves the calculation of cash in and cash out, and so on. Next, the researcher also suggested that in order to further increase financial literacy among students, it is suggested that faculty should encourage students to run more programmed related to the financial knowledge. This will help to further improve financial skill among students. Besides, the university can organize program and campaign to students and community to increase more awareness about important financial literacy for life. Moreover, with effort from the campaign and program that will coach little bit of financial attitude and financial behaviour. Last but not least, financial attitude and financial behaviour is from the honed and from their self from childhood. The parents should play a role to sharpen it from childhood by educating those needs and wants to increase awareness of financial literacy.

6. Conclusions

In conclusion, we can conclude that the highest level of financial attitude is among SAB course, the highest level of financial behaviour is among SAK course and the highest level of financial knowledge is among SAB course. Based on (Bongini, Trivellato, & Zenga, 2015), respondent course background is the crucial predictor of highest financial literacy. SAB is the business administrations course that majoring in Islamic banking and finance. Students who participated in business course and finance tend to exhibit appropriate and financial attitude and financial behaviour. The findings suggested that student from business course background perform better than other courses (Chinen & Endo, 2012). Furthermore, financial attitude and financial behaviour was tested by Kruskal-Wallis to identify level of financial attitude and financial behaviour between respondents' course. The level of financial knowledge between respondents' course was tested by cross-tabulation. In brief, the hypothesis shows that there is no significant difference for financial attitude and financial behaviour. Only one questions of financial knowledge which is "Normally, which asset exhibits higher oscillations over time" shows significant differences between course p-value 0.035 since p value ($p < 0.05$). Others six questions shows there is no significant differences in terms of course since ($p > 0.05$).

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Factor influencing wasiyyah adoption among Muslim in Pengkalan Chepa

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Abstract

The study is a quantitative research about factors influencing wasiyyah adoption among muslim in Pengkalan Chepa. The study using questionnaires to collect data and Statistical Package for Social Sciences (SPSS) software to analyse data where descriptive statistics and reliability test has been conducted. The dependant variable is wasiyyah adoption while independent variables are knowledge, awareness and financial obligation. From the study, it is clearly identified that Cronbach's alpha for all variables is above the minimum value, that is 0.6 to be considered good. Overall, the pearson correlation between wasiyyah adoption and the independent variables are above 0.60 which is strong related between each other. The study will be limited to the total number of 250 respondents among muslim ranging from the age of 20 to 70. From the results of this study, it can be interpreted that wasiyyah certainly becomes preferred especially when it involved the non-legal heirs like adopted children as it does not being covered by faraidh. The results of this study can be used as a references by wasiyyah writing providers to conduct outreach strategy to the community.

Keyword(s) :Wasiyyah, Wasiyyah Adoption, Knowledge, Awareness, Financial Obligation

1. Introduction

The practicality of wasiyyah in this country has been discussed widely comprising the aspect of benefit and barrier to make wasiyyah, quality services of wasiyyah writing providers and the differentiation between wasiyyah, hibah and faraidh. The justification for such study arises as for create a better understanding amongst community about the wasiyyah. The lengthy and costly process of faraidh for distributing the property among the beneficiaries has led the other tools of Islamic wealth management like hibah and wasiyyah becomes necessary to be used by the community as a whole.

Wasiyyah is widely recognized as the best way for distributing the property exclusively for heirs that are not qualified under faraidh system. Wasiyyah can only be given if the amount did not be more than one-third of the total assets. Besides that, legal heirs should not be named as recipients unless other heirs give their consent. Ironically, even though the availability of wasiyyah practices in this country has increased by the increase of wasiyyah writing providers and improvement of its quality services, the level of wasiyyah adoption amongst community still in the low level. The situation of widely research about the many aspect of wasiyyah along with the low level of wasiyyah adoption justifies the gap in the research field that need to be analysed. The need of such research is crucial as the lack of wasiyyah adoption surely will make the problem of frozen assets among muslims in this country remain unsolved and worsen in the future.

In a comprehensive observation, it can be conclude that wasiyyah need to be actively played its role as a tool in Islamic wealth management. Thus, the study aims to examine the factors influencing wasiyyah adoption amongst muslim in Pengkalan Chepa. The study can give valuable outcome for existing literature by analysing variables particularly knowledge, awareness and financial obligation and its relationship with the wasiyyah adoption. Indeed, the outcome will be used as the reference for any study related with the understanding of Islamic wealth management tools adoption comprising not merely wasiyyah, but faraidh, hibah, waqf, zakat and sedeqah as well.

2. Literature review

To illustrate this paper, the paper begin by describing the wasiyyah. Based on study by (Puad, Rafdi et al. 2018), Wasiyyah literally is a situation of giving something after the end of life of an individual. Conceptually, it can be further explained as agreement to allocate some of its property after the death whether for charitable purposes or any lawful purposes align with Islamic law. Besides, wasiyyah means the other means to distribute the property by muslim to any of their heirs that are not entitled under faraid means whether by writing or verbal only.

According to study by (Alma'Amun 2010), the measurement of wasiyyah adoption can be shown through statistics from authoritative institutions spesifically Amanah Raya Berhad (ARB), that is the number of individuals that already registered for wasiyyah. Based on study by (Palmer, Bhargava et al. 2006), the adoption of will can be influenced by dramatic situation happened in life. According to the study by (Abdullah, Basir et al. 2017), the underpinning theory associated with will adoption is Theory of Reasoned Action. The theory states that intention affecting directly to the human behaviour. Intention can be measured and determined by person's attitude towards the behaviour and subjective norm.

The wasiyyah adoption amongst community being determined by several factors. Based on study by (Ibrahim, Yusof et al. 2015), wills in Arabic are called Wasiyyah, which means "connection". The factor of knowledge, as being stated by (Aziz, Nooh et al. 2014) most Muslims in this country have awareness and intimate with the word Wasiyyah even they did not get clear picture and profound understanding of this matter. In addition, knowledge encourage muslims to create Wasiyyah by the purpose of ensure the transfer of the property as the testator is in a health problems.

However, according to (GHUL 2015), the knowledge is the situation of low understanding regarding the wasiyyah laws experienced by current muslim irrespective of their education, occupation or demographic background. The studies by (Alma'amun 2012), have the perspective that most muslims in this country do not being exposed by comprehensive and crucial knowledge regarding to documenting the wasiyyah and its significance for managing property properly.

The studies by (Alma'amun 2013), has stated that institutions related with wasiyyah documentation need to actively approach society by recruiting many agent and increasing the campaign to ensure any misunderstanding or unclear about wasiyyah can be explained closely and easily.

Besides, the study by (Azmi and Mohammad 2011), pointed out that low level of knowledge in terms of legal aspect consisting syariah and civil court and its required documents along with lack involvement of related agencies has become a factor to the unclaim or delays procedure to manage the estates. The individual did not know to initiate the process of allocation of estates under the wasiyyah system.

The factor of awareness towards wasiyyah significantly has an impact towards the wasiyyah adoption. The studies by (Alma'Amun 2010) state that muslim in this country already aware with the words 'wasiyyah'. Unfortunately, the knowledge of them towards institutions in managing wasiyyah matters like documentation and its validity did not as good as the awareness they had.

On other study done by (Dahan, Ahmad et al. 2012), the findings contradict with above study, that is Malaysian mostly lack of awareness about the significance of will which can be shown by the statistics about the total Malaysians possessing a will which are quite low. Based on study by (Alma'Amun 2010), less aware about wasiyyah due to the wasiyyah usually being said as sensitive issue that should not be discussed as it is related with death.

Based on the study by (Shafie), community did not aware with the issue of wasiyyah as they thought the task to manage the estate is a trivial task resulting with estates become neglected. Such awareness can be seen by the ignorance of the family member and public in aspect of inheritance. The studies by (Yusoff and Majid) interestingly conclude that muslim as a worldwide has a very low awareness and understanding about wasiyyah even the technology has been advanced. Any muslim that have a high understanding about its importance and make an effort to rise the issue of wasiyyah always ended up with criticized from grief stricken family members.

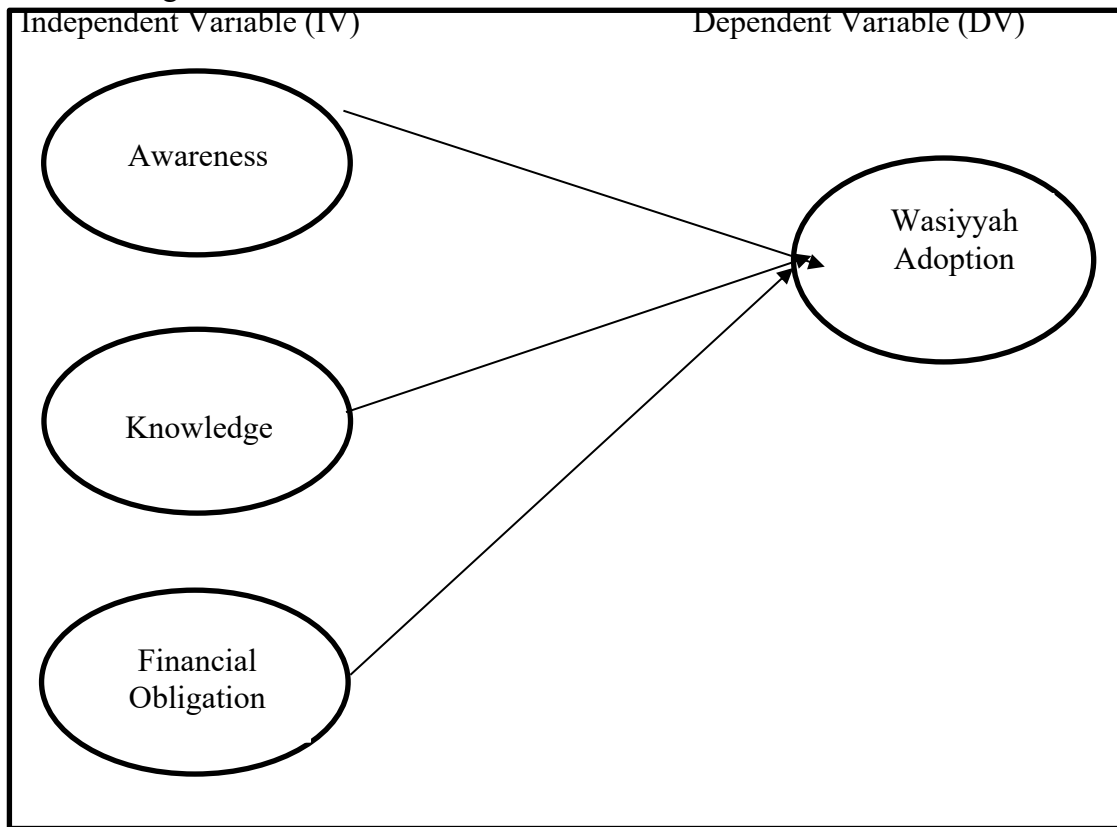
Based on study by (GHUL 2015), among variables that can persuading person to create a will is financial obligation. Such obligation can be shown as any unpleasant situation that affecting the financial position of individual like experiencing bad health condition, problematic marriage that led to divorce and losing jobs. Other than that, the study includes the expensive fees to create a wasiyyah as the financial obligation that affects the number of wasiyyah being

registered. The finding of study show that more than half of respondent agree that they will ensure their family have a stability on the financial matter even after their death. They will ensure that the assets easily to be possessed by their heirs and manage the process of property distribution as soon as possible. (Alma'amun 2012) stated that chances for parents making wasiyyah is significantly higher when they are in poor health condition. However, on the contrary, according to the studies by (GHUL 2015), the financial status did not have a significant effect on the chances making will. The study explained the management of assets into three types specifically managing for the purpose of family necessities, non-family necessities and general welfare.

3. Methodology

The target population of the study is amongst muslim from Pengkalan Chepa. The estimated population of Pengkalan Chepa is 4000 people. The study examining the relationships between the awareness, financial obligation and knowledge with the wasiyyah adoption among muslim in Pengkalan Chepa. The justification for choosing Pengkalan Chepa is the high accessibility of this population to the wasiyyah writing provider which are located in the Pengkalan Chepa.

Diagram below shows the framework for this research:



The study using questionnaire on collecting the data as it is quantitative study in nature. A quantitative research is particularly applicable for the purposes of this research, where the data from questionnaire is quite clear and easy for the analysis. The most notable advantage for quantitative research is its generalization of valid and reliable results from the study to the overall population and reference for future study.

A sample of 253 respondents in Pengkalan Chepa has been chosen by the simple random sampling to answer the questionnaires. The justification for using simple random sampling is there are no element of biased in the selection of sampling as each elements has a same opportunity to be selected. The main requirement for each respondents to be selected is they must be a muslim in the Pengkalan Chepa irrespective of the job, and respondents must be 18 years and above.

The finding of this study will reveal the factors influencing wasiyyah adoption among muslim in Pengkalan Chepa which are knowledge, awareness and financial obligation. Statistical Package for Social Science (SPSS) software has been used for analysing the data where descriptive statistics and reliability test has been conducted. Descriptive analysis is closely related with quantitative analysis.

Descriptive statistics being conducted by using Pearson correlation coefficient to investigate the relationship between variables in the study. The dependant variable is wasiyyah adoption while independent variables are financial obligation, awareness and knowledge for this study. The justification for using this test is to analyse the degree of relationships between the variables whether very strong, strong, moderate, very weak or weak based on the results of correlation coefficient.

Tests for reliability analysis that have been used is Cronbach's Alpha. It shows the reliability and validity of questionnaires to be distributed. The variables will be analysed in order to measure the internal consistency of the measurement instruments. The consistency of the measurement instruments can be described as the survey gives consistent results even when the measurement has been repeated several times. It is crucial to show that the results being produced is reliable. The justification for using Cronbach's Alpha is due to this study have multiple Likert questions in a questionnaire that form a scale and want to determine if the scale is reliable.

The total number of each scale for multiple likert questions scored by all respondents will be summarized by the use of frequency distribution analysis. The data from questionnaire will be managed in tabular format specifically the use of pie chart. Pie chart will be used to show overall results of study by comparing the results for each independent variable to the wasiyyah adoption. The justification for the usage of frequency distribution is to enable the measurement of central tendency, variability and standard deviation of the study.

4. Findings/Results and Discussion

4.1 Reliability Tests

The interim consistency reliability or the Cronbach’s alpha reliability coefficients of the four independent and dependent variables were obtained. The results have been shown as below.

Table 4.1.1 : Cronbach Alpha of Wasiyyah Adoption

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.917	.916	8

From table 4.1.1, the result indicates that Cronbach’s alpha for eight-item of wasiyyah adoption measure is 0.917. The minimum value that perceived acceptable for this study is 0.6. Thus, the value can be considered as good and reliable to be used. This results show that the study has the high internal consistency of the item in measuring concepts. In other words, the questionnaires being used in this study about the wasiyyah adoption is acceptable to be used.

Table 4.1.2: Cronbach Alpha of Knowledge

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.933	.934	8

From table 4.1.2, the result indicates that Cronbach’s alpha for eight-item of knowledge measure is 0.933. The minimum value that perceived acceptable for this study is 0.6. Thus, the value can be considered as good and reliable to be used. This results show that the study has the high internal consistency of the item in measuring concepts. In other words, the questionnaires being used in this study about the knowledge are acceptable to be used.

Table 4.1.3: Cronbach Alpha of Awareness

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.902	.905	8

From table 4.1.3, the result indicates that Cronbach’s alpha for eight-item of awareness measure is 0.902. The minimum value that perceived acceptable for this study is 0.6. Thus, the value can be considered as good and reliable to be used. This results show that the study has the high internal consistency of the item in measuring concepts. In other words, the questionnaires being used in this study about the awareness are acceptable to be used.

Table 4.1.4 : Cronbach Alpha of Financial Obligation

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.865	.867	8

From table 4.1.4, the result indicates that Cronbach’s alpha for eight-item of financial obligation measure is 0.865. The minimum value that perceived acceptable for this study is 0.6. Thus, the value can be considered as good and reliable to be used. This results show that the study has the high internal consistency of the item in measuring concepts. In other words, the questionnaires being used in this study about the financial obligation are acceptable to be used.

4.2 Descriptive Statistics

Table 4.2.1 : Descriptive statistics of Knowledge

	Mean	Std. Deviation	N
I understand the definition of Wasiyyah	2.0909	1.03301	253
I understand the concept of Wasiyyah	2.2688	1.01521	253
I know the portion that testator can spend or distribute to the legatee in Wasiyyah	2.4545	1.16280	253
I cannot make wasiyyah on forbidden thing	2.1660	1.23608	253
I am well inform process to register and claim wasiyyah	2.6601	1.09248	253
I believe that Islam encouraged its follower to have a wasiyyah	2.1739	1.14841	253
I recognize the different between wasiyyah and other Islamic wealth management tools like hibah and faraidh	2.3004	1.11122	253
I know that level of knowledge affecting people to make wasiyyah	2.2925	1.09536	253

The above table discussed about the independent variable which is knowledge. There are eight items for these independent variables. The highest mean is IV1Q5 which is 2.6601 this indicated that most of respondent agree with question number five. There is one minimum from this independent variable. The minimum mean is IV1Q1 which is 2.0909. For the entire summary of item statistics, the mean is 2.3009. Thus, it indicates that respondent agree that the variable is important for the wasiyyah adoption.

Table 4.2.2 : Descriptive statistics of Awareness

	Mean	Std. Deviation	N
I believe wasiyyah is important for me	2.1186	1.14511	253
I believe by writing a wasiyyah can ease the strain of my family after death	2.2372	1.13699	253
I believe that many people are concern of wasiyyah adoption	2.4466	1.11007	253
I know the importance and benefits of wasiyyah adoption	2.1462	1.06083	253
I know that level of awareness affecting people to make wasiyyah	2.3478	1.08634	253
I believe writing a wasiyyah is a waste of time	2.3755	1.31132	253
I believe lack of campaign about wasiyyah affects the awareness to make wasiyyah	2.2490	1.18742	253
I believe people are reluctant to write wasiyyah	2.7826	1.22643	253

The above table discussed about the independent variable which is awareness. There are eight items for these independent variables. The highest mean is IV1Q8 which is 2.7826 this indicated that most of respondent agree with question number eight. There is one minimum from this independent variable. The minimum mean is IV1Q1 which is 2.1186 For the entire summary of item statistics, the mean is 2.3379. Thus, it indicates that respondent agree that the variable is important for the wasiyyah adoption.

Table 4.2.3 : Descriptive statistics of Financial Obligation

	Mean	Std. Deviation	N
I believe that experiencing losing jobs affects people to make wasiyyah	2.6166	1.12301	253
I believe that experiencing bad health condition affects people to make wasiyyah	2.2727	1.09142	253
I believe that medical costs affects people to make wasiyyah/	2.6364	1.08479	253
I believe that wasiyyah is only for rich and established people	2.5257	1.32300	253
I believe that wasiyyah is not necessary to plan if don't have large assets	3.0751	1.20115	253
I believe that the cost of preparing wasiyyah affects people to make wasiyyah	2.4783	1.12534	253
Expensive cost for preparing wasiyyah affect my decision to make wasiyyah adoption	2.5652	1.14811	253
I make a Wasiyyah to help in speeding up the process of claiming my assets by my heirs after I die	2.4032	1.16646	253

The above table discussed about the independent variable which is financial obligation. There are eight items for these independent variables. The highest mean is IV15 which is 3.0751 this indicated that most of respondent neutral with question number five. There is one minimum from this independent variable. The minimum mean is IV1Q8 which is 2.4032. For the entire summary of item statistics, the mean is 2.5716. Thus, it indicates that respondent agree that the variable is important for the wasiyyah adoption.

4.3 Frequency Distribution

The researcher discussed in details about the profile and behavior of respondents for this research. The data obtained from part A of the questionnaires were asked about the demographic profile of respondents. The respondents were being asked about their gender, age, marital status, and monthly income. The demographic profile of respondent for this research study is presented in tables and figures below.

4.3.1 Gender

Table 4.3.1: Frequency Output of Gender

		Frequency	Percent (%)	Valid Percent (%)	Cumulative Percent (%)
Valid	Male	62	24.5	24.5	24.5
	Female	191	75.5	75.5	100
	TOTAL	253	100	100	

Table 4.3.1 above shows the number of percentage of the respondents based on the segmentation of gender. It has shown that 75.5% of respondent is female and 24.5% were male. From the result, the number of female respondents to answer the questionnaires were higher than male respondents.

4.3.2 Age

4.3.2 : Frequency Output of Age

		Frequency	Percent (%)	Valid Percent (%)	Cumulative Percent (%)
Valid	18 - 19 years old	14	5.5	5.5	5.5
	20 - 30 years old	160	63.2	63.2	68.8
	30 - 40 years old	35	13.8	13.8	82.6
	50 - 60 years old	44	17.4	17.4	100
TOTAL		253	100	100	

Table 4.3.2 above shows the number of percentage of the respondents based on the segmentation of ages. Thus was categorized in four different range of age which was between 18 to 19 years, between 20 to 30 years, between 30 to 40 years, and between 50 to 60 years. The table and figure above shown that the majority of respondents were between the age of 20 to 30 which were 63.2%, while 17.4% were between the age of 50 to 60, and 13.8% were between the age of 30 to 40. Lastly, 5.5% of respondents were between the age of 18 and 19.

4.3.3 Marital status

Table 4.3.3: Frequency Output of Marital Status

		Frequency	Percent (%)	Valid Percent (%)	Cumulative Percent (%)
Valid	Single	161	63.6	63.6	63.6
	Married	92	36.4	36.4	100
	TOTAL	253	100	100	

Table 4.3.3 above shows the number of percentage of the respondents based on the segmentation of marital status. The figure has shown that 63.6% of respondents were single and 36.4% were married. From the result, the number of single respondents to answer the questionnaires was higher than married respondents.

4.3.4 Monthly income

Table 4.3.4: Frequency Output of Monthly Income

		Frequency	Percent (%)	Valid Percent (%)	Cumulative Percent (%)
Valid	Below RM1000	117	46.2	46.2	46.2
	RM1001- RM3000	81	32.0	32.0	78.3
	RM3001- RM5000	35	13.8	13.8	92.1
	Above RM5000	20	7.9	7.9	100
TOTAL		253	100	100	

Table 4.4.4 above shows the number of monthly income of Muslims. This was categorized in four different range of monthly income which was between below RM1000, between RM1001 to RM3000, between RM3001 to RM5000, and above RM5000. The table and figure above shown that the majority of respondents were between below RM1000 which is 46.2%. While 32% of respondents monthly income were between RM1001 to RM3000, and 13.8% of respondents were between RM3001 to RM5000. Lastly, 7.9% of respondents were above RM5000.

4.4 Correlation Coefficient

Pearson’s correlation coefficient is the test statistics that measure the statistical relationship, or association between two continuous variables. In this part, it is used to achieve the research objective which is to determine the factors that influencing wasiyyah adoption among muslim in Pengkalan Chepa. Correlation coefficient is achieved when two variables correlated to each other.

Table 4.4.1: Correlation coefficient between wasiyyah adoption and knowledge

		Wasiyyah Adoption	Knowledge
Wasiyyah Adoption	Pearson Correlation	1	.821**
	Sig. (2-tailed)		.000
	N	253	253
Knowledge	Pearson Correlation	.821**	1
	Sig. (2-tailed)	.000	
	N	253	253

** . Correlation is significant at the 0.01 level (2-tailed)

Based on the table, the results indicate that knowledge ($r = 0.821$) which is strong positively correlate between wasiyyah adoption and knowledge ($r = 0.821$, $N = 253$, $p < .001$). The high value of pearson correlation between knowledge and wasiyyah adoption indicates that the changes in level of knowledge regarding the wasiyyah significantly changing the wasiyyah adoptions of muslim in Pengkalan Chepa. Thus, the variables of knowledge and wasiyyah adoption is strongly correlate with each other.

Table 4.4.2 : Correlation coefficient between wasiyyah adoption and awareness

		Wasiyyah Adoption	Awereness
Wasiyyah Adoption	Pearson Correlation	1	.842**
	Sig. (2-tailed)		.000
	N	253	253
Awareness	Pearson Correlation	.842**	1
	Sig. (2-tailed)	.000	
	N	253	253

** . Correlation is significant at the 0.01 level (2-tailed)

Based on the table, the results indicate that awareness ($r = 0.842$) which is strong positively correlate between wasiyyah adoption and awareness ($r = 0.842$, $N = 253$, $p < .001$). The high value of pearson correlation between awareness and wasiyyah adoption indicates that the changes in level of awareness regarding the wasiyyah significantly changing the wasiyyah adoptions of muslim in Pengkalan Chepa. In fact, the value of pearson correlation for Awareness with wasiyyah adoption is the highest compare with knowledge and financial obligations. It can be concluded that awareness is the most closely related with the adoption of wasiyyah among Muslim in Pengkalan Chepa. This is maybe due to the Muslims concern regarding the importance and benefits when adopting wasiyyah. Therefore, it resulted with the strongly positive between awareness and wasiyyah adoption.

Table 4.4.3 : Correlation coefficient between wasiyyah adoption and financial obligations

		Wasiyyah Adoption	Financial Obligation
Wasiyyah Adoption	Pearson Correlation	1	.666**
	Sig. (2-tailed)		.000
	N	253	253
Financial Obligation	Pearson Correlation	.666**	1
	Sig. (2-tailed)	.000	
	N	253	253

** . Correlation is significant at the 0.01 level (2-tailed)

Based on the table, the results indicate that financial obligation ($r = 0.666$) which is moderate correlate between wasiyyah adoption and financial obligation ($r = 0.666$, $N = 253$, $p < .001$). Therefore, from all the correlation analysis of the three independent variables, the result of analysis shows that awareness of wasiyyah adoption give the highest scores followed by, knowledge and financial adoption. Thus, awareness give the perfect relationship on contributing factors to wasiyyah adoption among muslims in Pengkalan Chepa.

5. Conclusion

In conclusion, the results of this study can be used as a references by wasiyyah writing providers to conduct outreach strategy to the community. This is due to this studies addressing the core factors affecting wasiyyah adoption among community in some places. The methodology being used certainly helps wasiyyah writing providers to emphasizes more on educational programme, awareness programme or any financial incentive for every Muslims that make a wasiyyah.

From the results of this study, it can be interpreted that wasiyyah is still being preferred by muslim in Pengkalan Chepa for managing their wealth with various purposes embedded on it. The wasiyyah certainly becomes prevalent especially when it involved the non-legal heirs like adopted children as it does not being covered by faraidh. The studies shows that awareness, knowledge and financial obligations has a significant impact towards the wasiyyah adoption in Pengkalan Chepa. Unfortunately, when this studies being compared with previous literatures, this studies producing results different from studies by (Alma'amun 2012), that is most muslim in the Pengkalan Chepa have the crucial knowledge regarding to documenting the wasiyyah and its significance for managing property properly. As for awareness, this studies follow the finding from previous literatures that is (Alma'Amun 2010), the low awareness among some muslim is due to the wasiyyah usually being said as sensitive issue that should not be discussed as it is related with death. Lastly, the independent variables of financial obligations also align with the studies by (GHUL 2015) which clearly analysed the relationships between financial obligations and wasiyyah adoptions.

6. Recommendations

For the future study, the researchers can expand the scope of the study from Muslims in Pengkalan Chepa to every state that has Muslims in Malaysia to ensure that the research result can encourage Muslims in Malaysia to create wasiyyah. Future studies could be based on a larger sample and over a longer period of time in order to get more respondents who are involved with wasiyyah. The analysis would be more accurate in determining the factors that can influence people in writing a wasiyyah. By having institutions related with wasiyyah documentation need to actively approached the society by recruiting many agent to educate and increasing the campaign to ensure any misunderstanding or unclear about wasiyyah can be explained closely and easily because knowledge encourage muslims to create wasiyyah. Most muslims in this country have awareness and intimate with the word wasiyyah even they did not get clear picture and profound understanding of this matter.

Although, future research can be extended to use other methods such as interviewing the wasiyyah writing provider and their clients. By conducting questionnaires and interviews, more in depth information can be gathered to examine the factors that can increase wasiyyah adoption among Malaysian Muslims.

This study investigates the Malaysian Muslims' attitudes using primary data through direct questioning of respondents by using a questionnaire survey. Future studies can expand this research by considering using secondary data such as savings, investment, gift transfers and money transfers. It also recommended that government institutions undertake research on these particular topics on a larger scale, since the sample size in this study is relatively restricted due to time and cost constraints.

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Financial management among students who work as part-timer

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Abstract

Money is one of important things in our life especially for students that need the financial to manage to buy the important thing for education. Due to this statement, there are students doing a part-time job to gain their income and to fulfill their needs at university. Financial knowledge and financial literacy is one of thing that related to each other and this kind of term also related with ethics of students in managing their financial. The objective of this study is to investigate the financial knowledge, financial literacy and the ethics of students that doing a part-time job. This current study implemented a qualitative approach which is allow the researchers to classify data without constraints and to maximize the value in experience and reality on the issue of financial management among students who doing a part-time job. This approach collected data from part-time job students and their managers at University Malaysia Kelantan. The findings of this study exposed that there are some of the students that working as a part-timer did not have a strong financial knowledge and financial literacy also supported with the ethics of the student. The findings of this study will extend the current literature in this field and will help surviving in term of managing financial among students.

Keyword(s): financial, literacy, management, knowledge, ethic, students.

1. Introduction

The rising cost of living, uncertain economic circumstances and the financial burdens encourage these students to work part-time to cover the cost of university expenditures such as house rental, purchase of reference books and transportation fuel. Bestowing to Bureau of Labour Statistics (2019), statistics show up 74.3% of university students is working a part-time over October 2018. In excess of 4 in 5 (85 %) students are working in paid employment while studying and more than half (57 %) this is out of financial necessity (HSBC Report, 2018).

The National Center for Education Statistics (2019) indicates many undergraduate students' ages 16 to 64 are employed at the same time they are enrolled in college. In 2017, the percentage of undergraduate students who were working was higher among part-time students which are 81 % than only 43 % of full-time students. One of the studies found that 90.6% of the students depend on their families for the money (Moreno, Salcedo, Rebellon & Anzelin, 2018). This is because they do not plan well their money to survive in university, such as to pay for their textbooks or some fee also other expenses.

Based on the speech from Finance Minister Lim Guan Eng when launching the Belanjawanku-Malaysian Individual and Family Expenditure Guide, it is reported that low financial literacy among young Malaysians is one reason why many ending up as bankrupts. He added more "the low financial literacy rate is among the factors that have contributed towards high levels of debt including worrying bankruptcy problems among the youth. In between 2013 and 2017, a total of 100,610 Malaysians were declared bankrupt, of which 60% were between 18 and 44 years old." Financial literacy rate in Malaysia is only at 36%, compared with 59% in developed countries, this information is a study by S&P Global Literacy Financial, be conducted in the year of 2014.

A good financial management derive the student to plan the cash flow and consume the part-time income in a good ways. This mean the student are able to control their expenses according to their needs and want. The Certified Planner Boards of Standards (2019) said that in determining on how the individual can meet life goals through the proper management of financial resources as the process in "Financial Planning" or "Personal Financial Planning". As a student doing a part-time job, they must have knowledge about the financial to enhance the students improve the financial wellbeing. However, the connection between the students doing a part-time job and financial management is ambiguous. Thus, this research aims to explore financial management among students who work as part-timer.

The research is structured as follows: In section 2 this study discusses the related previous literature regarding to cash flow, financial knowledge and ethic. Section 3 offers the data collection method and data analysis. In section 4 the finding financial management among students who work as part-timer is discussed. Finally, this paper summarises out result and conclusion.

2. Literature review

Cash Flow

According to Alecia Puyu and Anuar (2017), money management and expenses trend are very important to make sure the money that is spending wisely, so the student don't worries when face the financial problem. Additionally, the student should know to manage the cash flow and money management in daily life cycle. This is

because the important role of money management from cash flow is to avoid the student from being wasting and greedy sometimes when have the money. Abdul-Rahman et al. (2016) said that the undergraduate students that aware of their financial are offered to spend half of their money and the other half is to be saving.

Cash flow and money management actually is about the ability to undertake rational, informed judgment pertaining to money management (Mohd Rafi, 2016). This includes knowledge on budget, knowledge on financial product and ability to make the investment. The step to managing financial sources is by making financial awareness first before buying something. Financial awareness can be summarizing as perception about risk, and knowledge about the time value of money and inflation.

Financial Knowledge

Financial knowledge was representation as a common latent construct, using both objective and subjective in measuring knowledge. A single item question asked students to rate their overall understanding of money management concepts to determine their subjective financial knowledge (Glenn, 2018). Nghia and Scott (2018) found higher levels of financial knowledge lowered the likelihood of not saving enough for retirement, and reduced the probability of making late mortgage payments.

Furthermore, focusing for those who come from low-income families while not having more experiences with the things related with financial aid and its awarded process is facing with the fastest growing segment of college students (Cataldi et al. 2018; Snyder et al. 2018). This underscores a need for educators, policymakers, and taxpayers to understand whether today's students are furnishing with the financial knowledge needed to succeed in this kind of environment.

In the first quarter year of 2018, a total of \$7 billion is indebted by 312,000 borrowers entered default, even though most defaulters would be qualified to lower or abolish their payments by enrolling in income-driven repayment plans. Also in the first quarter of 2018, a total of \$21 billion is overdrawn by 240,000 borrowers gain access to income-driven plans. But many students apparently are still unaware that these options can be applied to steer clear of non-payment or improve their credit and financial stability, as shown by Herbst (2018). In short, asset building and better debt management contribute by the higher level of financial knowledge. However, it is acknowledged that financial knowledge alone is not the sole contributory factor to poor financial decisions. Other factors such as a person's socio demographic factors, behavioural attributes, and financial attitudes play an important role too in the financial decision-making process (Loke, 2017).

Ethics

A behaviour or ethics and attitude among teenagers actually reflect on future consumer behaviour (Mien Nguyen Thi Ngoc & Thao Thran Puong, 2015). It also has a good relationship with parental impact and family background. Amagir et al. (2018) make a suggestion about introducing financial literacy education programs and interventions for children at early stages till teenagers in order to improve their financial knowledge and ethics in managing their financial. According to Ahcene Lahsasna (2016), ethical principles are derived from Shariah rules and principles. It is believed that (Muslims) financial planner should be encouraged to comply with such a code for reasons due to religious beliefs and also as a means of obeying Allah S.W.T order and refraining from things prohibited by Him.

3. Methodology

This research applied a qualitative approach. This approach is taken to allow researchers to classify data without constraints and to maximize value in experience and reality on the issue of the financial management among students who work as part-timer (Hastings & Pennington, 2019). A semi-structured face-to-face interview method was conducted with students who work as part-time and also their managers. This method is designated to enable new ideas to be generated and to understand on how students who work as part-timer manage their financial (Ahmad Ramli, Tilse, & Wilson, 2017). The main questions asked to the respondents were based on the research questions regarding on how the cash flow among students who work as part-timer, financial knowledge and their financial ethics. For each interview session, there are two researchers who responsible for conducting and recording through two recorders devices in order to avoid any difficulties such as running out of batteries and devices not working properly. The interview duration is roughly 10 till 30 minutes. The recorded audios are transcribed verbatim by other two researchers separately (Cunningham et al., 2016). Then thematic analysis is conducted by all researchers together. The first step is familiar with data by read repetitively. Second is generating initial codes by gaining feedback among researchers. The third step is searching for theme by group discussion. Reviewing theme is fourth step which allow vetting themes and subthemes by each researcher. The next step is describing and naming themes by researcher consensus. Lastly creating report by defining process of coding and analysis.(Nowell et al., 2017).

4. Findings, Results and Discussion

Table 1 shows the respondent demographic for this research. Seven respondents of this study are university students from University Malaysia Kelantan and Islamic Banking and Finance (IBF) course. Five from seven participants are female otherwise other two respondents are male. Three of ten respondents are managers who hire student to work as part-timer in their company. Meanwhile Table 2 illustrates theme and subtheme distribution. For theme 1, subtheme 6 is agreed by eight respondents and subtheme 3 and subtheme 4 is approved by seven respondents. The subtheme 7 for theme 1 is only agreed by one respondent. For theme 2, subtheme 1 and subtheme 4 is proposed by majority respondent and subtheme 3 is only proposed by two respondents. Theme 3, subtheme 1 is accepted by seven respondents and subtheme 4 is agreed by two respondents.

Table 1: Respondent Demographic

Respondent(s)	Name	Institution
Respondent 1	Nur Farahana Binti Sazalli	Islamic Banking and Finance (IBF) student, University Malaysia Kelantan.
Respondent 2	Muhammad Danial Bin Zulkifli	Islamic Banking and Finance (IBF) student, University Malaysia Kelantan.
Respondent 3	Siti Fatimah Binti Zaharin	Islamic Banking and Finance (IBF) student, University Malaysia Kelantan.
Respondent 4	Noor Azimah Binti Mohamad	Islamic Banking and Finance (IBF) student, University Malaysia Kelantan.
Respondent 5	Nurul Hidayah Binti Mohd Padli	Islamic Banking and Finance (IBF) student, University Malaysia Kelantan.
Respondent 6	Muhamad Naim Bin Mohd Fadzil	Islamic Banking and Finance (IBF) student, University Malaysia Kelantan.
Respondent 7	Nurul Adila Bt Roslan	Islamic Banking and Finance (IBF) student, University Malaysia Kelantan.
Respondent 8	Siti Zamanira Binti Mat Zaib	Berkat Mujahadah manager.
Respondent 9	Zanariah Bt Che Harun	Poknik Burger manager.
Respondent 10	Muhamad Amirul Hafiz B. Mohd Fauzi	H2 manager.

Table 2: Theme Distribution of Financial Management among Student Who Work As Part-Timer

	Respondent	1	2	3	4	5	6	7	8	9	10
Theme 1 : Cash flow	Subtheme 1 : Treat a friend				/			/			
	Subtheme 2 : Emergency use		/		/			/			
	Subtheme 3 : Daily needs	/		/	/	/	/	/			/
	Subtheme 4 : Fulfillment		/	/	/			/	/	/	/
	Subtheme 5 : University expenses			/	/	/			/		
	Subtheme 6 : Savings	/	/	/	/	/	/	/	/		
	Subtheme 7 : Fear of being used	/									
Theme 2 : Financial Knowledge	Subtheme 1 : Generate Income	/	/	/	/				/	/	/
	Subtheme 2 : Future		/	/	/	/	/		/		
	Subtheme 3 : Following the seminar		/		/						
	Subtheme 4 : Financial Planning	/	/	/	/	/	/	/			
	Subtheme 5 : Working Experience				/			/	/	/	/
Theme 3 : Ethics	Subtheme 1 : Charity	/	/	/	/	/	/	/			
	Subtheme 2 : Helping family members	/	/			/	/		/		
	Subtheme 3 : Helping students								/	/	/
	Subtheme 4 : Time management								/	/	
	Subtheme 5 : Not asking for money from parent			/		/					/



Figure 1: Network of Financial Management among Students Who Work As Part-Timer

Theme 1: Cash Flow

First sub-theme is treat a friend. On the authority of respondent 4, she said, “*They (the students) supporting their friend doesn't have enough money...and sometimes they treat a friend if have extra money.*” By supporting words by respondent 4, respondent 7 also said, “*sometimes they will treat a friend when having extra money...for example I have one time to treat my friend. The example is I am budgeting RM 10.00 to treat roti canai.*” As stated by respondents 4 and 7, they use some money from part-time job to treat their friends and who're their friends in need.

University students tend to do a part-time job due to the possibility might hit them in future. In preventing the sudden critical emergency happen without fully preparation mostly narrates with money need, as a result students choose to do part-time job as the income will be used for emergency or critical circumstances. Referring to what was shared by respondent 2, “*Normally I will use this money from part-time jobs when... I'm in emergency situation for example when... I'm having a problem with my motorcycle, when I'm sick so in fact I will use this money from part-time jobs.*” Respondent 2 had proved that income acquire from part-time jobs is being use for emergency as he has a vehicle as own transport to go to campus, so any possibility might risk respondent 2 towards his vehicle. These will susceptible respondent 2 to terrible in going to campus if respondent 2 doesn't have any contingency money for himself.

Respondent 7 was conferring for what the statement above when she give a statement to researchers that, she said, “*I will just saving on my money from part-time jobs and then when I am in need for money, I will just use it...money is so crucial even though sometimes I am forget to saving my money but when having an emergency we really need money. If we neglected to saving, we will be faced with difficulty when something happen.*” She confessed that her income for part-time jobs

usually will go to saving portion but the money will not remain as saving because respondent 7 will use the money when she facing with problem that need money to be used. People would not know what happen to themselves in future, so people need early preparation for a better life. For example, university students have a benefit in using university clinic if not in good condition of health but if university clinic only covers for normal sick as fever, flu and cough. For skin problem, toothache or average critical or emergency critical in fact students need to go to hospital to consult with the doctors. In this situation, students need own money to be prepared in all those possibility especially for student travel far away from their hometown.

Daily need been placed in cash flow theme. In accordance with Respondent 4, she responds with *"I have to use part-time money to eat and drink. Sometimes I will provide in RM 100.00 for cooking at the rental house and use this money to buying the groceries...I take money from open up piggy bank to buying the daily needs."* Respondent 6 added, *"The fuel motorcycle to go work, and also daily needs."* From respondent 4 and 6, researcher discovered that both of respondents are using their part-time income for daily use such as for food and drinks, estimate some money for buying groceries and also for transportation petrol. It's shown that they doing the part-time job during study to gain extra money for survive their daily needs in university.

Regarding respondent 2 claimed about fulfilment, *"Another factor is I like to gain money. This is because easy to buy what I want...I always reward myself every month, eat...sometimes it's correct I use the money that I get to rewards myself; watch the cinema when I came back to Penang. I was strolling after watching the cinema...going on holiday and eat...I will find western food when I want to eat western food."* On the other hand, Respondent 4 supported, *"Use the money for shopping by buying the scarf, food like usual, and tea live. She added the money also use for fulfilling the wants but it's not used at all or more."* Referring to Respondent 2 said that, he will spend some of the part-time income that he gets to reward himself by buying expensive foods and enjoy himself watching the movie at the cinema. Respondent 4 said that she used some of the part-time income to shopping. They do a part-time job to earned money not just to fulfil their needs but also to fulfil their wants.

Theme 2: Financial Knowledge

First sub-theme is generate income. Respondent 1 entitlement that, *"First of all, I want to generate income from doing a part-time job. This is because I don't want my free time wasted without doing worth things. So, when I work, of course I will get money and indirectly my leisure time will be filled with worthwhile activity..."* On the other hand, respondent 2 also said about doing a beneficial activities in leisure times, which is he believed, *"When I'm doing nothing, I'll feel bored and I'm also having a motorcycle, so I will used my vehicle to do a job such as Food Panda, helping friends selling fast food which is burger and kebab."* Respondent 3 stated that *"I do not have many classes in this semester, so I can fill in my free time to doing a part-time job."* Based on the statement above, this study can simply say that the students doing a part-time job because they have many leisure times rather than they doing nothing and do not get any income that could help them in future. Indirectly, the students can fill their times while doing a part-time job and also get income.

As said by respondent 2 about future, he assumed, *“I’m doing savings because of my future. It is true when other people said that they want to buy an asset such as buying car and homes. Indeed I have a desire to buy a house and a car one day.”* Consistent with respondent 3, said that *“If I’m saving, I’ll saving for my future.”* Respondent 4 added, *“She is use that money for practical purposes, so at least the income from part-time job can backup for practical or in finding job either in emergency cases later on.”* All the respondents agreed that they saving their money for future needs, which is to buy the assets, for practical uses and in emergency cases. They have a good financial knowledge because all the part-time job incomes were consumed for future needs which are for buying assets and used in needs.

Third sub-theme is following the seminar. On the authority to respondent 2, he stated that *“During my third semester, I was a Takaful Agent. So, we had to attend all the seminars.”* As reported by respondent 4, she held *“I attended a seminar last year. The seminar was organized by CIMB and it was held in UMK.”* This study indicated that both of them had attended the financial seminars. Respondent 2 was following the seminar because he used to be a Takaful agent, while respondent 4 also said she was following the seminar organized by CIMB in UMK. By following the seminar, it can gain more knowledge and also be prepared in order to make an important decision in financial.

In conformity for financial planning, Respondent 1, she believed that *“I do have my own financial planning. How much I will spend in a month, and every time I use my money, I will write down the things that I buy.”* Referred to Respondent 2, *“Like me, I have four bank accounts. One of them is for my daily uses and the next account is for settle all the expenses. Another two accounts are for my business flow while I was working and the last one is for savings. For the saving account during my study at UMK, I will use BSN because it is the nearest bank around here. Mostly I will spend 20% of my income and put it in saving account.”* Respondent 3 expected *“I will jot down all my daily expenses in my note book.”* Depend on Respondent 1 and Respondent 3, both of the will record all of their expenses. Respondent 2 shared that he divided his money to spending use into four bank accounts. By planning on how to manage financial, the person can know where he or she spent all of the money that it earned.

Theme 3 : Ethics

In accordance to charity deliver by Respondent 2, *“when I scroll my social media and see some news about any issues such as baby in sick and need help in term of money or there are couples who really need money, I will give them a little help.”* In agreement respondent 5, *“Sometimes, I will do that thing. It such as sharing my part time income for get more blessing...I will donate it at mosque and also at night market.”* This paper indicated that part-time income will be contributed to the people who need it such as sick baby and poor family. Some of money are for charity by donate to a mosque and beggar. Charity is one of the activities which are can be a noble model to others.

Some university students have early consciousness in not burdensome family members especially for students who comes from not a capable family. In accordance to that, those students try to hunting a part-time job to persist in university life without burden their parents. Nonetheless, not only students from incapable family choose to do part-time jobs but students from capable family also

elect to sustain in university with part-time jobs in order to be an independent students. From what had researchers interviewed to get the strong data relate with ethics in financial planning from students who doing a part-time jobs, Respondent 1 had showed good ethics when planning her income which had noticed, *“When I am in semester break I will going back to my own hometown. And sometimes my younger sibling will ask for money from me to buy a books and stationary, in order to help my siblings I will tend to use my money to spend on my siblings when they in need to buy something”*. Respondent 1 tends to help his siblings rather than use the money for herself, this ethics will thwart her from greedy and selfish.

In advance, Respondent 2 also bestowing that he chooses to work part-time rather than asking money from his parents in order to ease his parents’ burden. The consequence will occur to respondent future effect by good manner he had implemented earliest in himself, he will get used to help people not only from his family but from outsider too. Based on what Respondent 2 had proposed, *“Yes to ease my family burden. For my opinion too, I had started working since I am finishing my study in matriculation and actually I’m not frequently asking money from my family because I would rather choose to work for money preparation before step into university”*. Based on Respondent 1, helps her family by buying books or other things when she back to hometown. Respondent 2 tells that he started do a part-time job when he in matriculation and starting from that he rarely asking for the money from his family. The helping our family is a one good practice because they also have responsibilities that they must face it.

Some managers intend in helping student with regard in hiring students to work part-time due to the pure intention to help students in gaining income and survive in university. One of respondent as manager also have been through a student life in university and based on what respondent 8 said she comes from incapable family and had to earn money in order to ease her parents’ burden while being a university student. So respondent 8 can dive into student’s feelings, due to she as manager use her ability to help students. According to what respondent 8 had assumed *“my major objective is to help student, so I will assertive with my own goal when opening a business to help student in need, so we decided to hire student to work as part-time in my kiosk”*. Same goes to respondent 9, she provide variety of benefit to her students part-time. Students not only get money from working but students can get benefit in free food during working. In fact, students would save their money for food. Respondent 9 tend to help student to survive in university and ethical implemented by the manager affect financial planning of her company. Respondent 9 proved that *“we sponsor food for them. Their income will not be deducted for what the food had they eat because student part-time will utilize all the benefit we give whereas they can eat all they want as long as they are not lazy. Always be hardworking part-timer in fact we give priority on welfare of students who do part-time jobs.”*

Forth sub-theme is time management. To be a successful person otherwise now or in future, one person must be punctual with a time especially when in working sector. Time management must be cultivated by students since in university though so that students would mentally and physically prepared with all ups and down when working. Therefore, people would not trust a people who neglected in time management and take it as easy when the time setting had not followed properly. Managers also will become frustrated if some of her workers not punctual with time management, while some managers can cooperate with students who come

late to work due to the redundancy of assignment, presentation, and final project and so on.

Referring to respondent 8 statements, she believed *“normally happen some students will coming late to work, and I probably I will ask for the reason. Some answering that they late in coming to work due to the wake up late because of staying up all night in finish up assignment. That’s why I already advice student if they could not come to work they must early informed or find replacing colleagues. I am so sensitive with time and students must be alert with that nonetheless, we as manager must be understandable that students also have their own study task. As for today one of my student working as part-time had come late to work and when I am asking why, she said that she stay up all night to make sure her assignment done before due date line.”*

Bestowing to respondent 9, she said *“we already talk with our student for working part-time that they must arrange their time wisely. Some of them must be come to work at 5.30 but they come at 6.00, nevertheless some of them punctual with their time when in working part-time. Some of respondent 9 usually punctual with the working time but once a week a lack in time management might be happened. Nevertheless, respondent 9 give extrication to students because the lack in time management is not happen every day. Thus, respondent 9 as manager play her role as a person with ethical to be an understandable managers to students who willingly to work part-time while bearing the responsibility as university students.*

5. Conclusion and recommendation

In conclusion, the researcher conducts the study on financial management among student who work as part-timer. Having an awareness regarding financial management is crucial element among students because most of them lack of knowledge on how to plan their own money. End up they expense it more to their desire rather than their needs and wants. Students must have their own future onwards about their financial after graduating because all the activities they might involve will relate with money. There is a need to improve the financial management among student to cope up with any emergency case and plan early for future financial.

To enhance students’ knowledge regarding financial planning, university must take a part in setting up a seminar for students. For example, a seminar would invite manager from bank or financial institution to briefing about how do students plan their financial wisely. Whereas, not only university must show up an effort, students too must have awareness in oneself. If university have prepare a platform for students in order to support in gaining more knowledge whereby students must push themselves to take a part in those seminar. This would be mutual beneficial for students and university, whereas university would produce quality students and students also build-up worthwhile knowledge for their financial management.

In some other way, university would choose to perform an event wherewith encourage student not to have an entrepreneurship skills but they can learn also on how to manage their money towards business and ownself. University would develop an event for example an event related with selling and buying activities. Otherwise, student should participate in those events as a seller to make them practice in managing the money wisely. It is also teaching students to be more patience and careful in spending the money because when doing a business, they cannot be so

lavish in deplete the money. Crucial to know which is money for rolling the business and the profit gain to be saving in bank in order to get the return in future.

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Financial satisfaction among government servant: the case of public higher education institution in Malaysia

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Abstract

Government servants are the backbone of the country's economy. In Malaysia, government servant is a vital role in economic development in this country. Due to this condition, they need to sustain their financial performance by avoiding the debts problem, bankruptcy and so on. The objective of this study is to investigate the impact of financial wellness, financial management, financial literacy and financial behavior on financial satisfaction among government servants in public higher education institution in Malaysia. This current study adopted quantitative approach and collected data from 200 respondents of academician and administrative staffs at University Malaysia Kelantan (UMK) in Pengkalan Chepa and Bachok campus. This study analyzed the data analysis by SPSS version 24 to carry out the descriptive, reliability, correlation and regression analysis. The findings of this study revealed that financial management and financial wellness have positive and significant impact on financial satisfaction, while the others variable were not significant. The finding of this study also will extend the knowledge of financial and will help existing, new and potential of government servant to understand the factor that will impact their financial and also to improve their problem in order to enhance their organization performance.

Keywords: Financial Satisfaction, Financial Wellness, Financial Management, Financial Literacy, Financial Behavior and Government Servant.

1. Introduction

Budget presentation in 2017 was the main focus of the Malaysian government to address rising cost of living. The rising cost of living is due to the rise in prices of goods and services that have a major impact on household expenditure and savings. The rising cost of living is generally possible affecting households in three aspects the main, psychological, economic and social impact. Effect psychology refers to emotional or emotional distress. Income earned had to be spent to meet current spending requirements which is increasing and causing the situation income inadequacy (Bank Negara Malaysia, 2017).

According to The Star Online Malaysia Local Newspaper (Carvalho, 4 March 2019), the Finance Minister of Malaysia, Lim Guan Eng said that the low financial knowledge among youth in Malaysia is the reason why many of them were end up as bankruptcy. Low financial literacy is the factors that affected the increasing level of debt among youth. There are 1 00,610 Malaysian were declared bankrupt between 18 and 44 years old which is 60%. The low saving of their financial was insufficient and estimated to run out when they retired after 5 years even though the average life expectancy of Malaysia in the age of 75.

Employee's financial well-being is linked to work productivity. Workers with financial problems usually spend average 15 minutes per day dealing with personal financial matters or 75 minutes per week, or 62.5 hours in a 50-week work year (Joo and Garman, 1998). Financial matters can be influenced by the lack of knowledge and information, problem with money management and lack of budgeting that can be caused by instability income and daily expenses and making unwisely decisions in spending money (Yap et al., 2018).

According to Delafrooz and Paim (2011), they stated that financial wellness of individual is the essential issue in Malaysia. From research by Endut and Hua (2009), the declining the opportunities of employment, unstable income and destroying the power of purchasing for Malaysia household was the critical issues for government, families and educators. Debt of consumer is increase dramatically than inflation. Based on the research from Delafrooz and Paim (2011), they also found that problems in financial and saving also affect by financial literacy. It was shown that the low level of knowledge and money literacy will influence the financial mistakes. Financial literacy will raise money drawback and can scale back the negative consequences of poor money choices that take a few years to beat and can lead to financial stress that occurred when a lot of debt among workers in Malaysia. According to Lusardi and Mitchell (2011), financial illiteracy is the reason why the workers fail to plan their retirement and unsuccessfully to do so. Next, Lusardi and Mitchell (2014) were arguing that, financial outcomes can give impact to financial knowledge during work life.

A previous study by Layli (2016), variety of policy might prevent the government servant from having trouble or insufficient on money management in the future. Attitude on individual in managing the cash flow in and out of money, loans or debt and investment may lead a healthy financial behaviour.

Based on the study by Bir (2014), financial management problems occurred when individuals or families do not manage financially efficiently because of the lack of knowledge and skills. This knowledge and skills can be viewed in terms of attitudes towards finance, duration of employment experience and family financial

background. Negative attitudes towards finances, short employment experience and poor family financial background cause someone to have weak financial management. This situation also has a bad impact on financial management.

Government need to make an initiatives in order to overcome the issues on financial satisfaction among employees in Malaysia such as provide a program to run the financial effectively. This will help the employees in improving their performance. The financial well-being of workers in income-generating families in the public sector was significant to be implemented. It is one an important effort to fill the wealth of knowledge in the family economy the financial well-being of workers in a dual-income family in Malaysia. It's even in line with the mission of government mission in order to enhance the population in quality of life and achieve national status high income by 2020 (Zaimah et al., 2013).

Financial knowledge and personal financial management are very important as it is a skill in making financial decisions including financial saving, insurance, investment and others. The personal finance are more difficult and complex because the higher of needs to manage their own financial. For instance, to plan their retirement, tax payment and protect the losses. This are include their daily activities such as money saving, bills payment, and planning their tax in a proper way (Xu and Zia, 2012).

2. Literature review

2.1 Financial Satisfaction

According to Arifin (2018), satisfaction occurred when an individual felt satisfied derived with their effort to something. Satisfied and happiness is the top achievement of any finding. Financial satisfaction is about individual behaviour and the way they manage their revenues to gain their financial needs. It can be successful if they able to fulfill their long-term and long-term needs without any shortage. In addition, Sahi (2017) stated that financial satisfaction is to measure the satisfaction level of someone with their current financial situation.

Woodyard and Robb (2016) found in their study that male was associated with higher financial satisfaction, as were the factors related to positive financial status are income level, owning a retirement account, having other investments, and owning a home. Woodyard and Robb, (2016) has proven from their research effective plan for improving financial satisfaction may entail strategies for dealing with financial hardship, providing tools for accepting financial problems and engaging in appropriate actions to improve the conditions.

2.2 Financial Wellness

Term financial wellness may give the meaning of 'level of a person's financial health'. According to Delafrooz and Paim (2013), financial wellness is a key or root to financial health. Financial satisfaction also does not give meaning only to good financial health because people can be satisfied with their financial condition even though they have a large amount of debts.

2.3 Financial Management

Financial management involves planning, sharing, estimation, guidance, monitoring, protection, employment and financial resources (Chatfield et al., 2013). Good financial management enables the organization's goals to be achieved (Heiat and Sah, 2013). According to Hunjra et al. (2011), financial management is a capital allocation

and working capital administration, accounting administration, risk administration, funding analysis and financing control.

According to Leung, (2011) is an important way of financial management disseminated by society according to social class. This is because someone not only knows how to manage financial means such as how to use credit cards, home loan and credit lines, but also financial management practices have long-term effects on earnings performance, wealth accumulation such as student loans, retirement accounts and trusts. From a research that conducted by Henry (2005), he revealed something from financial management review between individual and professional class workers. Middle-class professional workers have financial planning and investments that lead to financial growth in comparison to individual class workers. Based on the research by Loke (2017), financial management practices consist of four planning, spending on life, and living according to their abilities, preparing for financial worries and having insurance.

Abere (2018) said that through savings, someone who implements financial management by choosing not to spend on current needs and separating part of income for investment or future planning. Followed by the same author, individuals also need to make loans because of poor economic conditions to finance their own needs and families. This is because of the subsistence income to finance the personal and family needs. Therefore, individuals need to lend to life. Good financial management control is required in order to avoid spending more and unable to pay the debt. According to Bernthal et al. (2005) managing finances by expeditiously, such as extreme daily spending or using credit cards will often be plagued with debt problems.

2.4 Financial literacy

In this part, the other terms are synonym with financial literacy such as financial capability, financial knowledge, financial education and financial competence (Zait and Berteau, 2015). Based on the previous study, this financial literacy can be defined as how the person manage their money intelligently such as insurance, investment, saving and how to budget their money in a good way (Lusardi and Mitchell, 2009). According to Lusardi, (2008) he stated that financial literacy can be described as the financial knowledge of each individual so that it can be easily understood and used for everyday life. Besides that, it also can determine as how far the people aware and apply the information for their personal financing.

In addition, financial literacy can change the individual response to changing needs of financial and very important for a person to make a decision as long as special characteristics of financial product which is be able to complex, long term and social coverage widely (Lusardi and Mitchell, 2007).

Furthermore, the research from Mwathi and Kubasu (2017), was found that the knowledge in financial are moderate generally and they conclude that it related to the money management in order to make a financial satisfaction among employee. Besides that, the financial attitude did not affect the ability to apply their literacy and their skills in order to manage the money in a good decision making. The workers should know about the important of current financial literacy. Hence, the management in organization are play the role and responsibilities to help the employees to focus more in order to implement and evaluate the strategy to develop the level of literacy in financial among workers (Idris, Krishnan and Azmi, 2017).

2.5 Financial Behaviour

Garman and Forgue (2006) were stated that government servants who have problems with their employers can make court trials, talk with lawyers, and deal with issues with certain parties. The key element in determining financial prosperity is financial behaviour.

Mokhtar et al. (2015) found that one of the reasons financial wellbeing of public employees is at moderate level because government servants aim for guaranteed full on financial wellbeing when they retired. Financial wellbeing can be defined as a concept to know the financial situation experienced by individuals and families. According to Muleke and Muriith, (2013) Financial wellbeing also can defines assumption of measure that measures one's satisfaction with financial problems.

According to Henager and Cude, (2016) long-term financial behaviours related to pensions and investments and short-term financial behaviours related to managing expenses and money cash and having an emergency fund, while controlling for age were founded to be associated towards financial knowledge. Similar to Robb and Woodyard (2012) and Allgood and Walstad, (2016) they explain that credit card management, investment, obtaining and managing loans, maintaining adequate insurance, and obtaining financial advice about investing, borrowing, insurance, and tax planning are one of the subjective and objective steps of financial knowledge and financial behavior.

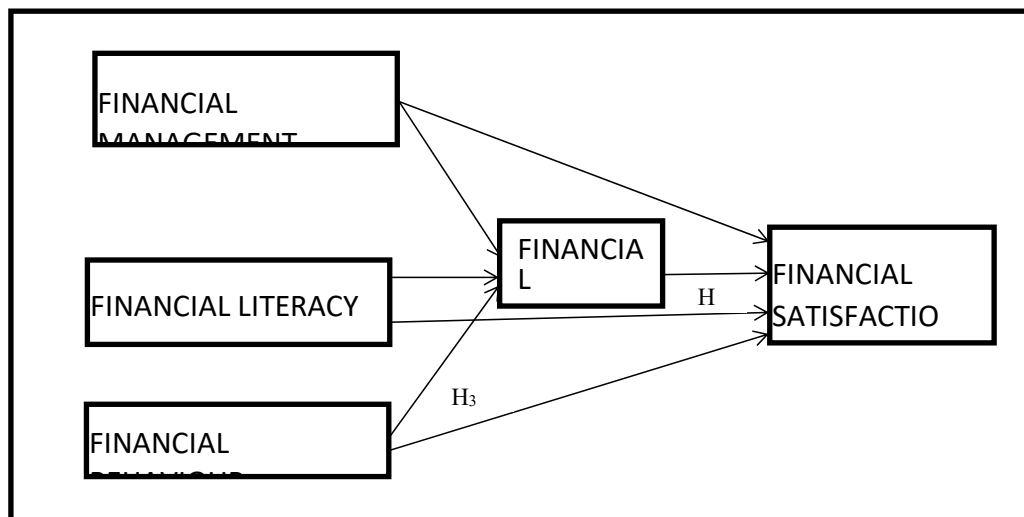


Figure 1: Conceptual Framework

3. Methodology

This study uses an empirical approach focusing on a quantitative methodology. By implementing quantitative approach the impact between financial behavior, financial literacy, financial management, financial wellness and financial satisfaction can be exposed. The total population for this study is about 1203 obtained from email by registrar’s Office at UMK Bachok. In this study, the researcher focused on Academician and Administration in FKP, FHPK, FPV of UMK Pengkalan Chepa and Chancellor Department of UMK Bachok. The questionnaire has two sections.

The content of section A is about the demographic profile of respondents, while section B is regarding financial satisfaction, financial wellness, financial management, financial literacy and financial behaviour, a cluster sampling method is used to selected the target respondent. From the total population, 297 targeted respondents were sampled for the study however only 200 respondents were collected and used for the final analysis. For the purposed of analyzing the data, SPSS Version 24 was used to run the descriptive, reliability, correlation and regression analysis.

4. Findings/results and discussion

4.1 Descriptive Analysis

The questionnaire was distributed to the academicians and administration staff in University Malaysia Kelantan at Bachok and Pengkalan Chepa by hand. A total of 200 useable questionnaires were collected. There was no missing data. The main objective for descriptive analysis is to understand the profile of the respondent.

Table 4.1.1: Demographic profile of gender
Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	84	42.0	42.0	42.0
	Female	116	58.0	58.0	100.0
	Total	200	100.0	100.0	

Based on the table 4.1 there are a total of 84 male respondents (42%) and 116 (58%) of female respondents. The percentage shows that the female respondents are much higher than the male respondents.

Table 4.1.2: Demographic profile of age
Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	30 and below	64	32.0	32.0	32.0
	31 to 35	84	42.0	42.0	74.0
	36 to 40	26	13.0	13.0	87.0
	41 to 45	9	4.5	4.5	91.5
	46 to 50	9	4.5	4.5	96.0
	above 50	8	4.0	4.0	100.0
	Total	200	100.0	100.0	

Based on the table 4.2, majority of the respondents are from the age group of 31 to 35 years, with 84 respondents (42%), followed by the age group of 30 years old and below, with 64 respondents representing 32% of the study, while for the age group of

36 to 40 years old with 26 respondents which is represent 13% from overall. The minority of the respondents are from the age groups of 41-45 years, 46-50 years and above 50 years, with 9, 9 and 8 respondent(s), representing 4.5%, 4.5% and 4.0% respectively.

Table 4.1.3: Demographic profile of marital status

Marital status

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Single	55	27.5	27.5	27.5
	Marriage	139	69.5	69.5	97.0
	Divorce	3	1.5	1.5	98.5
	Others	3	1.5	1.5	100.0
	Total	200	100.0	100.0	

Based on the table 4.3, there are 55 single respondents, 139 who are married and only 3 respondents who are divorced, which represents 27.5%, 69.5% and 1.5% respectively. On this study, there are 3 respondents who are under item others such as widowed.

Table 4.1.4: Demographic profile of spouse

Spouse

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Working	119	59.5	83.8	83.8
	not working	23	11.5	16.2	100.0
	Total	142	71.0	100.0	
Missing	System	58	29.0		
Total		200	100.0		

Based on the table 4.4, 119 of respondents have working spouse that contributing about 59.5% while for not working spouse were only 23 people represent of 11.5%. It is stated that there are missing system there which is 58 because of it is representing for single respondent that not married yet, 55 and widowed, 3 contributing about 29%.

Table 4.1.5: Demographic profile of education

Education Level

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	PhD	23	11.5	11.5	11.5

Master	41	20.5	20.5	32.0
Degree	86	43.0	43.0	75.0
Diploma	37	18.5	18.5	93.5
Others	13	6.5	6.5	100.0
Total	200	100.0	100.0	

Based on the table 4.5, the majority of the respondents are Bachelor Degree holders, with 43% representing of 86 respondents. This is followed by Master Degree holders, with 41 respondents representing 20.5% in this study. Diploma holders are in third ranked with 37 respondents (18.5%). The minority of the respondents have a very low education level or very high education level which is 13 respondents that select on others items and 23 respondents are PhD holders thereby representing 6.5% and 11.5%, respectively.

Table 4.1.6: Demographic profile of residential Residential

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Own House	91	45.5	45.5	45.5
	Rental House	54	27.0	27.0	72.5
	Live with family	55	27.5	27.5	100.0
	Total	200	100.0	100.0	

Based on the table 4.6, the majority of the respondents have their own house with 45.5% represent of 91 respondents. This is followed by respondent who rent house with 54 respondent contributing on 27% while for respondents who live with family are 55 that representing about 27.5%.

Table 4.1.7: Demographic profile of credit card CreditC

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	59	29.5	29.5	29.5
	No	141	70.5	70.5	100.0
	Total	200	100.0	100.0	

Based on the table 4.7, the majority of the respondents are not use the credit card with 141 respondents represent 70.5% while minority of the respondent are credit card holder with 59 respondents contribute about 29.5% in this study.

Table 4.1.8: Demographic profile of salary

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	RM 2000 and below	47	23.5	23.5	23.5
	RM 2001 - RM 3000	58	29.0	29.0	52.5
	RM 3001 - RM 5000	50	25.0	25.0	77.5
	RM 5001 -RM 7000	21	10.5	10.5	88.0
	RM 7001 - RM 9000	13	6.5	6.5	94.5
	RM 9001 and above	11	5.5	5.5	100.0
	Total	200	100.0	100.0	

Based on the table 4.8, in the monthly income segment, the majority of the respondents have an income of between RM2,001 – RM3,000, which was 58 respondents (29%). Followed by the income group of RM3,001 – RM5,000, with 50 respondents (25%). Third rank is 2,000 and below, with 47 respondents (23.5%) having a low income. There is 21 respondents (10.5%) have a middle- income group with earnings of between RM5,001 –RM7,000. The minority of the respondent monthly income are between RM7,001-RM9000 which is 13 respondents (6.5%) and between RM9,001 and above that contributing about 5.5% of 11 respondents.

Table 4.1.9: Demographic profile of child

Child

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	71	35.5	35.5	35.5
	1 – 3	94	47.0	47.0	82.5
	4 – 6	33	16.5	16.5	99.0
	7 – 9	2	1.0	1.0	100.0
	Total	200	100.0	100.0	

Based on the table 4.9, respondents who have 1-3 children are the majority, with 94 respondents (47%) having this family size, followed by respondents who have 0 children either single or do not have child with 71 respondents of 35.5%. About 33 respondents or 16.5% are having 4-6 children in their family members. The minority of the respondents have the lowest family size with 7-9 children are only 2 respondents that contributing about 1.0% in this study.

4.2 Reliability Test

Based on the research by Nunnally (1978), when the value of Cronbach’s alpha is 0.7 and above, it shows good internal consistency in the result of reliability test. The table shows that Financial Satisfaction, Financial Wellness, Financial Literacy and Financial Behaviour are above 0.7. It shows good internal consistency within the variables.

The study by Nunnally (1967), the scale of Cronbach’s alpha can be acceptable (for preliminary research) if the result is 0.5 to 0.6. Other than that, the minimum alpha value of 0.6 can be constructing as a reliable and all items were maintained in the construct measure (Hair et al., 1998). The table shows that the

variable of Financial Management (FM) for the Cronbach’s alpha can only achieve more than 0.6 that is 0.623. This study can conclude that all the items in this study are consistent and reliable. Table shows the summary of the reliability test.

Table 4.2.1: Summary of The Reliability Test

Abbreviation	Variables	Cronbach’s Alpha
FS	Financial Satisfaction	0.780
FW	Financial Wellness	0.749
FL	Financial Literacy	0.836
FM	Financial Management	0.623
FB	Financial Behaviour	0.733

4.3 Correlation

Based on the study by Uadiale and Fagbemi (2012), pearson correlation analysis was used to regulate the relationship between the dependent variable and independent variable. According Sekaran and Bougie (2013), Pearson’s correlation coefficient is measured of the strength of the relationship between the two variables. A Pearson correlation matrix will show the significance and strength of the two variables to know the relationship between all the variables that at level of interval or level of ratio. The research by Malholtra (2010), p- value that less than 0.05 are accepted.

Table 4.3.1: Pearson Correlation Indicator Table

Pearson R	Indication
0.80-1.00	High Correlation
0.60-0.79	Moderately High Correlation
0.40-0.59	Moderately Correlation
0.20-0.39	Low Correlation
0.10-0.19	Very Low Correlation

Table 4.3.2 Result of Correlations

Correlations						
		Total Financial Satisfaction	Total Financial Wellness	Total Financial Management	Total Financial Literacy	Total Financial Behaviour
Total Financial Satisfaction	Pearson Correlation	1	.690**	.488**	.248**	.206**
	Sig. (2-tailed)		.000	.000	.000	.003
	N	200	200	200	200	200
Total Financial Wellness	Pearson Correlation	.690**	1	.579**	.351**	.289**

	Sig. (2-tailed)	.000		.000	.000	.000
	N	200	200	200	200	200
Total Financial Management	Pearson Correlation	.488**	.579**	1	.483**	.432**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	200	200	200	200	200
Total Financial Literacy	Pearson Correlation	.248**	.351**	.483**	1	.456**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	200	200	200	200	200
Total Financial Behaviour	Pearson Correlation	.206**	.289**	.432**	.456**	1
	Sig. (2-tailed)	.003	.000	.000	.000	
	N	200	200	200	200	200

** . Correlation is significant at the 0.01 level (2-tailed).

Explanation:

Dependent variable and independent variable.

Financial satisfaction and financial wellness.

From the table above, it shows that the relationship of correlation between the financial satisfactions to financial wellness is 0.690. According to Pearson Correlation Indicator Table above, this correlation indicates that there is moderately high correlation (0.60-0.79).

Financial satisfaction and financial management.

From the table above, it shows that the relationship of correlation between the financial satisfactions to financial management is 0.488. According to Pearson Correlation Indicator Table above, this correlation indicates that there is Moderately Correlation (0.40-0.59).

Financial satisfaction and financial literacy.

From the table above, it shows that the relationship of correlation between the financial satisfactions to financial literacy is 0.248. According to Pearson Correlation Indicator Table above, this correlation indicates that there is Low Correlation (0.20-0.39).

Financial satisfaction and financial behaviour.

From the table above, it shows that the relationship of correlation between the financial satisfactions to financial behaviour is 0.206. According to Pearson Correlation Indicator Table above, this correlation indicates that there is Low Correlation (0.20-0.39).

Moderator variable and independent variable.

Financial wellness and financial management

From the table above, it shows that the relationship of correlation between the financial wellness to financial management is 0.579. According to Pearson Correlation Indicator Table above, this correlation indicates that there is Moderately Correlation (0.40-0.59).

Financial wellness and financial literacy

From the table above, it shows that the relationship of correlation between the financial wellness to financial literacy is 0.351. According to Pearson Correlation Indicator Table above, this correlation indicates that there is Low Correlation (0.20-0.39).

Financial wellness and financial behaviour

From the table above, it shows that the relationship of correlation between the financial wellness to financial behaviour is 0.289. According to Pearson Correlation Indicator Table above, this correlation indicates that there is Low Correlation (0.20-0.39).

Independent variable and independent variable.

Financial management and financial literacy

From the table above, it shows that the relationship of correlation between the financial management to financial literacy is 0.483. According to Pearson Correlation Indicator Table above, this correlation indicates that there is Moderately Correlation (0.40-0.59). As the r value is below 0.70, it assumed that multicollinearity is absent.

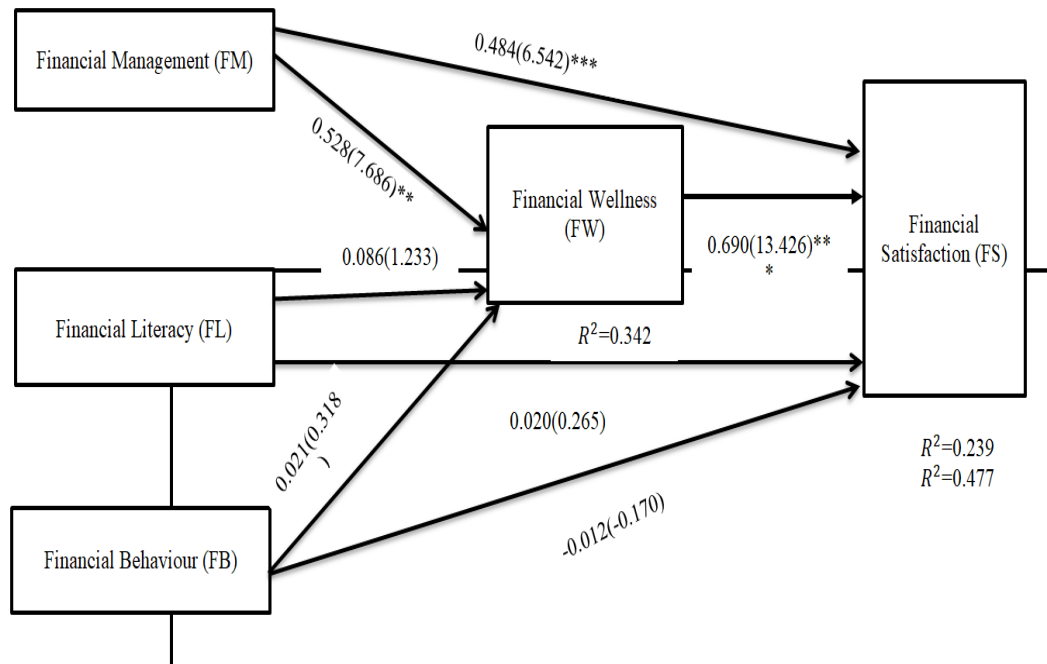
Financial management and financial behaviour

From the table above, it shows that the relationship of correlation between the financial management to financial behaviour is 0.432. According to Pearson Correlation Indicator Table above, this correlation indicates that there is Moderately Correlation (0.40-0.59). As the r value is below 0.70, it assumed that multicollinearity is absent.

Financial literacy and financial behaviour

From the table above, it shows that the relationship of correlation between the financial literacy to financial behaviour is 0.456. According to Pearson Correlation Indicator Table above, this correlation indicates that there is Moderately Correlation (0.40-0.59). As the r value is below 0.70, it assumed that multicollinearity is absent.

4.4 Regression



5. Discussion/contribution/recommendation/conclusion

5.1 Discussion

This section examined four variables, financial wellness, financial management, financial literacy and financial behaviour.

5.1.1 Financial Wellness

Financial wellness has moderately high relationship with financial satisfaction. This indicates the better level of financial health, the higher satisfaction of academician and administration staffs towards their current financial condition. Financial wellness also has a significantly impact on financial wellness. This finding in line with study by Yan Xin et al.(2017) that found household income level is significant to financial satisfaction in Malaysia and Singapore. This also accord with Brown and Gray (2014). It is assumed that respondents that are very confident with their financial status as they are very confident that they will not go to bankruptcy, confident with their budget, feel can buy anything they want, have enough saving for retirement, and can pay utilities on time most probably will impact also on their feeling that they feel enough of money currently. Next, education related to income level (Lhing et al.,2013). So, financial education is really essentials to increase the financial wellness level and also can increase satisfaction towards financial situation. Financial educators and related agencies may take this as knowledge and can try to develop ideas to educate people especially Malaysian.

H7) The financial wellness has a positive and significant impact on financial satisfaction among public higher education government servants in UMK Pengkalan Chepa and UMK Bachok.

Result: Hypotheses 7 accepted

5.1.2 Financial Management

According to the results obtained from regression analysis in the proposed framework model, financial management has significant influence on financial wellness at p-value below 0.01. Financial management has significantly influence on financial wellness because financial management has a strong positive beta coefficient value that impact on financial wellness. This indicates that academician and administration staffs who manage their finance properly will get high satisfaction towards their financial condition. In other words, good financial management such as budgeting, having knowledge of financial management is related and can give impact on their financial satisfaction.

Financial management is also significant to financial satisfaction at 0.01 in proposed framework. Financial management has significantly influence on satisfaction because financial management has a strong positive beta coefficient value that impact on financial satisfaction. This indicates that better financial management or in other word, well-management of money or money related of staffs can lead to higher satisfaction towards their current financial situation.

Respondents who have high level of financial knowledge will lead to better overall financial management behaviour (Loke, 2017). In addition, organized income enables employees to better manage their finances, impacting better financial wellness. Since financial management is significant, studies look at employees' knowledge of good financial management and it is well organize by employees.

H1) Financial management have a positive and significant impact on financial wellness among government servant in public higher education in UMK Pengkalan Chepa and UMK Bachok

H4) Financial management have a positive and significant impact on financial satisfaction among government servant in public higher education in UMK Pengkalan Chepa and UMK Bachok.

Result: Hypotheses 1 and hypotheses 4 accepted

5.1.3 Financial Literacy

From the result of this study, the financial literacy does not have a significant impact with financial wellness and financial satisfaction. This is also give negative effect to the financial literacy between the variables. This result was obtained from the regression analysis on the proposed framework. It shows that the respondents are unable to gain the knowledge on how to reduce the risk and profit in term of loan and saving behaviour. However, the current study exposed that academician and administrative staffs were unaware about the knowledge of estate planning. This result able to give negative impact and there are no significant towards financial wellness and financial satisfaction.

According to the previous research by Ahmad et al. (2015), financial knowledge is essential in order to manage their saving attitude. The study by Ali (2013), financial literacy are very important to ensure that the effective of the financial planning and ability to sustain through retirement. This is prove that when the academician and administrative staffs have a knowledge through financial, it can affect the lifestyle of the individual and able to give impact toward organization.

H2) Financial literacy has a positive and significant impact on financial wellness among government servant in public higher education in UMK Pengkalan Chepa and UMK Bachok

H5) Financial literacy has a positive and significant impact on financial satisfaction among government servant in public higher education in UMK Pengkalan Chepa and UMK Bachok

Result: Hypotheses 2 and hypotheses 5 rejected

5.1.4 Financial Behaviour

In this study, financial behaviour has negatively impacts to financial wellness and financial satisfaction and it does not have a significant relationship. This study does not see the item of financial behaviour as essential to affect their financial health and satisfaction. This finding, are contrast with study by Coskuner (2016) that found financial behaviour is significantly impact financial satisfaction. It shows that, academician and administration staffs are not really aware towards their behaviour on paying the utilities on the right time, not care about their account balance monthly, over spending without comparing the price before buying, and not worry about their debts. This is not good if they keep practicing the same behaviour and should take a step towards positive financial behaviour.

However, from Yong et al. (2018), family need to encourage the young to saving, train not to be impulsive with unplanned spending or buying to avoid unnecessary spend. On the other hand, we suggest that academician and administration need to join the programmed on how to saving effectively. They need to be disciplined on spending the expenses within their income. Based on the theory of planned behavior (TPB), behavior is determined by the attitude of the individual in which the individual has perceived control over Yong et al., (2018). According to Delafrooz and Paim (2011), individuals need to be involved in identifying and helping to increase their savings in order to secure their households. According to Robb and Woodyard (2011), overdraft on a checking account or failing to pay off a credit card, may be the result of income constraints is an example of negative financial behaviour. Financial satisfaction must be enhanced by reducing financial problems.

H3) Financial behaviour has a positive and significant impact on financial wellness among public higher education government servants in UMK Pengkalan Chepa and UMK Bachok.

H6) Financial behaviour has a positive and significant impact on financial satisfaction among government servant in public higher education in UMK Pengkalan Chepa and UMK Bachok.

Result: Hypotheses 3 and Hypotheses 6 rejected.

5.2 Implication and Recommendation

5.2.1 Public Staffs

This study reveals about financial satisfaction among government servants. This study is specially to discover about government servant's financial condition and all about money or money related to them. This study benefits for them to know about their financial status and all related to financial for them to improve what is less and to gain more what is good. For instance, based on finding, financial wellness is related and has impact on financial satisfaction. So, they know that they must be

prepared and maintain their financial health to be satisfied with their financial condition. This also indirect will influence emotion and performance in work and life

5.2.2 Government

For government, budget and incentives related to money or cash should be studied and arranged carefully for the sake of Malaysian people especially. This study also gives benefits as it can be as guideline or ideas to know about financial status of people, how they satisfied with their financial condition, how they manage money or cash properly, how they react with money or money related and other sectors related to finance. So, they will know the reality that happened to Malaysian and can improve what is less.

5.2.3 Financial Educators/Planners

For financial educators of financial planners, they can use this study to gain knowledge about current financial condition and status For Malaysian especially for government servants. So, they can bring up more ideas and can help people for betterment.

5.3 Conclusion

This study revealed that financial management is important factor that influence financial wellness and financial satisfaction. Financial wellness is the most important factor that influences financial satisfaction among government servants in University Malaysia Kelantan. Besides, financial literacy and financial behaviour is not significant with financial wellness or financial satisfaction. It shows that the respondents are unable to gain the knowledge on how to reduce the risk and profit in term of loan and saving behaviour. It also shows that, academician and administration staffs are not really aware towards their behaviour on paying the utilities on the right time, not care about their account balance monthly, over spending without comparing the price before buying, and not worry about their debts.

This study that focusing on administration and academician staffs as respondents also revealed that proposed framework is the best model when comparing with sub test 1. For sub test 1, when financial wellness, financial management, financial literacy and financial behaviour as independent variables and financial satisfaction as dependent variable, value of r^2 is 0.490. The r^2 values (0.342, 0.477 and 0.239) in proposed framework still have positive impact although not high. Proposed framework is chosen because for overall, financial management and financial wellness are significant at 0.01 and Hypotheses 1, 4 and 7 supported while in sub test 1, only financial wellness significant at 0.01 while financial management only significant at 0.05.

Therefore, this study is very important to get knowledge about management of money, literacy about finance, behaviour towards finance, level of health condition and satisfaction level about money or money related that accord with staffs and workers especially governments workers in UMK and indirectly can predict Malaysian workers financial's status and condition. This study is also important for other body of knowledge such as government and financial education.

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**The factors influencing financial literacy among students in city campus of
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Abstract

This study tends to investigate the relationship between financial knowledge, financial behavior, and saving habit towards financial literacy among students in City Campus of University Malaysia Kelantan. The importance of financial literacy in today's society is very important to meet the challenges of financial crisis. For the research design, the researcher used a quantitative method. The purpose of the quantitative method in this study because the data obtained from this technique is more appropriate in conducting hypothesis testing. The researcher used questionnaires as the method of data collection because it is more effective and efficient approach to get information from respondent. The study utilized survey approach and sample of 200 respondents which are from student in City Campus of University Malaysia Kelantan are gathered. The data was analyzed by using SPSS. The results showed that the financial knowledge, financial behavior, and saving habit have a strong relationship and positive impact towards financial literacy among students in City Campus of University Malaysia Kelantan. Findings from the study showed that all independent variable such as financial knowledge, financial behavior and saving habit have a strong relationship on financial literacy. The study recommends to several parties such as government, education ministry, parents and others to take part to improve the financial literacy among students.

Keywords: financial literacy, financial knowledge, financial behavior and saving habit

1. Introduction

In Malaysia, topics on personal finance are still considered minimal. If there are programs or activities on it, they were never addressed directly to young consumers specifically those in between aged 21 to 24 years: the need to improve financial literacy of individuals, specifically, students at university level so they can have positive cash management attitudes before they enter the job market. This positive attitude will help them to practice proper personal financial management as working adults (Ibrahim, Harun, and Mohamed Isa (2009).

According to Sabri and MacDonald (2010), student university have minimal financial literacy since they are still not knowledgeable or clueless about financial literacy because some of them are not able to manage their income efficiently. This can be seen when Ibrahim, Harun, and Mohamed Isa (2009) claimed that students received their monthly allowance whether from their parents, scholarship, National Higher Education Fund (PTPTN) or personal. They tend to squander their money into extraneous expenses like the best and biggest meal plan, unbridled entertainment and extortionate electronics and others. This disbursement exemplar distinctly manifest the inadequate their financial literacy need for amelioration. These are the justifications of the significance of financial literacy to the university students.

Based on the previous studies by Hastings, Madrian, and Skimmyhorn (2013) showed that university's student with financial education needs to well prepared with good financial knowledge to help them handle their financial efficiently a superior financial decision compared to who do not have financial knowledge. When the student's dearth of this knowledge, they tend to make a financial decision that is more risky for them and abysmal decision may be taken in order to diminish the risk of students to take this poor decision in financial. Refers to the study conducted by Ibrahim, Harun, and Isa (2009), it is proven that university's student only know general financial management not specific the specific one like knowledge in insurance, investment and financial management areas.

Currently, education institution held talks, seminar and weekly activities that focused on financial knowledge to help in improving the student's financial knowledge while the parents train their children from high schools and continuously until they are in colleges and universities (Ibrahim, Harun, & Isa, 2009). And, the government may enforce the public universities to add financial literacy as subject in every course and held more programs or seminar that targeted for Centennials and Millennials to ensure they will be expose and understand the concept of financial knowledge (Holden, Kalish, Scheinholtz, Dietrich, & Novak, 2009). When all parties were play their role in spreading this awareness, the university students will be accustomed with financial literacy or else their familiarity will be very limited except for what they learned thru experience, family or even peers (Leclerc, 2012). All parties like government, parents and financial literacy agency have to play their role in enhancing students' knowledge in financial knowledge.

Plus, all parties should focus on the affective methods to deliver awareness to the students. They can be various modus operandi like classroom, seminar and also web based setting (Rhine & Toussaint-Comeau, 2002). It is advised to spread the awareness via social media advertisements and enthralling videos (Malaysian Communications and Multimedia Commission, 2018). Government and other parties

of Malaysia are encouraged to work together to delineation a curriculum program that is suited the best for undergraduate students.

2. Literature Review

2.1 Financial Literacy

Based on previous studies, there are several studies that discuss financial literacy's definition. According to Krechovská (2015), the definition of financial literacy encompasses in terms of the ability of a person to obtain their personal income, capability that person has to make decisions on their expenditure, an understanding the impact of personal decisions on current and future income and also includes an orientation on the job market. Other than that, based on Lusardi and Mitchell (2014), they mention that's financial literacy as "the ability of an individual in processing information about the economic and making the right decisions that related to finance".

Based on report prepared by Ithnin (2019), there are young people facing financial problems since the age of 26 years. In addition, what is more surprising is that there are also individuals declared bankrupt as early as 18 years old according to a report issued by the Malaysian Insolvency Department in November of 2018. In fact, 64, 632 Malaysians were recorded in bankruptcy in the past five years, involving such a youth up to 44 years old. For additional information, a total of 13, 338 individuals face the bankruptcy issue in September 2018. Other than that, according to Datuk Nor Shamsiah Mohd Yunus, based on the central bank's study in 2018, the level of financial literacy the people today still at the low rate, encompassing aspects of knowledge on financial issues and behavior and attitudes regarding financial management (Nabil Basaruddin, 2019).

Besides that, if that individual with financial literacy level at the high level especially at the earliest age it will bring lots of benefit to them in future. This is important because it promotes financial and socio-economic freedom. There are several advantages to being financially literate. For modern societies, this financial literacy is very important in making good decisions regarding to their financial to avoid the risk of damaging one another (Cameron, Calderwood, Cox, Lim, & Yamaoka, 2013). Individuals with good financial literacy can prevent themselves from engaging in any financial transaction that has the element of fraud or engaging in wrong financial behavior. That is why as individual, they must have a good financial literate.

Other than that, financial literacy also benefits in efforts to preserve wealth. Studies by Palmer (2008) show that individuals who are have good financial literate will be better in term of financial and have a high discipline in managing finance. In fact, it is evident that most people with good financial planning are 10 to 15 percent richer than those who do not practice it. Last but not least, for those who have levels of financial literacy at the high level, they will better understand macroeconomic problems. Besides that, they are also capable of making the best decisions in relation to fiscal and monetary policies as opposed to those with low financial literacy levels and those who have not yet undergone financial education (Levin, 2012).

2.2 Financial Knowledge

Money information or financial knowledge could be a vital science and wishes to be applied in community life to confirm they're wise in managing finances to ensure future survival. Therefore, Herd, Holden, and Su (2012) outlined financial

knowledge as a person's knowledge of his own financial state of affairs, instead of the fundamental money idea, and regard it as a necessity for creating money choices effectively. Basically, financially educated individuals have the confidence and therefore the ability to use that information (Huston, 2010) and build personal money decisions (Lusardi & Mitchell, 2011). Without stronger financial knowledge, students may not be ready to specialize in the task at hand and their education. It's long-term implications for them and wider society. There appears to be a scarcity of level of economic acquisition among university students.

As established antecedently, university students lack economic information and have not any systematic financial management within the context of paying. Goetz, Cude, Nielsen, Chatterjee, and Mimura (2011) aver that the monetary choices students are making merge with their low outcome on tests of economic information, therefore students should be at risk of money program or counseling. Students will have sufficient money information to form the most effective choices financially or otherwise this can end in easy-to-use and consequently result in weak financial management. Morris (2001) explicit if individuals navigate the present financial scenery, there is an increased level of financial information and fundamental financial expertise. The past study shows that financially educated people permit individuals to form higher financial decisions. University students ought to be though-about in such the method that they get actual learning of financial administration so that they will perceive their behaviour and habits for the longer term.

Supported the past study, the researchers shows financial knowledge has robust relationships with money behavior, making it a robust impact on student financial habits (Archuleta, Dale, & Spann, 2013). While Serido, Shim, and Tang (2013) on the other hand showed a good interrelation between financial information and behavior. Similarly, Serido et al. (2013) shows a important impact on financial information of economic behavior that concludes that if knowledge of financial matters is impressed, it may result in financial behavior being accepted. However, the bulk of those studies did not give an on spot affiliation between personal financial knowledge and actual financial behavior that diode to a clear financial plan for future financial purposes.

2.3 Financial Behavior

The definition of financial behavior refers to the behavior of a human being when managing their personal financial. The attitude of a person in managing their money, managing their loans and investments also can be defined as a healthy attitude of financial behavior (Laily, 2016). The development of good financial behavior in student also will give an effect on a student's life after their graduation from a university. The first thing that student will face when they lived far away from their parents is monthly financial management because they have to manage it by themselves (Herawati, Candiasa, Yadnyana, & Suharsono, 2018).

Spending habits are not a good behavior for the university's student. As we can see, many university's students nowadays did not care about their spending habits in the university. Majority of the university's student did not planned their ways of spending. Most of them are borrowing money from the National Higher Education Fund (PTPTN) for their study in university. The number of loan borrowing from National Higher Education Fund (PTPTN) are increased from time to time.

In addition, the issue on the high cost of living especially among the university's student is being reported often in the news. This major issue has become a concern since the end of 2015. The reduction of the education loan by National Higher Education Fund (PTPTN) has worsened this situation. With the amount of loan or scholarship attained, still have many student failed in term of managing their money and end up having insufficient amount throughout their study. The hope of this study to see that the students can change their behavior in spending pattern or spending habits when they are in university to avoid an increase in their student loan rates in the future. Besides that, the issue of bankruptcy among student is increased from time to time. This problem arises as they fail to manage their personal finances as well as do not have any knowledge of how to manage it. In fact, the issue of bankruptcy among students can be overcome if they have knowledge on how to manage their personal finances.

2.4 Saving Habit

Most of the previous studied, some of the researchers are focused on university's student financial literacy said that most of them have low levels of financial literacy and it is related to the few elements (Sabri, MacDonald, Hira, & Masud, 2010). This can be supported by Birari and Patil (2014) said that the youth does not believe in saving and have high tendency to spend most of their money on entertainment like a gadget, eating out and personal grooming. Other than that, Ismail (2010) also said that most of the student university still are not able to identify the wants and need concept. Directly, this affect their spending habits which is they are spending money on branded apparel, fancy car and eat at the exclusive restaurant.

Furthermore, in an observation-based study by here altering reaction regarding money and the toleration of debt as a part of their life are giving the horrible consequences on teenagers especially university students. According to Zulita (2017), students spend their money mostly for study such as fees, books, transportation, daily meals, accommodation and apparel. According to Sabri and MacDonald (2010), part of the money was used to pay the debt of study, a large number university students spend the remaining scholarships or loans received before the semester ends. Supposedly, students need to make carefully planning the financial plan to cover expenses until semester ends. Conversely, if a student fails to manage source of funding given, they are forced make a part time job to earn money or need to borrow some money from their friends.

Currently, students are growing in the society think that it is common to in-debt and it is easy to obtain because of immoderate lifestyles and easy credit. Nowadays, person between 18 years old to 35 year-olds have adulated with a culture of debt which is product of easy credit, a booming economy and lavish lifestyles. And, through parental allowance and personal earnings, students splurge outreached \$175 billion in 2003 (Teenage Research Unlimited, 2003).

3. Methodology
3.1 Conceptual framework

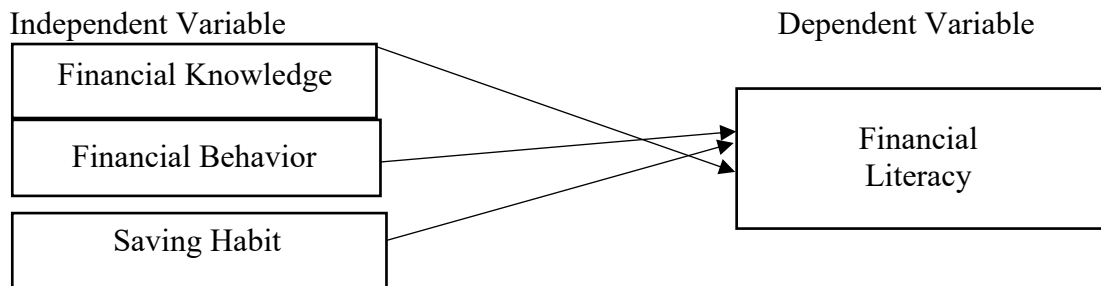


Figure 3.1: Conceptual framework of factors influencing financial literacy among students in City Campus of University Malaysia Kelantan under Faculty Entrepreneurship and Business.

3.2 Research design

In this research design, the researcher used a quantitative method. The purpose of the quantitative method in this study because the data obtained from this technique is more appropriate of conducting hypothesis testing.

3.3 Data collection

The researcher used questionnaires as the method of data collection because it is more effective and efficient approach to get information from respondent. The information obtained is considered as a primary data.

3.4 Sampling design

3.4.1 Population

The target population in this study are students in City Campus of University Malaysia Kelantan under the Faculty of Entrepreneurship and Business. The population of students in City Campus is 3009 which is involved from five different courses.

3.4.2 Sample size

Sample is a subset of population. The sample size is students in City Campus of University Malaysia Kelantan under the Faculty of Entrepreneurship and Business. The researcher in this study determine the sample size by using table by Krejcie & Morgan (1970) and supposedly 346 of the questionnaires need to distribute. But due to some limitation in this study, the researcher managed to distribute 200 set of questionnaire.

3.4.3 Sampling technique

The researcher in this study used probability sampling technique which is stratified sampling. It is because they divided the respondent into five different courses under the Faculty of Entrepreneurship and Business.

3.5 Research instrument

In this study, the researcher choose to use a close-ended questionnaires and it is easier for respondent to answer it. The section in the questionnaire are divided into

three section which are section A for demographic characteristic, section B for dependent variable and section C for independent variable.

4. Results and Discussion

4.1 Demographic characteristics of respondents

Table 4.1: Demographics characteristic of the respondents

	N	%		N	%
Gender			Course of study		
Male	79	39.5	SAB	51	25.5
Female	121	60.5	SAR	40	20.0
			SAK	52	26.0
			SAL	50	25.0
			SAE	7	3.5
Age			Year of study		
18 - 20 years old	25	12.5	Year 1	25	12.5
21 - 23 years old	159	79.5	Year 2	55	27.5
24 - 26 years old	16	8.0	Year 3	42	21.0
			Year 4	78	39.0
Race			Keep record of		
Malay	152	76.0	expenses	110	55.0
Chinese	20	10.0	Yes	90	45.0
Indian	22	11.0	No		
Others	6	3.0			

Based on the table 4.1 above, it can be concluded that female students (60.5%) is more than male students (39.5%). In term of age, the highest percentage is 21 – 23 years old which is 79.5% followed by 18 – 20 years old (12.5%) and 24 – 26 years old (8%). Majority of the respondents were Malay (76%) followed by Indian (11%), Chinese (10%) and others (3%).

Course of study in this study are divided into five different courses. The highest percentage is from SAK which is 26% followed by SAB (25.5%), SAL (25%), SAR (20%) and SAE (3.5%). In term of year of study, majority of the respondents were Year 4 (39%) followed by Year 2 (27.5%), Year 3 (21%) and Year 1 (12.5%). Upon enquiry of keep record of expenses, most of the respondents keep their record of expenses with the percentage 55% and 45% of respondents did not keep their record of expenses.

4.2 Reliability Analysis

Reliability analysis is the most important step in data analysing that need to be done by any researchers. The main purpose of reliability test is to determine the stability of the data that was gathered. The results was measured based on the range of the coefficient value which is explained as the value is higher than 0.60, it shows that the questionnaire are reliable and can be accepted as the measuring tool to measure the concept intended to be measured.

Table 4.2: Summary of Reliability Analysis

Dependent variable and Independent variable	Cronbach's Alpha	Number of variable items	Interpretation
Factors influencing Financial Literacy among students	0.770	7	Good
Financial Knowledge	0.815	7	Very Good
Financial Behavior	0.747	7	Good
Saving Habit	0.761	7	Good

Table 4.2 above shows the result of reliability analysis and the indicated of Cronbach's Alpha value for factors influencing financial literacy among students, financial knowledge, financial behavior, saving habit is more than 0.6 and it is considered as reliable.

4.3 Pearson's Correlation Coefficient

The Pearson's Correlation test is one of the important test to measure the linear relationship between two variables. The objective of this test is to determine whether the correlation coefficient is statistically significant and to identify which hypothesis should be accepted and rejected.

Table 4.3: Summary for Pearson's Correlation Coefficient Analysis

	Hypothesis	Sig. (2 – tailed)	Pearson Correlation	Alternative Hypothesis
H1	There is a significant relationship between factors influencing financial literacy among students and financial knowledge.	.000	.716	Accepted
H2	There is a significant relationship between factors influencing financial literacy among students and financial behavior.	.000	.716	Accepted
H3	There is a significant relationship between factors influencing financial literacy among students and saving habit.	.000	.620	Accepted

Table 4.3 above shows that the dependent variable and independent variable have a strong and positive relationship. It can be conclude that all the independent variable which are financial knowledge, financial behavior and saving habit have a significant relationship with factors influencing financial literacy among students. Thus, all the hypothesis testing are accepted.

5. Conclusion

To conclude, this research achieved its objective which is to examine the relationship between financial knowledge, financial behavior and saving habit with factors influencing financial literacy among students under the Faculty of Entrepreneurship and Business in City Campus of University Malaysia Kelantan. In summary, the

hypothesis testing revealed that financial knowledge, financial behavior and saving habit are significantly related to the factors influencing financial literacy among students. Overall, all the hypothesis testing were accepted. A part from that, this study also have some limitation in term of sample size because the target population in this study is too large in conducting this research. Finally, the researcher also provided some recommendation such as including more variables, expand the sample size and designing more suitable question in questionnaire for the further improvement.

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The understanding of Islamic banking student in Universiti Malaysia Kelantan towards faraid

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Abstract

Faraid is the knowledge of the distribution of inheritance to every beneficiary who entitled to certain rules of calculation. Another method of faraid in distribution of inheritance was followed by hibah and wasiyyah. The main objective of this study is to identify the understanding of Islamic Banking student in University Malaysia Kelantan towards Faraid. This research involved all student Islamic Banking in Universiti Malaysia Kelantan from year-1 until year-4 and the researcher chooses quantitative data to evaluate the information. For data collection, a primary source was used to collect the data from respondent in this research. Awareness is one of the significant independent variables and this factor influence people to have knowledge and understanding in Faraid's knowledge. This study contributed awareness among the Islamic banking student in Universiti Malaysia Kelantan toward the important of Faraid knowledge.

Keywords : faraid, knowledge, awareness, life event, understanding

1. Introduction

The study we conducted was based on the level of understanding of university students on Faraid knowledge. Faraid knowledge is the knowledge of the distribution

of inheritance to every beneficiary who is entitled to certain rules of calculation. The word Faraid is derived from the arabic word. It is a multi-name word from the word *faridhah*. While *faridhah* is derived from its basic word which is *fardh*. The meaning of *fardh* can be divided into two which are the meaning in terms of language and the meaning in terms of terms. The meaning of *fardh* in terms of language is fate. In addition, *fardh* also has several other meanings. Some of them are part, wajib and halal. While the meaning of *fardh* in terms of terms is the part that is determined by syarak to the heirs.

Before Islam being spread, there are three types of people that allow one to inherit the estate during the ignorance. These three groups were used only in the days before the arrival of Islam only and they had their own reasons for leaving their property after they died. Firstly, the adult male, women and children cannot inherit the estate because they are a weak race. They cannot afford to protect their property from enemy attacks which at that time arabs often fight fellow tribes. A man is allowed to guard his property because they are capable, strong and can defend it if there is others bad people that want to take over the property. Secondly, the people who swear. Promise bond between two men who have no relationship. They make a covenant with swearing like uttering “blood of my blood”, “you leave me and i'm leaving you”, “you helped me and i helped you” and so on. When they both agree then they inherit each other. So in this case when one of them dies, the person who still alive is justified to have the property of the person who die. The third is a adopted child. The men at the time could take the children of others as their adopted children. They ask the child to themselves not to his real father. This act allows them and their adopted children to mutually respect each other.

Faraid science is an important science to learn but the semantics are forgotten and considered to be trivial by today's Islamic society either from the young and the elderly. From a community point of view, most of them do not understand the Faraid distribution and have narrowed the usage the law thus resulting in its implementation being impractical. Understanding Faraid distribution by will literally result in the fragmentation of the land of inheritance to the smaller parts resulting in property is less valuable or small size of land but has many owners to cause the land difficult to develop (Abdul Rashid & Ahmad, 2013; Abdul Rashid & Yaakub, 2010; Sulong & Taha, 2016). From the legal point of view, Section 15 (5) and the First Schedule of the Small Estate Act (Distribution), division is made without according to the division of faraid is permitted provided there is agreement of all beneficiaries after the occurrence death (Abdul Rashid & Ahmad, 2013; Wan Harun, 2009). Faraid distribution may also cause disputes among beneficiaries if not really understand the method of division (Abdul Rashid & Ahmad, 2013; Abdul Rashid & Yaakub, 2010; Sulong & Taha, 2016).

2. Literature Review

2.1 The Meaning Of Faraid, Hibah And Wasiyyah

This study proposed to identify student’s understanding about the distribution of inheritance according to Shariah (Faraid) .This chapter will review literature on main issues on student’s knowledge, life event and awareness. In addition, theoretical models that used in previous studies to study the distribution of inheritance including Faraid, Hibah and Wasiyyah also will be reviewed in this chapter.

Generally, Islamic inheritance system is comprised of a number of micro institutions which is Faraid, Wasiyyah and gift. Faraid can be defined as the Islamic

law of inheritance or the Islamic law succession which is one of the most important branches of Islamic jurisprudence. This make the study of the Faraid as an important in Islamic inheritance. Besides that, Faraid also can be interpret as the section of the Islamic law that deals with the distributions of the estate of a deceased person among his heirs in accordance with Allah s.w.t decree in the Al-Quran and according to the hadith or the tradition of Prophet Muhammad s.a.w.

The principle and liabilities in Islamic inheritance distribution specify that inheritance is Islam will not take place unless the reasons for the inheritance and the three pillars coincide which include al-muwarrith, al-warith and al-mauruth. Al-muwarrith is when a benefactor dies, wheter genuinely, taqdiri or hukmi. Al-warith is a beneficiaries who will receive an inheritance and is required to be alive during the demise of the benefactor, where there is genuinely, taqdiri or hukmi. While, al-maurith refers to the inheritance of wealth owned by the benefactor, be it liquid or solid wealth and all rights associated with the wealth. Islamic inheritance law of faraid determines four reason for the inheritance which is consanguinity (nasab), marriage, wala' and Islam (baitumal).

Then, hibah. Hibah on Islamic term is an agreement that contains the granting of a person's possession voluntarily to his property to another person at the time of his life without consideration (iwad). More specifically, a grant is a charitable assignment of property from one party to another without reward (iwad) during a voluntary life, not expecting a reward in the hereafter or glorifying one person and using the pronouncement of ijab and qabul.

Next, wasiyyah. "Will" from its etymological point is gotten from "wassa" in Arabic which implies requesting, exhorting, promising, or giving property after death. (Muhammad Masnur Hamzah, 2012) In Arabic, a will signifies: "to request that somebody accomplish something in his nonattendance, either in his life or after his demise". Will likewise be characterized as a will in the last word conveyed by the individual who is practically dead. (Lexicon of the Fourth Edition of 2007). While the term of the will is the blessing or commitment of the property by an individual to someone else or individual after his demise whether the expression of the will is articulated or not. (Abdul Rashid Haji Abdul Latif, 1986). While as far as fiqh wording, they all allude to "property proprietorship did after death, done taṭawwu', whether the will is a thing or an advantage". (Dr. Wahbah Zuhaili, 1985).

2.2 Independent Variables

Knowledge is the attainment of which is obligatory upon all Muslims that cover in every aspect and this also include the knowledge distribution of property and inheritance. This knowledge is important because there are many benefit that Muslims can get if they study in this matter that really helpful in the life and can avoid any misunderstanding between family and heirs of the property. Al-Ghazali has unjustifiably differentiated between useful and useless types of knowledge and Islam actually does not consider any types of knowledge as harmful to human beings. As indicated by Ibrahim (2015), the basic knowledge on the laws of will and its standings as one of the Islamic rights of inheritance this because its crucial how far is the Muslim's understanding on the will of Wasiyyah, Hibah, and Faraid of its true function in managing the deceased's inheritance.

Based on this study, age plays an important role in increasing their awareness of a person to learn this Faraid knowledge and it influences someone to know deeper

or just the principle of this knowledge. Convertino et al. (2005) and Wilford and Wakunuma (2014), which states that elderly people or older people will have greater awareness of the importance of this Faraid knowledge, this study has found that it is irrelevant and accurate as all ages need to take into account about this knowledge and as a Muslim, they must have a deep awareness of this. Besides that, because of the accumulated assets will cause the situation to be uneconomical and will be worse if there are no steps to take (Shafie et al, 2014).

Live event is the one factor that influence a person in level of understanding of Islamic inheritance either in Faraid, Wasiyyah and Hibbah. The lack of understanding about the importance of a will among the current workforce is reflected in the proportion of the population with a will. The proportion of the population with a current will varies significantly by age. Base on the previous case study, the percentage of the total population that has a will ranges from approximately 42% to 46% and from less than 10% among young adults to more than 66% among those over 60 years old (Edwards, 1991; Lee, 2000; Schwartz, 1993; Simon et al., 1982; Rossi & Rossi, 1990).

3. Methodology

3.1 Research Design

The purpose of this study is to know about the understanding of Universiti Malaysia Kelantan's student on the knowledge of the distribution of will based on the factors chosen which knowledge, awareness and life event. The present study will be run as a questionnaire survey toward 254 students in Universiti Malaysia Kelantan at Pengkalan Chepa, Kota Bharu as it is the population to access socio-demographic profile. Then, data would be collected once it is descriptive correlation because the purpose is to know and find the relationship between the level of understanding on the distribution of will among Malaysia Kelantan Universiti student through knowledge, awareness and life event factors.

3.2 Data Collection Method

For data collection, a primary source was used to collect the data from respondent in this research. Primary sources present original thinking report on discoveries and share new information. The entire original data has been collected specially for the purpose of the research in this research. Generally, there are two types of primary sources which are quantitative data and qualitative data. Quantitative research is a structured way of collecting and analysing data obtained from different sources. While, qualitative research is generally more explorative. In this research, the researcher chooses quantitative data to evaluate the information. Quantitative research is used to quantify the problem by way of generating numerical data that can be transformed into statistic. Besides, quantitative research are typically looking to measure extent and looking for statistical results that are interpreted objectively. The researcher used questionnaires and distribute to the respondent to get all the data collection.

3.3 Data Analysis Method

The data gathered from the google survey form which had been created for this research will be analyzed by using Statistical Package of Social Science (SPSS) version 22.0 software program. The analysis of the data consist of two stages. The first stage of the analysis would be conducting an exploratory data analysis to

examine the data before any specific statistical measurement occurs. Each respondent's score of scaling from answering the survey form will be calculated without any problem and error except there is any mistake in putting the value of score which is not consist in the scale. The data will be used as basis for subsequent analysis. Each of the variable such as mean, median, mode and skew would be calculated in this SPSS and also will be used as the analysis. In addition, the findings of the study will be supported with the illustration of tables and graphs. The second stage would be using statistical procedure in order to answer the research objectives create in this study. The methods employed will be descriptive statistic and multiple regression to measure the satisfaction of the students toward the variance and to control the variables while testing the statistical effects. Regression analysis is set of statistical technique which is allow one to access the relationship between one or many dependent and independent variables and this commonly used to attribute the relationship of two variables to a third variable or variables.

4. Findings and Results

4.1 Demographic Factor

Demographic Profile	Types	Percent (%)
Gender	Female	69.3
	Male	30.7
Religion	Islam	99.6
	Qristian	0.4
Age	20 – 21 years old	71.7
	22 – 23 years old	24.8
	24 – 25 years old	3.1
	26 years old and above	0.4
Race	Malay	99.6
	Chinese	0.4
Status of Respondent	Married	1.6
	Single	98.4
Year of study	Year 1	26.0
	Year 2	26.8
	Year 3	24.0
	Year 4	23.2
Education Level Before	Degree	0.4
	Diploma	7.1
	Matriculation	53.1
	STAM / STPM	39.4

The demographic profile of gender among respondents is female that 69.3% that frequency is 176 respondents. That also followed by 30.7% of respondents that are from male which is 78 respondents. Next, the largest group of respondents that come from Islam which is 99.6% which is 253 respondents and followed by 0.4% of the respondent that were come from Qristian which only one respondent. It can conclude that majority students of SAB are from Islam. Then, majority of the respondent average is between 20 to 21 years old with the percentage is 71.7% which is 182 respondents. It also followed by 22 to 23 years old respondents with their percentage is 24.8% which is 63 respondents. Next, 3.1% of respondent is come from the age between 24 to 25 years old which is 8 respondents and it followed by respondent from 26 years old and above which is 0.4% from overall respondent which is only one respondent. Besides, the majority of the SAB student from year 1 to year 4 that answer the survey question is from Malay which is 99.6% which is 253 respondents. It followed by Chinese respondent which is just 0.4% that answer our survey question which is only one respondent. Therefore, the status respondent among SAB student from year 1 to year 4, the largest group of the respondent is single which at 98.4% which was 250 students. It followed by the married respondent which is 1.2% which have 4 students. Next, the most of the respondent was from year 2 that is 26.8% which is 68 respondents because of the total number from year 2 is the most. Then, it followed by the year 1 which is 26% which is 66 respondents and after that, followed by year 3 that is 24% which is 61 respondents and the rest of the respondent is from year 4 which is final year student and their percentages that answer the questionnaire is 23.2% which is 59 respondents. Lastly, the most of the respondent was from matriculation that is 53.1% which is 135 respondents and followed by STAM and STPM level that is 39.4% which is 100 respondents. Then, it followed by Diploma level which is 7.1% which is 18 respondents and the rest is 0.4% that only one respondent which is from degree level of the educations.

4.2 Pearson Correlation

		Level Of Student Understanding	Knowledge	Awareness	Live Event
Level Of Student Understanding	Pearson Correlation	1	.560**	.618**	.610**
	Sig. (2-tailed)		.000	.000	.000
	N	254	254	254	254
Knowledge	Pearson Correlation	.560**	1	.714**	.661**
	Sig. (2-tailed)	.000		.000	.000
	N	254	254	254	254
Awareness	Pearson Correlation	.618**	.714**	1	.638**
	Sig. (2-tailed)	.000	.000		.000
	N	254	254	254	254
Live Event	Pearson Correlation	.610**	.661**	.638**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	254	254	254	254

** . Correlation is significant at the 0.01 level (2-tailed).

Figure 5: Pearson Correlation between Independent Variables

In the figure 5 shown the result of correlation coefficient for all variables related which were knowledge, awareness and live event. The correlation coefficient between knowledge and awareness give high relationship with the value 0.714 in order that influenced the level of student understanding while the relationship between knowledge and live event was moderated at the value 0.661. Next, the relationship of correlation coefficient between awareness and live event also moderated with the value 0.638 in order to influence the level of student understanding. Besides, the relationship between the independent variables and dependent variable were moderated. All of the independent variables had positive Pearson correlation coefficient and the result shown on the knowledge was get 0.560 which was the lowest than other variables. Another, the highest result of Pearson correlation coefficient was awareness that got 0.618 and the moderated relation was live event at the value 0.610. All of these correlation coefficient were significant at 0.01 level (2-tailed).

4.3 Multiple Linear Regression Analysis

Model	Standardized Coefficients		
	Beta	t	Sig.
1 (Constant)		.071	.943
Live_Event	.328	5.043	.000
Knowledge	.105	1.470	.143
Awareness	.334	4.794	.000

a. Dependent Variable: Student_Understanding
 ** Significant at the 0.05

Figure 6: Multiple Linier Regression Analysis

Based from results of knowledge, there are still more student had low level of understanding toward Faraid. As previous study by Dahan et al (2012) level of understanding among Muslims community worldwide pertaining to will is very low even with advance knowledge. Then, as indicated by Ibrahim (2015), the basic knowledge on the laws of will and its standings as one of the Islamic rights of inheritance this because its crucial how far is the Muslim’s understanding on the will of Wasiyyah, Hibah, and Faraid of its true function in managing the deceased’s inheritance. This showed that a negative relationship between knowledge and understanding of SAB students towards Faraid. In our research, knowledge doesn’t give effect towards the understanding of SAB students toward Faraid because without the awareness and life event the knowledge will not affect to the understanding of students.

Next, the table above shows that the value of multiple linear regression of awareness is 0.000 which indicate to moderate positive multiple linear regression. Therefore, it can be conclude that awareness gives an impact on the level understanding of SAB student on Faraid knowledge. This is supported by Convertino et al. (2005) and Wilford and Wakunuma (2014), which states that elderly people or older people will have greater awareness of the importance of this Faraid knowledge, this study has found that it is irrelevant and accurate as all ages need to take into account about this knowledge and as a Muslim, they must have a deep awareness of

this. Besides that, based on Shafie et al. (2014), because of the accumulated assets will cause the situation to be uneconomical and will be worse if there are no steps to take. Next, Omoogun (2013) notes that positive influence is also between attitudes and awareness, but it is not the same as the results obtained through this study. It has shown that gender is not a major factor in this awareness. It shows that no matter whether men or women must be required to pursue this faraid knowledge in accordance with Islamic heritage laws. They have the obligation to learn and to make necessary arrangements for any circumstances related to the death of a family member or themselves.

Besides, based from result in Figure 6 shown that the live event give an influence to the student understanding toward Faraid after independent variable of awareness which give high influence. It's because of people may have diversification of live event which force them to understand the Faraid. Based on previous study, There are four life occasions has been recognized; (1)becoming a widow,(2)healthy problem, (3) resigning, and (4) having a positive change in resources, as associated with an individual's choice to embrace a will and trust. Palmer et al, (2006) . Some of these stressors may result from an uncertainty about how the individual's personal belongings and emotional artifacts will be distributed to others, or how the distribution of his or her belongings may lead to strife and conflict among family members and friends (Stum 2000). Thus, live event was the second that influence to factor of students understanding after awareness as result shown on table above among Islamic banking students in Universiti Malaysia Kelantan, Pengkalan Chepa.

H₀ There is no significant relationship between knowledge and understanding of SAB students towards Faraid.

H₂ There are positive significant relationship between awareness and the level understanding among SAB student on Faraid knowledge at Universiti Malaysia Kelantan.

H₃ There is significant relationship between live event and understanding of SAB students towards Faraid.

H₄ There is most influence factor that affect to the understanding among SAB students was awareness which have high significant than other independent variables.

5. Recommendation

As we know that awareness have a big percentage than other independent variables on relationship with dependent variables which is the level understanding of Faraid knowledge. Many people nowadays did not know even a little bit about Faraid knowledge and maybe it will cause a negative effect one day in their future because something like this related to the value of money, assets or wealth and can cause a fight between family. So, the best time to build awareness among them on Faraid knowledge is from school level. Parents, siblings, teachers and people at surrounding maybe can help a school student or their daughter to aware about Faraid knowledge and explain a little bit about that knowledge. Parents is a role model to their daughter. Their talk and act will be followed and maybe they can try to talk about the effect of did not know Faraid knowledge, the benefit of knowing Faraid knowledge to their daughter just to build some awareness. Mosque institutions, islamic institutions or school can make an event or speech to tell the parents and people about the benefits of Faraid knowledge and automatically they will remember and try

to spread to other people either their friend, daughter, family or others who do not take part in that event or speech. From our investigation, students are realized that the benefit of study about Faraid is important in distribution of wealth and inheritance. University should require the subject of Islamic inheritance Management during first year of study. It's good for SAB students they will expose with farai's knowledge. Universiti Malaysia Kelantan can start the requirement of this subject soon for all SAB students no matter in year of study. In this subject, students will learn how to manage and calculate the faraid calculation. The syllabus contain the theory from manage the corpse, settle the debt payment, distribution of securities, wasiyyah and faraid. In addition, student are required to solve a problem about faraid just like the real cases and they can apply it to solve the related problems. Lastly, the government should take Faraid subject to be learn at primary and secondary schools in all every states. With early exposure to the children, they will have basic knowledge about Faraid. However, it is not encourage to expose whole subject Faraid in one year of study but make it learn in step by step of learning which mean that every year there is Faraid subject need to learn. This is because we did not want that children just learn for an exam but keep in mind and apply at the real life. The objective for exposure Faraid subject to the primary and secondary school is to inform that this Faraid knowledge is very important in managing inheritance when one heir of family died. It is not give a big problem to all heir to manage the property by referring Faraid because they had learned that knowledge at primary and secondary school. In this case, the conflict in fighting for could be avoided and there is no one could be abused.

6. Conclusion

In summary, our research is discuss about the understanding of SAB student in Universiti Malaysia Kelantan towards Faraid that generally about Islamic inheritance system is comprised of a number micro institutions which is Faraid, Wasiyyah, and Hibah. The knowledge of the Faraid is to do with the principle regarding determining the legal heirs, their quantum of shares, the impediments and the causes of inheritance and the classifications of the legal heirs. The Islamic Inheritance Law today is a complete and comprehensive system for the rightful beneficiaries, the portions for each beneficiary and all non-rightful beneficiaries to the inheritance using al-hajb doctrine or method. Therefore, this has encouraged us to the research about the understanding of SAB students in Universiti Malaysia Kelantan towards Faraid based on their knowledge, awareness and live event. Based on our objectives to identify how the knowledge factor can affect the understanding among SAB students, to examine how the live event factor can influence the understanding among SAB students, to analysis how the awareness factor could affect the understanding among SAB students inheritance, to identify the most influence factor that can affect the understanding among SAB students we can conclude that on our finding that the awareness and the live event can affect the understanding of SAB students because the knowledge will come with the influence of factor of awareness and live event. This is because, awareness and live event has significant result which is 0.000 and for the knowledge is insignificant which is 0.143. This means that the respondent will not have the knowledge about Faraid without their awareness and live event for the knowledge of Faraid. This showed that the knowledge of Faraid is not important to the respondent if they did not aware about the important of the knowledge. This also shows that the live event is also important because if their

family did not play active role for the respondent to study about the knowledge of Faraid, they will think that the knowledge of Faraid is not important. As conclusion, we find that the awareness and the live event of the respondent play a major role to the factor that affects the understanding of SAB students in Universiti Malaysia Kelantan towards Faraid. While, the knowledge is not play a major role that will influence the understanding of SAB students in Universiti Malaysia Kelantan towards Faraid. This is because, their knowledge of Faraid will come after their awareness and live events towards Faraid.

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Entrepreneurship

Applying Theory Of Planned Behaviour (TPB) Model on halal cosmetic purchase intention among students in University Malaysia Kelantan

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Abstract

Cosmetic products nowadays has become a necessity item for both gender, male and female. Cosmetics industry was growing rapidly in the market throughout the 21st century. The purpose of this paper is to test the applicability of the theory of planned behaviour (TPB) on halal cosmetic purchase intention in University Malaysia Kelantan. This study uses descriptive analysis based on quantitative approach of data analysis. In order to explore the TPB model halal cosmetic purchase intention among the students at this university. A questionnaire was distributed by using google form. From the total population, 357 targeted respondents were sampled for the study however only 244 responses were received and 99 respondents used for the final analysis. Data analysis were conducted via two principal stages by using SPSS 26.0 and Smart PLS 3.0. The findings indicated that the subjective norm and religiosity knowledge did not have a significant on the halal cosmetic purchase intention. However, attitude and perceived behavioural control was positively related in intention to purchase halal cosmetic products. The study contains a limited number of measures in the model. Besides, the cost to conduct this study also upscale to print out the journals for references. The paper extends understanding of TPB to newly emerging contexts such as halal cosmetic products usage intentions.

Keywords - Theory of Planned Behaviour, Intention, Halal Cosmetic, Partial Least Square

1. Introduction

Regarding to the MalaysiaHalalFoods.com, the definition of Halal was from Arabic term, implying that it was passable and legitimate. While in the Arabic language, it alluded to whatever was allowable under Islam (Kamali, 2003). Meanwhile, the definition of Haram was unlawful or prohibited. Habitually, the term of Halal and Haram will be utilized severe adherence to portrayed on food products, cosmetics and food ingredients (Lada, Harvey Tanakinjal, & Amin, 2009). Halal or Haram will be decided according to the Quran and the Shari'ah (Lada et al., 2009).

Thought of the place and raw material sourcing to dispersion of items were the most significant in considering whether a product is Halal or not. It was turned into a significant worry for Muslims to empower them expended any items that was accepted to be perfect and did not contain any disallowed components, for example, usury (Riba), vulnerability (Gharar) and betting (Maysir).

Other than on stressing the term of Halal and Haram, Islam likewise centred on the security of food product or cosmetic that Muslim devoured which was known as Halal Toyyiban. The meaning of Halal Toyyiban was any items that were not hurtful to be devoured as underlined by Shari'ah law, in this manner was admissible and reasonable. "The word of Toyyib means that the matter which was qualified to meet the standards of quality, safety and wholesomeness as permissible in Islam" (P. Hashim & Mat Hashim, 2013).

In the year of 2003, cosmetic industry in Malaysia offered showcase that recorded roughly RM 3 billion, with the development rate of 13% yearly (Ahmad, Rahman, & Ab Rahman, 2015). Besides, there were more than 60,000 sorts of cosmetic accessible in the nearby market (Ahmad et al., 2015). The mass markets that remain in Malaysia were Avon, Cosway and Maybelline meanwhile the esteem brands that still remain in Malaysia were Estee Lauder, Clinique and Shiseido. Furthermore there were also establishment type of product such as Body Shop, Sasa and Roche (Ahmad et al., 2015).

Moreover, in toiletries and makeup industry likewise gave effect on this worldwide Halal mindfulness. Therefore, the necessity for Halal cosmetic products were raising around the world (Ahmad et al., 2015). In 2014, Halal cosmetic products and toiletries endorse was required to accession universally by 8.5% (Ahmad et al., 2015).

Therefore, this study will help in getting attention to Muslim's customer purchasing or using cosmetic products. Plus, they will most likely be picked cosmetic products that had KKM endorsement and Halal certificate.

2. Literature Review

"Theory of Planned Behaviour was developed as an expansion to Ajzen and Fishbein (1980) Theory of Reasoned Action. Theory of Planned Behaviour or known as (TPB) is a model used to anticipate the behaviour of the consumer, where the best predictor of behaviour is intention of consumers " (Kalafatis, Pollard, East, & Tsogas, 1999). In this model, it is about a person's act of certain 3 behaviour that is controlled by his aim to behave out his behaviour. Additionally, the perspectives that impact the aim in purchase behaviour are attitude, subjective norm, and perceived behavioural control.

Besides, attitude is communicated by how much an individual has an ideal or negative assessment or evaluation of the conduct being referred to” (Aziz et al., 2013). “There are three main components in the attitude of a person, including affect, cognition and behaviour” (Aziz et al., 2013). The first component is affect. This component has identified with the general inclination or an individual's enthusiastic reaction to a product, for example, the amount somebody enjoys a product it will decide the frame of mind towards the item. The second component is cognition. This component is an individual's conviction or learning about a product and main qualities of the product. The following part is behaviour. This part has identified with the propensity of an individual to perform out a specific action or carry on with a particular goal in mind as to its attitude towards a product. “The attitude has a significant and positive effect on Halal food purchasing intention“ (Aziz et al., 2013). Next, subjective norm is referred to the perceived social pressure to engage or not to engage the behaviour” (Pawlak et al., 2008). This shows how people’s perceptions to other’s beliefs whether it is relevant to perform the behaviors. Tarkiainen and Sundqvist (2005) suggested that individual’s positive towards their behaviour are affected by people that importance to her or him. According to the Rahim and Junos (2012), subjective norm deals with purchasers ‘motivation to meet the conduct that built to consolidate the desires for the endorsement or objection to other essential to an individual, for example, the friends and family. When consumers believed that behaviour automatically it will give higher intentions to buy such products.

Perceived behaviour refers to the degree of control that an individual perceives over performing the behaviour” (Khir, Abdullah, Ishak, & Ramli, 2017) In addition, according to Khir et al. (2017) "perceived behavioural control is the extent to which a person feels able to engage in the behaviour". Moreover, based on the same source, perceived behavioural control will account for considerable variance in behavioral actions and intention. “Perceived behavioral control has two aspects, the first one is how much a person has control over behaviour. Meanwhile the second one is how confident a person feels about being able to perform or not perform the behaviour “(A. Hashim & Musa, 2013).

Religiosity Knowledge is the main factors in decision-making behaviour. It can be defined as the extent to which an individual is committed to his or her religion and to which that religion is reflected in the individual’s attitudes and behaviour” (Briliana & Mursito, 2017). According to the (Bonne, Vermeir, & Verbeke, 2008), religion play out the most persuasive roles in settling on choice in numerous social orders. It will influence the individual utilization relies upon the religion itself and on the degree to which people decipher and pursue its lessons.

Intention can be define as a person's location on a subjective probability dimension involving a relation between himself and some action” (Omar, Mat, Imhemed, & Ali, 2012). With respect due to the definition, it implied that purchase intention is a forecast about purchasers' attitudes. In addition, Omar et al. (2012) declared “intention is recognize as the encouragement for individuals to engage in certain behaviour”. Purchase intention has influenced the purchasing choice of customer. Besides, in view of different past hypotheses, purchase intention considered as the indicator of future purchase decisions. According to the Aziz, Noor, and Wahab (2013) “TPB model, behavioural intention is an immediate antecedent of behaviour”. Therefore, the individual's subjective possibility that he or she chartered in that behaviour is described as behavioural intention.

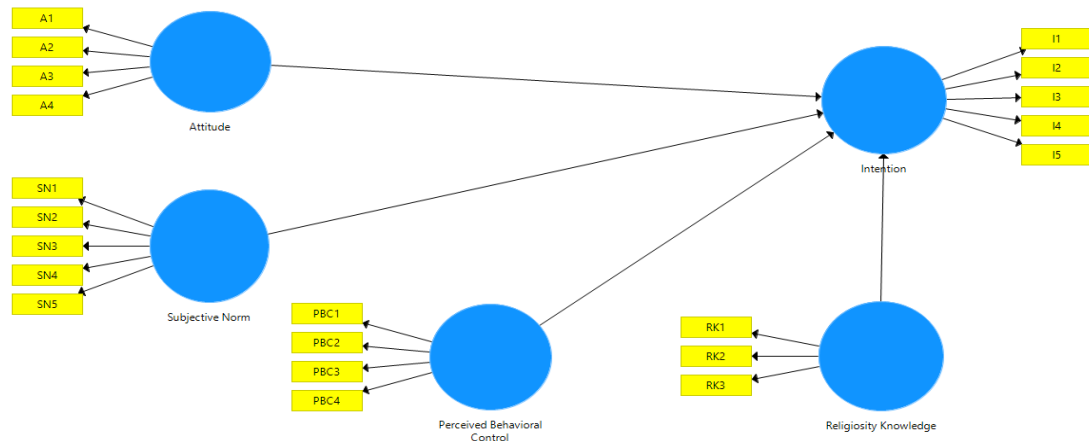


Figure 1. Research Framework

3. Methodology

In order to further explore about the TPB model halal cosmetic purchase intention among the students at this university, this study used a descriptive research analysis. The target respondent in this research was students of University Malaysia Kelantan. Regarding to this study, we used Stratified Proportionate Random Sampling technique. This study was completed by distributed 244 questionnaires to the students in University Malaysia Kelantan.

In this study, it focused on students in a University Malaysia Kelantan that target the students with business background which are 4,634 students. This study applies Stratified Proportionate Random Sampling technique. Stratified random sampling is a method of sampling that involves the division of a population into smaller sub-groups (Faculty) known as strata. By using sources of Krejcie and Morgan (1970). Based on the number of students which were 4,634, the table has shown that the number of sample size is 357. However, we managed get 244 respondents to answer the sets of questionnaires which distributed by using google form in University Malaysia Kelantan and only 99 data were used to analyse through Smart PLS 3.0.

4. Result and Analysis

4.1 Demographic Profile

The demographic data consist of gender, age, race, course and, year of study

Table 1. Respondents’ demographic information

Demographic	Frequency	%
<i>Gender</i>		
Male	13	13.1
Female	86	86.9
<i>Age</i>		
19-20 years	7	7.1
21-22 years	51	51.5

23-24 years	32	32.3
25 and above	9	9.1
<i>Race</i>		
Malay	77	77.8
Chinese	2	2.0
Indian	17	17.2
Other	3	3.0
<i>Course</i>		
SAB	52	52.5
SAK	8	8.1
SAL	3	3.0
SAE	1	1.0
SAR	6	6.1
SAH	5	5.1
SAP	17	17.2
SAW	7	7.1
<i>Year of study</i>		
First year	3	3.0
Second year	9	9.1
Third year	12	12.1
Fourth year	75	75.8

4.2 Construct Validity

Construct validity is utilized to show that the outcomes from the empirical analysis utilizing the construct fit the theory from which the build is inferred by analysing whether the construct utilized as the instrument to cover the idea as proposed by the theory prevails with regards to doing as such. This can be accomplished by evaluating the convergent validity and discriminant validity. Prior to continuing with the test, the PLS algorithm was determined to get the loading and cross-loading of the item measurement. The loading is utilized to recognize any innate issues with the items utilized as builds in the study. As indicated by (Hair et al., 2011), cut-off value of loading is around 0.5 and anything with a loading of beyond what 0.5 can be viewed as significant.

Table 2. Discriminant validity of the constructs

	1	2	3	4	5
Attitude	0.904				
Intention	0.647	0.857			
PBC	0.687	0.736	0.817		
Reg K	0.597	0.512	0.672	0.838	
SN	0.759	0.553	0.699	0.559	0.771

Diagonals (in bold) represent the average variance extracted while the other entries represent the squared correlations

Regarded to the table above, the squared correlations for each one of the variables were less than the average variance extracted by the indicators measuring which showed the variable indicating sufficient discriminant validity. The AVE is higher than squared correlation among the variable in the model.

4.3 Reliability test

Cronbach’s alpha coefficient was used to assess the consistency and stability of the measurement items (Ramayah, Lee, & In, 2011). Cronbach’s alpha coefficient indicates how well the items in the set are positively correlated to one another (Yoshifumi, Premkumar, & Manzuma-Ndaaba, 2017). The reliability test of the research model Cronbach’s alpha value and the composite reliability value results exhibited value that were at par with the criteria set by other researchers (Ramayah et al., 2011).

Table 3. Results of reliability test

Constructs	Measurement item	Cronbach’s a	Loading range	Number of items
Attitude	A1, A2, A3, A4	0.926	0.889-0.919	4
Intention	I1, I2, I3, I4, I5	0.910	0.814-0.899	5
PBC	PBC1, PBC2, PBC3, PBC4	0.836	0.797-0.840	4
Reg K	RK1, RK2, RK3	0.791	0.695-0.917	3
SN	SN1, SN2, SN3, SN4, SN5	0.830	0.679-0.821	5

4.4 Hypothesis Testing

The R² value was 0.584 indicating that 58% of the variance of intention can be clarified by attention, perceived behavioural control, religiosity knowledge and subjective norm. There were positive relationships between all independent and dependant variables. Attitude was positively related ($\beta = 2.020, p < 0.01$) to intention, so was perceived behavioural control ($\beta = 4.279, p < 0.01$), but religiosity knowledge and subjective norm was not a significant predictor of intention which are ($\beta = 0.212, p < 0.01$) and ($\beta = 0.696, p < 0.01$) respectively.

Table 4. Path coefficient and hypothesis testing

Hypothesis	Relationship	P-value	T-statistic	Supported
H1	ATT → INT	0.044	2.020	YES
H2	SN → INT	0.487	0.696	NO
H3	PBC → INT	0.000	4.279	YES
H4	REG → INT	0.832	0.212	NO

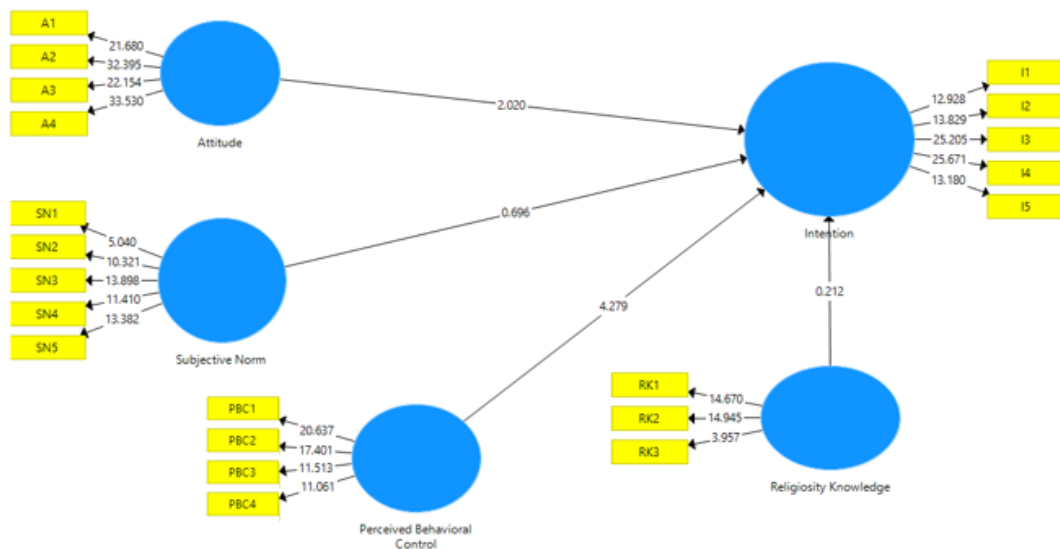


Figure 2. Results of the path analysis

5. Discussion and Conclusion

It can be concluded that UMK students’ consumers are moderate in term of religiosity knowledge. The phenomenon confirms the findings of other scholars who see that, despite the strong trends toward Islamisation in the country, Malaysia society in general remains moderate (Kusumawardhinia & SRI RHH, 2016). In addition, Islam or religion is used only as the reference for moral guidance—not as a reference for other aspects of life (Kusumawardhinia & SRI RHH, 2016).

The second possible explanation is related to the second hypotheses testing on the direct effect of Halal cosmetic purchase intention among UMK student. The study shows that attitude has significant and positive influences Halal cosmetic purchase intention among UMK students, Although there is a belief that highly religious consumers have a tendency to take less risks, a Muslim is expected to consider the outcome of his or her purchases as “the will of God” (El-Adly & Eid, 2017). However, the study shows that Muslim consumers, to some extent, may still assess the value of products using rational consideration and logic.

In other words, the research result also implies that Muslim consumers may still view quality consumption based on conventional perspectives rather than Islamic perspectives. Although a Muslim is expected to measure quality using Islamic perspectives, by looking at the ability of the products to convey material, moral, and spiritual betterment of the consumer, they still rationally and pragmatically measure product quality based on physical appearance and material durability (Kusumawardhinia & SRI RHH, 2016).

Therefore, it is important for a company to create Halal cosmetic products that are good in value to bring a significant impulse and realizing the actual purchase. Marketers have to ensure that Halal cosmetic products not only utilize its Halal label without delivering a good product value, as the customer will objectively evaluate that the money, they spend is worth the benefit they get from the product.

Furthermore, the research shows that perceived behavioural control has the highest mean result compared with other variables examined in the study. The finding confirms previous study that UMK students categorize all products as a high

involvement product, including personal care products (lipstick and shampoo). According to (Wilson & Liu, 2010), the rationale on why UMK students categorize all products as high involvement products is because they are bound by their religion to be extra cautious in all their consumption activities. What is contradictory here is that, although consumers see toiletry products as high involvement products, the factors that drive consumers to purchase the products is not religiosity knowledge but perceived behavioural control on the value of the products. Again, the result shows that UMK student's behaviour to some extent is still developed based on a conventional consumer behaviour scheme rather than on ideal Islamic consumer behaviour scheme.

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Entrepreneurial intention from zero to business

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Abstract

The primary objective of this study is to identify the internal and external factors effect on UMK's student entrepreneurial intention towards entrepreneurship. This research is about a quantitative research, where questionnaires are applied in this study. For the research design, this study has applied the descriptive research design. The data collection was based on distributed of questionnaire and online questionnaires. Data was gathered from 300 students of Faculty of Entrepreneurship and Business (FEB) and Faculty of Hospitality, Tourism, and Wellness (FHTW) in UMK City Campus. The sampling framework for this population is by selected randomly from the undergraduate students in UMK City Campus. The assumption from this study is the students itself and university role in developing the students' intention and interest towards entrepreneurship, facilities that need to be provided by UMK to help students actively participate, and family background that help to encourage entrepreneurship activity. Pearson Correlation analysis indicates that students' intention towards entrepreneurship is positively correlated internal factor, external factor and entrepreneurship education. Entrepreneurship education mediates the internal factors and external factors to the students' intention towards entrepreneurship. In the final section, we discuss these results and impact through student's intention towards entrepreneurship.

Keyword(s): internal factor, external factor, entrepreneurship intention and entrepreneurship education.

1. Introduction

Entrepreneurship has been considered a good career choice and there are about 42% of working-age adults around the world insisting that starting a business in the country is one of the best opportunities (Herrington et al., 2017). This has prompted Malaysia to urge students especially in higher learning education to become an entrepreneur. One of the government's efforts to create entrepreneurial spirit in students is by obliging them to take entrepreneurship subjects even though these subjects are not the core subject areas of their study.

This study is to ascertain the issues about the willingness of undergraduate students to become entrepreneurs. In reality, the student put a high expectation for getting a job after graduation. However, the employer tends to see the effect of the entrepreneurship pathway on labour market products by relying on randomized job of the program among applicants (Preamand, et. al, 2015). UMK is a university of entrepreneurship that creates graduates who have knowledge about entrepreneurship. The entrepreneurship education was introduced by institutions of higher learning in Malaysia as early as 1980s, but was not extensively taken up by the community for some time (Othman, et. al, 2017). Entrepreneurship education has been enthused as a component of a methodology implied at expanding the amount of achieved human capital, capable for creating and advancing mechanical advancement and business development, so as to understand another business and modern network by 2020. As a result, entrepreneurship education has been all the more extensively offered in college, as a method for creating innovative physiognomies and potential in college understudies.

Therefore, factors that influence and encourage students to start a new business or continue their existing business need to be clear. While entrepreneurship is regarded as an important area in developing and generating economics, research conducted on this issue is still inadequate (Fayolle and Linan, 2013; Karimi et al., 2014). In this regard, research is to monitor and see the effect of entrepreneurship intention of students especially in the scope of expected values, normative beliefs, entrepreneurial behaviour and self-employments. Nonetheless, every student who comes to UMK has different background. Some of them are knowledgeable and experienced in entrepreneurship and there are also those who do not have the background related to entrepreneurship. However, employers need graduates that have entrepreneurially inclined. Thus the development of an entrepreneurial mind-set and enterprising skills is on the plan for evolving graduates in order to improve their employability. As in UMK, the entrepreneurial subject is compulsory for every student. It has been questioned, whether entrepreneurship education which UMK had offered could would be able to attract students' intention into entrepreneurship.

This conceptual article discusses on how a person, specifically students can be successful in their business when they have an intention towards entrepreneurship. In this research, we identify several factors that encourage person's intention towards entrepreneurship by looking at internal factors and external factors. These factors are supported by education received by a student on entrepreneurship knowledge where it able to encourage intentions towards entrepreneurship. The scope of the study is focussing on the third and fourth year undergraduates students from the Faculty of

Entrepreneurship and Business (FEB) and the Faculty of Hospitality, Tourism and Wellness (FHTW) of University Malaysia Kelantan (UMK), City Campus.

This study also interested in how the graduates recognise entrepreneurship as an individual career alternative. It is broadly known that the educational system of universities has to provide an academic environment that serve as a substance for high-technology start-ups. However, the universities shall be nurturing innovations and new product development through entrepreneurship as part of main role in universities. The role of university graduates shall also be improved as creators of innovative business. Thus, student with zero basic knowledge of entrepreneurship students becomes an entrepreneur by developing their intention while being in UMK. Based on the independent variables, this study tests the factor that develop on entrepreneurial intention of undergraduates student in UMK, in order to confirm predictable knowledge that entrepreneurship education upsurses the intention to start a business.

2. Literature review

Entrepreneurship nowadays is one of the keys to improve and strengthening the country's economy. It not only impact on economic development, entrepreneurship has also created job opportunities, being a source of innovation and productivity (Urbanod and Aparicio, 2015). Therefore, students' intention towards entrepreneurship has a strong relationship to create the entrepreneurship intention; from zero to business. Expected value has been checked as the impact of students' intention towards entrepreneurship. According to Khuong and An (2016), the social association that offers refinement to the job of enterprise will make more people pick the way to transform into entrepreneurs. Through appropriate entrepreneurship education, an individual obtains the abilities and knowledge needed for founding and evolving a new business (Paço et al., 2015: 60). Next, entrepreneurial behaviour also give impact to students' intention. According to Rauch and Hulsink (2015), intentions is assumed to be a motivation to engage in certain behaviour, and intentions can be influenced. The connection among intentions and behaviour is very much enlightened in psychology (Nwankwo et al., 2012). Intentions are comprehensively observed as persuasive indicator of behaviour particularly on account of purpose, intentional, and objective situated behaviour (Bagozzi et al., 1989).

Meanwhile, internal factor has a positive significant relationship to students' intention towards entrepreneurship. Internal factors consist of creativity and innovativeness, risk taking, and work experience. Creativity and entrepreneurship are two main characteristics that will make undergraduates students become successful in their future profession. According to Park et al., (2016), a college student's creativity affects career preparation behaviour. Higher creativity results in a higher level of career readiness. According to Larso et al., (2016), summary that necessity-driven entrepreneur usually has inadequate admission to the knowledge resources and technologies, to improve their creativity and innovation skills in order to create great additional value products or service. Next, entrepreneurs are taking risks toward creative things for instance, product development strategies, decision making and new market entry (Tajeddini et al., (2012). Existing literature elaborates that risk taking propensity has positive effect on new endeavor performance (Wang et al., 2010). According to Bullon et al., (2015), some studies have documented that risk taking has a negative relation with new venture performance, as well as a meta-

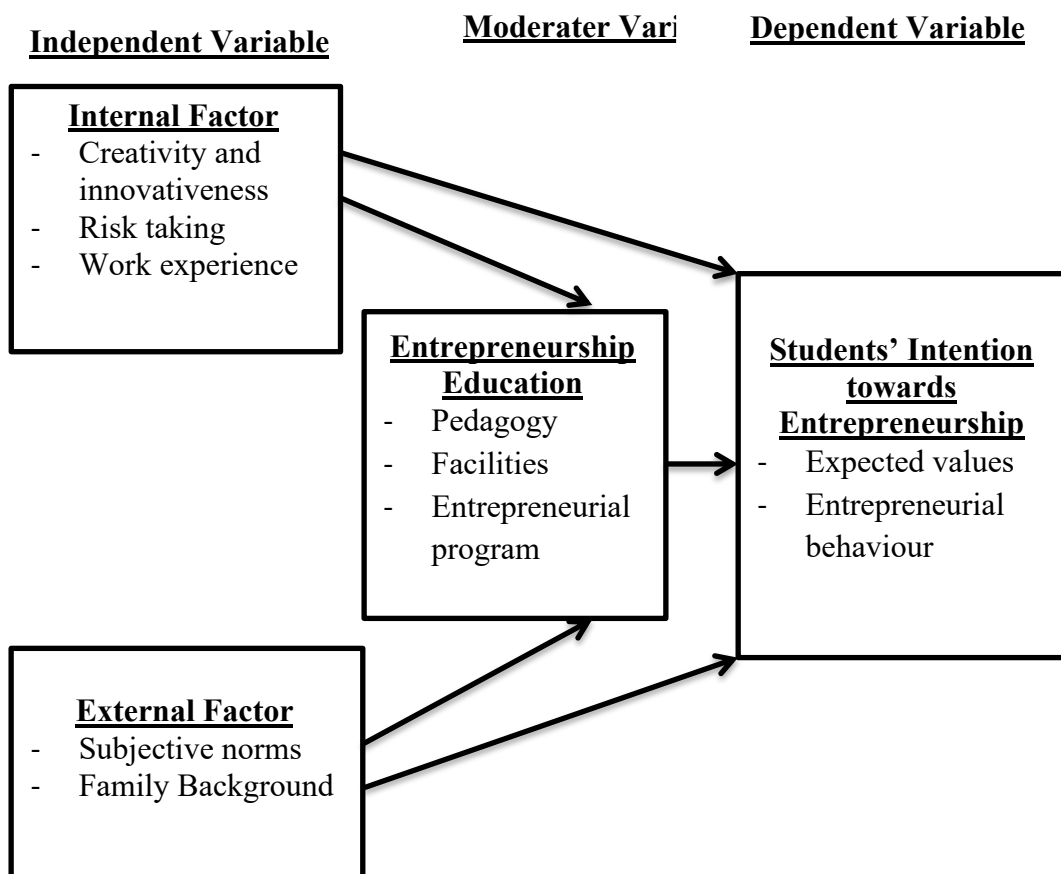
analysis concluded no relation between risk taking propensity and venture success in view maximum positive results from a plethora of literature. Last, working experience. Learning gained through prior experience plays an important moderating role that reinforces identity to influence future entrepreneurial activity (Farmer et al, 2011). Obschonka et al. (2015) find that prior entrepreneurial experience has a positive effect on entrepreneurial identity and highlighted the occupational socialization effects of entrepreneurial work. In term of “push and pull” factors also students more triggered to entrepreneurial intention due to negative stimuli such as frustration rather than positive stimuli as support (Brunjes and Revilla, 2013). Business experience, management experience, technical knowledge, training, and parent business are the proponent of entrepreneurial intentions development (Staniewski, 2016). Students who like to work independently are better able to identify opportunities to start a new venture, raise funds through debt and problem-solving in real situation (Kirby, 2004).

External factors are the factors from outside that have strong relationship with students’ intention towards entrepreneurship. These factors include of family background and subjective norms. Subjective norms explain the influence of social groups that play a significant part in influencing social pressure on the perception of a person either to perform an action or not (Fishbein and Ajzen, 1975). According to Ajzen (2015), subjective norms describes as a social pressure that is considered to have relationship or no relation to one’s behavior. Subjective norms can influence the choices made in the online platform (Bigne et al., 2015). Many studies have been done on the role of subjective norms in various fields including sociology, psychology and marketing (De Vos and Witlox, 2017). Subjective norms is a view that is considered important by an individual who prompts the individual to do or not conduct a behavior and catalyst, along with the individual's willingness to carry out or not a matter of importance (Wedayanti, and Giantari ,2016). Next, a study by Peng et al., (2013) also confirmed that families have an influence on an individual’s entrepreneurial intentions in terms of role modelling and considered parents to play an significant role in youngsters’ entrepreneurial career. The socioeconomic status of the family has an impact on student choice in entrepreneurship career. People tend to follow the career path as an entrepreneur when they have a parent or close family with backgrounds as entrepreneur (Drennan et al, 2005). The logic is students who come from families that practice business are more likely to follow the paths of opening up the businesses (Shamsudin et al, 2017).

Entrepreneurship Education third variable that affects the strength of the relationship between dependent variable, students’ intention towards entrepreneurship and independent variable, internal and external factors. Pedagogy, facilities and entrepreneurial programme influence this factor too much. Pedagogy is instructional practices and experiences that include three dimensions namely specified, enacted and experience (Nind et al., 2016). A pedagogy that focuses on theories, based on the existing theory of strategy as well as new entrepreneurial theories used to teach students about the theory of entrepreneurial models. According to Neck et al., (2014), this approach is initiated from the premise as the method or technique to study entrepreneurship is to conduct the entrepreneurial self. Active learning habitually shows student-centered pedagogies in which participants are involved in collaborative knowledge building (Ellis and Goodyear, 2016). Next, facilities are the critical factor that related to the effectiveness of entrepreneurship education. This is because of this factor indirectly will influence the students’

intention towards entrepreneurship. Organizations need to provide resources as facilities to the new venture to start their own business and these entrepreneurs play a role for make changes in business world (Kuratko, 2007). Study on entrepreneurship institution without reference to the environment can be assumed as incomplete and ineffective (Lucky et al., 2013). Lastly, entrepreneurship program are able to develop the students’ entrepreneurial intention. According to Martin et al., (2013), previous studies concurred that early education-related entrepreneurship at university level is positively influence the student’s intention to start a new venture. Entrepreneurship Education Programs’ are growing rapidly to enable individuals to venture into a new business, increasing the number of entrepreneurs and also make an effect on entrepreneurial behavior and intention.

2.1 CONCEPTUAL FRAMEWORK



3. Methodology

This research study aims to identify and test the influence of internal factor and external factor toward entrepreneurship intention while using entrepreneurship education as an intermediary. Therefore, quantitative research method is used which quantified to get outcomes from the sample that we choose from the population. The selection of the respondents was based on probability sampling which is stratified sampling method. Stratified method is sampling method where the population divided into subgroups or strata and members are randomly selected from each group. Therefore, for this research we used the stratified sampling technique. Population refers to the amount of data collected which can be collected based on the elements required to meet the criteria in a study. This study chooses University Malaysia Kelantan (UMK) Campus Kota as a location to conduct this research. Sample size is the quantity of respondents that researcher select from the population. Sample size was carefully choosing because of the good the sampling, the more accurate the data. A sample of 300 respondents was choosing from 4633 of undergraduates students overall from Faculty Entrepreneurship and Business FEB and Faculty of Hospitality, Tourism and Wellness FHTW in Campus Kota. This sample size was selected randomly selected.

To get a quantitative decision, a descriptive result is involved where it uses structured questionnaires to collect all the required data. Using survey questionnaire, traditional and online methods, allows data from respondents to be cited accurately, valid and reliable. The questionnaires were designed in the five-point Likert scale format. This format is used to determine on how strong the respondent agree or disagree with this study. The five point Likert scale format consist from number one (1) to five (5) which indicated that 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, and 5=Strongly Agree. This format is easy to construct, to measure and easy to understand and answer by respondent. The types of data analysis that was used in this study were validity and reliability and Pearson Correlation Coefficient where we measure the validity, reliability and the significant of the bivariate interaction between the all variables that measured.

4. Findings and discussion

4.1 Validity and Reliability

The main purpose of reliability test is to identify the stability of the data that was gathered. In additions, the reliability testing was used to measure the terms of the variables in the questionnaire and the stability and consistency of the items can be determined by the Cronbach's alpha. The results was measured based on the range of the coefficient value which is explained as the value is higher than 0.7 , it shows that the questions are reliable and can be accept as the measuring tool to measure the concept intended to be measured. Table 1 has shown that the validity and reliability statistics which used to prove the reliability of the research. Table 1 has shown the value of Cronbach's Alpha for internal factor (0.771), external factor (0.800), entrepreneurship education (0.796) and entrepreneurial intention (0.880) is acceptable to prove the instruments' reliability which is the value is above 0.6.

Table 1: Reliability Statistics

	Cronbach's Alpha
Internal Factor	.772
External factor	.803
Entrepreneurship Education	.798
Entrepreneurship Intention	.881

4.2 Pearson Correlation Coefficient

Pearson Correlations test is vital in measuring the linear relationship between two variables. The purpose of this test is to determine whether the correlation coefficient is statistically significant and analyse which hypothesis should be accept and reject. If the relationship is significant, a decision need to be made on what strength of association is acceptable.

Table 2 shows Pearson correlation, significance value and the number of cases which is 300. It shows that entrepreneurial intention of UMK's students towards internal factor, external factor and entrepreneurship education have a moderately high correlation.

Table 2: Pearson correlation

		Entrepreneurial Intention
Internal Factor	Pearson Correlation	.670**
	Sig. (2-Tailed)	.000
	N	300
External Factor	Pearson Correlation	.698**
	Sig. (2-Tailed)	.000
	N	300
Entrepreneurship Education	Pearson Correlation	.646**
	Sig. (2-Tailed)	.000
	N	300

4.3 Internal Factor

Internal factor has moderately high relation with entrepreneurial intention by the R value 0.670. According to Barringer et al, 2016 entrepreneurship is the process by which individuals pursue opportunities without regard to resources they currently control. This shows that student is influenced to become an entrepreneur because of the internal factor such creativity and innovativeness, dare to take a risk and their past working experiences. Following is internal factor also moderately high

relationship with entrepreneurship education with R value of 0.673. This indicates that entrepreneurship education is a good mediator for the students' entrepreneurial intention. This finding is in line with study Mustapha and Selvaraju (2015) that Entrepreneurial curriculum and content appear to positively influence the students' intention to be entrepreneurs, it is assumed that respondent are influence by entrepreneurship education to becoming an entrepreneur. Plus, significant levels of both variables are 0.00 that shows highly significant. Therefore, internal factors are related with entrepreneurial intention. So it indicates that hypothesis 3 is accepted.

H₃: There is positive significant relationship between internal factors and students' intention towards entrepreneurship.

4.4 External Factor

According to the results obtained from Pearson correlation coefficient analysis external factor has significantly influence on students' entrepreneurial intention. This is because external factor has a strong positive beta coefficient value that impact on students' entrepreneurial intention. This indicates that external factor such as family background and subjective norm. In other words that explained by Bagheri and Pihie (2010), family or peer businesses are also known to inspire fresh graduates by providing a supportive environment which gives them information and resources to start a business after they graduate. Consequently, the significant levels of both variables are 0.00 that shows highly significant. For that reason, internal factors are allied with entrepreneurial intention. So it indicates that hypothesis 4 is accepted.

H₄: There is positive significant relationship between external factors and students' intention towards entrepreneurship.

4.5 Entrepreneurship Education

Entrepreneurship education has moderately high correlation with entrepreneurial intention. This shows that UMK has implement better pedagogy systems, improved facilities and variety of entrepreneurial program that encourage intentions of students in entrepreneurship. According to Premand (2015), improvement in education curricular is in line with entrepreneurship education among university student in planning their own business. This study has showed that entrepreneurship education has significant relationship with entrepreneurial intention ($r = 0.646$, $p < 0.01$). An effective pedagogy involved three dimensions which is specified, enacted and experience (Nind et al, 2016), to enhance the creativity and knowledge of teaching. This implies that when the high quality of education is delivering, intention of students toward entrepreneurship will develop. Support from university in terms of facility and entrepreneurship programs have been shown to be related with effectiveness of entrepreneurship education. So it indicates that hypothesis 5 is accepted.

H₅: There is positive significant relationship between entrepreneurship education and students' intention towards entrepreneurship.

5. Conclusion and recommendation

As a conclusion, the aim of this study is to identify the factors that contributing entrepreneurial intention among UMK undergraduates' final year students through the factor of internal factors, external factor, entrepreneurship education that contributing entrepreneurial intention among UMK students, carried out in this research shows the positive relationship. In addition, understanding towards factors

that affect entrepreneurial intention among undergraduate's students through the lens of entrepreneurship education is vital because entrepreneurship education give a clear picture for them to understand how to form a successful entrepreneur. We hope that this study will provide a useful knowledge to undergraduates students and other parties to understand about how create the intention among the undergraduates student.

Besides that, entrepreneurship education can influence the UMK undergraduate's student intention into the business. They are agreed that through some of the entrepreneurial activities can help to improve their entrepreneurial skills. Thus, entrepreneurship education play a major roles in improve the intention among the student in term of choosing entrepreneurship as their career in future especially the student who was major in entrepreneurship . Thus, entrepreneurship education in business school must have effective education system in order to attract more intention of student to be a successful entrepreneur in the future. From this study, we could give some recommendation to those at the helm to encourage students' intention towards entrepreneurial:

Student

Based on this study, it identified that the internal factor and external factor of students play an important role to create their intention towards entrepreneurship. For instance, these factors related to each other to improve the students' intention towards entrepreneurship. Thus, students in UMK's City Campus should improve their internal factors in kind of creativity and innovativeness skills by joining any entrepreneurial event that has been organised. They also need to be a risk taker person so that they know how to handle challenges and to clutch the opportunity. By this way, this will indirectly influence the students' intention towards entrepreneurship.

University

This study has identified that university indirectly give impact to students' intention towards entrepreneurship. Based on this research, entrepreneurship education that has been provided in university will influence students in creating the entrepreneurial behaviour. Entrepreneurship education is related to the factors that will influence students' intention. Therefore, university need to improve the pedagogy by provide activities or knowledge that make them exposed to industry. Facilities in university also need to improve so that students will be more courage to make business. This effort will increase the students' intention towards entrepreneurship.

Market Sector

This study has revealed that students' intention towards entrepreneurship indirectly impact the market sector. Entrepreneurial activities help industry to generate new wealth and income. Entrepreneurship lead to increase employment and increase the earning contributes in kind of higher tax revenue and higher government spending. Thus, this study has identified the important of students' intention towards entrepreneurship. By this way, it will help market sector to create the new job opportunity to others and improve the industry economy.

The present research is performed to analyse the factors that contributing entrepreneurial intention among UMK students. Suggestions have given in order on how to conduct to get well research in the future. First and foremost, sample size

should raise in the future study, where different geographical areas as well as different opinion towards factor that contributing entrepreneurial intention among undergraduates' students. The biggest size of population, the more accurate finding can be.

Furthermore, the limitations and recommendations are provided by the researchers in the study to support future researchers to conduct future research with comprehensive and through knowledge on the same field of topic. This is because entrepreneurship has playing as an important key on the economic development of nation. Besides this, entrepreneurship have been recognized as an approach to solving the issues of unemployed graduates by assist the fresh graduates to exploit their own undertaking. Lastly, future research can apply other data collection method due to get the more accurate data information to in getting the finding. An interview method is the one example that suitable method in getting the questionnaires.

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Factors influencing the customer's satisfaction on Islamic based hotel in Kelantan

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Abstract

This study investigates the relationship between factors that give an influence on the customer's satisfaction on Islamic Based Hotel (IBH) in Kelantan. A conceptual framework of different variables like halal food, prayer facilities, Islamic dress code and Islamic entertainment were studied to measure customer's satisfaction on IBH. The factors that influencing the customer's satisfaction on IBH is important to identify in order to ensure its meet the demand of Muslim travellers. This study was conducted by using quantitative research approach. A total of 118 questionnaires were distributed to targeted respondent which is customers of Islamic Based Hotel (IBH) and the feedback will be used for data analysis. The findings reveal that the factors which are halal food, prayer facilities and Islamic dress code have significant relationship with customer's satisfaction while Islamic entertainment factor clearly did not influence the customer's satisfaction. The result of this paper will also indicate the importance of halal food, prayer facilities and also Islamic dress code of the staff to help hotel management improve their service and facilities in Islamic Based Hotel (IBH). A lack of cooperation from third party which is one of the IBH hotel in Kelantan make this study difficult to find the respondents and consume a long period of time in collecting the data.

Keywords: customer satisfaction, halal food, Islamic based hotel, Islamic dress code, prayer facilities

1. Introduction

Malaysia is a multiracial country with Islam being the largest practiced religion, comprising approximately 61.4% Muslim adherents, or around 17 million people, as of 2010. As of 2019, there were approximately 19.5 million Muslim adherents or 61.3% of the population which equivalent to 18,972,327 people. The halal industry especially in hotel management which consists of Halal food, prayer facilities, Islamic dress code, and Islamic entertainment as well as in services become highlighted by many countries especially Malaysia.

As far as halal food is concerned, the relationship between halal and Islam has created a unique and special value to the Muslims when food is discussed. Malaysia, like other countries, consists of different religions and followers. Findings from Dindyal and Dindyal, 2004 say that religion plays one of the most beneficial roles in the selection and selection of food that is used in some societies. However when it comes to Islamic tourism or Halal Hotels, there are many ambiguities surrounding the concepts (Henderson, 2010). According to Weidenfeld (2006), the author has recommended that one of the factors which influence the hotel choices by Muslim tourists may be the nearness of the mosque. Therefore, the research is conducted to determine whether the facilities offered to the customer comply with the requirements of the standard or not to make the hotel a Shariah-compliant hotel. For the dress code factor imposed by the management of a hotel must be Shariah-compliant, or simply say the hotel staff should cover their *aurah* properly. It is important for the hotel management to emphasize this factor as it can indirectly attract Muslim tourists from outside Malaysia to come here. As Mohsin (2005) says, in order to attract the family market it needs to use the right promotion. A promotion technique to promote a destination by using sexy young clad girls' images will not help in Malaysia because it is not suitable in their culture which will attract the community to speak.

When it comes to entertainment, every economic sector that engages in interaction with customer, the management needs to add entertainment value to attract customers. Therefore, the Islamic Based Hotel (IBH) itself needs to emphasize the concept of Shariah-compliant entertainment and most importantly do not overpass. As Battour et al. (2011) reported that how Islamic entertainments were considered to be the most important element significantly impacting on Muslim tourists' choice of hotels in Malaysia.

In response to this, the current study is an attempt to greater understands this concept by scrutinizing the factors influence that parallel with regulatory framework on Shariah-compliant hotels. Therefore, there is a need to discuss in detail the policy factors affecting customer satisfaction as well as the halal standard set to enable hoteliers in Malaysia to continue to adhere to these standards before being recognized as a Shariah-compliant Hotel. It should be emphasized that Shariah-compliant hotels are not meant to replace existing hotel concepts but to offer alternative services and operations especially to cater to Muslim tourists and others.

2. Literature Review

2.1 Customer satisfaction

One of the ultimate goals for all businesses is customer satisfaction due to its potential impact on profits and repeat purchase behavior and profits (Kim, Li & Brymer, 2016). Oliver (1981) pointed out that customer satisfaction is an emotional response to the use of a products or services. On the other hand, Kotler et al., (2013) highlight that customer satisfaction as a consumer's response towards an evaluation of discrepancy between perceived and expectations performance of the product or service.

As consumer loyalty is affected by the accessibility of client benefits, the arrangement of value administrations has turned into a noteworthy worry everything being equal (Kotler & Keller, 2012). There is dependably a need to discover how hotel can improve their Islamic based hotel operation (Rosenberg & Choufany, 2009). Islamic based hotel service providers could improve their chances of expanding market share if they are able to fulfill the customer satisfaction in the terms of services or products that they are offering.

2.2 Halal food

Zannierah Syed Marzuki, S., et al. (2012) highlighted the food as well as being an essential source for existence, it is also considered as a crucial factor for humankind interaction among several of ethnic, social and religious groups. Zailani.S, Omar.A, and Kopong. (2011) defined halal certification as an examination of the food process in its planning, butchering, cleaning, preparing, dealing with, sanitizing , putting away, transportation and management practices. Therefore, halal recognition in the premises of eating means that the entire supply chain of food complies with non-intolerant Islamic food regulations.

Finding from Golnaz et al (2010) says that the comprehension of Halal principles isn't just in the circle of religious custom yet in addition as a new standard that concerned with the global issues such as ecological awareness, sanitation and creature welfare in ensuring that Halal qualification provides a healthy process. Al-Harran and Low (2008) have reported that there is intense interest from Muslim consumers for the wellbeing and quality of Shariah-compliant item prerequisites. That is the reason why Muslim need to take halal food since halal isn't just suitable yet in addition dealing with cleanliness, security and quality confirmation where the items ought to be served in perfect, new, secure and well-taken consideration.

2.3 Prayer facilities

There has been a concern regarding the availability of mosque or prayer space during the trip to Non-Muslim country. The author has recommended that one of the factors which influence the hotel choices by Muslim tourists may be the nearness of the mosque (Weidenfeld, 2006). Besides, Akyol. M, (2014) also highlighted that satisfaction levels may be increased if the mosque becomes one of the tourist destinations during travelling. The uniqueness of every mosque in terms of architecture and design illustrates the privilege of Islam. In Kelantan, there are Muhammadi Mosque, Sultan Ismail Petra Silver Jubilee Mosque and Kampung Laut Mosque as the oldest mosque to survive in Malaysia.

According to Zulkifli, W. S.W., Rahman, S.A., Awang, K. W., Man, Y.B.C. (2011), there also need to have the banning of alcohol and drug dealing activities.

Besides, Muslim customers should be provided with Quran and different utensils to use. Unmarried couples should also be forbidden to check in. All the characteristics mentioned are in accordance with Shariah principles that need to be applied in Islamic Based Hotel (IBH). The facilities provided can be considered as ‘Muslim friendly hotel’.

2.4 Islamic dress code

Islamic based hotel focus on how to attract Muslims tourism market. In order to attract them, hotel management have to set a standard appropriate uniform for the hotelier’s staff to wear. According to Mohsin (2005), for a family target market, a promotion technique to promote a destination by using sexy young bikini clad girls’ images will not help in Malaysia because it is not suitable in their culture. In hotel industries, the presence of staff with improper dress code will offend the Muslim tourists. Abu Karim, Ahmad & Zainol (2017) state that in order to make sure Shariah-compliant hotel image is well reserved, all staff in Perdana Hotel Kota Bharu must cover their *aurah* by wearing the hotel uniform and encourage the non-Muslims female staffs to wear scarf.

Besides, at the entrance of the hotel and lobby area they place a proper dress code notice board for the hotel customer’s guidance. It is important to pay attention in this matter because it can affect Muslim tourist in choosing appropriate hotel destinations. A marketing campaign is only allowed to use Muslim traditional Malay dress codes by The Malaysian Tourist Board because of the sensitivities of Islamic dress. Besides, the advertising billboard and home pages required the men wearing *Songkoks* which is black cotton hat that worn by males usually for praying and wearing headscarves for woman (Hashim et al., 2007).

2.5 Islamic entertainment

According to Zulkifli et al., (2011), Muslim travellers are commanded to choose hotels that prohibited of alcohol and gambling because it is stated in many Quran verses that alcohol is the mother of all evils. Battour et al. (2011) reported that articulate how Islamic entertainments were considered to be the most important element significantly impacting on Muslim tourists’ choice of hotels in Malaysia. The Shariah strictly prohibits Muslims involve with free mixing of the sexes which will lead to fitnah or temptation that may lead to evil consequences, the stimulation of desires and committing indecent acts (Battour et al., 2011).

Thus, Islamic based hotel operation should meet these requirements by assigning gender segregation. Stephenson (2014) pointed out that there are two hotels had good characteristics of Muslim hospitality services such as Adya Hotel Langkawi and Perdana Hotel Kota Bharu. Findings from Stephen (2014) mentioned that Islamic entertainment consists of separate swimming pools, separate room for spa and gym, separate banquet and business centre and also separate meeting facilities for male and female. After that, he also pointed out that Islamic based hotel provide Islamic value activities such as qiamullai and morning tazkirah.

3. Methodology

3.1 Conceptual framework

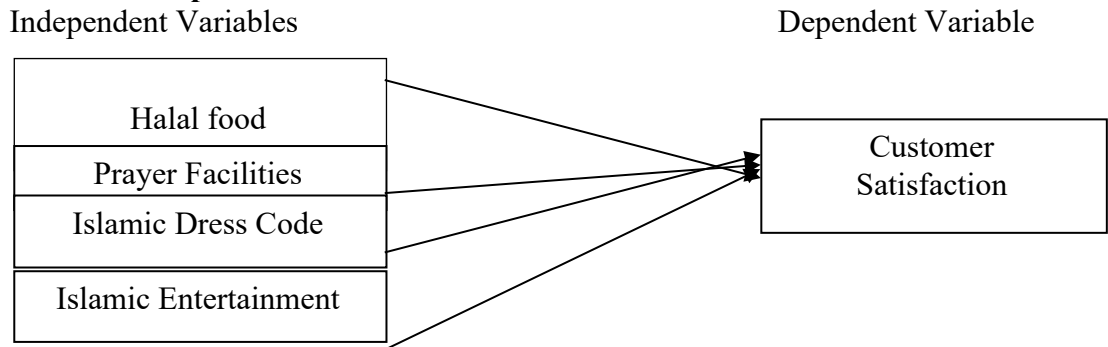


Figure 3.1: Conceptual framework of factor influencing the customer’s satisfaction on Islamic Based Hotel (IBH) in Kelantan

3.2 Research design

This study employed a descriptive design to collect data on the factors influencing customer satisfaction on Islamic based hotel. Data were collected through the use of personal questionnaire, distributed to respondents who had resided at Hotel Perdana, Kelantan. As the studies researcher had done, only the Perdana Hotel in Kelantan complies with Shariah compliant standards. The questionnaire will be passed directly to the respondents who had stayed in that hotel. The researchers met in person with the respondents and asked if they had stayed in the hotel. If ever, the questionnaire will be given and if not, we will pass on to the other respondents. The result of the research conducted, therefore, will be collected by using Islamic quality standard (IQS) on the basic requirement for Islamic based hotel. However, due to the limitations of the respondents we were looking for only the respondents who had stayed at the Perdana Hotel itself. It takes a long time for us to conduct the study because we need to see them personally and ask the respondent. Analysis on the responses returned from the samples will be tabled in study.

3.3 Sampling

For sampling techniques, this study used purposive sampling. This type of techniques was used to select all the random customers in Kelantan that shows their satisfaction on Islamic Based Hotel. Based on the study, the sample size consists the youth age among 19 years old and above. Therefore, the 118 customers will represented by the variable “n”.

3.4 Data analysis

For the data analysis, this research used three types analysis to analyse the data collected. First is descriptive analysis whereby we look for the higher mean result to indicate the selection of respondents on the factors involved. And the questionnaire used Likert scale to collect the data. It is much easier for researcher to summarize the data since it helps in presenting the data in a simpler form. Next is reliability analysis. In this result, it shows that all the factors are in good and acceptable level which is the Cronbach's Alpha in the range of $0.6 \geq \alpha > 0.9$. The higher the level, the more reliable the factors that influence the dependent variable.

Last but not least is inferential analysis. The study used the Pearson Correlation to get inferential data analysis. This type of analysis studied the relationship between dependent variables and independent variables whether it is linear or null. The purpose of the analysis is to identify whether the halal food, Islamic dress code, prayer facilities and Islamic entertainment have a relationship with the factors influencing the customer’s satisfaction on Islamic based hotel (IBH) in Kelantan.

4. Findings/Results and Discussion

4.1 Demographics analysis

A descriptive analysis was conducted with the purpose of summarizing the demographic profile of 118 respondents that involved in the study.

Table 4.1: Demographic of respondents

	N	%		N	%
Gender			Religion		
Male	39	33.1	Islam	106	89.8
Female	79	66.9	Buddha	3	2.5
			Christian	6	5.1
			Other	3	2.5
Age			Occupation		
19-21 years old	12	10.2	Student	85	72.0
22-24 years old	69	58.5	Staff	9	7.6
25-27 years old	18	15.3	Other	24	20.3
28-30 years old	9	7.6			
Above 31 years old	10	8.5			
Race			Place		
Malay	105	89.0	Yes	118	100
Indian	4	3.4			
Chinese	8	6.8			
Other	1	0.8			

Based on the Table 4.1 above, the result shows 39 males and 79 females involved in the study with the percentage of 33.1% and 66.9% respectively. In term of age factor, the respondents are allocated into five age group. The highest respondents were from a group of 22 to 24 years old with 58.5%.The second highest group were 25 to 27 years old with 15.3% and followed by the respondents from the youngest age group of 19 to 21 years old with 10.2% and the oldest age group of 31 years old and above with 8.5% respectively. Finally, the lowest group of 28 to 30 years old is 7.6%.For race factor, the highest number of respondents was Malay with 89% followed by Chinese respondents with 6.8%, Indian with 3.4% and the lowest group is Other with 0.8%.

The highest respondent in religion factor is from Islam group with 89.8%, follows by Christian with 5.1% and Buddha and Other which both is 2.5%. Next, students represented the highest group of respondents in term of occupation factor with 72%. Other race group on the other hand was the second highest group answering the survey with 20.3%. Lastly, place was the last factor in demographic profile with the highest respondents of 100% (n=118).

4.2 Reliability analysis

Reliability test was conducted to identify whether the data is reliable, stable or not. The coefficient alpha represented as a Cronbach’s Alpha that used to state the reliability. This is what we call as Cronbach’s Alpha can show the value between 0 to 1. The more the points of the reliability close to 1, the more reliable the scale of items of the variable.

Table 4.2: Reliability Statistic of Dependent Variable (Customer Satisfaction) and Independent Variable (Halal Food, Prayer Facilities, Islamic Dress Code and Islamic Entertainment)

Types of Variable	Cronbach’s Alpha	Number of Variable Items
Customer Satisfaction	0.846	3
Halal Food	0.873	5
Prayer Facilities	0.824	5
Islamic Dress Code	0.670	5
Islamic Entertainment	0.855	5

Table 4.2 above shows the reliability of dependent variable which is customer satisfaction and independent variable are halal food, prayer facilities, Islamic dress code and Islamic entertainment was reliable or not reliable. The finding shows the factors as a dependent variable was reliable and good due to the Cronbach’s Alpha values for the variable being 0.846 which is more than 0.8. It is significant and the relationship between independent and dependent variable is good but the relationship between dependent and independent (Islamic Dress Code) is acceptable.

According to the Cronbach’s Alpha value for factor (Halal Food) being 0.873, which was more than 0.6, the independent variable is reliable. It is significant and the relationship between independent and dependent is good. Next independent variable (Prayer Facilities) was reliable because the value of Cronbach’s Alpha is 0.842 which is more than 0.6. It is significant and the relationship between independent and dependent variable is good. The third of independent variable (Islamic Dress Code) was reliable because of the Cronbach’s Alpha value for the independent is 0.670 and it is more than 0.6. It is significant and the relationship between independent and dependent is questionable. Lastly, the reliability of independent variable (Islamic Entertainment) was reliable because the value of Cronbach’s Alpha is 0.855. The value is more than 0.6 and it is significant and the relationship between independent and dependent variable is good.

We can conclude that the levels are good and acceptable and this value can be carry for the future researcher and the reliability test can conclude that the questionnaire form was reliable to answer.

4.3 Pearson’s Correlation Coefficient

In this study, correlation analysis was used to identify the relationship between independent variables and dependent variable. The dependent variable is the customer satisfaction and the independent variables are halal food, prayer facilities, Islamic dress code and the last one is Islamic entertainment. The Pearson Correlation

Coefficient can have values ranging between -1 and +1. If the correlation indicates values of 0, then there is a linear relationship between the variables. Either positive or negative correlation shows that there is a perfect relationship between the two variables. The positive and negative values specify the direction of relationship. The positive correlation stated the relationship in which increase in one variable are associated with the increase in the other variable. Whereas negative correlation indicates the relationship in which an increase in one variable linked with the decrease of other variable.

Table 4.3: Summary for Pearson’s Correlation Coefficient Analysis

	Hypothesis	Sig. (2 - tailed)	Pearson Correlation	Alternative Hypothesis
H1	There is a significant relationship between halal food and customer satisfaction.	.000	.502**	Accepted
H2	There is a significant relationship between prayer facilities and customer satisfaction.	.000	.445**	Accepted
H3	There is a significant relationship between Islamic dress code and customer satisfaction.	.000	.524**	Accepted
H4	There is a significant relationship between Islamic entertainment and customer satisfaction.	.087	.158	Rejected

Table 4.3 shows the relationship between factor influencing the customer satisfaction and halal food. The value of correlation coefficient is 0.502 indicated that there is a moderate positive relationship between both of it. Based on the result of the significant value $P < 0.01$, this shows that there is a relationship factor influencing the customer satisfaction and halal food. Meanwhile, the significant levels of both variables are 0.000 and its shows that both variables are highly significant. Therefore, H1 is accepted.

Besides, Table 4.3 shows the relationship factor influencing the customer satisfaction prayer facilities. The value of correlation coefficient is 0.445 indicated that there is a low relationship between both of it. Meanwhile, the significant levels of both variables are 0.000 and its shows that both variables are highly significant. Therefore, H2 is accepted.

Follow by the relationship factor influencing the customer satisfaction Islamic dress code. The value of correlation coefficient is 0.524 indicated that there is a strong relationship between both of it. Meanwhile, the significant levels of both variables are 0.000 and its shows that both variables are highly significant. Therefore, H3 is accepted.

The last relationship is between factor influencing the customer satisfaction and Islamic entertainment. The value of correlation coefficient is 0.158 indicated that

there is negligible correlation between both of it. Meanwhile, the significant levels of both variables are 0.087 and its shows that both variables are no significant. Therefore, H4 is rejected.

5. Conclusion/Contribution/Recommendation

In conclusion, this study aimed to investigate the relationship between the four factors that influencing customer's satisfaction on Islamic Based Hotel (IBH). The factors are halal food, prayer facilities, Islamic dress code and Islamic entertainment. The management team need to find out the factors that influencing customer's satisfaction towards IBH to improve their service and meet the customer's expectation. In this research, there is positive relationship between halal food and customer satisfaction.

Then, there is positive relationship between prayer facilities and customer satisfaction. There is also positive relationship between Islamic dress code and customer satisfaction. But it has a negative relationship between Islamic entertainment and customer satisfaction. Based on the observation had been made, this study have several limitations. A qualitative research should be done that focus on the understanding of IBH concept towards non-Muslim customers in future research to attract them staying in IBH and improve the implementation of Shariah-compliant practice.

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Factors affecting consumers' intention towards purchasing halal food in Kota Bharu, Kelantan

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Abstract

The halal food industry has an enormous size of the market thus lead the increase of the demand for halal food products. This study aimed to determine the relationship between the, halal food purchase intention and four independent variables such as awareness, attitude, perceived behavioural control, and subjective norms. Survey has been used in this study as the data collection method for this study. Next, the researcher has adopted SPSS for analysing the data. The findings of this study reported that majority of the independent variables have significant contributions for both theoretical and practical implication.

Keywords: Attitude, Awareness, Halal Food Purchase Intention, Perceived Behavioural Control, Subjective Norms.

1. Introduction

In general, the halal food production industry related to the sector engaged in the production, manufacturing, handling and marketing of food and drink goods which conform to Islamic legislation. Particularly in Malaysia, the certification of halal food is obtained from the Department of Islamic Development Malaysia (JAKIM). Furthermore, a current government has an initiative to recognize Malaysia as a

world-class halal food hub is due to the potential of the halal industry for the future investment opportunity (Musa, 2019).

There are several conditions that have to be fulfilled in order to be labelled as halal food Portal (2019) discussed seven requirement of halal food in his study. Firstly, there is no part or matter of an animal prohibited by Hukum Syarak from eating a Muslim or not being slain in compliance with Hukum Syarak and fatwa. Secondly, the halal food must not contain anything that is unclean. Thirdly, requirement is that the food must not contain any intoxicant ingredients. The fourth requirement is that it must not contain any part or yield of a human. Next, the food must be safe to use or consume, not toxic or harmful to health. Sixthly thing is that the food has to be free of instruments that have been prepared, processed or produced contaminated with impurities. Finally, during the preparation, processing or storage, no food that fails.

The Hadith of the Holy Prophet Muhammad (SAW) addressed the halal concept is related to all forms of human consumption foods, products and drinks regardless of race, colour and nationality. One of the Prophet's hadith also teaches humans the proper way to slaughter animals for eating to become licit or halal. The Hadith was narrated on Abu Ya'la Shahddad ibn Aus's authority related to this context, saying:

The Messenger of Allah said: "Verily Allah has prescribed proficiency in all things. Thus, if you kill, kill well; and if you slaughter, slaughter well. Let each one of you sharpen his blade and let him spare suffering to the animal he slaughters" (Hadith No.17 of Imam Nawawi by Sahih Muslim).

It is impossible to deny that Islam provides clear guidelines on the process of halal food. As a Muslim, we must follow all the guidelines, particularly with regard to slaughter. Another guideline for Halal food is by referring to the Holy Quran. As mentioned in Al-Maidah 5:3;

"Prohibited to you are dead animals, blood, the flesh of swine, and that which has been dedicated to other than Allah, and those animals killed by strangling or by a violent blow or by a head-long fall or by the goring of horns, and those from which a wild animal has eaten, except what you are able to slaughter before its death..."

Islamic societies today perceive the use of the halal logo as a very important benchmark for food safety and quality (Demirci, Soon and Wallace, 2016). Therefore, the use of the certified halal logo on food labels is important to provide confidence in the halal of a food product. That is why the halal food company producers in the country put on the halal status of their company's food products as a priority because it is directly the market leader of the product. In addition, it is the commercial value of "marketing tools" to dominate the domestic and international markets as demand for halal products increases as the world's Muslim consumers grow (Lee, Siong, Lee and Kim, 2016).

The halal food industry has an enormous size of the market and the demand for halal food products will increase. According to (Hino, 2011), the authors highlighted that the world's halal food industry market is not only extensive but "very broad" with its own particular market. This has created a job to an opportunity for

local people to run a food business; thus, reduce the unemployment rate. Besides creating employment opportunities, halal food industries are also seen as a source of national economic development, as they contribute significantly to income distribution and job creation (Rahman & Abdullah, 2011).

In general, the logo and halal certification system make it easier for Muslim Malay consumer groups in the country to select items on the market without any hesitation (Haque, Anwar, Tarofder, Ahmad and Sharif, 2018). To protect the Muslims and help them choose halal food, the government has implemented a certification system run by federal and state-level religious agencies. To facilitate the industry to produce products that meet the requirements of the “syarak”, the government has developed clear and easy to understand halal standards and guidelines. Today halal standards are not only a guide to halal products manufacturers in Malaysia but also overseas manufacturers, especially those who export products to Malaysia.

The concept of halal can no longer be restricted to simply meaning food that is “pork free” (Abdul Majid et al., 2015). Many respondents said they were not aware of the actual difference between halal and non-halal food quality and did not know the halal services available in the market (Muhammad Ayyub, 2015). For Muslims, the use of the certified halal logo on food labels is important to provide confidence in the halal of a food product.

The concept of halal is not only limited to food it is also practiced in each the aspects of Muslims’ life (Majid, 2015). According to Weng and Khin (2016), attitudes toward the halal food product means the direction or focus by the consumer to the product that is based on interests and preferences for halal food. Thus, what consumers like and dislike, or know and do not know about halal food products offered is very important for the company to understand. The marketing function is to provide product information and promote products through the use of color, size, brand names, and the halal logo (Awan, Siddiquei, and Haider, 2015).

Halal producers must have a halal certification symbol to indicate that their products abide by Shariah law (Awan, Siddiquei, and Haider, 2015). To protect the Muslims and help them choose halal food, the government has implemented a certification system run by federal and state-level religious agencies. To facilitate the industry to produce products that meet the requirements of the “syarak”, the government has developed clear and easy to understand halal standards and guidelines. Today halal standards are not only a guide to halal products manufacturers in Malaysia but also overseas manufacturers, especially those who export products to Malaysia.

2. Literature Review

2.1 Halal Food Purchase Intention

Generally, intention can be determined as the willingness of the consumer to perform the behaviour (Aziz & Chok, 2013). Purchase intention is actually a process to predict and analyse the consumer behaviour in determining the consumers’ willingness in purchasing the product, to use the product and to choose a specific brand of product (Shah, Shahzad, Ahmed & Ahmed, 2012). Muslim consumer have a high awareness regarding halal food quality and belief that the food is safe to consume as there is the present of halal logo on the product which has been certified by JAKIM display on the product (Aziz & Vui, 2012; Jin & Suh, 2005). Meanwhile,

the intention in purchasing halal food product is indicated by the belief of the individual and this has been proposed by many researchers (Yunus, Rashid, Ariffin & Rashid, 2014). To measure consumers' purchase intention, we will use the Theory of Planned Behaviour as it deals with the attitude, subjective norms and perceived behavioural control (Cheah, Phau & Liang, 2015)

2.2 Awareness

Literally, the meaning of halal awareness is having a specific interest in or knowledge of halal as well as knowledge of halal products, food and beverages (Battour & Ismail, 2016). Awareness relates to knowledge and information on particular stuff (Trevethan, 2017). (Ashraf, 2019) state that, the customer is comparatively inclined to refrain from purchasing the item without previous understanding of the item, whether it concerns halal or non-halal goods. This means awareness indicates the understanding or knowledge regarding certain subject or specific situation (Endsley, 2017). Previous research has shown that the awareness of consumers affects the buying attitude of food products (Abd Rahman, Asrarhaghghi, & Abd Rahman, 2015; Aziz & Chok, 2013; Hamdan, Issa, Abu, and Jusoff, 2013). It will also have a positive influence on consumer intention (Krishnan, Aderis, Azman, et al., 2017.) (Azam, 2016) emphasized that clarification of the awareness to halal is important if the intention is to purchase halal products.

2.3 Attitudes

Attitude is behaviour evaluations which include the object of attitude, for instance the products purchase (Lee & Yun, 2015). Based on (Husin & Rahman, 2016) attitude towards behaviour is "the degree to which a person has a favourable or an unfavourable evaluation of behaviour in question". It was discovered from the research conducted by Abd Rahman, Asrarhaghghi & Abd Rahman, (2015) that there was a favorable connection between attitude and purchase intention, and this impact was found to be important and in line with the research findings. In addition, previous research has confirmed the findings of the research (Aziz & Chok 2013), which is consistent with the results. This is on the grounds that awareness has been estimated as a significant factor in deciding the goal to pick halal food especially among Muslims shoppers (Yunus, Rashid, Ariffin & Rashid, 2014). The outcomes affirmed that a contrary relationship happens between perceived behavioural control and purchase intention towards purchasing halal food products. On the basis of previous researchers, Afendi, Azizan & Darami, (2014), it was found that the result was not significant and these results were inconsistent.

2.4 Perceived Behavioural Control

Purchase intention is when a person is readily and willingly to buy or get a certain subject matter (Smith, 2014), and the intention can affect the decision of the purchaser (Omar, Mat, Imhemed, & Ali, 2012). This is one of the mechanisms in cognitive behaviour of an individual on how they intend before purchasing a product (Hosein, 2012). Moreover, purchase intention is originator direct behaviour (Bashir, 2019). According to Nam, Dong & Lee (2017), before an individual purchases a certain product, they might have purchase intention. According to Dommermuth, Klobas & Lappegard (2015), perceived behavioural control includes both intention and behaviour itself. Conceptually, it depends on self-efficacy which it is referred to

the belief of a person that the behaviour is under his or her control. If a person intends to purchase the halal foods, he or she will do so. Perceived behaviour control in this study is an individual influence on the purchase of halal food.

2.5 Subjective Norm

According to Mackie, Moneti & Shakya (2015), subjective norm measures the social burden on people to achieve or not to play out certain conduct, for example, the inspiration to conform with major others' perspectives. Based on Nastasha (2015), although social pressures (communities, friends and others) affect the intention to conduct certain actions, (Haque, Sarwar, Yasmin, Tarofder & Hossain, 2015), social pressures are also strongly influential to the intention to make halal food. According to a prior study of Awan, Siddiquei & Haider (2015) as also shown that the difference that is believed to exist among halal products, a subjective norm that plays a positive role in influencing the attitude of the individual. Moreover, based on Yasid, Farhan & Andriansyah (2016) explained the importance of Muslim's beliefs based on the concept of halal. Wilson and Grant (2013) are normative convictions or motivations for the presumed cultural pressures or "subjective norms" to meet each of the references.

3. Methodology

3.1 Research Design

As for this study, the descriptive design will help to provide the understanding of the factors that influence consumer's purchasing behaviour toward halal food in Kelantan. This research will utilise a quantitative approach to answer the research questions. Survey approach will be adopted and the data will be analysed through SPSS version 24. The data from this research are collected by the structured questionnaire that answers by the respondents. The data from the survey are used to determine the relationship between the Independent Variables and Dependent Variable.

3.2 Sampling Frame

The sampling frame contains a list of all elements or units in the population. A group of the people in the different religions who represent the consumer of halal foods and served as a sampling frame for this study. In this research, we decided the sampling frame would be all of the people within the age of maturity in Kota Bharu. This study was conducted at the city of Kota Bharu. This study involved comprising within the age groups of 15-64 years which is 305, 565 out of 577, 301 people of population in Kota Bharu. Researcher has retrieved this record from all-populations.com. Based on the population, 155 of the totals were selected to be sampled.

3.3 Population

The target population refers to the entire group of people, events or things of interest that researchers want to investigate, according to Sekaran & Bougie (2016). The population also known as a complete group of people or companies that share some set of features and according to Bell, Bryman & Harley (2018), primary data is data originated by the researcher for the specific purpose of addressing the research problem. Usually sample will be selected from the population. The total of all population is called a universe. The population for this study refers to the people

from Kota Bharu. The total of people is 577, 301 comprising 305, 565 people from the group of target maturity age. This amount is recorded by the latest populations on web.

3.4 Sample Size

Sample size refers to the number of respondents that the researchers finds out and choose from the population. The accurate data will get if the selected sample size going carefully. The sample size that chooses in this study is among the locals of Kota Bharu, Kelantan. In this study, the researcher chooses the respondents from a group of the age within 15-64 years as for the sample size. A sample size of 155 respondents were targeted as respondents using a purposively quota sampling as suggested by Sekaran & Bougie (2016). The data are collected from questionnaires that were distributed to selected respondents in Hypermarket customers in Kota Bharu.

3.5 Data Collection Method

The data collection method that has been used in this study is the survey questionnaire. There will be 155 respondents that are selected randomly by the researchers around Kota Bharu, Kelantan. The questionnaire will be divided and distribute to 4 different places around Kelantan which are 40 questionnaires will be distributed to Pantai Timur Hypermarket customers, 40 questionnaires will be distributed to Tesco customers, 40 questionnaires will be distributed to Mydin customers and another 35 questionnaires will be distributed to Giant customers.

The respondent will be selected randomly in term of their gender, age and religion. Before conduct the survey, the researcher will explain a little bit about the topic of the research to ensure the respondents understand the purpose of the survey has been carried out. This technique will help the respondent to understand the topic of the survey and at the same time, it will help the respondent to give an accurate answer that is needed by the researcher for the survey.

3.6 Inferential Analysis

Correlation analysis is to measure the degree to which the four variables are linearly correlated. The Pearson Correlation Test is used to identify the relevance of the level of awareness, attitude, subjective norms and perceived behavioural control towards halal food purchase intention. Therefore, the Pearson correlation matrix which is showing the relationship between dimensions: There is a significant relationship between awareness and purchases intention, the relationship between attitude and purchases intention, the relationship between subjective norm and purchases intention and relationship between perceived behavioural control and purchases intention of halal product in Kelantan

4. Finding and Discussion

4.1 Demographic Characteristics of Respondents

Further female students (61.9%) than male counterparts (38.1%) were found in this study. A high proportion of the locals were in the 21-30 age group (69.7%), followed by those in the 31-40 age group (9.7%). The lowest contribution came from the 41-50 age group (5.8%). As far as race groups are concerned, Malaysians dominated

88.4%, led by Chinese (5.8%) and Indians (4.5%). With respect to the level of education, the majority of the local population is in the Undergraduate level. They represented 38.7% of the sample, while the STPM/Diploma population accounted for 22.6% of the sample. Next, the Postgraduate rate was 20% of the samples. Just 12.3% of the samples were at the level of SPM.

When examining the current occupation of the locals, it was found that a majority or 40.6% of the samples were employed while students were reported to be 38.7%. Next, 10.3% were self-employed, and last but not least, the lowest contribution was unemployed, with 3.9%.

Table 1: Background of the respondents

	N	%		N	%
<i>Gender</i>			<i>Race</i>		
Male	59	38.1	Chinese	9	5.8
Female	96	61.9	Indian	7	4.5
			Malay	137	88.4
<i>Education</i>			<i>Age</i>		
SPM	19	12.3	Below 21	12	7.7
STPM/Diploma	35	22.6	21-30	108	69.7
Undergraduate	60	38.7	31-40	15	9.7
Postgraduate	31	20.0	41-50	9	5.8
Others	10	6.5	50 and above	11	7.1
<i>Occupation</i>					
Student	60	38.7			
Employee	63	40.6			
Unemployed	6	3.9			
Self-employed	16	10.3			
Others	10	6.5			

4.2 Reliability Analysis

Cronbach's alpha reliability coefficient was used to measure the questionnaire's internal reliability and the values for each variable. According to Nunnally (1978), Cronbach's alpha has indicated 0.70 to be an acceptable reliability coefficient. Cronbach's alpha is a coefficient of reliability that indicates how well the items in a collection are associated positively with each other. The results in Table 2 below indicates that Cronbach's Alpha value for Attitude, Subjective Norms and Perceived Behavioural Control and Purchase Intention is more than 0.816 and considered acceptable. However, Cronbach's Alpha value for Awareness is poor and unacceptable.

Table 2: Summary of reliability analysis

Variables	Cronbach's Alpha	N of items	Interpretation
Awareness	0.429	7	Poor

Attitude	0.907	7	Excellent
Subjective Norms	0.877	5	Good
Perceived Behavioural Control	0.909	7	Excellent
Purchase Intention	0.960	7	Excellent

4.3 Pearson’s Correlation Coefficient

Pearson's correlation coefficient was selected to examine the relationship between purchase intention and four independent variables (awareness, attitude, subjective norms and perceived behavioural control) that may affect purchasing intention towards halal food products. Finding in Table 3 showed that all the independent variables were significant at 0.01 significant levels ($P < 0.01$) 2-tailed. Moreover, it is to identify which hypothesis should be accepted or rejected.

Table 3: Summary of Pearson’s correlation coefficient

Hypothesis		Sig. (2-tailed)	Pearson Correlation	Alternative Hypothesis
H ₁	There is significant relationship between awareness and factors influencing consumer’s purchasing intention towards halal food in Kelantan.	0.007	0.215	Supported
H ₂	There is a significant relationship between attitude and factors influencing consumer’s purchasing intention towards halal food in Kelantan.	0.000	0.732	Supported
H ₃	There is a significant relationship between subjective norms control and factors influencing consumer’s purchasing intention towards halal food in Kelantan.	0.000	0.802	Supported
H ₄	There is a significant relationship between perceived behavioural control and factors influencing consumer’s purchasing intention towards halal food in Kelantan.	0.000	0.651	Supported

5. Conclusion

Today, halal food has become the ultimate choice of consumers regardless by the Muslim or non-Muslim consumers. As an authorised Muslim country, halal food is seems to be easy to get in Malaysia. Theory of Planned Behaviour (TPB) is applied in the study of halal food purchasing of consumers. In this paper, the role played by awareness, attitude, subjective norms and perceived behavioural control is determine

to investigate the factor affecting consumer's intention towards purchasing halal food in Kota Bharu.

The main objective of this research were to examine the relationship between awareness and customer's purchases intention of halal product, to examine the relationship between attitude and customer's purchases intention of halal product, to examine the relationship between subjective norm and customer's purchases intention of halal product and to examine the relationship between perceived behavioural control and customer's purchases intention of halal product. Based on the reliability test, respondents of this study agreed that awareness, attitude, subjective norms and perceived behavioural do have a good reliability with consumer's purchase intention of halal product.

These four aspects have been used by researcher as independent variables to study the factor influencing consumer's intention towards purchasing halal food in Kota Bharu. Based on the result, it shows that the consumer's purchase intention of halal product was influenced by awareness, attitude, subjective norms and perceived behavioural control. According to the value calculated for both variables of independent variables and dependent variable, attitude and subjective norms has a strong relationship with the purchase intention of halal product. The other independent variable which is perceived behavioural control has a medium or moderate relationship with the purchase intention of halal product. However, awareness shows a very weak relationship with the purchase intention of halal product. Therefore, all the hypothesis were accepted where there is a positive significant relationship on awareness, attitude, subjective norms and perceived behavioural control towards the purchase intention of halal product. To support the finding of this study, we have shown that a similar result has also found in past studies (Alam & Sayuti, 2011; Afendi, 2014; Wilson and Grant, 2013).

In conclusion, all the hypothesis had been accepted as all of the independent variables have a positive significant relationship with dependent variable. Other than that, the objective stated in chapter 1 which is to examine the relationship between awareness, attitude, subjective norms, perceived behavioural control and customer's purchases intention of halal product in Kota Bharu were achieved by the researchers.

This present paper will be able to help the future researchers even there are some space that should be improved. The different variables should be viewed, as there is no limited and unmistakable estimation of determining factors affecting consumer's intention towards purchasing halal food. In addition, research on other feasibility studies will reinforce persuasive and accurate results to identify the factors that have the greatest impact on consumers' intention to purchasing halal food. Last but not least, the researcher could expand the research coverage in the Kelantan or whole Malaysia including East Malaysia. The result will be more representative and persuasive.

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Factors influence entrepreneurial intentions of university east coast peninsular malaysia undergraduate students

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Abstract

This study aims is to investigate the relationship between the influenced factors which are (i.e. attitude towards behaviour, subjective norms, perceived behavioural control) and entrepreneurial intention. Conceptual framework underpinning this study was the Theory of Planned Behaviour (TPB) and the proposes of study was a descriptive methodology in which data are collected random from 3rd year students at the University East coast Peninsular Malaysia at the Faculty FEB and FHTW. The survey questionnaire was used as a means of data collection. The data analysed using Statistical Packaged for the Social Science (SPSS) version 24.0. The method used in this research is a quantitative method. The data collected through the distribution of the questionnaire using by Google Form. Findings of the study showed that the attitude, subjective norm and perceived behavioural control is positive related to entrepreneurial intention among undergraduate UMK City Campus students. This study only involved 3rd Year of University East coast Peninsular Malaysia students from FEB and FHTW faculty. The results are limited to this two faculty, which are Business Faculty (FEB) and the Faculty of Hospitality, Tourism, and Wellness (FHTW). Therefore, the findings are not public as the survey is only distributed among students, not people in public. In terms of implications, this research may provide some insights among students to start a business after graduation. Beside of attitude towards behaviour, perceived behavioural control, and

subjective norms, student's entrepreneurial intention need to be enhance via different mediums such as seminars or entrepreneurial training courses to interpret successful entrepreneurial role models and identification of business prospects for their future career, besides it also may help them with providing the real experience of becoming an entrepreneur. Research findings that expand existing knowledge in the entrepreneurial field as well as provide valuable information to policy makers in strengthening and redesigning appropriate syllabuses, not only at the university level, but also at the every educational level, by giving entrepreneurial awareness of how this knowledge can create us into an entrepreneurial society that can create wonders.

Keyword(s): Entrepreneurial intention, attitude towards behaviour, subjective norms, perceived behavioural control, the theory of planned behaviour (TPB).

1. Introduction

Entrepreneurship was important component for the globalised economic development (Phillips *et al.*, 1989; Keeble, 1990) through its role in creating new businesses and jobs, creating stronger competition, and even increasing productivity through technological advancement (Hindle and Rushworth, 2000; Kuip and Verheul, 2004; Fitzsimmons and Douglas, 2005; Gibb and Hannon, 2006; Mohar *et al.*). Researchers have analyzed its social and economic value extensively (Ahmed *et al.*, 2010). There is a great need in developing countries to inspire young people to do business (Awogbenle and Iwuamadi, 2010) by providing self-employment to break down joblessness. With a regard to University East coast Peninsular Malaysia , the majority of students indicated a future acceptance for entrepreneurship as a profession, and preferred the entrepreneurial option for earning more money. In other words, students are engaged in the promotion of entrepreneurial activities through innovation that is considered to be one of the primary traits of entrepreneurs (Ali *et al.*, 2011). In addition, students of University East coast Peninsular Malaysia have a positive intention about becoming entrepreneurs (Tanveer *et al.*, 2013). Developing the entrepreneurial desires of individuals is a basic requirement for every society to cultivate entrepreneurs.

According to the theory of planned behaviour (TPB), three factors form the will, commitment or intention of an person to do something, including attitudes towards behaviour, subjective norms, and perceived behaviour control (Ajzen, 1991). It highlights the number (occurrences) of efforts that an enthusiast has been struggling to perform a behaviour. In order to examine this entrepreneurial intention, the majority of studies used the TPB theory to examine entrepreneurial intention among university students (Peterman and Kennedy 2003; Mentoer and Friedrich 2007; Ferreira *et al.* 2012). The TPB was tested in different contexts by various scholars, but rarely in University East coast Peninsular Malaysia (Khan *et al.*, 2011; Bangash and Naeem, 2014; Shabbir *et al.*, 2016).

There is a strong need for empirical evidence in University East coast Peninsular Malaysia to measure entrepreneurial intentions because of the motto of this university: "Entrepreneurship is our trust". The purpose of the present study was to meet this need by investigating entrepreneurial intentions among University East coast Peninsular Malaysia, by using the one theory that always be use by the other researcher was theory of planned behavior (TPB) theory as a theoretical framework. This research could provide the useful insights regarding entrepreneurial intentions

for policy makers and planners in universities as well as government regarding young adults, particularly in addressing the problem of unemployment among college graduate. It may contribute to the literature regarding developing countries, and also the literature on the theory of planned behavior (TPB).

2. Literature review

2.1 Entrepreneurial theories

Entrepreneurship studies have highlighted the significant role of the intention to start a new company to determine the psychological causes of entrepreneurship (Liñan and Chen 2009). According to Owoseni and Akambi, (2010) Entrepreneurial intention are the state of mind guiding and directing the actions of a person towards the development and execution of behaviour. Researchers are focusing on entrepreneurial intention among undergraduates in this research. Furthermore, entrepreneurial intention is the intention of students to decide to become entrepreneurs; some research suggests that entrepreneurial intentions are influenced significantly as from Gurbuz and Aykol, (2008).

One of the most popular individuals' intention theories is the Theory of Planned Behaviour (Ajzen, 1991).

2.2 The Theory of Planned Behavior (TPB)

The TPB has been confirmed by a few studies from the time it was introduced. Some of the studies focused on growth intentions (Douglas, 2013), the growth decision and the objectives to start a business (Yuana, Oosterkamp, *et al.* 2010). Additionally, the TPB theory contains includes attitude and perceived behaviour control. This theory supported by Zampetakis, Kafetsios, *et al.* (2009) which lots of studies of entrepreneurial intentions and behaviour has been using this theory to test and validate the theory of planned behaviour (TPB). However, TPB theory has been used in a few studies regarding entrepreneurial goals and motivation of university students in developing countries (Zampetakis, Kafetsios, *et al.* 2009).

The TPB believes that the key instant determinant of action is the intention of the person to perform or not to perform the action. Based on this theory, the hypothesis stated on each factor can be strongly supported. According to the TPB, the determinants of behaviour are intentions to engage in that behaviour and perceived behavioural control over that behavior. Just as attitudes to behaviour and subjective norms are seen within the TRA as being founded on beliefs, so perceived control is regarded within the TPB as being founded on control beliefs.

These are expected to reflect direct, observed, and related experiences of behaviour and 'other factors that may increase or reduce the perceived difficulty of performing the behaviour in question' (Ajzen, 1987). From the TPB, it can be seen that perceived behavioural control actually control determines the intentions follow up with attitudes and subjective norms and together with intentions. As far as the TPB is concerned, the intention of a person to initiate a business can be predicted with high precision from Attitude towards Behavior, Subjective Norms and Perceived Behavioral Control (Ajzen, 2005, 2012). The TPB has been modified to be suitable for the purpose of inspecting the intention to start a new business (Krueger 1993). Relationships between these components would have to be calculated empirically for each specific behavior as from Ajzen (1991, 2002).

2.3 The theory of planned behavior and entrepreneurial intentions

As per the TPB, (Owoseni and Akambi, 2010) entrepreneurial intention are the state of mind guiding and directing the actions of a person towards the development and execution of behaviour. This research focuses on the entrepreneurial intentions of undergraduates. Entrepreneurial intentions are the intention of students to decide to become entrepreneurs; some research suggests that entrepreneurial intentions are influenced significantly as from Gurbuz and Aykol, (2008). It explains three motivational or antecedent factors affecting actions, namely personal attitude toward behaviour, social norms and perceived behavioral regulation (Ajzen, 1991 and Linan et al., 2005). A brief explanation of the three antecedents is as follows:

The attitude toward behaviour, who defined it as a personal evaluation of the possible consequences of behaviour, including entrepreneurial behaviour, regardless of it being positive or negative (Ajzen, 1991). This consists of both the subjective perspective (I like it, it's attractive) and the analysis side (it has advantages).

Subjective norms are the most important factor in the theory of planned behaviour (TPB). Cameron *et al.* (2012) defined that subjective norms apply to the interpretation of someone when others, such as friends and family members, feel that they should or should not behave. It indicates the perception that “reference people” would approve or support the decision to become an entrepreneur, or not (Ajzen, 2001).

Perceived behavioral control is interpreted as the impression of the simplicity or difficulty of becoming an entrepreneur. This concept, therefore, is quite similar to self-efficacy (Bandura, 1997).

According to Veludo-de-Oliveira and Ikeda (2009), the attitude presents the type of objects to continuing and ignoring all the benefit of increasing suitable outcomes and decreasing unsuitable outcomes. Next, research conducted by Marques *et al.* (2012) found that attitude was a strong and direct influencing factor when it comes to predicting entrepreneurial intention. Therefore, in this study attitude is referring to an individual's mental state, which is based on his or her beliefs or value system, emotions, and the tendency to act in a certain way.

Next, according to Kolvereid and Isaksen (2006) several studies have found a significant impact on behavior of the subjective norms. Moriano, Gorgievski, et al. (2012) found that subjective norms are significantly related to goals in only two out of the six countries, and Otuya, Kibas, et al. (2013) indicated that subjective norms contribute the least to entrepreneurial intentions. Pressure stemming from subjective norms may become a starting point or a barrier to the development of an entrepreneurial career, and it depends on the social environment.

Based on Sihombing (2015), compared to non-business students, there is a positive relationship between perceived behavioral control and the intention to become an entrepreneur among business student. This is in line with the research objectives of this paper which is to identify whether there is a relationship between perceived behavioural control and students' entrepreneurial intentions or not. Plus, Malebana (2014) supported this factor and make it a strong factor which discusses that if a student perceives that starting a new venture would be an easy job then he is going to start in the near future. The findings suggest, therefore, that the TPB is a valuable tool for predicting entrepreneurial intentions.

Accordingly, the following hypotheses have been proposed:

H1: There is a significant relationship between the attitudes and intentions of university students to become entrepreneurs.

H2: Subjective norms have a significant relationship with entrepreneurial intentions of students in University Malaysia Kelantan.

H3: There is a significant relationship between perceived behavioural control and entrepreneurial intentions among students.

3. Methodology

The research design will use a cross-framework design, and this study will use random sampling methods. The selection of the respondent was based on the simple random sampling method due to the population of this study which is students of University Malaysia Kelantan City Campus is a too large number of populations. During this study, the total student Year 3 that registered in UMK City Campus for 2018/2019 session from both faculties was 999 students. The sample size of students is 287 which is calculated by using Sample Size Calculator from SurveyMonkey.com. According to Hair, et.al, the most preferred number of the sample should be 100 or larger. So, the sample size of 287 students is reasonable and would give reliable and meaningful results for this study.

This method was chosen where it can just randomly choose Year 3 students to answer the questionnaire. Respondents to this study consist of 287 students from University East coast Peninsular Malaysia of the faculty FEB and FHTW. The respondents were in the age range of 20 to 25 years old. Through the simple random sampling method, the population has an equal chance of probability to be chosen as the sample since respondent is selected randomly. This means that there are guarantees that the sample selected is representative of the population and the chosen is in an unbiased way. It is considered as a fair way in selection of respondents.

Three factors that have influenced entrepreneurial intent, which are behavioural attitudes, subjective norms and perceived behavioural control, are measured using the 7 Likert-scales method. 7 Likert scales with "1= strongly disagree, 2= disagree, 3= slightly disagree, 4= undecided, 5= slightly agree, 6= agree, 7= strongly agree" (Bowling 2005). Therefore, the quantitative research method will generate statistics through the use of large-scale survey research, and this research will use methods such as questionnaires. In this study, the data were collected through structured data created from Google Form. According to Mirreile Djenno, Glenda M.Insua, Annie Pho (2015), Google Form provides an easy and inexpensive way to incorporate both active learning and collecting data. By using the internet survey, this research is able to obtain accurate, valid and reliable data from the respondents. The data was interpreted by using the Statistic Packaged for Social Science (SPSS) version 24.0.

4. Findings/Results and Discussion

4.1 Reliability analysis

Reliability testing was carried out to decide if these sets of products have a high consistency in the calculation of variables. Based on table 1, all the variables are met the minimum accepted reliability as suggested by (Canvas, 2001). The result showed the Cronbach'Alpha practises ranges between 0.675 till 0.852. According to Hair, 2015 suggested that Cronbach's Alpha value that above 0.60 or greater can be accepted in research.

Table 1: Result of reliability Cronbach’s Alpha for the variables

Variables	Numbers of items	Cronbach’s Alpha (n=28)
Attitude	5	0.828
Subjective norm	5	0.675
Perceived behavioural Control	8	0.852
Entrepreneurial intention	5	0.828

4.2 Multiple linear regression analysis

Table 2 indicates that the coefficient of determination for entrepreneurial intention among UMK City campus students (R^2) is 0.802 or 80.2 % of the entrepreneurial intention can be explained by the independent variables. R^2 value should be equal to greater than 0.10 in order for the variance explained of a particular endogenous construct to be deemed adequate according to Falk and Miller (1992). The Durbin-Watson statistic is 1.672. The Durbin-Watson statistic can range from 0 to 4. As value close to 2, so it can be accepted that there is independence of errors (residuals). Based on table 3, perceived behavioural control (Standardized Beta = 0.852, $p < 0.01$) was the most significant determinant for entrepreneurial intention compared the other two independent variables. Whereas subjective norms factor (Standardized Beta = -0.121, $p < 0.01$) was the least significant determinant for entrepreneurial intention. In sum, the result in table 1 showed that attitude toward behaviour, subjective norms and perceived behavioural control variables control were significantly influence the dependent variable, entrepreneurial intentions at significant level, $p < 0.01$.

Table 2: Coefficient of determination for entrepreneurial intention among UMK City Campus Students.

Model Summary					
Model	R	R Square	Adjusted R Square	Std. error of the Estimate	Durbin-Watson
1	0.896 ^a	0.802	0.800	0.55699	1.672

a. Predictors: (Constant), mbc1 bc8, msn1sn5, mab1ab5

b. Dependent Variable: mei1ei5

Table 3: Summary of the multiple linear regression analysis

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	-0.227	0.89		-1.200	0.231
Attitudes	0.564	0.054	0.469	10.404	0.000
Subjective Norms	-0.150	0.055	-0.121	-2.720	0.007
Perceived Behavioural Control	0.653	0.052	0.582	12.529	0.000

a. Dependent Variable: Entrepreneurial Intention of UMK City Campus students.

4.3 Hypothesis testing

Table 4 indicates that Pearson correlation was statistically prove that there was positive relationship between attitude, subjective norm and perceived behavioural control towards entrepreneurial intention among students in University East coast Peninsular Malaysia, with the hypothesis accepted and with 0.01 significant level

Table 4: Hypothesis testing

Hypothesis	Pearson Correlation	Analysis
H1: There is a significant relationship between the attitudes and intentions of university students to become entrepreneurs.	r = 0.828, p < 0.01	Supported
H2: Subjective norms have a significant relationship with entrepreneurial intentions of students in University Malaysia Kelantan.	r = 0.675, p < 0.01	Supported
H3: There is a significant relationship between perceived behavioural control and entrepreneurial intentions among students.	r = 0.852, p < 0.01	Supported

5. Conclusion/Contribution/Recommendation

The purpose of the study was to investigate students of the University East Coast Peninsular Malaysia's entrepreneurial intention. The research focused on the relationship between behavioural attitude, subjective norms, perceived behavioural control and entrepreneurial intention. Planned behaviour theory has been applied to evaluate factors that are most correlated with student entrepreneurial intent. On the basis of TPB, three hypotheses were established concerning the relationship between the predictive variables of behavioural attitude, subjective norms and perceived behavioural control and entrepreneurial intention. Hypothesis 1 stated that the relationship between the attitudes and intentions of university students to become entrepreneurs was significant positive; hypothesis 2 stated that the relationship between subjective norms with entrepreneurial intentions of students in University East coast Peninsular Malaysia was positive relationship; and hypothesis 3 stated that perceived behavioral control would be significant positive related entrepreneurial intention. Consistent with previous research (Krueger *et al.*, 2000; Autio *et al.*, 2001;

Linan and Chen, 2009; Ariff *et al.*, 2010; Ferreira *et al.*, 2012; Chea, 2014), H1, H2 and H3 were supported. On the other hand, many other scholars like Krueger *et al.* (2000); Autio *et al.* (2001); Souitaris *et al.* (2007); Gelderen *et al.* (2008); Gird and Bagraim (2008); Linan *et al.* (2011); Solesvik *et al.* (2012) also contradicted such results. Briefly, the findings revealed that behavioural attitude and subjective norms were found to be predictors of entrepreneurial intention, and also perceived behavioral control.

Thus, the positive results of H1, H2 and H3 may have occurred due to a positive attitude towards starting one's own business or the desire of individuals to perform entrepreneurial behavior, and the students are still in the phase of searching out their career choices. On the other hand, the contradictory results may be due to the association of individual's perception of difficulties or easiness in the accomplishment of such behavior. The positive results supported the theory of planned behavior (TPB) of Ajzen (1991) and making such theory as a more predictive and constructive among the University East coast Peninsular Malaysia students. Overall, results revealed that University East coast Peninsular Malaysia students are more willing (desire) to work and starting their own business. Even though, they have more pressures of the family, friends, teachers and experts for selecting the career choice perceptions. However, perceived behavioral control factor was also proved as a predictor of entrepreneurial intention among the students of University East coast Peninsular Malaysia. It may the positive reflects the perceived ability of University East coast Peninsular Malaysia students to perform the target behaviors because of certainty due to political and economic.

According to the literature and based on the theoretical framework of the planned behaviour theory of Ajzen (1991), the three factors of attitude, subjective norms and perceived behavioural control predict entrepreneurial intention. For this study of university students in Kelantan, such a prediction has been made. The study's overall results were that behavioural attitude and personal expectations were positively related to entrepreneurial intention. Such positive results revealed that university students are more interested to work and starting their own business for performing the entrepreneurship activities. Besides the volatile economic and political situation, Kelantan university students are getting more pressure to choose their standards of career choice. On the other hand, even a positive association between perceived behavioural regulation and entrepreneurial intention has shown that there is a slight perception of bearing challenge or ease to perform the behavior regarding entrepreneurship. In conclusion, it was revealed that graduates of the University East Coast Peninsular Malaysia are more willing to work and start their own business after graduation, but they needed support from their families, colleagues, teachers and experts to choose the perceptions of career choice.

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Impact of entrepreneurship education programme among student at university east coast peninsular

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Abstract

The purpose of this paper is to investigate entrepreneurship in University East Coast Peninsular based on the Theory of Planned Behaviour model. There are three objectives: (i). To identify the Attitude of Entrepreneurial Intention toward student. (ii). To examine between Subjective Norm and Entrepreneurial Intention. (iii). To determine Perceived Behavioural Control of Entrepreneurial Intention among students in University East Coast Peninsular. The researcher has chosen Ajzen's influential model (1991) for analysing entrepreneurial impact as the basis for the analysis of a sample of 96 students at University East Coast Peninsular. The method in this research is quantitative method This survey used a google form to collect data about the impact of entrepreneurial education among students in University East Coast Peninsular. This research will used Statistical Packaged for the Social Science (SPSS) by calculating a correlation between Theory of Planned Behaviour in University East Coast Peninsular. The study showed that attitude and subjective norms had a positive relation towards entrepreneurial intention. The results suggest that the students' predisposition to entrepreneurship is moderate because of perceived risk and ideas about their own abilities hinder their decision to start up a business. This research has practical implications for universities involved in designing programmes aimed at business creation. This research provides interesting insights which could help new companies to be created, thus alleviating the

unemployment resulting from the economic crisis. Because, the entrepreneurs will be the job creation. With the help of this widely used theoretical model to study, the authors analyse the impact of Entrepreneurship Education Programmes in higher education. It is only a starting point from which to evaluate which elements should be reinforced in entrepreneurship programmes if they are to achieve effective results. thus, embedding entrepreneurship ecosystem such as culture and education that will give impact to their student, community, nation and country through job creation.

Keywords: Entrepreneurial intention, Entrepreneurship, Higher education, Entrepreneurship education programmes, Social environment, Theory of Planned Behaviour (TPB)

1. Introduction

More than 17 000 entrepreneurs graduate past 6 years. The most popular were in retailing, food and beverage and services. (NSTP DEC 2018) University East Coast Peninsular as an entrepreneurship university must have an impact in entrepreneurship among their student to support the ecosystem university. What the extent of the impact of UMK as an entrepreneurial university in the entrepreneurship program to produce graduates of entrepreneurs. Whether University East Coast Peninsular students can become entrepreneurs through the learning and teaching process provided and achieve the target in producing graduates of entrepreneurs?

Entrepreneurs have been considered a key element of development and a solution to current economic situation. Hence, Malaysia, as a developing country, are supposed to increase their income and economic situation to support the progress of the development of the country by providing a platform to support economic stability. (Patricia P. Iglesias-Sanchez, 2016).

Different models have been put forward to study entrepreneurial attitude, all of which identify the competences which move someone to set up a business: initiative, creativity, independence, amount of risk accepted, etc. (Turker and Selcuck, 2009; Urban, 2012). entrepreneurship is a process that happens over a period of time, and its first phase is an entrepreneurial attitude (Asenjo and Barberá, 2013). This attitude is the result of a way of thinking and behaving (personality), together with external variables (situational and social) and these form the basis of models to predict entrepreneurial behaviour (Krueger et al., 2000). The aforementioned study is based on the belief that EEP foster, to a certain extent, an inclination towards entrepreneurship.

Subject Norm refers to perceived support from the groups of people closest to the person: family, friends, fellow students or work colleagues, etc. The model establishes a link between the impact to start a business and the expectations, pressure and approval of one's behaviour by one's closest community. In recent years, curiosity on the subject has given rise to a rapid growth in research on the introduction of business creation as a specific area of studies, as well as concern that entrepreneurial competence be taught systematically on degree courses, influencing the entrepreneurial attitude of university students (Matlay, 2005; Fayolle et al., 2006, 2008; Wu and Wu, 2008; Sánchez, 2011; Fenton and Barry, 2014; Hattab, 2014).

The third issue influencing Entrepreneurial intention is the degree of perceive behavioural control. This means whether the person perceives being an entrepreneur as easy or difficult, as well as their opinion of their own ability to overcome

problems and achieve an acceptable degree of success if they accept the risk associated with setting up a business. Universities all over the world, for their part, have been taking on their third role, that of the Entrepreneurial University, adding this to their role as a centre of education and as an environment for research (Commission of the European Communities, 2007; Iglesias-Sánchez et al., 2014).

Research Question

1. What is the nature of Attitude of Entrepreneurial Intention toward student?
2. What is the nature of Subjective Norm of Entrepreneurial Intention toward student?
3. What is the most significant between Perceived Behavioural Control of Entrepreneurial Intention among student?

Research Objective

1. To identify the Attitude of Entrepreneurial Intention toward student.
2. To examine between Subjective Norm and Entrepreneurial Intention.
3. To determine Perceived Behavioural Control of Entrepreneurial Intention among students in University East Coast Peninsular.

2. Literature review

An attitude is a disposition to respond favourably or unfavourably to an object, person, institution or event. Although formal definitions of attitude vary, most contemporary social psychologists agree that the characteristics attribute or attitude is it is an evaluative (pro-con, pleasant-unpleasant) nature (Bem, 1970; Eagly & Chaiken, 1993; Edwards, 1957; Fishbein & Ajzen, 1975; Oskamp et al., 1991). This view is strengthened by the fact that, as we shall see below, standard attitude scaling techniques result in a score that locates an individual on an evaluative dimension vis-a-vis the attitude object (Fishbein & Ajzen, 1975; Green, 1954).

Other researchers mentioned social thought and constrain others in deciding what to do or not to do. The researchers comprehend the main focus activity by referring to others before deciding an activity or decision (Ajzen, 1991, 2002). Others research concludes that desire and capability is overlap with strong intention (Shapero & Sokol, 1982). In Ajzen's model, subjective norms refer to the perceived social pressure to perform a behaviour (Autio, Keeley, Klofsten, & Ulfstedt, 1997). The presumption is that the more favourable the social norm, the greater will be the inclination to perform the behaviour. Seen social weights to perform or not to play out the conduct (Ajzen, 1991).

Actual behavioural controls significant includes self-evident resources and opportunities provided to people need some appointed the probability of behavioural accomplishment. Of greater psychological interest than actual control, however, is the perception of behavioural control and its impact on actions. In the theory of planned behaviour, there is a significant part of Perceived behavioural control. It is facts that the theory of planned behaviour was not the same or part of the theory of reasoned action in it is advance of perceived behavioural control. It is better to compare this development to other conceptions of control first before assuming the situation of perceived behavioural control in the estimation of actions.

Entrepreneurship education has widely grown especially in most industrialised countries during the last two decades (H Matlay & Carey, 2006). The

phenomenon of widespread governmental confidence in the positive impact that entrepreneurship might have on the socio-economic and political infrastructure of the country affected by comparative growth experienced in terms of a number of courses available and the content of linked curricula (Harry Matlay & Carey, 2007).

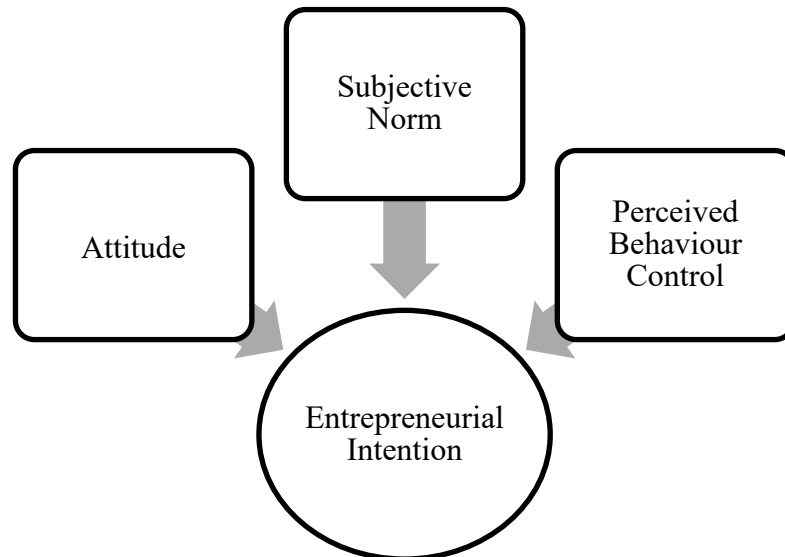


Figure 1: (Ajzen, 1991)

The Theory of Planned Behaviour or also referred to as TPB (Ajzen, 1985) has been useful and considered one of the most influential models in predicting social behaviours (Ajzen, 2011). When concentrated on the pedagogical process and learning contexts, it was the best solid model for clarifying a predisposition to create a business (Fayolle et al., 2006). TPB has to be assumed a predictor of behaviour along with a perfectly valid indicator in EEP (Fayolle & Gailly, 2015).

3. Methodology

The purpose of the study, the researcher explained the process of research design, sampling procedure and data collection methods of the study. Research Methodology consists of procedure and actions been taken in gathering and processing data related in this study. The research is to study the relationship of attitude, subjective norm and perceived behavioural control with entrepreneurship intention. This chapter consists of research design, sampling technique and data collection method. This survey used a google form to collect data about the impact of entrepreneurial education among students in University East Coast Peninsular. This survey needs 96 respondents from students in University East Coast Peninsular. There were four courses in the University East Coast Peninsular. The study followed a descriptive survey where the quantitative approach was the student.

A sample size of 96 questionnaires will be given to students in University East Coast Peninsular to get their responses about entrepreneurial education in University East Coast Peninsular whether it influenced their future to be an entrepreneur. Sample size as small as 50 found to provide valid results (Hair et al. 2006). The range of their age is from 22 to 27 years old. All the participants from our respondent include male and female. This research will use SPSS by calculating a correlation between Theory of Planned Behaviour (Attitude, Subjective Norm,

Perceived Behavioural Control) and Entrepreneurial Intention. We wanted to give more weight to the last year of University life, since this is naturally the time when people consider their future.

4. Result and Analysis

4.1 Demographic

Being going into detail on the relationships between variables and their significance for the population, we will carry out a descriptive analysis of the sample, consisting of 96 students at University East Coast Peninsular.

Table 1: Demographic Factor

		Frequency	%
Gender	Male	29	30.2
	Female	67	69.8
Races	Malay	84	87.5
	Chinese	10	10.4
	Indian	2	2.1
	Other	-	-
Age	22-23 years old	87	90.6
	24-25 years old	9	9.4
	26-27 years old	-	-
Academic	STPM	39	40.6
	STAM	10	10.4
	Matriculation	40	41.7
	Diploma	7	7.3

As shown in the table, both genders are well represented in the study (30.2 per cent male and 69.8 per cent female) with is in line with the gender balance at University East Coast Peninsular. The population of 620 students on last years. This research will use SPSS by calculating a correlation between Theory of Planned Behaviour (Attitude, Subjective Norm, Perceived Behavioural Control) and Entrepreneurial Intention. We wanted to give more weight to the last year of University life, since this is naturally the time when people consider their future.

4.2 Reliability analysis

Reliability of each variable had shown on Table 4.2. The alpha coefficient for the dependent variable was 0.892. Then, alpha coefficient for independent variable, attitude was 0.893, subjective norm was 0.929 and perceived behaviour control was 0.905. From this, we can conclude that all variable shows an excellent reliability except for attitude and entrepreneurial intention that has a good reliability for the test.

Table 2: Result of Reliability Coefficient Alpha for variables

Variable	Number of item	Cronbach's Alpha Coefficient	Strength of Association
Attitude	5	0.893	Good
Subjective norm	3	0.929	Excellent
Perceived behaviour control	6	0.905	Excellent
Entrepreneurial intention	6	0.892	Good

4.3 Correlation coefficient

Table 3: Correlation between variable

	Entrepreneurial intention	Attitude	Subjective norm	Perceived behaviour control
Entrepreneurial intention	1			
Attitude	0.863	1		
Subjective norm	0.716	0.702	1	
Perceived behaviour control	0.790	0.796	0.703	1

** Correlation is significant at the 0.01 level (2 tailed)

The finding is analysed through the objective of the research that needs to be achieved. The results shown, the informant answers all the objectives given by the researcher.

From the table shown, the relationship between independent and dependent variables which were Entrepreneurial Intention and Attitude. The finding shows that the first correlation between Entrepreneurial Intention and Attitude has a p-value of 86.3%. Based on the table of rule of thumb, this figure represents a good relationship between Entrepreneurial Intention and Attitude. Hence, H1 is accepted.

The relationship between independent and dependent variables which were Entrepreneurial Intention and Subjective Norm. The finding shows that the second correlation between Entrepreneurial Intention and Subjective Norm has a p-value of 71.6%. Based on the table of rule of thumb, this figure represents a good relationship between Entrepreneurial Intention and Subjective Norm. Hence, H2 is accepted.

The relationship between independent and dependent variables which were Entrepreneurial Intention and Perceived Behaviour Control. The finding shows that

the third correlation between Entrepreneurial Intention and Perceived Behaviour Control was p-value of 79.0%. Based on the table of rule of thumb, this figure represents a good relationship between Entrepreneurial Intention and Attitude. Hence, H3 is accepted.

5. Discussion and conclusion

Based on the study, the researchers suggest a recommendation for the future research. As mentioned before, some respondents were not fully give the cooperation to answer the questionnaire for instance not oversight answering the question. To prevent this occur, while the respondents answering, the researcher or student may help to educate the target respondents by giving explanation to each question to ensure they are rating on the right scale. The qualitative may help researcher to get real data regarding the current issue of their study.

After that, the future research should use the variety method of collecting data instead of using online survey through the google form tools. The upcoming study should use the administrative data collection for example find out more resources regarding the main focus element of study performance data in library, use door to door or phone interview survey to ensure researcher able to get the right answer.

Lastly, future researchers can include the other independent variable that based on the framework that the researchers refer in the previous study such as attitude, subjective norm and perceived behaviour control. So the coming researchers can manage the study easier because can get a lot of resources, references and also can explain the research. In addition, the research also can put more new info and can be better than previous research.

Entrepreneurs have been considered as key element of development and a solution to the current economic situation. As a developing country, Malaysia is supposed to increase their income and economic situation to support the progress of the development of the country by providing a platform to support economic stability. The main purpose of this study was to find out the impact of entrepreneurial education among students in University East Coast Peninsular based on Theory Planned Behaviour. Although many studies have been conducted to determine the impact of entrepreneurial education but mostly in overseas, hopefully this research will improve the learning system of entrepreneurial education at both government and private universities in Malaysia.

In order to achieve the researcher objective, the theoretical framework and research design have been designed. Based on the result, the positive significant have figure out from relationship with dependent variable and three of independent variable. The dependent variable was the entrepreneurial intention and the three significant positive of dependent variable were attitude, subjective norm and perceived behaviour control.

In conclusion, hopefully this research gives opportunities and ideas in term of renewal as well as improvement to the all universities and education industry in adapting development of entrepreneurial education.

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The determinants of financial behavior of UMK City Campus students through online shopping

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Abstract

This study is to explore the factor of financial behavior of umk student through online shopping. A survey was conducted and 367 respondents completed questionnaires which consisted of 30 questions. The research survey founded on a sample relatively a survey can give well response rates and better accurateness was less clear. Quantitative research method was used in collecting all the data and set of questionnaire was established.

Keywords: Financial Behavior, Financial Knowledge, Self-esteem, Gender

1. Introduction

This research proposal is about financial behavior of University Malaysia Kelantan (UMK) students towards online shopping. Usually nowadays people like to shop using online shopping is because it is easier and fast to get the things that we bought easily. There are many online shopping applications that usually used such as Shopee, Lazada, and many other online shopping applications. Other than that, social media also nowadays also has been used for online shopping also and has attract many customers to shop using social media such as Instagram, Facebook and other application. In this research proposal also is about the behavior of students towards financial by using online shopping.

2. Literature Review

Financial Behavior

Financial behavior emerged in 1980s as a response to developed failures of the core economic models that explain irregularities in financial markets. This approach is based on the concept of explaining behavior through biases of belief data and non-standard preferences to make a disagreement for irrational behavior among agents that can explain persistent mispricing of assets and other anomalies (Baker 2010).

Financial Knowledge

Financial knowledge is financial awareness and understanding about the financial concepts and procedures as well as the use of this understanding to solve financial problems. It encompasses conceptual financial knowledge, procedural financial knowledge and applied financial knowledge. It is also the capability how to manage the money in different usage, including the monitoring of day to day financial matters in the market and make the right choices for “financial literate” people’s needs.

Budget Constraint

Consumer demand theory suggests that consumers make best use of utility, which is subject to budget constraints, where price and income effect the budget constraints (pindyck & Rubinfeld, 2008). According to Hayhoe et al. (2000), they found that students with higher budget tend to purchase entertainment, clothes and fuel. These discoveries suggest that students claim personal ownership on the financial aids that they are free to use the funds rendering to their own desires, interests, or needs (Lyons, 2004). In contrast, they have less tendencies give parental income in a similar way because they have to answer to their parents out of respects, gratitude or responsibility (Wang & Xiao,2009). Another study uses more direct measures of financial constraints: the cash flow to income ratio; the ratio of debt to total capital; and moody’s investment and bank loan rating (Ehrmann and Fratzscher, 2004).

Self-esteem

Self-esteem can be defined as the perception of self-worth, or the extent to which a person values, prizes, or appreciates the self (Blascovich & Tomaka, 1991). The Rosenberg Self-esteem Scale (RSES), developed in 1965, is the most widely-used scale for the measurement of self-esteem and has undergone extensive reliability and validity tests (Robins, Hendin, & Trzesniewski, 2001). Self-esteem is defined as an individual’s feelings about the value or worth of himself or herself, and it is the degree of positivity of the self-concept (Rosenberg, 1979). Self-esteem signals individual’s interpretations of the way others think about him or her (Cooley, 1902; Rosenberg, 1979). Pettit and Sivanathan (2011) find that individuals with low self-esteem tend to purchase expensive luxury goods on credit to repair their self-worth. Nonetheless, students reporting financial strain also report lower self-esteem (Lange & Byrd, 1998).

Gender

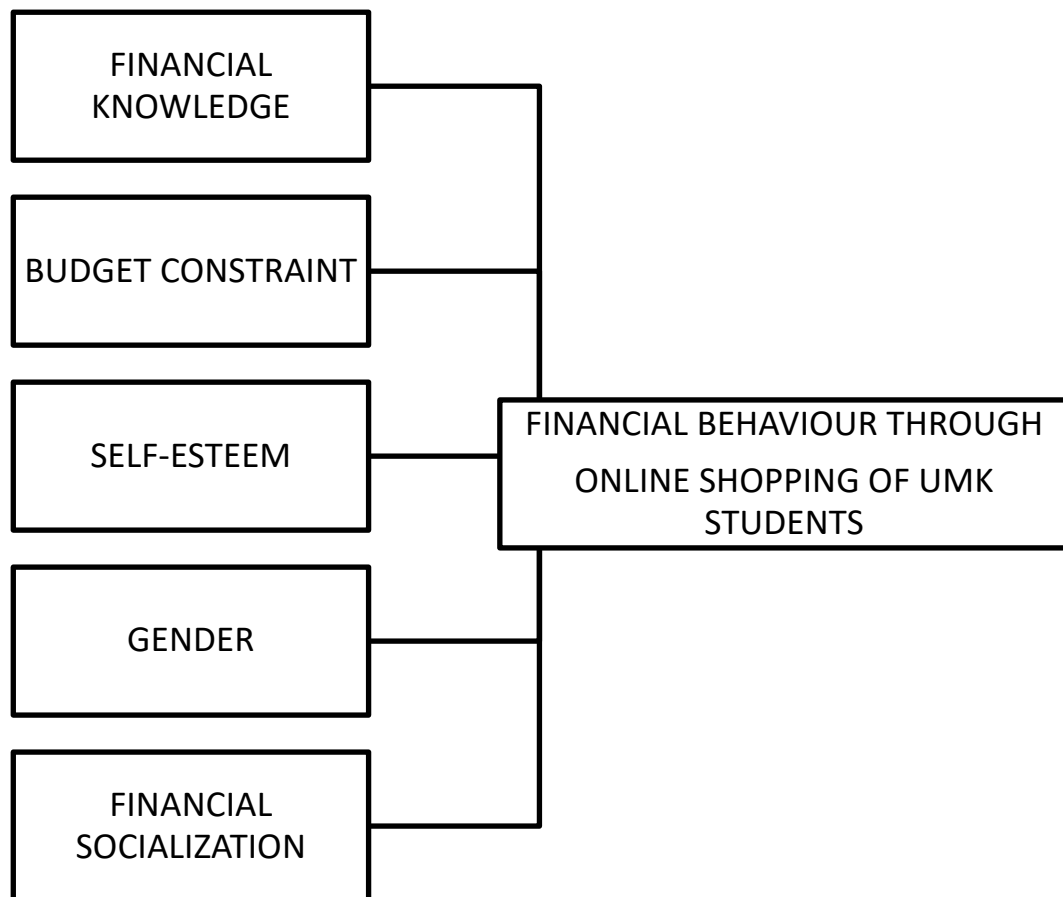
Men have a higher self-perceived knowledge of investment than women and, equally important, on average women know less about personal finance than men. Also, as

follows from the research conducted by Prudential on women's financial experience, women have less knowledge of financial products and are more risk averse than men (Prudential, 2012–2013). Undoubtedly, this fact affects their behavior on the financial market (Chen & Volpe, 2002). Differences in the scope of financial behaviors dependent on gender are also subject to change with the passage of time (Marlow & Swail, 2014). As already mentioned, women are definitely more prescient and avoid making investments with increased risk; however, they often generate higher rates of return (McDonald, 1997; Kahn, 1996; Bellemare & Kroger, 2007). Literally, we can conclude that the gender is also one of the reasons why the financial behavior changes among students. Based on the study (Doss et al, 1995) there is a difference in spending patterns and usage among men and women. According to Braus (1993), teenage boy spends more on their entertainment and recreational activities while teenage girls spend their money on clothing, footwear and personal care items.

Financial Socialization

According to McNeal (1987) and Moschis (1987), socialization begins in childhood and continues throughout life. Individuals gain knowledge and skills from the society through the process of socialization (Hira et al., 2013). Parents influence the financial socialization of their children (Starobin et al., 2013). Financial socialization is the process by which young individuals obtain the attitude, knowledge and behavior which contributes to their well-being (Hira et al., 2013; Danes, 1993; Ward, 1974). Individuals of same demographics have different levels of understanding for finances, due to their different socializations (Falahati and Paim, 2011; Lau, 1998). According to Moschis and Churchill (1978) and Moschis (1987), parents, peers and media are the important agents of socialization. According to Furnham and Argyle (1998), socialization theories explain how the attitude of parents impacts the future economic behavior of their child (Sahi and Kalra, 2013). Even prior to formal schooling, children already acquire knowledge and attitude on most subjects from their parents (Falahati and Paim, 2011; Kuhlmann, 1983; Moschis, 1987). According to John (1999), developments in financial socialization take place in a social context including family, peers and media. Parents are the primary and direct source of financial practices since childhood, followed by peers who act as a supplementary source to influence financial socialization. This is followed by media, which provide information about the financial product (Falahati and Paim, 2011).

Research Framework



Research Hypothesis

H1: There is a significant relationship between financial knowledge and financial behavior on online shopping among students in University Malaysia Kelantan.

H2: There is a significant relationship between budget constraint and financial behavior on online shopping among students in University Malaysia Kelantan.

H3: There is a significant relationship between self-esteem and financial behavior on online shopping among students in University Malaysia Kelantan.

H4: There is a significant relationship between gender and financial behavior on online shopping among students in University Malaysia Kelantan.

H5: There is a significant relationship between financial socialization and financial behavior on online shopping among students in University Malaysia Kelantan.

3. Methodology

Research Design

This research has been conducted to know the financial behavior of University Malaysia Kelantan students through online shopping. Quantitative method has been using by the researcher as the empirical assessment consists of numerical measurement and analysis. The secondary data were available from the literature value where from journal, publications in the press, information available on the internet, documents and statistics from local ministry. This study is using the instrument of descriptive design to identify, examine and investigate the factor that affects the financial behavior among University Malaysia Kelantan City Campus students, the relationship between independent variables and dependent variable, as well as the research site. Thus, survey research design has been approaches in this study are financial knowledge, budget constraint, self-esteem, gender and financial socialization.

Data Collection

For this research, the data will be collected through questionnaires. A questionnaire will be assigned randomly to the respondents which were FKP and FHPK students of University Malaysia Kelantan. The questionnaire will highlight the purpose of this study, this objective of the study and agreement that the information provided by respondents is confidential.

Sampling

The sampling method used in this study was the equation that developed by Krejcie and Morgan (1970) in determining the sample size. Besides, the researchers also referred to the sample size for finite populace which is equivalent to or exceeding 8,000, the required sample sizes are 367.

In achieving reliable and valid sample of this study, the researchers used the equation from Krejcie & Morgan (1970) to determine the sample size. The formula will be shown as below:

$$S = \frac{\chi^2 N p (1 - p)}{e^2 (N - 1) + \chi^2 p (1 - p)}$$

n = sample size

N = population size

e = the degree of accuracy expressed as proportion (0.05)

χ^2 = chi-square of degree of freedom 1 and confidence 95% (3.841)

p = proportion of population (if unknown, 0.5)

Data Analysis

There were three data types of data analysis used in this study were frequency analysis, descriptive analysis and reliability analysis. The data obtained was analyzed by using Statistical Package for the Social Science (SPSS).

4. Finding

Table 1: Respondent Demographic profile

Respondent profile	Classification	Frequency N=367	Percentage (%)
Gender	Male	175	47.7
	Female	192	52.3
Age	19-20 years old	98	26.7
	21-22 years old	186	50.7
	23-24 years old	77	21
	25 years old and above	6	1.6
Race	Malay	242	66.2
	Chinese	77	21
	Indian	41	11.4
	Others	7	1.4
Academic background	STPM	163	44.4
	STAM	29	7.9
	Matriculation	121	33
	Foundation	15	4.1
	Diploma	27	7.4
	Others	12	3.3
	Year	Year 1	89
Year 2		120	32.7
Year 3		72	19.6
Year 4		86	23.4
Course	SAB	75	20.4
	SAR	78	21.3
	SAL	71	19.3
	SAK	50	13.6
	SAE	21	5.7
	SAW	22	6
	SAP	27	7.4
	SAH	23	6.3
Monthly Spending	RM 0 - RM250	131	35.7
	RM251-RM500	189	51.5
	RM501-RM750	36	9.8
	RM751 - RM1000	7	1.9
	RM1000 and above	4	1.1

Table 1 shows the characterization 367 of the respondents. There 52.3% were female, 50.7% were age between 21-22 year old, 66.2% were Malay, 44.4% were STPM, 32.7% were from year 2, 20.4% were SAB student and 51.5% were RM251-RM500 monthly spending.

Table 2: The overall Mean Score and standard deviation on Each Variable and Dimension.

Part	Dimension	Mean	Std. Deviation(SD)	N
B	Dependent Variables	3.970	0.2335	367
	Financial Behavior Through Online Shopping	3.970	0.2335	367
C	Independent Variables	3.814	0.1283	367
	Financial Knowledge	3.776	0.4511	367
	Budget Constraint	3.610	0.1917	367
	Self-Esteem	3.946	0.2914	367
	Gender	3.958	0.2068	367
	Financial Socialization	3.782	0.2316	367

Table 2 showed that dependent variables verified high mean score (M=3.970, SD=0.2335). Besides independent variables verified high mean score (M=3.814, SD=0.1283.) Altogether the five independent variables also scored strongly satisfy mean score where Financial Knowledge score 3.776 (SD=0.4511), Budget Constraint 3.610 (SD=0.1917), Gender score 3.957 (SD=0.2316) and Financial Socialization score 3.782 (SD=0.2316).

Table 3: Summary result of Pearson Correlation Coefficient

Hypothesis	Result	Findings of Data Analysis
H1: There is a relationship between financial knowledge and financial behaviour on online shopping among students in University Malaysia Kelantan.	r = 0.741** p = 0.000 (High)	H1: Accepted
H2: There is a relationship between budget constraint and financial behaviour on online shopping among students in University Malaysia Kelantan.	r = 0.422** p = 0.000 (Moderate)	H2: Accepted
H3: There is a relationship between self-esteem and financial behaviour on online shopping among students in University Malaysia Kelantan.	r = 0.620** p = 0.000 (Substantial)	H3: Accepted
H4: There is a relationship between gender and	r = 0.609**	H4: Accepted

financial behaviour on online shopping among students in University Malaysia Kelantan.	p = 0.000 (Substantial)	
H5: There is a relationship between financial socialization and financial behaviour on online shopping among students in University Malaysia Kelantan.	r = 0.589** p = 0.000 (Substantial)	H5: Accepted

Table 3 showed that there was a significant relationship between financial knowledge and financial behavior on online shopping among students in University Malaysia Kelantan city campus, because the P-value was 0.00 which less than significant level at 0.05. The Pearson correlation coefficient was 0.741 which explained high relationship between financial knowledge and financial behavior on online shopping among students in University Malaysia Kelantan city campus. H1 was accepted.

Table 3 also showed that there was a significant relationship between budget constraint and financial behavior on online shopping among students in University Malaysia Kelantan city campus, because the P-value was 0.00 which less than significant level at 0.05. The Pearson correlation coefficient was 0.442 which explained moderate relationship between budget constraint and financial behavior on online shopping among students in University Malaysia Kelantan city campus. H2 was accepted.

Table 3 showed that there was a significant relationship between self-esteem and financial behavior on online shopping among students in University Malaysia Kelantan city campus because the P-value was 0.00 which less than significant level at 0.05. The Pearson correlation coefficient was 0.620 which explained Substantial relationship between self-esteem and financial behavior on online shopping among students in University Malaysia Kelantan city campus because. H3 was accepted.

Table 3 showed that there was a significant relationship between gender and financial behavior on online shopping among students in University Malaysia Kelantan city campus. Because the P-value was 0.00 which less than significant level at 0.05. The Pearson correlation coefficient was 0.609 which explained Substantial relationship between gender and financial behavior on online shopping among students in University Malaysia Kelantan city campus. H4 was accepted.

Table 3 showed that there was a significant relationship between financial socialization and financial behavior on online shopping among students in University Malaysia Kelantan city campus. Because the P-value was 0.00 which less than significant level at 0.05. The Pearson correlation coefficient was 0.589 which explained Substantial relationship between financial socialization and financial behavior on online shopping among students in University Malaysia Kelantan city campus. H5 was accepted.

5. Discussion & Recommendation

First of all, for the future research should consider the variable of the study to another variable such as financial literacy and use other variable of financial behaviour. This will make researchers study wide scope and easier to find data. Other than that, the researcher recommends several suggestions to further improve the

result of the study. In addition, researchers need to manage an enough time to collect data in a certain site that had been chosen. The time management was important to allocate a task and collect all sample respondents in certain period. In addition, researchers also need to get enough budgets before ready to visit site. This way was recommended to future research to deliver a study in proper time and way. Next, researchers also recommend for choosing right respondent to answers all the questionnaire that had been distributed. This way will provide researchers good results because of the respondent can answer the question sincerely and have enough time to read properly. The researchers also can give a time to respondent to answers the questionnaire while in free time not working time. It will affect the focus of them to answer it well.

Last but not least, future researchers should focus on method like through direct approach which was face to face method during data collection in order to explain about the questions in a questionnaire. This way of collecting data had more honestly and respondents answered it well. Thus, future researchers might need to consider the recommendation to improve the results of the study.

6. Conclusion

This study examines the relationship among determinants of financial behavior on online shopping among students in University Malaysia Kelantan City Campus. A whole amount of 367 questionnaires were collected from the targeted respondent. From 367 questionnaires collected, all 367 questionnaires that were usable and can be examined and the questionnaires used for analysis were 367 respondents. For independent variable which is financial knowledge, the measurement showed high coefficient value of 0.741 while budget constraint scored coefficient value of 0.422. Furthermore, self-esteem gained 0.620 that was the substantial correlation. For gender, it scored coefficient value of 0.609 and for the last independent variable which are financial socialization has the coefficient value of 0.589 which are substantial coefficient value.

This study reveals that the result of. In addition, the study found that 'financial knowledge' was the most important independent variable while 'budget constraint' was the least important that influenced financial behavior on online shopping among students in University Malaysia Kelantan City Campus. Therefore, it can be resolved that financial knowledge is the most related to financial behavior that will influence online shopping among students in University Malaysia Kelantan City Campus.

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The influence of soft skills towards employability of students

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Abstract

When looking for the job, the employer requires good skills from the employee to make sure their organisation achieve the objectives. This study was conducted to explore awareness about the importance of soft skills towards employment among UMK graduated students. The respondent consists of 234 graduated students in courses Bachelor of Business Administration (Islamic Banking and Finance) at Universiti Malaysia Kelantan (UMK). The questionnaire was delivered to graduated students through Google form. Data for this study were collected through the questionnaire. The soft skills that were tested are leadership skills, teamwork skills and communication skills. Collected data were analysed by using the SPSS version 26 statistical software. The descriptive statistic also was used to provide more information about the questionnaire data in the form of frequency percentages and graph to obtain summary statistic information in the sample. The finding of this study showed that when used regression coefficient, there was a significant relationship between employment with the leadership skills, teamwork skills and communication skills. The study concluded with the findings of the study and recommendation for future researcher along with the limitations of the study.

Keyword(s): Leadership Skills, Teamwork Skills, Communication Skills, Employment

1. Introduction

Nowadays, the ever-increasing emphasis is being placed on soft skills in the workplace. Employees can develop their soft skills by joining various training programmes at their workplace. Besides, the higher education institutions also play an important role in developing soft skills (Kyllonen, 2013). According to Nusrat and Sultana (2019), competitive in the current marketplace, soft skills are “must-have” skills. A student’s soft skill can be defined as his “abilities, skills, traits, attitudes, behaviour personality rather than a technical knowledge”. Soft skills have been considered as one of the crucial candidate qualities sought by corporate world. According to John (2009), modern corporations require candidates who have the knowledge, but also possesses related soft skills that can give benefits to the organisation.

Based on the report produced by the Department of Statistics, Malaysia, the five average of Malaysia’s unemployment rate was about 3.3% from 2015 until 2019. This happens when most the graduate students did not get a job because of lack of their basic soft skills required by the employers. It is important for university students to have extra skills rather than academic knowledge (Credé & Kuncel, 2008). The employers also perceive that student are often not prepared to face the workplace and expect the universities to improve and produce more employable graduates (Spowart, 2011). This can be achieved through various activities or programmes related to teaching and learning process.

The teaching and learning methods must be properly planned, organised and executed throughout the study duration at the universities to enhance student academic competence in all aspects such as leadership, teamwork and communication. From the program, the student can improve their soft skill before facing a real career after finished study from universities. Unemployment among graduated students can be overcome by obtained employability skills and technical skills. There are many solutions that need to be taken to improve the skills of graduates to improve their marketability. Hence, the government intend to encourage students in Malaysia with good intention in soft skills because not only for benefits of government which can increase the economic level but also can be the positive start-up for fresh graduates that want to be a successful person with good quality in soft skills. Most graduating students have to deal with some obstacles in terms of getting a job because they have to compete with other graduates that are excellent in soft skills. Programme learning methods must be organised in universities to improve student academic competence in all aspects. This can help students to develop and polish their skills for future career planning because effective skills training will produce graduates who are educated and skilful. As pointed by Nusrat and Sultana (2019), due to the competitive situation in the current marketplace for job seekers, soft skills are considered as ‘must have’ skills.

This paper aims to explore the importance of soft skills by investigating their effects on graduate employability and suggest which should be focused by students. There are many soft skills that are essential to students, but for this study we focus on three elements only, namely the communication skill, teamwork skill and leadership skill. These soft skills had been appointed as a set of crucial skills required by future workplace in the corporate world. As stated by (John, 2009), modern corporations are often seek a candidate that possesses this set of skills which they believe can give many benefits to the organisation. The purpose of this study is to give awareness to university students and prepare themselves with the related soft skills before getting

into the workplace. This will assist them in job hunting by making them more competitive and can further polish those skills at their workplaces.

Due to the fact that many students have a problem with soft skills, the objective of this study is to investigate the effect of soft skills on employability among UMK graduate students. This will lead the student to become more aware of the importance of possessing the required soft skills. They should know that those equipped with good soft skills have a much better chance to be recruited as compared to students who are lacking such skills. To achieve this aim, the research formulates four research objectives and four research questions:

Research Objectives

To study the importance of soft skills towards employability among graduated students.

To investigate the effects of teamwork skills on employability among graduated students.

To determine the effects of communication skills on employability among graduated students.

To determine the effects of leadership skills towards employability among graduated students.

Research Questions

How can the soft skills affect employability among graduate students?

To what extent do teamwork skills affect employment among graduate students?

To what extent do communication skills affect employment among graduate students?

To what extent do leadership skills affect employment among graduate students?

2. Literature review

Soft skills are essentially people's skills or personality-specific skills. Soft skills are "non-technical, intangible, personality-specific skills" which determine an individual's strength as "a leader, listener and negotiator, or as a conflict mediator". Soft skills are the traits and abilities of attitude and behaviour rather than of knowledge or technical aptitude (John, 2009). Soft skills are those skills that add more value to the hard skills adorned by an individual. Soft skills are not a substitute for hard or technical skills, but they act as harmonizing skills that serve up to unlock the prospective for highly effective performance in people even with good hard skills.

Leadership Skills

According to Crowne (2019) leadership is a process of influencing others and is an important resource for any group. Leadership has been defined as "the art of motivating a group of people to achieve a common goal" (Sheriff et al., 2017). Based on 01:13 AM stated that the research has intervention among students leadership and confidence towards employment for students. The research conducted in London and used the qualitative method. In this research had been used as a module that can across nine disciplines and numerous projects towards leadership. The sample used five group leaders among the students. The content analysis included are planning phase, learning and reflection. The project for a tutor use action introduces leadership in week 2. This phase takes the week to complete the methodology. The

reflection of the group can reflect their experiences, work-based application and knowledge. Therefore, the study hypothesis that leadership skills will positively affect employment among graduated students.

Then, Nolan-Arañez and Ludvik (2018) mention on how a leader's perspective on leadership development activities that influence employability among students. The research conducted in the United States of America (USA) and used the qualitative method. This response takes ten students that been leaders during programme Spring 2015 — the students paired with a mentor as their guidance to complete the leadership development programme in two months. There has four sections which are leadership workshop, self-assessment, community service painting murals and reflection paper. The community service needs students to paint with individuals disabilities. Therefore, the study hypothesis that leadership skills will positively affect employment among graduated students. Next, Nga and Wai Mun (2013) stated that the correlation between leadership highly to driving organisational change among students in Malaysia is highly correlated. The method used is quantitative method and sample is 279 business school of undergraduate students — the survey questionnaire construct study in leadership, ethical values, professionalism and role to the driver change. The findings show that there is a positive correlation between leadership and employability and driver change of organisational. Therefore, the study hypothesis that leadership skills will positively affect employment among graduated students.

According to Kelly (2017) had been stated about leadership topics to undergraduate students that need to prepare to face a profession in future. This research conducted in Australia and used a qualitative approach. The sample for this research is 100 respondents from students in the university. The section is described how the leadership by a graduate student in Australia. The section will be based on the week they want to research. The researcher takes 7 weeks to explore and found out that leadership skill is one of the critical skills for the students. The respondent gives their opinion on leadership skills that needed to face employment after graduates. Therefore, the study hypothesis that:

H1: Leadership skills will positively affect employment among graduated students.

Teamwork Skills

Teamwork can affect the performance and effectiveness of organizational when the team members have abilities, knowledge and skills by working in teams. (Hanaysha, 2016). Furthermore, Gerhardt (2019) stated that proficiency of soft skills towards employability among students. This research had been conducted in Tanzania and using a quantitative approach. The respondent that answered the questionnaire is 221 respondents in Institute of Social Work (ISW) that involved final year student of bachelor degree and postgraduate student. The researcher used a two-sample test to examine teamwork skill in once an individual. The result that gets from this research there has a significant positive correlation between teamwork skills and employment among university students. Therefore, the study hypothesis that teamwork skills will positively affect employment among graduated students.

According to Majid, Liming, Tong, and Raihana (2012) stated that there was a correlation between student perception of importance soft skill towards employment. This research conducted in Singapore and used quantitative method and

collected from four universities in Singapore. The survey focus on teamwork skill among the four universities and the sample for this research are 188 students from several courses. The findings of this research show the importance of soft skills in teamwork skills towards employability give positive correlation. Therefore, the study hypothesis that teamwork skills will positively affect employment among graduated students. Then, Riebe, Roepen, Santarelli, and Marchioro (2010) identified the university programme effectiveness in teaching the students about teamwork skills and future employment. This research had been done in Australia using a quantitative approach which is a questionnaire and two online surveys. After the research, it is shown that positive correlation between effectiveness of university programmes towards employability. Therefore, the study hypothesis that teamwork skills will positively affect employment among graduated students.

According to Nusrat and Sultana (2019) identified the most desired soft skills frequently sought by recruiters for business graduates to sustain employment and potential candidates to attain. The study was done in Bangladesh using a quantitative approach. Then, the study focuses on the faculties of university-level business education institutes and recruiters of entry-level business graduates. The result showed positive correlation between all the soft skills and to sustain employment among business graduates. Therefore, the study hypothesizes that:

H2: Teamwork skills will positively affect employment among graduated students.

Communication Skills

Communication defined a process understanding environment and themselves from the characteristic that happens in levels non-conscious, semi-conscious and conscious. (Salleh, Sulaiman, Mohamad, & Sern, 2017). According to Oussii and Klibi (2017) stated there is correlation communication skill and employment. This research conducted in Australia and had been researched focus on student. The sample used in this research is 180 students. Communication skills perception had formed two groups of students. Firstly different profiles of students were classified based on average grade. Secondly, the classification was made based on the different of students' socio-economic profiles. The study found that there was a significant association between communication skills and employment profession after students graduate. Therefore, the study hypothesis that communication skills will positively affect employment among graduated students.

As stated by 2019/12/18 have a correlation in soft skills like collaboration skills, communication skills, entrepreneurship and others towards employment. This study had been made in Malaysia by using a quantitative approach. The respondent was selected based on predetermined criteria. The criteria include respondent that come from students or lecturers in five different institutions. The questionnaire used an online survey and achieved 534 respondents. The design used a cross-sectional design because can collect data from the respondent in one time. Finally, base research the findings that get shows high mean score values in communication skills. This can be explained that important communication skills towards employment for the students after they graduate. The result shows high mean score values in communication skills. Therefore, the study hypothesis that communication skills will positively affect employment among graduated students.

Thirdly, Hassall, Arquero, Joyce, and Gonzalez (2013) show further evidence of positive relationship between communication skills and employment among students. This can see from questionnaires that achieved by students in the United Kingdom (UK). There have two questionnaires which are first about oral communication and secondly about the questionnaire that used to measure written and oral communication. The findings showed that this two separate questionnaire have a connection between the concepts that exist in the relationship between in two. This shown strongly the relationship between communication skills and employment among students. Therefore, the study hypothesis that communication skills will positively affect employment among graduated students. According to San-Valero et al. (2018), they stated that the relationship between communication skills and employment was also existed in an engineering course. They utilized a qualitative approach by taking a sample from Master Degree of engineering programme of a university in the United States of America (USA). The training focused on verbal, non-verbal, written and graphical communication. Student were asked randomly in an open session. The students that give cooperation will give a task to answer and settle it such as make a short video that support the documentation. The lecturers also take a part to help the students. Therefore, the study hypothesis that:

H3: Communication skills will positively affect employment among graduated students.

Employability

Employability is “a set of skills, knowledge and personal attributes that make an individual more likely to secure and be successful in their chosen occupation to the benefit of themselves, the workforce, the community and the economy (O’Leary, 2013). According to O’Leary (2013) was stated that there are positive soft skill collaboration about indications and improve the opportunity to get employment among graduated students. This research is conducted in London and the topic has using both qualitative and quantitative methods with primary research that add some material for debate and secondary research to capture the work done previously. The sample is 104 graduated students that come from different universities. The findings that get from this research shown positive correlation between soft skill indication and employment that needed by university students.

According to Stewart, Wall, and Marciniec (2016) has stated soft skills considered most valuable as the level of preparedness in recent college graduates, from the perspective of both employer and college student towards employment. The research conducted in United Kingdom and been used a qualitative approach. The sample that been choose is 214 college students from four university. The respondents 45.8% from seniors and 52.8% from juniors and for remaining to randomly students. The findings shown there have positive correlation between soft skills for the preparedness students face a employment after they graduate.

Next, Camps and Rodríguez (2011) stated that shown correlation between employee individual performance and transformational leadership behaviour towards employment. The employability considered only as an individual phenomenon that mediated by organizational learning capability. The sample used is 795 students used quantitative method from different university and been conducted in Spain. The findings that get from the research shown positive correlation between worker-

perceived organizational, employability perception, leadership, perception, performance that significant influence on the group towards employment.

3. Methodology

The target population for the study are graduated students of University Malaysia Kelantan Bachelor in Degree of Islamic Banking and Finance with Honours programme whom students are employment. The population are divided into four categories of graduate students from first year to fourth year. Total number of the target population is 590 students which are 81 students in 2015, 111 students in 2016, 218 student in 2017 and 180 students in 2018. The researcher use table by Krejcie and Morgan (1970) to determine sample size from population which is among graduate students of UMK Campus Kota Bachelor in Degree of Islamic Banking and Finance with Honours programme. A sample size needed to be representing the population is 234. However, due to some limitations in the study, researchers were able to distribute 140 sets of questionnaires through Google form.

4. Findings/Results and Discussion

The findings are presented according to the objectives that need to be achieved. Our research objectives in measuring the extent to which communication skills, leadership skills and team skills influence job opportunities among graduate students. There were 140 of respondents that cooperated in this research. In terms of consistency reliability or the Cronbach’s Alpha reliability coefficients of the three independent and dependant variables were obtained. The results are reported in Table 1 below.

Table 1: Reliability Test

	Cronbach’s Alpha	N of Items
Leadership Skills	.752	9
Teamwork Skills	.806	12
Communication Skills	.873	9

The results indicates that the Cronbach’s Alpha for the nine items leadership skills measure is 0.752. Next, the results indicates that the Cronbach’s Alpha for the twelve items teamwork skills measure is 0.806. The results indicates that the Cronbach’s Alpha for the nine items communication skills measure is 0.873. Then, internal consistency reliability of the measure used in this study can be considered to be good. It also means that the questionnaire about the leadership skills, teamwork skills and communication skills is acceptable.

Table 2: Overall data and Normality Test of Shapiro-Wilk for independent and dependant variables

Variables	Employment	Leadership Skills	Teamwork Skills	Communication Skills
Mean	4.5929	4.3000	4.4071	4.2714
Median	4.5000	4.5000	4.5000	4.000
Std. Deviation	.39139	.48280	.46297	.54102
Skewness	-.431	-.726	-.393	-.181
Normality Test (Shapiro-Wilk)	.000	.000	.000	.000
Remarks	Not normal because P<0.05	Not normal because P<0.05	Not normal because P<0.05	Not normal because P<0.05

From the table descriptive statistic shows that mean of employment among UMK graduated student (DV) are 4.5929 which mean that most the respondents agree with the employment among UMK graduated students. The standard deviation result for the dependent variable (Employment) is 0.39139. Meanwhile the mean of leadership skills is figured at 4.3000 which are shows that respondent agree that leadership skills influence the employment among UMK graduated students. The standard deviation result for leadership skills is 0.48280. For the teamwork skills shows that the mean is 4.4071 where the respondents agree that perceived usefulness a positively contribute on employment among UMK graduated students. The standard deviation for Leadership skills is 0.46297. Lastly, the mean of communication skills is 4.2714 which means most of the respondents agree that communication skills influence the employment among UMK graduated students while the result for standard deviation is 0.54102. The normality for this research are not normal because the result are lower 0.05. Maybe this happen because we only focus only to Student in Universiti Malaysia Kelantan (UMK) and lack of respondents. This normality are refer from Shapiro-Wilk. Even assumption for normality data is violated, due to the sufficiently large sample size, the effects of non-normality might be reduced. According to Joseph F Hair, Black, Babin, Anderson, and Tatham (1998) larger sample sizes reduce the detrimental effects of non-normality.

Table 3: Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95% Confidence Interval for B		Collinearity Statistics	
	B	Std. Error	Beta			Lower Bound	Upper Bound	Tolerance	VIF
(Constant)	19.253	4.313		4.463	.000	10.723	27.783		
TotalL	.509	.109	.374	4.690	.000	.294	.724	.629	1.589
TotalT	.219	.091	.194	2.400	.018	.039	.399	.612	1.634
TotalC	.252	.086	.235	2.930	.004	.082	.422	.622	1.608

a. Dependent Variable: TotalE

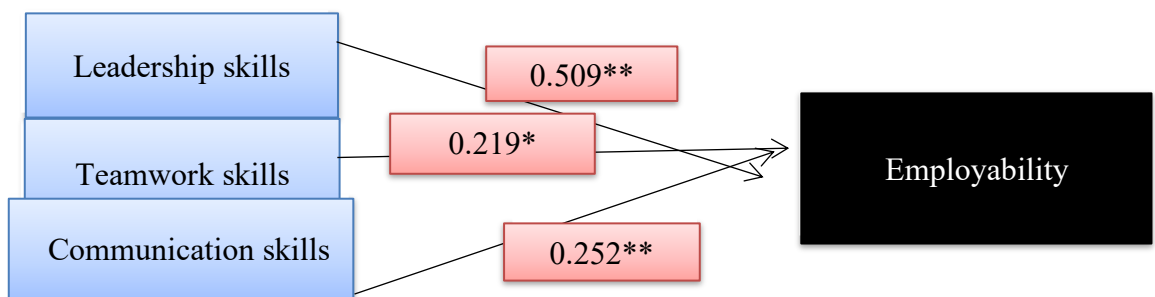
Regression Model:

$$\text{Employment} = 19.253 + 0.509\text{Leadership} + 0.219\text{Teamwork} + 0.252\text{Communication} + \varepsilon$$

Diagram 1:

Independent Variables

Dependent Variable



Note: * coefficients are significant at $p < 0.05$
 ** coefficients are significant at $p < 0.01$.

Results from multiple linear regression analysis has shown that there is significant linear positive relationship between leadership skills and employment, thus supporting H1. For every unit increase in leadership will increase in employment by 0.509 (adjusted $b=0.51$, 95% CI 0.29, 0.72, $p<0.001$) and this shown teamwork skills and communication skills is constant. Next, there is a significant linear positive relationship between teamwork skills and employment, hence supporting H2. For every unit increase in teamwork will increase in employment by

0.219 (adjusted $b=0.22$, 95% CI 0.04, 0.39, $p<0.001$). This shown leadership and communication skills is constant. Then, there is a significant linear positive relationship between communication skills and employment, thus supporting H3. For every unit increase in communication will increase in employment by 0.252 (adjusted $b=0.25$, 95% CI 0.08, 0.42 $p<0.001$). This shown leadership and teamwork skills is constant. Furthermore, forty-five percent (45.5%) of the variation in employment is explained by leadership skills, communication skills and teamwork skills according to the multiple linear regression model ($R^2=0.455$). Lastly, The VIF value of leadership skills is 1.59 while teamwork skills is 1.63 and communication skills is 1.61. Accept alternate hypothesis

There are argument about the VIF that said <10 is acceptable, but some papers said that the limit of VIF is only 5. Joseph F. Hair (2018) shown the maximum level for VIF is 10. While, (Ecke, Bergman, & Lagerkvist, 1998) said the maximum level for VIF is 5. In our research we get the result acceptable when the result for VIF total leadership skills is 1.589, total teamwork skills is 1.634 and result for total communication skills is 1.608. This result acceptable based on the argument from (Joseph F. Hair, 2018) and (Ecke et al., 1998). The result VIF for all independent variable are less than 10 and less than 5, so the result of VIF fulfil both of arguments above.

5. Conclusion/Contribution/Recommendation

This study investigated the effects of possessing the three basic soft skills (i.e., leadership skills, teamwork skills and communication skills) among graduate students on employability. As the findings from the study suggested, it can be summarized that all the independent variables are crucial factor to enhance the employability of UMK students and refer to the four objectives for this study that shown in the chapter 1 that employability have the relationship with all the independent variable that affect employment among graduated students.

As we can see the first objectives of this study shown that the most influence soft skills that gives effect to employment graduated students are leadership skills. Second objective which is leadership skills were capable to affect employment among graduated students. For third and fourth objective which are teamwork and communication skills gives impact to the employment among graduated students. The good soft skills are very important to be employment among graduated students.

Based on the outcome of the research, it clearly states that all independent variables affect employability among graduate students. Overall the researchers conclude the first objective to identify most affect the employability which is leadership skills have been answered. For second, third and fourth objective which are to identify relationship between leadership skills, teamwork skills and communication skills affect employability among graduated students have been answered. According to the research that have been done by numerous researchers and academicians, it can be concluded that soft skills is important factor that need to be considered in ensuring the employability and marketability of the students. Therefore, to enhance the employability of graduated students, they must focus on improving their soft skills, particularly the leadership skills, teamwork skills and communication skills.

This research can be used for business school such as universities and colleges to improve their education module to be more effective since to get

employment is very important to graduates that want to find job after finishing their studies at university. The knowledge and the skills they acquire from learning in university will help them seeking for job. Universities can act on this by ensuring the development of roles and projects that allow students to challenge them, and by providing training programmes that offer on-the-job opportunities for growth. Engaging students at all levels with strategic direction and decision-making will also help to encourage more people to pursue leadership roles. For graduate students there is a strong desire for clarity in career development. Furthermore, another task-based method for improving student communication skills can be done through critical thinking exercises. This method should be done verbally or through written assignments that will give students the chance to answer questions creatively using their own words and expressions. Lastly, all members need to contribute to the project in one way or another in order to build teamwork which means everyone has to do their part and work towards the success of the team.

Furthermore, this research can be used for study purpose. The findings of this study will be valuable to university or college students who want to do research about importance of soft skills towards student. All the data collected and analysed is valid. Next, the independent variable shows positive relationship towards dependent variables. Next, all the factor listed in this research namely the leadership skills, teamwork skills and communication skills are not the only factors that affect employability among graduate students, but there could be more factors that need to be included in the research model. Lastly, future researchers that want to do this research should explore other factors that may interact with the soft skills.

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The understanding of Muslim entrepreneurs towards halal supply chain management

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Abstract

Halal supply chain management is based on avoiding direct dealings with Haram, addressing the risk of contamination and ensuring that it is in line with the perception of the Muslim entrepreneurs. The paper aims to observe the understanding and acknowledgement of Muslim Entrepreneurs in Kelantan towards halal supply chain management in scope of halal ingredients, halal packaging and halal transportation in order to ensure the understanding of Halal follow with guidelines from Shariah compliance. This exploratory research paper is based on in-depth interviews to better understand the knowledge of Muslim Entrepreneurs about halal supply chain management. The researchers use qualitative research to carry out this study in order to understanding the concept of Halal in terms of ingredients, packaging and transportation that practiced by Muslim Entrepreneurs consist of three industry such as frozen food, cosmetic and breeder. In exact, the product and market characteristics are important variables in the supply chain management of Halal supply chains. Further exploratory research is needed to measure the understanding of the Muslim entrepreneurs. There some problem that the researchers need to face because most of respondent did not want to contribute in interview session because of respondents who are from rural and less educated make them less confident and unfamiliar with the interview session However, further qualitative and quantitative research is needed

in order to provide the industry with concrete tools to design effective Halal supply chains.

Keywords: Halal Supply Chain, Halal Transportation, Halal Ingredients, Halal Packaging, Muslim Entrepreneur

1. Introduction

Halal is an important terms in Islam it ensure the blessing from Allah s.w.t. for everything do in this world. In Islamic law, Halal means "allowed" or "not forbidden". Hence, almost all sources of food from the seas, plants and animals are considered halal except those which have been banned from their consumption. Product Halal also has focused on others scope such as product & services. This scope focused on supply chain services in halal context. Halal food consumers especially from the Muslim population are now more aware and educated in their daily food consumption. Muslim in Malaysia do not only concern about the food ingredients whether it is Halal or not, but also curious about all activities involved along the supply chain whether the products that they purchased were truly Halal all the way (M. S. B. Ab Talib, Rubin, & Zhengyi, 2013). Hence, the supply chain and Halal is intertwined.

A supply chain is a network between a company and its suppliers to produce and distribute a specific product to the final buyer. A basic concept of a supply chain consists of all parties involved in fulfilling a customer demand (Chopra and Meindl, 2013). Thus, to fulfill the customer demand, organizations need to manage the production, inventory, locations and transportation among all parties in a supply chain (Hugos, 2006). There are two types of supply chain, which is conventional supply chain and Halal supply chain.

Halal supply chain is a combination of business activities from the point of origin to the point of consumption performed in accordance with the Islamic law, known as Syariah. These activities include warehousing, sourcing, transportation, handling of products, inventory management, procurement and order management which must pursue the Syariah Islamic viewpoints (Omar & Jaafar, 2011). The halal supply chain includes such activities as, halal ingredients, halal packaging, halal transportation and other halal supply chain activities.

Halal supply chain management can be defined as the business practices of improving a firm's performance and fulfilling customer's request by providing products, services and information that are in accordance with Syariah (Tieman, 2013). To fulfill the halal requirements in supply firms supposed to follow the basic principles which stated in MS1500:2009 by Halal Certification Systems in Malaysia. It was described that in producing a halal food firms should give a practical guidelines to the food industry regarding the provision, preparation, and handling of halal food (including any extra nutrition).

Every firm should acknowledge with this matter in ensuring each of the products that had been produced are halal and undoubted. As an entrepreneur the acknowledgement towards something surrounds them are important therefore; it is a practice care and an act of empathy as a meaning of positive acknowledgement (Tompkins, 2015). Basically this is a general meaning of an entrepreneur but the meaning of Muslim entrepreneurs is refers to the personality which influences his/her

act and way responding to the problems which are based on Islamic values (Mohd. Fadzillah Kamsah and Muhammad Zakaria, 2008).

Nowadays, many Muslim entrepreneurs involved directly in halal supply chain, whether involved in import or export. So, do Muslim entrepreneurs today have knowledge in this halal supply chain? Hence, it is assumed that knowledge of the supply chain of halal products for example what and how the products were produced, transported and stored, will impact customers' intention to buy. Therefore, this study is to examine the acknowledgement or understanding of Muslim entrepreneurs in Kelantan towards halal supply chain management. The understanding will be measure through the scope of halal ingredients, halal packaging and halal transportation.

2. Problem Statement

The issue that will be discuss which relates with Halal Ingredients in the supply chain management in where it is difficult to acknowledge the halalness of food or other groceries especially when they come pre-packaged or processed (Bohari, Hin, & Fuad, 2017). According to Majid, Abidin, Majid, & Chik, (2015), the problem is the food producers' role are not meet to the halal requirement which producers should make sure it free and should not contain the haram ingredients in the products. It will be a failure if the producers not follow the guidelines of halalness then it can create the main problem such as the problem belief problem from the customer. Next, problem about Halal Ingredients is due to the lack of supply of raw meat Bohari, (2017) and due to this problem many raw meat is imported from abroad. Then it could create the problem towards a Muslim Entrepreneurs either they acknowledge the halalness of the raw meat or not that being supplied to their business. Also, are they aware the slaughtering process does follow the Sharia rule or not since the meat being imported. If in the ingredients that been used could be an issue and problem that arise there is a possibility that in the packaging process also have an issue and problem which can be discussed.

Next, the problem that relate to Halal Packaging is using the non-Halal substances in the production of plastics packaging such as animal fats or gelatine (M. S. Ab Talib & Mohd Johan, 2012). This problem occur whether the cow is slaughtered according to Syara' or not in determining the halogenation of gelatine production. If the animals are not slaughtered follows the Islamic rules, then it will become forbidden to use or eat. According to M. S. Ab Talib & Mohd Johan (2012), the issue which related to Halal Packaging in the supply chain management is a food packaging that made from non-Halal substances as it is considered *najis*(unclear). This problem arise when it is prove with non-Halal product in which pork is packaged and labelled it as Halal and this will caused the Muslims consumers doubts towards Halal logo on the product packaging although it has been approved by Department of Islamic Development Malaysia (JAKIM).

Lastly, the issue of Halal Transportation in the supply chain management is sharing containers, poor visibility into what inventory is in which containers, where the container is transit, history of immediate suppliers, history of immediate maintenance and segregation allocation space between Halal and non-Halal goods in same containers increased the risk towards Halal integrity being compromised (Rahim, Sirajuddin, & Mohd, 2018). The problem of Halal transportation is distribution cost is typically the highest single expense, which is usually greater than

warehousing cost, inventory cost and order processing cost (Rahim, 2018). The research problem is now restated; there is a little research about Halal Ingredients, Halal Packaging and Halal Transportation which included in Halal Supply Management. Then, the purpose of this study is to reducing the problems that are happening to Muslim entrepreneurs which regarding to the Halal Supply Chain Management.

3. Significant of Research

The significant of this research is to reveal the level of halalness in the Supply Chain Management in terms of ingredients, packaging and transportation conducted by the Malays entrepreneurs in Kota Bharu, Kelantan. In addition, it is also in order to avoid misunderstanding the public consumer against the doubtful substances used in the ingredients and packaging to produce the certain product. Then, it is to ensure the transportation being used to distribute the goods does not mix the Halal and Haram goods in the same vehicle. Next, this research is aim for ensure the Malays entrepreneurs practiced the Halal concept in conducting Supply Chain Management in their business.

4. Literature review

Acknowledgment of Halal Supply Chain

According to Halal Industry Development Corporation (HDC) (2013), the halal supply chain includes all activities, such as procurement, preparation of halal ingredients for manufacturing and delivery for final products to consumer. As for a Halal products and services it does not only be a point during the consumption or purchasing but it should involves in every aspects activities along the supply chain, form farm to fork (Tiemann, 2011). For Muslim entrepreneurs they should acknowledge all this matter since it is importance to keep their business along with the Sharia law and obey God's commands.

The reason why the entrepreneurs need to acknowledge because Muslim consumers become more knowledgeable and aware of dietary laws and concerns about their religion, as they pay more attention to type of products and services that they consume or utilize (Salleh & Ramli, 2011). So, in following the Sharia law the Muslim entrepreneurs should know that halal supply chain covers everything from the preparation an enforcement of halal ingredients to be manufactured and delivering the final product to the customer (Bahrudin 2011).

Halal Ingredients

Ingredients was defined as a part or components which were together to make it something useful or successful. According to Sahilah, A.M, et al. (2016) the Muslim people would like to make sure the final products containing halal components. In Islam a halal terms is important it is because Islam was really care their followers healthy and lifestyle since they have to obey God's command. . It is because when this unfamiliar components it could create a doubtful and suspicious the terms of halalness (Afshan Azam 2016). Moreover, based on this situation as a Muslim entrepreneur they should notice the containing of ingredients during the process of the products since it is a must to avoid a non-halal ingredients Then the ingredients should be in halal and not contains any harmful component, cleanliness and secure which could be effects human healthy (Badrudin et al., 2012 & Mahiah et al., 2014).

The Muslim people are really care with their purchases of products whether it has a halal certificate by JAKIM or not. According to Ireland and Razabjadeh (2011), mostly consumers had a higher concerned towards the ingredients of halal-labelled food and influencing them to be concern on halal food status.

Halal Packaging

According to Mohd Syazwan Ab Talib & Mohd Remie Mohd Johan, (2012) they said that Halal packaging is lawful substances in produce the container for a product that are free from Haram animals, substances that are considered *najis*, and tools used not mixing with non-Halal elements. The packaging sometimes will be produce by using the gelatine of an animal such as pig and fish. But if the entrepreneurs not thorough the substances that used by manufacturing it will become non-halal and prohibited in Sharia law. Also based on the past researcher, Y. H. Mohamed, A. R. A. Rahim, A. B. Ma'ram & M. G. Hamzah (2016) has stated in their research that the use of packaging design and material should follow Sharia rule in prevent to use permissible materials it is for to keep the image of halal packaging concept. If the Muslim entrepreneurs not concern towards this matter it could affect other Muslims *ibadah* to Allah s.w.t. So the Halal logo is important to ensure the packaging is clean and safe. It can be confirmed by Macro Tieman (2011), Halal logo that found on the packaging is defined as the Muslims are confident that the products are permitted, allowed or legal to be consumed in their life.

Halal Transportation

Transportation activities can be described as “the act of moving goods or people from an origin to a required destination. It includes the creation of time and place utilities as well” (Coyle et al. 2011). Halal transportation is where the principle of the Sharia is being applied in the transportation chain. By referring to the context of transportation in halal logistics activities, there is a tendency in the delivery process of halal products are the situation whereby the halal food product is being exposed to haram product and hazardous product during the transportation and storage (Mohamad, 2014). So in this study it shown that the transportation activities in Halal logistics play a vital role and are also the stage where cross-contamination between Halal and non-Halal happen. In order to ensure the cleanliness of food so as not to cause doubt among the Muslims it is important to do the segregation between the halal and non-halal products. It were been supported by Omar and Jaafar, (2011); Tieman et al., (2012); Tieman et al., (2013) where these authors suggest to have complete segregation between Halal and non-Halal products or in other words, a dedicated load carrier or transportation fleet.

5. Methodology

The study is using a qualitative approach, in which, Muslim entrepreneurs in Kelantan were selected for an interview. According to Ilhamie (2014) it said that majority of Muslim people in Kelantan were joint venture in business whether small-scale or large-scale then it becomes a reason why the researcher chooses this selected respondent. It can be proving where the residents in the Kelantan are 17,972,000 people, then the number of Kelantan entrepreneurs is around 46,617 person. So, the selected respondents were from health and beauty, agro farm and frozen food. The reason in choosing this respondent is their business are related in doing the supply

chain so the researcher wants to know did this entrepreneurs are applying the Halal concept in their supply chain. The data was collected through the primary data and secondary data by the researchers in order to get a stronger support towards this study.

An exploratory had been used in this research where it is to create the hypothesis as it for assist study. Also it is generally used to explain the opinions and thoughts the research problem or to give intuition on how to do more decisive research (Kumar M., Talib, S.A, T. Ramayah, 2013). In doing the exploratory the researcher give the respondents to speak anything that they understand without forces them to stop. It is because based on their opinion it could help the researcher to improvise their study and can give more idea to explore their study. For the transcription it was translated form Bahasa Melayu to the English language, next the data will be analysed on the acknowledgement of Muslim Entrepreneurs towards the Halal Supply Chain Management. Through this selected respondent the question that the researcher asked was about the Halal Supply Chain Management, Halal Ingredient, Halal Packaging and Halal Transportation. After the respondent it will be transcript then the data will be import into the ATLAS.ti Version 7.

6. Results and Findings

The researchers use qualitative approach to analysis the findings obtained from the respondents. The qualitative approach in which in-depth interview methods has applied for some othose individuals to collect data. The researcher also use telephone interview with the respondent that cannot confirm the date and time of interview appointment. The researchers use forms of voice recording during the interview as the proved of collecting the data. The researchers use non-probability sampling technique that is assortment the feedback on an analyst. The type of non-probability sampling which is judgmental sampling that the sample is form by considering the purpose of study along with the understanding of target audience. This research involved three experts in the field of Muslim entrepreneurs doing in Kelantan by focus on food and beverages industry, cosmetics industry and agro farm industry to obtain the data.

The result that the researcher gets from the analysis is that the Muslim entrepreneurs in Kelantan are understood and acknowledge about the Halal Supply Chain Management. Especially towards the Halal ingredients, Halal packaging and Halal transportation since these elements was involved in producing the products. When it comes to the question about Halal the selected respondent answered it based on their perspective and opinion same goes to others questions. So, the result that the researcher can conclude is all the objective in this research has been answered well by the respondent.

As for the RO1 researcher has stated that the researcher want to identify the understanding of Halal among Muslim entrepreneurs in Kelantan. So, the respondents answered that Halal must not contain any syubhah materials, hygiene and the quality of products. Then, for the RO2 the researcher has discussed on analysing the acknowledgement of Muslim entrepreneurs towards Halal Supply Chain Management. The selected respondents have fulfil the objective of this study by answering that the process of producing the product must be from the start until to the end consumers. The RO3 talked about the researcher want to conclude the awareness of Muslim entrepreneurs towards the Halal ingredients, Halal packaging

and Halal transportation. So, based on this objective the respondents said they know that it should contain any non-halal materials, have a certificate by JAKIM, must be clean and not use any harm ingredients.

Overall of this results, the researcher make a conclusion that all Muslim entrepreneurs are acknowledge, understand and aware with the Halal Supply Chain Management which they should apply and practice in their daily business. It is for to ensure their business completely in Halal state and certified by JAKIM then the consumer are not having a doubt towards the products.

7. Conclusion/Contribution/Recommendation

Halal supply chain management is an approach to handle Halal products. This approach has been created to meet the demand from the Halal industry but at the same time must be aligned with the Shariah requirements. Halal industry in Malaysia has grown rapidly in Malaysia, but the growth in Halal supply chain management is not as good as Halal industry. Adoption rate for Halal supply chain management also still relatively low among Muslim entrepreneurs.

Based on this study, the institution of Small and Medium Enterprise can use it as a guide and can explain to the entrepreneurs about the Halal Supply Chain Management. Moreover, this research could help the institution to make another initiative to support the management of Halal Supply Chain especially for Muslim Entrepreneurs they should aware with the Halal process in producing the products or services. It is vital things that entrepreneurs should concern because in doing a business there are includes the ingredients, transportation and packaging. In improving the business of Muslim Entrepreneurs, SMEs' are responsible to ensure them aware and practice the Halal Supply Chain which based on this research.

In term of Halal transportation, Muslim entrepreneurs must be improved in providing the dedicated transport for halal frozen food and comply with Shariah compliance. This is because some respondents are less concerned about the vehicles used for shipping their goods. Same goes to Halal packaging, Muslim entrepreneurs must ensure that there is no use of prohibited goods in packaging of the products. The use of prohibited items in packaging may have an impact on the hygiene and safety of the product for the public's use especially for Muslim users. Next, for Halal ingredients, Muslim entrepreneurs are careful about the ingredients contained in the product. As Muslims we are forbidden to eat or use items containing Haram elements.

Based on this research, the analysis showed that mostly Muslim entrepreneurs in Kelantan have the knowledge and aware about the concept of Halal supply chain management. Muslim entrepreneurs understand well and aware towards Halal transportation, Halal ingredients and Halal packaging in Halal supply chain management. Mostly, all the questions respondents can answer it very well. Just only a few things that the respondents not really sure and aware about it.

This study is only trying to have an overview regarding acknowledgement of Muslim entrepreneurs towards Halal supply chain management for Halal transportation, Halal packaging and Halal ingredients. The finding from this study could be a base for another study to have a better understanding regarding the Halal supply chain management towards Muslim entrepreneurs.

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Other issues

**Factors affecting the stress risk among students at University Malaysia
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Abstract

This study aims to investigate the effects of burden of duties, peers pressure and family background toward stress among UMK's students. The students that was included in this study from first, second and third year of Faculty of Entrepreneurship and Business and Faculty of Hospitality, Tourism and Wellness. A quantitative study took place in University Malaysia Kelantan City Campus. The data was collected through an online questionnaire as the main instrument to get data variables information from the respondents with 1 to 5 Likert-Scale questions. Objective questions were asked about their perception of stress in the scope of the burden of duties, peers pressure and family background. The quantitative data were analysed in this study used a Spearman's Rho Correlation Coefficient Analysis. The results revealed that all the three independent variables, namely the burden of duties, peers pressure and family background are positively associated with the risk of having stress among students. To conduct this study, there were a few limitations for the researchers need to faced its. It consists of the trustworthiness of the result, target respondents and the reliability of sample of populations. The implication of this research also contributes to the literature of stress in higher education sector. The practical implication for this study include the needs of stress risk awareness among

the UMK student especially for the university, faculty, HEP and the ministry of education can plan and build programme related to stress risk awareness in improving their student productivity and performance to sustain their competitive advantage

Keyword(s): Stress, Burden of duties, Peers, Family

1. Introduction

The meaning of stress in medical or biological is a factor from physical, mental, or emotional that cause tension of mental or bodily. Stress also can be defined as a feeling or situation experienced by individuals which see the requests set on them over their abilities (Heinen, Bullinger, & Kocalevent, 2017). The primary factors of infection rates worldwide are depression, anxiety and stress. This is the most common of emotional health issue in the USA.

The person's life will have a bit of discomfort when there are more uncertainty and the high probability for a person to encounter stress (Yang, Yang, Yu, Cottrell, & Jiang, 2017). The mental health level of university students in the country is still under control and not reached a serious level yet. It does not mean that all parties can take the factor of stress lightly. There are various methods need to be taken to prevent mental health problems among university students through the involvement of all parties starting from prevention, rehabilitation and development aspects. Its can help in avoiding stress to spread in the life of the Malaysian society thus contributing to the improvement of world mental health statistics. The mental health problem refers to stress, depression and anxiety that if not prevent immediately can contribute to even worse effects including suicide attempts.

The range number of age for a youthful grown-up is around 17 and 25 years old. It has been reported as the most serious risk in the development of serious mental illness than people in the other age. Every student definitely feels the change in their life starting from the first day of their admission to the university and it will always grow over time. Developments that occur in every life of students will directly involve changes, which apply to psychological and social processes for them. During college years, students need to figure out an important action that they need to learn to adapt academic pressure in college. On the formative stage, the students recently discovered as a stressor, which can advance the beginning of emotional health problems.

The students who rise from a low socioeconomic background such as financial problem expose into worse depression, anxiety and stress in China and elsewhere in the world (Yang et al., 2017). This situation usually occurs because of their parents' are having financial problems such as low-income sources. Financial resources are an important asset for the student in learning and for continuing their study. Money is needed for payment of fees, for comfortable and perfect study requirements and for student self-esteem. The shortage of money can cause a person to become depressed. Parents with low-income sources will affect children who are still studying. Students with an abnormal state of worry about their financial had a more prominent weakening in mental health over time (Richardson, Elliott, Roberts, & Jansen, 2017).

University students usually have a lot of assignment that needs to be submitted in one semester. Therefore, indirectly this load contributes to a higher

pressure by completing the task. There are students who face with academic stress when they are concentrates for their tests and outcomes as a result of rivalry and a large amount of knowledge that assimilate in a very short time (Gupta et al., 2017). The study found that students were a force to spend 10 to 40 hours working to finance campus spending. The causes of stress among students is mainly by two factors: academic duty and non-academic duty factors (Gupta et al., 2017). The main power source of academic pressure for some students: their fearless of falling behind, to find the motivation for them to learn, the pressure of time, the pressure on financial and their concern regarding the academic skills they owned (Gupta et al., 2017).

The students mostly need support from their peers in order to develop their healthy community in college life for practice. As for the early years, there is a small group that have collaborated the activities such as, issue-based on clinical and learning skill educating. It can give continuous peer-group gathering and then set up mentors as the role models for students (Kemp et al., 2019). This group can influence students in terms of values and attitudes more than parents, schools, religious institutions and other social groups. Friends are important, but they also can be harmful. The impact of peer pressure can affect the way people change in their speaking, thinking and behaviour. Peer pressure is something common among friends and will be stronger during youth.

Research Objectives

To study the effects of the burden of duties toward stress risk among UMK's students.

To study the effects of the peers' pressure toward stress risk among UMK's students.

To study the effects of the family background toward stress risk among UMK's students.

Research Questions

To what extent the burden of duties affects stress risk among UMK's students?

To what extent the peer pressure affects stress risk among UMK's students?

To what extent the family background affects stress risk among UMK's students?

2. Literature review

Stress

There are three sections reviewed literature previous from the researchers regarding these topics which is relationships burden of duties, peer pressure and family problem towards stress. Stress occurs when demands on an individual cannot be met with an individual's current set of resources (Greeno and Wing 1994). According to Demir, Demir, Bulut, and Hisar (2014) stress is a big psychosocial factor which affects students' academic performances and student well-being. Nursing students undergo more stress than students studying in other health-related departments. This research was conducted in Turkey and designed as a quasi-experimental study. 132 students from first- and fourth-year students were eligible for a mentoring program. To determine the effectiveness of the mentoring program, a Locus of Control Scale, the Ways of Coping Inventory and Mentoring Assessment Form was filled out first-year students. The finding shows stress can effect on academic performance of the student. Frazier et al. (2016) stated that experience in college life could be a very

unpleasant time. This is especially valid for the time of change to school as students are figuring out how to adapt to expanded academic stress. Students recently discover that stress can advance the beginning of emotional well-being challenges. Furthermore, in academic stress, an international student can have an experience critical social and cultural change requests.

Burden of duties

The statement by Aherne et al. (2016) stated that stress and anxiety caused by workload and learning needs are common and related to one another. The mindfulness-based stress reduction (MBSR) programme for first-year (compulsory) and second-year (optional) Graduate Entry Medical School students in Ireland are based on examining study perceptions assessment of satisfaction. The students' perception of the course carried out as their feedback using the thematic analysis. The finding shows that the individual needs to participate and promote a safe environment as a key element of a successful personal care programme. Almojali et al. (2017) have reported that to adjust and cope with their workload and depressing environment, medical students tend to reduce their sleep. The prevalence of the relationship between the burden of duties due to poor quality of sleep and stress among medical students is estimated in this study.

Referring to the statement from Ayala, Winseman, Johnsen, and Mason (2018), the relationship between perceived stress and quality of life in medical students related each other moderately in term of the quality of life in psychological and physical. The research conducted in the United States and used a self-report survey to measure self-care, perceived stress and quality of life. A total of 871 medical students have completed the online questionnaire. In order to evaluate the interaction effects evaluation of self-care, it used regression analyses at the relationships between stress and quality of life. Findings show that self-reported in self-care activities is associated with a lower level of the relationship between stress and quality of life in medical students. The statement by Ahearne et al. (2016) stated that stress and anxiety caused by workload and learning needs are common and related to one another. The mindfulness-based stress reduction (MBSR) programme for first-year (compulsory) and second-year (optional) Graduate Entry Medical School students in Ireland are based on examining study perceptions assessment of satisfaction. The students' perception of the course carried out as their feedback using the thematic analysis. The finding shows that the individual needs to participate and promote a safe environment as a key element of a successful personal care programme. Therefore, the study hypothesizes that burden of duties will positively affect stress.

Peers pressure

Besides that, Sandra Kemp (2019) also notes that there is a relationship between peers and stress. He has conducted research in Australia in 2019 through a questionnaire with medical students. The results of the study found that medical schools should work with the group of trainees and students, and partner with other clinical services and training bodies to foster the sales practices and cultures of Kemp et al. (2019). The study was conducted at Tomsk Polytechnic University (TPU) in the 2013-2014 academic year using questionnaires on domestic and international students at TPU in Russia. The findings of this study suggest that limited information

on foreign language students from Russian academic languages can keep them away when compared to their Russian counterparts.

In a group of 278 Italian undergraduate students (117 M), we investigated the prevalence of awake and asleep bruxism and the correlation with emphasis. Using a socio-demographic sample, the perceived stress scale (PSS) and the n item, a self-report questionnaire was developed. 8 of the Questionnaire Fonseca on the emergence of bruxism in Italy in 2016. University students exhibit higher levels of bruxism and stress compared to the general population, with higher stress for women, but even if female students exhibit higher stress, the relationship between bruxism and stress occurs only in men's sex. Therefore, the study hypothesizes that peers pressure will positively affect stress.

Family Background

Fatoba and Bzdzikot (2015) have reported there is a relationship between family problem and stress. The final year medical students about 55 were invited to take part in interviews and a self-administered anonymous survey. There are about 35 medical students which equal to 76% of response rate that responded. There is 54% male in mirroring class demographics. The rate of 69% of the majority was more than 25 years old and 89% were unmarried. Based on the observation, it shows that most of the students needed support and relied on family, friends and classmates when stressed. However, they only need very few relied on mentors, faculty and school administration for support. In this discussion also explains more about the factor of the burden of duties, peers pressure and family background. Other than that, each of the factors revealed a strong relationship in affecting stress to students.

According to Heinen et al. (2017) there is a correlation between financial problems with stress. There are about 321 medical students from the first year were invited in this cross-sectional study. It consists of 39.3% men aged 22 ± 4 years that the Patient Health Questionnaire (PHQ-4) was completed with the Perceived Stress Questionnaire (PSQ-20), the Self-Efficacy Optimism Scale (SWOP) and the Brief Resilient Coping Scale (BRCS). In t-tests, the statistical analyzes, ANOVA, Spearman Rho correlation and multiple regression analysis involved simulation of the structural equation. This research was reported from Germany and an immersive student-perceived stress model based on research that includes personal, possible personal factors such as breaking up relationships is suggested. According to Richardson et al. (2017) there is a relationship between the financial problems of the family with stress in the United Kingdom. This investigation used information from a planned accomplice consider on educational cost charges sum and mental health in students. This same informational index has likewise been inspected in connection to dietary problem chance and financial difficulties. In the present study, a longitudinal model was used to determine whether improvements in mental health over time in college students are influenced by financial factors. Financial related difficulties seem to prompt poor mental health among students with the likelihood of an endless loop happening. Therefore, the study hypothesizes that family background will positively affect stress.

3. Methodology

Research design

The purpose is to investigate the risk of stress among students in UMK City Campus. The effect of stress as the dependent variable and the cause of stress as the independent variable. This study will be done by using the causal research where the researcher investigates the cause and effect relationship between variables in the study where one variable is believed to affect another. The questionnaire will be used as the main instrument to get the data variables information from the respondents.

Sampling population

The respondents for this research are students in City Campus, Pengkalan Chepa, Kelantan. In this campus, there are only two faculty which are Faculty of Entrepreneurship & Business (FEB) and Faculty of Hospitality, Tourism and Wellness (FHTW). In this campus, there are five programmes under FEB and three programmes under FHTW.

Target population

The target population in this study is among the first, second and third-year students from Faculty of Entrepreneurship and Business (FEB) and Faculty of Hospitality, Tourism and Wellness (FHTW) at University Malaysia Kelantan City Campus. There are 1535 students of the first year, 1220 students of the second year and 1090 students of the third year from FEB and FHTW. Thus, the total numbers of the target population in this study are 3845 students. This study involves the first year until third-year students of FEB and FHTW from all the courses in UMK City Campus this is because of their same learning pattern. They are required to attend classes, quizzes, group work and sit for the final exam. For FEB students for Bachelor of Entrepreneurship (SAE) course, the researcher did not include them in this study because of their learning requirement is different from the other students. SAE students are structured using the 2U2I programme (2-year University 2-year Industry). Their stress levels may differ because their learning patterns are also different compared to other FEB students. For final year students for FEB is not included in this study as it is involved with industrial training. Different task scopes make it difficult for the researcher to analyse the data at the end of this study.

4. Findings/Results and Discussion

The finding is analysed through from the objects that need to be achieved. Our research objectives in measuring the extent to which burden of duties, peers pressure and family background pressure influence stress risk for graduate students among UMK.Student. There were 205 respondents that cooperated in this research.

The in term consistency reliability or the Cronbach’s Alpha reliability coefficients of the three independent and dependent variables were obtained. The results have been shown as below

Table 1 : Cronbach’s Alpha

	Cronbach’s Alpha	N of items
Burden of Duty	0.838	7
Peers Pressure	0.851	7
Family Background	0.794	7

The results indicate that the Cronbach’s Alpha for the seven items burden of duties measure is 0.838. Next, the results indicate that the Cronbach’s Alpha for the seven items peers pressure measure is 0.851. the results indicate that the Cronbach’s Alpha for the seven items family background pressure measure is 0.794. Then, the internal consistency reliability of the measure used in this study can be considered to be good. It also means that the questionnaire about the burden of duties, peers pressure and family background pressure is acceptable.

Table 2 : Overall Data And Normality Test Of Shapiro-Wilk For Independent And Dependant Variable

Variable	Stress	Burden of duties	Peers Pressure	Family Background
Mean	35.0634	24.7854	26.0293	25.1561
Median	34.0000	25.0000	26.0000	26.0000
Std. Deviation	7.16958	5.45236	4.77833	5.31138
Skewness	-0.186	-0.275	-0.791	-0.671
Normality Saphiro wilk Test	0.035	0.001	0.000	0.000
Remarks	Not normal because P<0.05	Not normal because P<0.05	Not normal because P<0.05	Not normal because P<0.05

Table 2 above shows that, the data for the independent variable and dependent variables based on Shapiro-Wilk is not normally distributed. This occurs probably because of lack of respondent and we only focusing on University Malaysia Kelantan’ s student. From the table, descriptive statistic shows that mean of stress risk among UMK graduated student (DV) is 35.0634 which mean that most the respondents agree with the stress risk among UMK graduated students. The standard deviation result for the dependent variable (Stress) is 7.016958. Meanwhile, the mean of the burden of duties is figured at 24.7854 which are shows that respondent agrees that the burden of duties influence the stress risk among UMK graduated students. The standard deviation result for burden of duties is 5.45236. For the peers pressure shows that the mean is 26.0293 where the respondents agree that perceived usefulness positively contribute to stress risk among UMK graduated students. The standard deviation for peers pressure is 4.77833. Lastly, the mean of family background pressure is 25.1561 which means most of the respondents agree that family background pressure influence the stress risk among UMK graduated students while the result for standard deviation is 5.31138 The normality for this research are not normal because the result is lower 0.05. Maybe this happens because we only focus only on Student in Universiti Malaysia Kelantan (UMK) and lack of respondents. This normality is referring to the Shapiro-Wilk test.

Table 3 : Descriptive statistic for total Independent variables and Dependent variables.

Variables	Mean	Std. deviation	N
Total of stress (DV)	35.0634	7.16958	205
Total Burden of duty (IV)	24.7854	5.45236	205
Total of Peers (IV)	26.0293	4.77833	205
Total of Family (IV)	25.1561	5.31138	205

Table 3 has shown the mean for the independent variable which is the burden of duty, peers and family. The highest mean score is 26.03 which mean most of the students at UMK agree that a peer is the causes due to the stress among UMK students. Meanwhile, the lowest mean score is 24.79 which mean most of the students are less agree with the factor burden of duty will cause stress among UMK students.

Spearman’S Rho Correlation Analysis

By using Rules of Thumb about Correlation Coefficient size to characterize the strength of the association between variables, based on the absolute size of the correlation coefficient. The correlation coefficient or refer as r ranges from 1.0 to -0.01. If the value of r is -0.01, there is a perfect negative relationship. Then, if the value of r is 0 it is indicated as no relationship between the variables. In this study, Spearsman’s Rho correlation test is one of the important tests that measure the linear relationship between two variables. The objective of this test is to determine whether the correlation coefficient is statistically significant and to identify which hypothesis should accept and reject. If the relationship is significant, the researcher must decide what strength of the association is acceptable.

Table 4: Correlation coefficient for the burden of duties and the risk of stress among UMK students

Correlations Burden of duties

		IV (Burden of Duties)	DV (Stress)
IV	Correlation Coefficient	1	.731**
	Sig. (2-tailed)		.000
	N	205	205

DV	Correlation Coefficient	.731**	1
	Sig. (2-tailed)	.000	
	N	205	205

** Correlation is significant at the 0.01 level (2-tailed)

Table 4 shows Spearman's rho correlation coefficients, significance value and the number of cases which is 205. The correlation coefficient for the burden of duties towards risk of stress among UMK students is 0.731 is relatively close to 0.71 to 0.90. Based on the result in Table.4.4.2, the correlation of burden of duties and stress obtained are $r = 0.731$ and $p < 0.01$. This show high positive relationship was correlated. Referring to the r-value, the burden of duties and stress had a high positive relationship with only 1% chances that this relationship did not exist. The positive value of 0.731 shows that the relationship between the burden of duties and the risk of stress among UMK students is at a positive level. Its shows that 73% dependent variable (risk of stress) is influenced by the independent variable (burden of duties). In conclusion, it shows that the significant levels of the burden of duty and stress are 0.000 that show highly significant.

Table 5: Correlation coefficient for the peers' pressure and the risk of stress among UMK students.

Correlations Peers Pressure

		IV (Peers Pressure)	DV (Stress)
IV	Correlation Coefficient	1	.639**
	Sig. (2-tailed)		.000
	N	205	205
DV	Correlation Coefficient	.639**	1
	Sig. (2-tailed)	.000	
	N	205	205

** Correlation is significant at the 0.01 level (2-tailed)

Table 5 shows Spearman's rho correlation coefficients, significance value and the number of cases which is 205. The correlation coefficient for peers' pressure towards risk of stress among UMK students is 0.639 is relatively close to 0.41 to 0.70. Based on the result in Table.4.4.3, the correlation of peers pressure and stress obtained are $r = 0.639$ and $p < 0.01$. This show moderate positive relationship correlated. Referring to the r value, peers pressure and stress had a moderate positive relationship with only 1% chances that this relationship did not exist. The positive value of 0.639 shows that the relationship between peers' pressure and the risk of stress among UMK students is at a positive level. Its shows that 64% dependent variable (risk of stress) is influenced by the independent variable (peers pressure). In conclusion, it shows that the significant levels peers pressure and stress are 0.000 that show highly significant.

Table 6: Correlation coefficient for family background pressure and the risk of stress among UMK students.

Correlations family background pressure

		IV(Family Background Pressure)	DV (Stress)
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IV	Correlation Coefficient	1	.626**
	Sig. (2-tailed)		.000
	N	205	205
DV	Correlation Coefficient	.626**	1
	Sig. (2-tailed)	.000	
	N	205	205

** Correlation is significant at the 0.01 level (2-tailed)

Table 6 shows Spearman’s rho correlation coefficients, significance value and the number of cases which is 205. The correlation coefficient for family background pressure towards risk of stress among UMK students is 0.626 is relatively close to 0.41 to 0.70. Based on the result in Table.4.4.3, the correlation of family background pressure and stress obtained are $r = 0.626$ and $p < 0.01$. This show moderate positive relationship correlated. Referring to the r value, family background pressure and stress had a moderate positive relationship with only 1% chances that this relationship did not exist. The positive value of 0.626 shows that the relationship between family background pressure and the risk of stress among UMK students is at a positive level. Its shows that 63% dependent variable (risk of stress) is influenced by the independent variable (family background pressure). In conclusion, it shows that the significant levels of family background pressure and stress are 0.000 that show highly significant.

Multiple Regression Analysis

Table 7 : Coefficient Statistic

	Unstandardized	Coefficient	Std. Coefficient Beta	t	Sig.
	B	Std. Error			
(Constant)	3.974	1.788		2.223	0.027
Total Burden of duty	0.649	0.703	0.493	8.8888	0.000
Total of Peer	0.233	0.100	0.155	2.333	0.021
Total of Family	0.356	0.084	0.263	4.245	0.000

Last but not least, in multiple regressions analysis; coefficient statistic tells which relationships in the model are statistically significant and the nature of the relationship. It also describes the relationship between each independent variable and the dependent variable. The p-value for the total burden of duty (0.000) shows that 99% of confident level, total of peer (0.021) got 95% of confident level and total of family (0.000) also get about 99% confident level. The entire variable is highly significant because its p-value is less than 0.05. Therefore, we have accepted the null hypothesis. To prove that, using the research model,

$$y_i = b_0 + b_1x_i + e_i$$

$$DV = \alpha + b_1x_1 + b_2x_2 + b_3x_3 + e$$

$$\text{Stress} = 3.974 + 0.649 \text{ burden of duty} + 0.233 \text{ peers} + 0.356 \text{ family} + e_j$$

It can be explained that 1 unit increase in the burden of duty will increase stress by 0.649 with another variable remain constant. By 1 unit increase in peers' variable, will increase stress by 0.233 with another variable remain constant. Lastly, 1 unit increase in the family variable, will increase stress by 0.356 with another variable remain constant. Whether, burden of duties, peers pressure and family background is a accepted or not. Accept alternate hypotheses not null hypotheses. Figure 1 below summarizes the results from the multiple regression analysis.

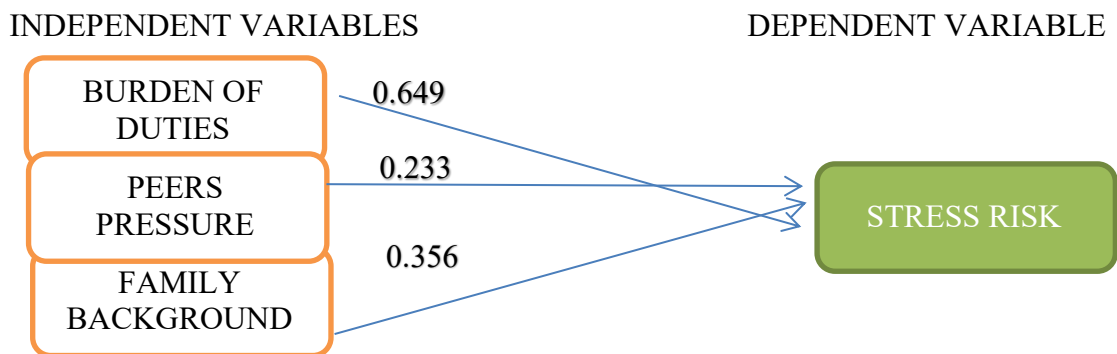


Figure 1: Summary of multiple regression results

5. Conclusion/Contribution/Recommendation

This present study explores the determinants of stress among Year 1 to Year 3 student’s UMK from Faculty of Entrepreneurship and Business and Faculty of Hospitality, Tourism and Wellness. In this study, there are independent variables namely burden of duties, peers pressure and family background that was included to examine the relationship with the stress.

Based on the result in this study, the researchers found that independent variable which is the burden of duties, peers pressure and family background has a relationship with dependent variable stress. The result from the questionnaires answered by respondents showed that all the independent variable is the contributing factors to the risk of stress among students.

The data collected in this research can be used for both faculties in UMK City Campus to improve their learning system in order to evade stress among students. Besides that, they also need to be aware of the stress impact because it relates to the risk of health problems. Any programme related to awareness of stress risk should be done by UMK to improve student productivity and performance for sustaining themselves.

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Factors influencing behavior intention to the use of Information Communication Technology (ICT)

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Abstract

This study investigates the factors influence the behavior intention to the use of Information Communication technology (ICT) among students in Universiti Malaysia Kelantan (UMK) City Campus. Quantitative method applied in this study. The data of the study were collected through the online questionnaire by using Google Form served to 350 students in UMK City Campus. The data collected were analyzed using SPSS analysis. The factors which are social influence and effort expectancy shows positive influence the behavior intention to the use of ICT. Both independent variables have positive significant but the highest factors influence the behavior intention to the use of ICT is the effort expectancy. The study only applicable and observed among students in Universiti Malaysia Kelantan City Campus only and there were only two independent variables were observed in identify the factors influence the behavior intention to the use of ICT among students UMK City Campus.

Keyword(s): Behavior Intention, Information Communication Technology (ICT), Use, Students

1. Introduction

ICT can define as technologies that provide access to information through telecommunications. It is similar to Information Technology (IT), yet focuses primarily on communication technologies that included the Internet, wireless networks, cell phones and other communication. The present youth have been portrayed as digital natives born and raised in our current reality where the utilization of Information and Communication Technology (ICT) is nearly ubiquitous (Palfrey & Gasser, 2011). The typical youth especially student spends more time using ICTs than the typical adult spends at work (Rideout, 2011). Mostly students from college and any higher education level are known as digital generation which surrounded by the ICT use in daily life and school activities (D'Ambra, Wilson, & Akter, 2013). They also tend to use more than one ICT tools, especially personal laptop computers and cellular phones which they believes that will support the communication and course works (Dahlstrom & Bichsel, 2014).

Furthermore, Universiti Malaysia Kelantan is the last public university was built in Malaysia on year 2007 which made them to work hard and compete with other universities in Malaysia especially in the advancement use of ICT. One of the initiatives to in line with other universities where on the new student intake session September 2014/ 2015 were started received an Ipad as an ICT tools for the academic purpose. This shows students of Universiti Malaysia Kelantan are well aware of the ICT use in daily purpose. The readiness of the University Malaysia Kelantan itself as a new university to compete with others universities have well developed technology still questionable.

Regarding the increasing dependence on technology to change education in the society, determining the key factors that influence students' technology usage intention is still a critical concern (Tarhini, Masa'deh, Al-Busaidi, Mohammed, & Maqableh, 2017). Related to increasing dependence on technology, Universiti Malaysia Kelantan (UMK) has provide Ipad to each of the students as an ICT tools which help to increase the dependency on technology in students' academic purpose. Based on that, this study tend to observe the behavior intention of the students to the use of ICT among UMK City Campus student since previous study shows that critical concern on determining the factors influence the students' behavior intention.

The purpose of this study is to investigate the factors influence the behavior intention to the use of ICT among students in UMK City Campus. There are two objectives of this study:

1. To determine the effort expectancy towards behavior intention to the use of ICT among students in UMK City Campus.
2. To determine the social influence towards behavior intention to the use of ICT among students in UMK City Campus.

2. Literature review

Behavior Intention to the Use of ICT

The behavior intention to the use of ICT defined as the students' intention to use ICT for their future, whether they are ready are not to use it. According to (Ajzen, 1991) it has been concluded that intention being assumed in order to capture the factors of motivational which can influence the behavior. They will become the most indicators on how hard the people are willing and able to try, and how much effort they are going to exert, for them to perform the behavior. For general, when the intention to engage with the behavior stronger, the more effective the performances should be.

Information Communication and Technology (ICT) is one of the important tools in education to promote the effective development that will give impact towards the economic, scientific, social, political and technological development of the country in the world (Liebenberg, Benade, & Ellis, 2018). There are some list of people that can affect the individual's intention to use the technology or Web-based system which are the close relative person (family) friends and colleagues according to (Chang, Lou, Cheng, & Lin, 2015; Dečman, 2015).

There are many theories and models that investigated the behavior intention to use and focus on the individual's intention on certain behavior especially in the use of ICT as the relevant elements in the conceptual framework. The research on the use of ICT and access has been identified in numerous theories and models (Olasino, 2014). For this study, we adopted the Unified Theory of Acceptance and Use of Technology (UTAUT) (Venkatesh, Morris, Davis, & Davis, 2003) to investigate the factors influence the behavior intention to the use of ICT.

From UTAUT, the independent variables used are effort expectancy and social influences instead from the four key construct that have being observed, which are performance expectancy, effort expectancy, social influence and facilitating conditions. From the previous study, the result shows that social influence and effort expectancy become the main significant influence to the behavior intention of the Polytechnic students to the use of ICT (El-Gayar & Moran, 2007). This result shows the similar in the research held in United States of America where there is a significant result among social influence and effort expectancy towards behavior intention to the use of ICT. Based on the (Bere, 2014) both independents which are performance expectancy and social influence show positive influence on behavior intention in ICT use. Different with (Gruzd, Staves, & Wilk, 2012) where only social influences were positive significant to the behavior intention to the use of ICT and the effort expectancy results the negative significant. Same goes to the (Isaias, Reis, Coutinho, & Lencastre, 2017b) where only social influence shows positive influence to the behavior intention to the use of ICT. The results above show the different the factors which influence the behavior intention to the use of ICT.

Effort Expectancy

Effort expectancy can be explained level of ease when someone use a technology (Venkatesh, Thong, & Xu, 2012). It means that the effort needed when someone use the system, whether it is complicated or simple or might be hard for someone to use it. So, from that, users might be easily accept and adopt user-friendly technology. Technology that provides flexibility, the ease level of use, and the usefulness were preferred by most of the users. In this situation, effort expectancy means the perception of level of ease when ICT used. Effort expectancy also repetitively recognized in the way that a users' behavior intention critical predictor (Razak, Bakar, & Abdullah, 2017) and it is one of the four attitudinal dimensions of UTAUT model as the behavior intention determinants such as intention when use the technology, which lead to the technology actual use (Macedo, 2017).

Effort expectancy has resulted that have significant predictors of student behavior intention to use Web-based services of Allama Iqbal Open University (AIOU), whereas the conditions of facilitation and the behavior intention of the students to use is depended by the use of actual students (Arif, Ameen, & Rafiq, 2018). Effort expectancy was reviewed not relevant to the behavior intention of the

students to use the emphatic forums such as mobile and distance learning (Isaias et al., 2017b). The effort expectancy has no significant towards the prediction of intention to use e-participation (Zolotov, Oliveira, Cruz-Jesus, & Martins, 2018).

Social Influence

Social influence can determine as the degree of impact on the interaction among people in the social network (Rice & Aydin, 1991). This is because we can see how far an individual attract on others' belief that they should use or not use a new technology. It is also can be described as the perceived pressure gained to perform a specific behavior (Venkatesh & Brown, 2001).

Social influence undeniable as a behavior intention that based on the complex construct by Venkatesh unfortunately there are some studies do not give the clear evidence of significant effect on intention (Magsamen-Conrad, Upadhyaya, Joa, & Dowd, 2015). The past studied has found that there were strong path between social influence and intention (Oh & Yoon, 2014). Social influence considered significant and have influence the behavior intention of the students positively to use the emphatic forums (Isaias et al., 2017b). In addition, based on the previous studies behavior intention was affected by the social influence in using mobile learning (Briz-Ponce, Pereira, Carvalho, Juanes-Méndez, & García-Peñalvo, 2017). Regarding from the past research it highlight the social influence as an important factor that affect the user's attitude but the other author proved that social influence also affect the behavioural intention (Nikou & Economides, 2017). Through the Unified Theory of Acceptance and Use of Technology (UTAUT) model, social influence has been introduced that to show the significant impact on an individual intention to accept the new technology particularly during the initial phases of technology adoption (Venkatesh et al., 2003).

Theory

The Unified Theory of Acceptance and Use of Technology (UTAUT) explains regarding on how the people are accepting the use of information technology. This theory had been developed by (Venkatesh et al., 2003) and it is the extension from the previous theory which is Technology Acceptance Model (TAM) that was developed by (Davis, 1989). The element which was investigated in this theory includes perceived ease of use and perceived usefulness, where the aim is to investigate the acceptance of IT among individuals. Moreover, this theory were classified as an integrated theoretical model in examine the behavior intention based on eight models involved (Venkatesh et al., 2003). The theories were Technology Acceptance Model (TAM), the Theory of Reasoned Action (TRA), Theory Planned Behavior (TPB), the Motivational Model (TMM), the model of PC utilization (MPCU), the combined TPB and TAM (C-TPB-TAM), Social Cognitive Theory (SCT) and the Innovation Diffusion Theory (IDT). All these theories have been utilized successfully by a numerous number of studies especially on innovation adoption and technology. It has been widely used and adopted by researcher conduct the studies on behavior, user intention and mostly pointed to the user group such as general use, students and professionals. Previous studies have shown the relevant results that UTAUT can be used to determine the students' behavior intention (Arif et al., 2018; Buabeng-Andoh, Yaokumah, & Tarhini, 2018; Isaias, Reis, Coutinho, & Lencastre, 2017a)

This theory of UTAUT contains facilitating conditions, social influence, effort expectancy and performance expectancy which these four are called as key constructs while four control variables are age, experience, gender and voluntariness of use (Liu, 2013). In this study we use UTAUT theory since it is suitable to observe the behavior intention instead of TAM theory.

Therefore, the present research had modified the UTAUT model into the simpler way on the study from (Dasgupta, Haddad, Weiss, & Bermudez, 2007). In this simpler model were focusing on four variables which are performance expectancy, effort expectancy, facilitating conditions and social influences. These four variables show the influences to behavior intention and user behavior.

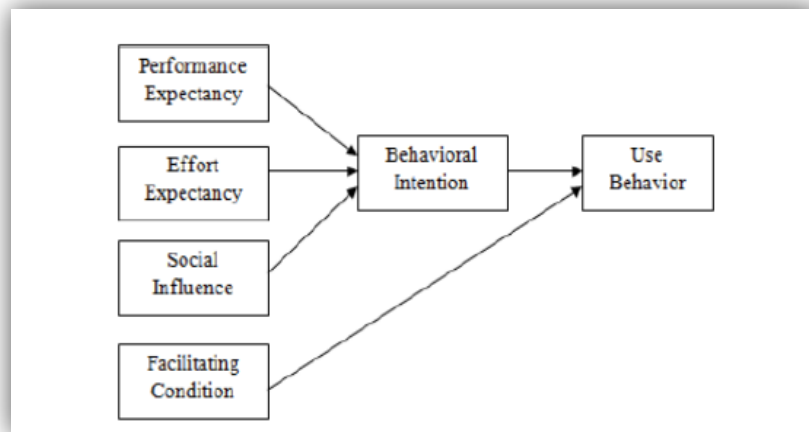


Figure 1: Modified Theory of UTAUT

Therefore, in this study where to observe the factors influence the behavior intention to the use of ICT among students are only adopted the simple model of UTAUT with only two variables as an important determinants and the dependent variables are behavior intention. As a summary, the independent variables chosen were effort expectancy and social influences while for the dependent variable are behavior intention to the use of ICT

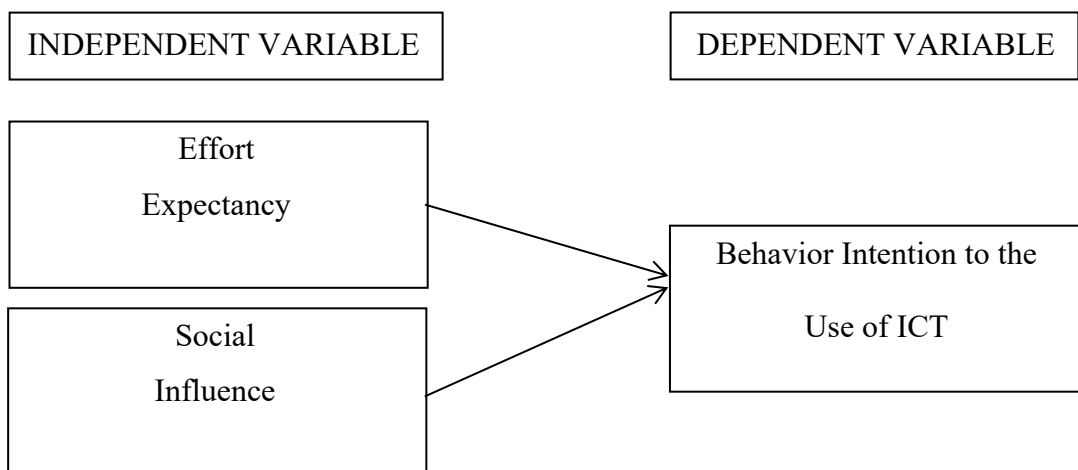


Figure 2: Conceptual Framework

From the study, the independent variable consists of effort expectancy and social influence while the dependent variable is the behavior intention to the use of ICT. The study is to investigate the relationship between the effort expectancy and the social influences towards behavior intention to the use of ICT among students in UMK City Campus. The independent variable will give the impact to the dependent variable.

3. Methodology

Research Design

This study used the quantitative method that requires standardized information from the subjects that are being studied. Quantitative method was known as one of the questionnaire surveys. Quantitative methods were used to explain a scenario or phenomena by collecting and analyzing numeric or mathematical data appropriately. The researcher can use quantitative research to investigate a larger population of participants about their beliefs in a short time.

The data were calculated and analyzed using the Statistical Packaged Social Science (SPSS) version 24.0 software program. We choose the SPSS software for the data analysis is because SPSS was the software can use to analyze and interpret the quantitative data. It also allows the researcher to reduce the time taken to measure primary data and facilitate faster and easier quantitative analysis. The questionnaire has been distributed using the Google Form which is online method since it is easy to be analyzed in the SPSS. To evaluate the value of the reliability questionnaire’s result, the researcher used the Cronbach’s Alpha.

Population and Sample Size

The number of students in Universiti Malaysia Kelantan is 3356 students. The faculty was categorized under two faculties where all courses in both faculties were the population for this research. Only one of the courses was excluded due to some reasons. The Google Form questionnaires then distributed to the students.

The sampling method used in this study was the convenience sampling. The researchers are selecting the units to be sample based on the sample drawn from part of the population that is closed to have called as a non-probability sampling technique. A sample of 246 respondents was choosing from 3356 students. We used the theory of (Krejcie & Morgan, 1970). The population based on the theory is 3500 so the sample size is 346 students. The students chosen were needed for the purpose of data collection. The researchers managed to collect 350 questionnaires from the sample size targeted.

Unit of Analysis

The unit of analysis for this research will be individual. The representatives of the research are the students from courses under both faculties in UMK City Campus.

4. Findings/Results and Discussion

Reliability Analysis

Table 1: Result of Reliability Test

Cronbach’s Alpha	N of Items

.890	21
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Reliability is about how well a test measures what it should. Cronbach’s Alpha tests to see if Likert scale surveys of multiple questions are accurate or reliable. These questions measure variables that are not able to be observed and latent variables hidden like: a neurosis, conscientiousness of a person, or openness. So, in real life, these are very hard to measure. Cronbach’s Alpha will show if the factors of variable interest are accurately measured by the test you have built or designed. The result of reliability test by using the Cronbach’s Alpha is 0.890 which shows very good association strength.

Table 2: Descriptive Analysis of the Behavior Intention to the Use of ICT

No	Question	N	Mean	Std. Deviation
1	Whenever possible, I intend to use the ICT in my class.	350	4.1771	.80652
2	I perceive using ICT as my involuntary.	350	4.2057	.78523
3	I plan to use ICT in the future	350	4.3114	.77765
4	To the extent possible, I would use ICT to do different things.	350	4.1714	.73729
5	To the extent possible, I would use ICT in my class frequently.	350	4.1171	.78342
Valid N (listwise)		350		

In Table 2 shows the number of respondents (N), mean and standard deviation for the dependent variable in this research which was the behavioral intention to the use ICT. The highest mean score goes to 4.3114 which mean that most of the respondents agreed that they plan to use the ICT in the future undertaking. While 4.1171 became the lowest mean among others and this concludes that the respondents’ shows less opinion to agree that for the extended possible, they would use ICT in class frequently.

Table 3: Descriptive Analysis for Effort Expectancy

No	Question	N	Mean	Std. Deviation
1	Learning to operate the ICT would be easy for me.	350	4.0857	.88281
2	I believe that it is easy to get the ICT to do what I want it to do.	350	4.3029	.75105
3	My interaction with the ICT would be clear and understandable.	350	3.0029	.84468
4	I would find the ICT to be flexible to interact with.	350	4.2143	.81108
5	It would be easy for me to become skillful at using the ICT.	350	4.0857	.83768
6	I would find the ICT are easy to use.	350	4.1457	.76807
7	Using the ICT takes too much time from my normal duties.	350	3.2971	1.26394
8	It takes too long to learn on how to use the ICT to make it worth the effort.	350	3.6000	1.01114
	Valid N (listwise)	350		

Table 3 shows that the number of respondents (N), mean and also standard deviation of independent variable which is effort expectancy. The highest mean score was 4.2143 which mean that most of the respondents agreed and believe that it is easy to get the ICT to do what they want it to do. Meanwhile, the lowest mean score was 3.0029 which mean the overall respondents had less agreed that using the ICT takes too much time from their normal duties.

Table 4: Descriptive Analysis for Social Influence

No	Question	N	Mean	Std. Deviation
1	I use ICT because my friends influenced me to use it.	350	3.0971	1.21440
2	People who are important to me think that I should use ICT.	350	3.7000	.94778
3	I use the ICT because of the proportion of	350	3.6400	1.04982

	students who use the ICT.			
4	The seniors have been helpful in the use of ICT.	350	3.1486	1.16328
5	My lecturers are very supportive of the use of the ICT in my assignment.	350	4.1114	.79874
6	In general, the university has supported the use of ICT.	350	4.3086	.74686
7	The students who use the ICT are more prestige than those who do not.	350	3.2800	1.20477
8	The students in university who use the ICT come from high level status.	350	3.0914	1.27470
	Valid N (listwise)	350		

Table 4 shows that the number of respondent, mean and also standard deviation of independent variable which was social influence. The highest mean score was 4.3086 which mean most of the respondent agreed that the university has supported the use of ICT. Meanwhile, the lowest mean score was 3.0914 which mean the overall respondent had less agreed that students in university who use the ICT come from high level status.

Pearson Correlation Analysis

Table 5: Correlation Coefficient Results

Independent Variables	Correlation Coefficient (r)
Effort Expectancy	0.537
Social Influence	0.502

**Correlation is significant at the 0.01 level (2-tailed)

Hypothesis 1: Effort Expectancy

H1: There is significant positive relationship between effort expectancy and the behavior intention to the use of ICT among students in UMK City Campus.

The significant value for effort expectancy was 0.000 which was below 0.05. The result shown the correlation between Effort Expectancy and Behavior Intention to the Use of ICT was r-value of 0.537 (53.7%). This figure represents a moderate positive relationship between Effort Expectancy and The Behavior Intention to the Use of ICT. Hence, H₁ was accepted.

Hypothesis 2: Social Influence

H2: There is significant positive relationship between effort expectancy and the behavior intention to the use of ICT usage among students in UMK City Campus.

The significant value for social influence was 0.000 which was less than 0.05. The result shown correlation between Social Influence and Behavior Intention the use of ICT was r-value of 0.502 (50.2%). This figure represents a moderate positive relationship between Social Influence and Behavior Intention to the use of ICT. Hence, H₂ is accepted.

5. Conclusion/ Recommendations

The main objective of this research is to examine the factors that influencing the behavior intention to the use of ICT among students UMK. The theoretical framework and research design have been designed in order to achieve the researcher objective. From the study, we found out that there are positive significant relationship between independent variable and dependent variables. Behavior intention is the independent variable while effort expectancy and social influence are the dependent variables. The research can be improvised by adding some other independent variables for the research. This will allow the future researcher to have a better understanding on a behavior intention. In addition, the university itself should provide more platform for the students to improve their knowledge of the use of ICT such as by providing the subjects about ICT, provides a workshop for ICT use and knowledge, and more. Like in UMK City Campus, we were required to take Information Technology (IT) subject in one of our semester during all the year in UMK.

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Service Quality towards patient satisfaction at clinic in Universiti Malaysia Kelantan

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Abstract

The purpose of this paper is to measure the service quality towards patient satisfaction among community at clinic in University of Malaysia Kelantan City Campus. Three dimensions in service quality which is tangibility, reliability and assurance has been considered for this empirical research. Quantitative method was used in this research. The study investigated a Convenience Sampling technique of 364 students, administration staff, and academicians in University Malaysia Kelantan. This research collected data through questionnaires such as Google Form. The software used to analyse data from respondents was statistical package for the social sciences (SPSS) version 24. The result indicate that the assurance dimension has the lowest influence on patient satisfaction. The effects of assurance are lower than effects of reliability and tangible dimensions, this does not imply that they are not important and should be ignored in improving service quality in the clinics. This propose only that greater gains in patient satisfaction can be realized through attending to reliability and tangible dimensions in the clinic at University Malaysia Kelantan, City Campus. The limitation of this study are the time constraint, the study been conducted by the researchers need more time in order to gain more valid respondents. On the other hand, there are several difficulties faced by the respondents when answering the questionnaire because of circumstances. Besides,

there are some constraints in which the researcher has to use the word and term in Kelantanese dialect to make sure that the respondents understand the questionnaire provided to them.

Keyword(s) : Service Quality, Patient Satisfaction, SPSS Method, UMK City Campus Clinic, Perceptions.

1. Introduction

Service is as an instrumental activity that performed for a consumer which involving participation from consumer of an organization's product or facilities. Service quality means the level to the performance of service provided meet the customer satisfaction and expectation. An organization needed to deliver according the customer's expecting as both of organization and customer has different needed (A. Singh and A. Prasher, 2017). Emphasize the quality of medical services acting like a major role in the rank of patient satisfaction and perceptions (Normah et al, 2014). Moreover, service quality is considered as aforementioned to patient satisfaction (Shan et al, 2016). Patient satisfaction is to represents attitudes toward aspects of care. The patient's satisfaction consist the patient's emotion, feeling and customer perceptions toward the service delivery.

Parasuraman et al (1988) set the objective of producing a general instrument for measuring the perception of service quality was SERVQUAL. He also mentioned that there are five key criteria of service quality which is included of reliability, responsiveness, tangible, empathy and assurance. In this research, we focused on three criteria which are assurance, reliability and tangible. Assurance is one of dimension in service quality that concentrated on to improve trust and confidence. As for reliability were defined for its ability to deliver the services accurately and dependably. Whereas tangible is physically known for the service dimension that concentrate toward the element that represent the services. Parasuraman et al, 1988 and Zeithaml et al, 1990 argued that reliability is considered satisfaction regardless of the service setting whether quality supermarket or domestic.

This study is related to the Islamic principle which is Maqasid Shariah. Maqasid derive from Arabic term which literally can be translated into goals, or purposes. From the Maqasid Shariah perspective, it can be defined as Islamic legal doctrine. According to Imam Abu Ishaq al-Shatibi (d.1388) wrote on Maqasid Al-Sharia whereby in his work of Al- Muwafaqaat fi Usool al-Sharia. As he said, Maqasid Shariah is the achievement of goods, welfare, benefits, and warding off evil, loss for the creatures. Meanwhile, Sheikh Muhammad Abu Zahra believed that Shariah was a mercy to humanity with three major goals called realization of benefits, establishing justice, and nurturing the righteous individual.

Maqasid Shariah can be classified into three major objectives. There are Daruriyyah, Hajiyyah, and Tahsiniyyah. Daruriyyah is the most important objective in the establishment of Maqasid Shariah. It deals with things like food, drink, and so on which are basically essential for the survivability of human being. Daruriyyah comprises five major protection namely faith protections (Din), life protections (Nafs), mind protections ('Aql), progeny protections (Nasl), and last property protections (Mal). As for the Hajiyyah, it focuses on removing the hardship, aim to facilitating life, and to fulfill the requirements. Lastly, Tahsiniyyah refer to nature of desirability's as the aim to perfections in the custom and conduct of the people. In

relation to this study the protection of life (Nafs) seems to give better perspective in improving service quality for the sake of protection life. In Holy Al-Quran says;

“And those who annoy believing men and women undeservedly bear (on themselves) a calumny and a glaring sin.” (Holy Quran 33:58).

This study is mainly focused on Daruriyyah objectives, specifically in the protection of life (Nafs) as it was related with our studies regarding to the measuring service quality at clinic at UMK City Campus. Protection of life placed second in Maqasid Shariah, this is because life is the most precious thing given by Allah toward humankind. It enables us to worship Allah by performing recommended and leave the prohibited things. Islam was guaranteed a good and noble life for humanity, hence forbidding annoyance, humiliation, and harm.

2. Literature review

Patient Satisfaction

Patient's satisfaction is the key issue that drives once the performance of the product or service exceeds the expectations. In the last twenty years, clinicians have begun to progressively acknowledge and perceive the importance of patient-reported outcomes. The stress on outcomes regarding patients has led to the event of creation vary activity instruments to support the objective measures, like vary of motion or strength, the area which assessed by clinicians. Following Graham et al. (2015), in several instances the most informative news of clinical results includes elements of each patient and practician evaluations, and once these appear to conflict as they often do an attempt to justify the discrepancies. According to Chang and colleagues (2013), they outline patient satisfaction because the condition of patient involving the positive or negative feelings or attitudes towards their expertise and some specific aspects within the service encounter.

According to Shabbir et al. (2016), patient satisfaction is widely used in the medical sector in order to measure the service quality. If performance meets the expectations, it means the client is satisfied. However, if the performance does not meet client expectations, then the client is not satisfied. Patient satisfaction is patient perception that the expectations are met or exceeded. Patient satisfaction could be a patient's level of feeling that arises as a result of the performance of health services obtained once patients compared with what was expected. If the result are felt to equal or exceed expectations, then it will cause a sense of satisfactions, otherwise there will be a sense of disappointment or discontentment when the results do not seem to be met with the expectations.

Independent Variables

Tangible

Tangible is one among the foremost necessary dimension of quality of service. Following to Eltahir & Osman (2017) tangibles aspect refers to the appearance of tangible facilities offered to service organizations, equipment, people, and dealers with service providers, tools and means that of communication between them. The service is commonly evaluated based on composition or basic accompaniment of service like tangible facilities (machines, equipment, etc.).

According to Rula Al-Damen (2017), tangibles embody the appearance of physical facilities, equipment, personnel and communication materials. Physical facilities, instrumentality and appearance of the doctors and other employees additionally contributed to patient satisfaction and had nice influence on patient satisfactions.

The healthcare service relies on physical evidence to improve customer experience. Following to Azizan (2015), healthcare services are high in credence qualities as such physical evidence, which provides a cue for patients service quality perceptions. Generally, in hospital, infrastructure such as physical facilities, equipment, personnel and written materials must be appear good to create positive impressions and to influence favourable patient perceptions.

The healthcare service quality also measures the patients' perceptions based on physical maintenance. According to Asma et al. (2016), physical maintenance involves the maintenance in terms of hospitals' friendly environment, arrangements, well-structured bed layout, cleanliness of toilets and washrooms, well designed waiting rooms, placing the dustbins and spittoons in hospitals' corridors and maintenance of physical environment like atmosphere, fresh air, and natural light.

This assessment based on tangible are focused on reflective the patient perspective to what extent level of service quality at clinic at UMK City Campus. In the previous study, Devi and Muthuswamy (2016) investigated service quality perception in multi-specialty hospitals in India. Result indicated that tangibility, reliability and responsiveness were the three most important dimensions of hospital service quality perceived by patients.

Assurance

In the healthcare sector, patients become the customers and their satisfaction is considered be the major reference while evaluate the service quality. Assurance is the second independent variables that we used in our study to measure the relationship between factor and patient satisfaction in the clinic at UMK City Campus. Assurance is regarding the knowledge, skills and experience of the staff concerned in delivering services and therefore the ability to form trust and confidence among the patients. According to Hayat Belaid et al. (2015), it can be established by knowledgeable and courteous of staff to inspire confidence and trust from their patients. It is absolutely determined that a considerable level of trust within the clinic at UMK City Campus and the abilities was necessary to form a patient comfort to create a relationship. Then, it enclosed actions by the staff like always courteous behavior to instil confidence and information as major components of assurance. Assurance also replaces ability, courtesy, credibility and security in the original dimensions for evaluating service quality.

Besides, the assurance dimension refers to the knowledge and courtesy of employees and their ability to inspire trust and confidence. The inseparability of production and consumption and the co-production of services implies that the people providing the service play a significant role and therefore the perceptions of the assurance dimension will influence the overall perceived service quality. The assurance perceived by patients can enhance this interpersonal relationship with health practitioners (J de Jager & T du Plooy). Then, the assurance dimension comprises courteous and friendly physicians, courteous and friendly support staff,

confidently of patient information, the ability of the GP to inspire trust and confidence in a patient, the ability of support staff to inspire trust and confidence in a patient, the thoroughness of explanation of medical condition and treatment, the physicians making patients feel safe and relaxed in their transaction and the honesty of the physician (Ramsaran-Fowdar, 2005)

Furthermore, Aaron A. Abuosi and Roger A. Atinga (2011) said that assurance is a patient safety and health provider demeanour. To assurance dimensions, which relate to health professionals demeanour, also received low perception scores. The knowledge gap between patients and providers enables the latter to act in ways that are not in the forme's best interest. Patients are still not enlightened under the patient charter to hold medical staff responsible for their demeanour (Abekah-Nkrumah et al., 2010). Apart from the knowledge gap, healthcare quality studies have generally reported poor service delivery with respect to long waiting time and health providers' poor attitude (Turkson, 2009; Atinga et al., 2011).

In addition, this past research in patient satisfaction said that government hospitals of Pakistan are attempting to offer best patient care services to satisfy their desires and overcome the health issues in Pakistan. Following to Kanval Nasim & Saquib Yusaf Janjua (2014), assurance is the trustworthiness and believability among the staff to stay for the best interest of the patients inside. It additionally concerned the ability and training level of doctors and staff as a result of the prescription and suggested that medical test is dependent upon it. Patients need the assurance of quality service by the hospital when provide treatment to them. The public sector hospital is economical in providing this level of assurance to patients. It is additionally concerning the assurance given to staff related by the efficient and prompt services. The higher provided services of assurance more will be the satisfaction of patients

Reliability

According to R. Al Damen (2017), reliability is an ability to performs the promised of service health care definitely and accurately. In this study, we are going to measure how far the reliability on the service quality provided in clinic at UMK City Campus will affect toward patient satisfaction. Following to Berry, Parasuraman and Zeithmal (2017) concluded that quality of a service depends upon the service delivery procedure and does not rely completely on the end result service. Anas Alam Faizli, In Free Malaysia Today (2016) said that a person with high health care awareness are unable to do anything if the quality provided by public health environment does not reach the standard which cover the aspects of patient satisfaction, the efficacy of medical practitioners, employers, medical, clinical quality, equipment, technology and financial performance. Related toward the reliability measurement if the responsible person cannot perform the expectation of service health care will give impact to the reliability toward the service provided by the clinics.

Reliability is known as the most vital to measure the service quality. According to the past researcher, Devi & Muthuswamy (2016), indicate the investigation on service quality in India shown that tangibles, reliability and responsiveness are the most essential dimensions of hospital service quality perceived by patients. It is known that to achieve the satisfaction of patients toward

the reliability of service quality is mostly recommended and to be applied in clinic. The need of accuracy in diagnosing diseases and consistency of treatment is highly recommended. As we know that service health care in some of clinical cannot give the correct diagnosis of disease and happened to have wrong diagnosed because of lack of knowledge in medical. According to A. Singh & A. Prasher (2017), the researcher shows that reliability is the most essential dimension in measuring healthcare level. The past researcher was using questionnaire as the data collection method and were responded by a total of 650 patients from various parts of Punjab, India. Due to the lack of consistency in the responses as much of 59 respondents were excluded from the survey. In addition, R. Al-Dameen (2017) said that the shortages of staff and due to the loaded heavy work affect the ability in scheduling at a convenient time. The assessment is implemented at Al-Bashir Hospital that focused on the patient perspective to what extent the reliability dimension. It showed that the item of “the hospital submits documented and reports/services without error” has the highest mean which could affect the reliability toward patient satisfaction. According to the past researcher, Azimatun et al (2012) explained the reliability as the ability of all involved in the clinical service to be as promising and reliable as possible. This because the reliability of a patient on the service provided by the clinics. The good service quality like keep the promised time meaning that the patients do not have to wait a long time to get treatment.

3. Methodology

3.1 Research Instrument

An actual survey instrument has been employed in the study. The researcher determined to use the questionnaire as a method for data collection. The set of questions are handed by the researcher to any respondents who were involved throughout this study. The questionnaire may be an appropriate methodology to use as a result of the study concerned an outsized range of respondents in clinic at UMK City Campus. The collection of data is going to be straightforward by using this method because it is uncomplicated information. The questionnaire was used in order to collect data that can be measured.

This cross-sectional study was conducted by using convenience sampling as a technique that depends on data collection from population members who are conveniently available to participate during this study. The analysis of data in this study is using statistical package for social sciences (SPSS) approach component base. The validity of an instrument is tested by using pilot test for 30 respondents. The pilot test is in a position to make sure that the questionnaire items accurately addressed the research questions. The pilot additionally tested whether or not the questionnaire was graspable and acceptable, and that the questions were well outlined, clearly understood and conferred in a very consistent manner. It additionally provides valuable feedback in order that researchers can revise and improve the papers before publication.

The design of questionnaire is split into three sections, which are Section A, Section B and Section C. Section A is about a demographic profile of the respondents whereas, Section B is intended to test the independent variable (assurance, tangible and responsiveness) and Section C to test the dependent variable (patient satisfaction). Moreover, the questionnaire was form in scale format to see how powerfully the respondent agreed or disagreed regarding the statement. The

scale consists from number one (1) to number five (5), indicated that 1= Strongly Disagree, 2= Disagree, 3= Neutral, 4= Agree and 5= Strongly Agree. The scale format used to construct, measure and straightforward for the respondents to understand the questions given.

This study is using nominal scale for Section A. As for the section B and C, the ordinal and interval scale will be used. Nominal scale is used for labelling purposes. Ordinal scale is used in order to measures ideas like satisfaction and level of service quality. Interval is used for the purpose of numeric data. During this research, the researcher would like to use the Likert-scale method. Likert-scale typically is employed within the research that employs questionnaire. It is the simplest and easiest approach to scale the response from the sample or population.

3.2 Sampling

In this research, the population was aim to the respondent who is among the community at University Malaysia of Kelantan. The total population can be categorized into 3 groups in which the University Malaysia Kelantan staff consist of 374 staffs where 190 staffs were academicians while the remaining which is 184 staff are administration staff. As for the population of students, there are totals of 5168 students in University Malaysia Kelantan City Campus.

4. Findings/Results and Discussion

Table 1: Gender

Variable	Category	Frequency, N	Percentage (%)
Gender	Male	146	40.1
	Female	218	59.9
	Total	364	100.0

Among 364 respondents, the result show 146 (40.1%) male respondents and 218 (59.9%) female respondents. This result indicates that females are the majority who visit the clinic in UMK city campus, Pengkalan Chepa.

Table 2: Race

Variable	Category	Frequency, N	Percentage (%)
Race	Malay	234	64.3
	Indian	63	17.3
	Chinese	67	18.4
	Total	364	100.0

The results of race show that Malay is the most who visit the clinic in UMK city campus, Pengkalan Chepa about 234 (64.3%) respondents. Other race show 63 (17.3%) for Indian and 67 (18.4%) show for Chinese. Surprisingly Indian and Chinese are not preffer to visit the clinic in UMK city campus, Pengkalan Chepa.

Table 3: Age

Variable	Category	Frequency, N	Percentage (%)
Age	Below 19 years old	25	6.9
	20-29 years old	289	79.4
	30-39 years old	10	2.7
	40-49 years old	28	7.7
	Above 50 years old	12	3.3
	Total	364	100.0

About 25 (6.9%) respondents who visit the clinic in UMK city campus, Pengkalan Chepa are the age below 19 years old, meanwhile 289 (79.4%) respondents are the age of 20 to 29 years old. Moreover, 10 (2.7%) of the respondents are at the age 30 to 39 years old and 28 (7.7%) respondents are at age 40 to 49 years old. The rest of 12 (3.3%) respondents are at age 50 years old and above. It is show that the majority respondents who visit the UMK city campus, Pengkalan Chepa are among age 20 to 29 years old.

Table 4: Marital Status

Variable	Category	Frequency, N	Percentage (%)
Marital Status	Single	309	84.9
	Married	55	15.1
	Total	364	100.0

Among 364 respondents, the results show 309 (84.9%) single respondents and 55 (15.1%) married respondents. In indicates that the majority respondents who visit the clinic in UMK city campus, Pengkalan Chepa are single.

Table 5: Job Specification

Variable	Category	Frequency, N	Percentage (%)
Job Specification	Students	309	84.9
	Academicians	32	8.8
	Administration Staff	23	6.3
	Total	364	100.0

The majority of the respondents who visit the clinic in UMK city campus, Pengkalan Chepa are students, with 309 (84.9%) respondents. This is followed by

academician with 32 (8.8%) respondents and the rest 23 (6.3%) respondents are administration staff.

Table 6: Level of Education

Variable	Category	Frequency, N	Percentage (%)
Level of Education	STPM /	65	17.9
	Matriculation	43	11.8
	Diploma	223	61.3
	Degree	13	3.6
	Master	20	5.5
	PhD	364	100.0
	Total		

With the highest percentage of 61.3% which representing 223 respondents, the majority of the respondents were those who successfully completed their studies at degree level. A total of 65 (17.9%) respondents graduated from the STPM / Matriculation and 43 (11.8%) respondents only completed at diploma. But from all respondents, 20 (5.5%) respondents have continued their studies and completed them at PhD. Besides, there is small percentage which is only 13 (3.6%) of respondent completed their studies in master.

Table 7: Health Level

Variable	Category	Frequency, N	Percentage (%)
Health Level	Good	188	51.6
	Modest	159	43.7
	Not Good	16	4.4
	Bad	1	0.3
	Total	364	100.0

The results show that the majority of respondents are good in health level which is 188 (51.6%). Then, 159 (43.7%) respondents have modest health level and followed by 16 (4.4%) have not goods in health level. Moreover, the rest of 1 (.3%) respondents is bad in health level.

Table 8: Waiting Time

Variable	Category	Frequency, N	Percentage (%)
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Waiting Time	Less than 1 hour	282	77.5
	Within 1-2 hour	80	22.0
	More than 2 hour	2	.5
	Total	364	100.0

In the waiting time segment, the majority of respondents waiting at the clinic in UMK city campus, Pengkalan Chepa is less than one hour which is 282 (77.5%) respondents. While, 80 (22.0%) respondents were within one to two hours and the rest two (.5%) respondents are waiting time at the clinic UMK city campus, Pengkalan Chepa for more than two hours.

Table 9: Frequency of Visit

Variable	Category	Frequency, N	Percentage (%)
Frequency of Visit	Once per month	40	11.0
	Every 2 month	112	30.8
	Every 6 months	102	28.0
	Every 12 months	64	17.6
	On date given to come back	46	12.6
	Total	364	100.0

In part of frequency of visit, the majority of respondents who visit the clinic in UMK city campus, Pengkalan Chepa is every two months about 112 (30.8%). This is followed by the respondents who visit in frequency every six months about 102 (28.0%). Then, 64 (17.6%) respondents are frequency to visit the clinic for every 12 months and only 46 (12.6%) respondents who frequency to visit the clinic in UMK city campus, Pengkalan Chepa on date given to come back at the clinic. The rest 40 (11.0%) respondents are frequency to visits the clinic once per months.

Table 10: Reliability Test

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.897	.901	22

The Cronbach alpha of internal consistency was enumerated to indicate the reliability of the survey's scale. The analysis indicated that reliability for independent and dependent variable were ranged to 0.897 and was standardized to 0.901. The multiple regression analysis was carried out in order to test the study hypotheses. The overall result for analysis of variance were statically significant ($p=0.000$) table 2. Therefore, the study of hypotheses showed that there is a significant result toward the impact of service quality on patient satisfaction of the community in University of Malaysia Kelantan, City Campus that was supported. Furthermore, the beta-weight

(Beta) propose that the reliability item had prominent on patient satisfaction ($\beta=0.384$), followed by tangible item ($\beta=0.323$), and assurance item ($\beta=0.193$)

The studies of patient satisfaction are a way to finding space for improvement in service quality. The patient healthcare is getting better throughout passes days. This indirectly give the surpass result in increasing the level of community health in University of Malaysia Kelantan. Patients rendered a high level of service quality would report a high satisfaction rate when filling out a questionnaire.

The reliability of service quality had a prominent impact toward the patient satisfaction, followed by tangible and assurance. This study proposed that when patient recognized the healthcare clinics are providing good services, it can build the trustworthiness and loyalty of the patient in receiving the treatment. This study will excessive the level of patient satisfaction. Moreover, in the perspective of equipment, physical facilities, and the appearance both of the staff and doctors also might impact the level of patient satisfaction. Hence, the willingness to help patients in terms of giving the best services by perform the task efficiently and skilled to solve patient’s problem. This would make the patients more satisfied with the services treatment given.

According to the result, knowledge, courtesy and ability of doctors and other staff to convey trust and confidence (assurance dimension) has the lowest influence on patient satisfaction. The effects of assurance are lower than effects of reliability and tangible dimensions, this does not imply that they are not important and should be ignored in improving service quality in the clinics. This propose only that greater gains in patient satisfaction can be realized through attending to reliability and tangible dimensions in the clinic at University Malaysia Kelantan, City Campus. The limitations of this study centre on the fact that the sample size had drawn only from the community at University Malaysia Kelantan, City Campus which includes students, academicians and administration staff. Besides, patient satisfaction may change overtime and other variables may be more important in determining patient satisfaction than those presented in this study.

Table 11: The Overall Impact of Health Service Quality on Patient Satisfaction Among 364 Participants from Community in University Malaysia Kelantan, City Campus

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	154.281	3	51.427	269.185	.000 ^b
	Residual	68.777	360	.191		
	Total	223.058	363			

Dependent Variable: Mean Patient Satisfaction

Predictors: (Constant), Mean Reliability, Mean Assurance, Mean Tangible

Table 12: The Dimensions Showing The Greatest Impact on Patient Satisfactions Among 364 Participants.

Model	Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.
	B	Std. Error			
1 (Constant)	.673	.123		5.487	.000
Mean Tangible	.323	.051	.323	6.269	.000
Mean Assurance	.178	.043	.193	4.151	.000
Mean Reliability	.366	.054	.384	6.811	.000

a. Dependent Variable: Mean Patient Satisfaction

In conclusion, clinic at University Malaysia Kelantan, City Campus need to look at the fact that more effects should be made to train doctors and other staff for different interpersonal skills to deal with patient such as paying individual attention, listening effectively, communicating well and responding to their request kindly and politely. In aspect of tangible, an improvement of physical facilities, equipment and appearance of doctors and other staff should be given priority. It is important to note that a modern managerial orientation should be introduced in the clinics to assist delivering quality services and patient satisfaction.

5. Conclusion/Contribution/Recommendation Recommendations

Based on the results of the present study, some recommendations are proposed for clinic in UMK city campus, Pengkalan Chepa to increase quality of their services and to satisfy patients. Patients' opinion should be given importance, every single staff needs to know how to handle patient complaints and concerns, strive to deliver service on the schedule of patient, staff should improve communication at every step of the patient visit and honour patients with respect and attention, staff should be commit to timeliness and be diligent in returning phone calls and e-mails within a standard time frame.

The study is meant to investigate the relationship between service quality and patient satisfaction at clinic in UMK city campus, Pengkalan Chepa. Based on the data analysis, there was a positive and significant relationship between service quality and patient satisfaction. The dimensions of service quality namely tangible, assurance and reliability significantly relate to patient satisfaction at clinic in UMK city campus, Pengkalan Chepa.

However, the study has several limitations. Firstly, the sample was small because the researcher only targeted on a particular clinic which is at clinic in University Malaysia of Kelantan located in city campus, Pengkalan Chepa. Next, the study emphasized merely only on three dimensions of the service quality in measuring the patient satisfaction at UMK city campus clinic. Thus, caution needs to be taken when generalizing the findings and discussion of other service quality model and other target groups.

Despite the limitations, it is recommended that further research should be carried out to investigate the role belief and trust of the patient. In addition to that, the implication of the study is related to the service quality in health care sector. It can be explain that in encouraging the patient to utilize the service at clinic in UMK city campus, Pengkalan Chepa, the management of health at UMK needs to (i) emphasize the usefulness of the clinic to the patient and (ii) focus on the enhancement of the services of UMK city campus clinic to the patient.

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Smartphone: is it a savior or destroyer among university student in Universiti Malaysia Kelantan (UMK) City Campus

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Abstract

Smartphone's usage among university students has been widely use nowadays and the knowledge of capability of smartphone towards students' academic performance in Malaysia is started to become dangerous because of its addiction. For this research, the purpose of this study is to determine if smartphone has effects students' academic performance in Universiti Malaysia Kelantan (UMK) City Campus and to examine the relationship between time spend, time management, health and usage of internet on students' academic performance. It is also to examine the impact of time spend, time management, health and usage of internet on students' academic performance. This research has adopted quantitative methodology and data have been collected from a total of 255 respondent from UMK City Campus students. Data have been analysed by using SPSS version 25 to analyse the data collection in order to carry out the descriptive, reliability, correlation and regression analysis. The research findings has revealed that the using of smartphone have not given massive impact on students' academic performance. This study also revealed that health only, is the independent variable that was not significant while the others independent variable are significant. For further study, this research has a huge potential to improve and gain new set of data to ensure whether smartphone have effect on students' academic performance positively and it has shown that this research have

probability to extend the knowledge of the impact of using smartphone on students' academic performance.

Keywords: Smartphone, Academic Performance, Time Spend and Management, Health, Social Media.

1. Introduction

Based on Jyoti et al. (2014), smartphone is defined as a mobile device that gives users to make phone calls, receives and sends emails, downloading files, providing an internet connection and offers applications like in Malaysia nowadays that expose variation usability of the smartphone. According to Junior et al. (2008), mobile technologies refer to the portable technology that can be moved from one place to another without any loss. The booming by using of smartphones and the fact that these phones comes with many features have occurred the issue of smartphone addiction (Kadir et al, 2015). Smartphone addiction is same in many aspects to Internet addiction (Kadir et al., 2015). Furthermore, information technology (IT) usage in education sector like universities and colleges is rapidly rise for the intent of enhancing and improving the administration and teaching and learning to the efficient way (Ayman et al., 2010). By the number of population in campuses increase in years, so the smartphone technologies also must be improved so that is why the technologies of smartphones are provided with many interesting features like camera, memory card, MP3 player such as music and video and finally internet access allow the students to study anywhere and anytime (Wilén, 2007).

There are a few advantages and benefits of mobile technologies. Some of them are the free to learn at any place and anytime, speedy and easy to communicate as fine to access to diversity information of different sources (Ayman, 2010). Based on Naismith et al. (2005), mobile technologies are meet more embedded, familiar and have a network to improve qualification for rich social to interactions, medium awareness and internet connectivity. In contrast, the past research found that smartphone usage is not really good when the people become addictive (Turel et al., 2011). Based on Attamimi (2011), said the disadvantage have a relationship to the how the smartphone is used, especially focused on teenagers. Beside, Turel et al. (2011) mentioned the disadvantage will affect the lower of academic performance, bring about family conflicts and work related problems, and in extreme cases, and result in severe depression and loneliness.

According on previous survey, the number of students who have a smartphone has increase from 27% in 2009 to 69% in 2012 (Hingorani et al., 2012). Others than that, statistics also assume that in 2012, there are 46% of netizen have a smartphone (Abir et al., 2014). In a study conducted in 2015, Kadir (2015), the frequency of smartphone addiction (8.4%) was detected to be more advanced than the frequency of Internet addiction (7.7%). The same study mentioned that 11.4% of 10 to 20 years old people and 10.4% of 20 to 30 years old people suffer from smartphone addiction. According to Szpakow et al. (2011), the researchers evaluate the focus of smartphones in students' lives and examine the smartphone addiction symptoms among university students. Based on the study, the results showed that almost 1 over 10 of the students had smartphone addiction symptoms and 68.8% were claimed of the harmful effects by using the smartphones. It is clearly found that, the important target market to a smartphones service is the students itself

because nowadays smartphone is necessary device to students especially to University students (Head et al., 2012).

So, this research is aim to examine the impact of the usage of smartphone to academic performance among university students which is focusing to University Malaysia Kelantan (UMK) students. The researchers want to identify weather the usage of smartphne give a good or bad impact to their academic performance.

2. Literature review

Academic Performance

Academic performance is where the student in any educational institution has achieved and been measured. According to Annie, Howard and Mildred (1996), academic performance is measured through assessments and examination in their studies and there is no evidence on how it should be evaluated on which aspects more important such as skills and knowledge. But, in the earlier studies, Sophie, Benedikt and Tomas (2011), it shown that academic performance is been evaluated by intelligence and personality, but the intelligence and personality of each students is different and it is based on how students perform well in their studies. Based on the article by Ellie (2018), the definition of academic performance is an achievement outside of classroom. Some students don't perform well in examination and don't earn straight A's but they are accomplished and succeed at music or athletic. According to the same author, academic performance often consider as measurement of hiring fresh graduates but not in every industries. Some industries are consider to hire fresh graduates that are perform in technical knowledge such as finance officer, doctor and lawyer. Other industries are consider to recruit fresh graduates that are more crucial in soft skills and it is particularly in creative professions such as writing, art designer or sales manager (Ellie, 2018).

In the study of Osharive (2015), the success of academic performance is very important because it will give positive impact on students' future career after graduating and they can tackle demanding occupations the students need in the future. In the same study, the students who succeed in their academic performance are seem to become more sustainable and more confident about their job. Moreover, in the earlier study by Janelle (2011), academic success is important because the positive outcomes that students have achieved is strongly linked to it. Having a successful academic performance may lead to higher self-esteem, positive socially and are likely have low level of depression and anxiety (Janelle, 2011). In addition, an achievement or excellence in academic plays a vital role in an individual placement, either in academic institutions or job placement (Osharive, 2015). According to Wenglinsky (2002), he was concluded that the improvement of academic performance among student can be achieved if the academic standards are rigorous and the assessments are aligned to the standards that have been set and the lecturers has possessed the skills to teach at any level of standard demands. But some of the people has left the discussion with the differential in opinion, has shown that it is students that can make the difference in their academic performance rather than academic institutions (Traub, 2000).

Time Spent

For instance, in Young's (2000) study, 396 Internet-dependent subjects reported an average 38.5 hours per week that had been spent online, it is different to 4.9 hours of

non-dependent Internet users. While in Chou and Hsiao's (1998) study, found that 54 Internet addicts spent in 20 to 25 hours per week that connect to the Internet, which is almost triple to the number of hours that 856 non-addicts spent. The reason that addicted or fact on why individuals spent higher time online than non addicts has been identify empirically, and stay to be the main component of research and analysis (Chou, 2001). Furthermore, Karpinski study just focus on the relation between time spend on Facebook and the academic performance of students (Miguel, 2010). The results of the finding stated that more time on Facebook will equals slightly lower grades (Miguel, 2010). According to Karpinski's study, the average Facebook user that had a Grade Point Average (GPA) is lower than the non-Facebook user (3.0 to 3.5 the GPA for Facebook user, while the non-Facebook user had 3.5 to 4.0). Then, it also show different in the time spend for study between the Facebook user, study between 1 to 5 hours per week and non-Facebook user would study 11 to 15 hours per week, the researcher can conclude that the more the time spend to Facebook the less the time spend to student study. Then, 55% of those survey have access at least once a day for a long period of time or several times a day towards their smartphones (Miguel, 2010). Moreover, Torrecillas (2007) highlighted 40% of teenagers concede using their smartphone more than 4 to 7 hours a day to communicate by send message and make a call.

Attamimi (2011) identified that 20% of students use a BlackBerry in class and the males is frequent use than female users. It also reported that 46% of students using a BlackBerry for 1 to 3 hours in a day and half of them reported 4 hours of uses or more than that in a day. Besides, in international study was done by the Global System for Mobile Communications (2011) in cooperate together with the Cellphone Community Research Instituteto identified that 12% of children are already own smartphones and they are using smartphones frequently than their parents. This results occur because of household income by the parents and parents' education towards their children had a focusing effect on having and using the smartphones. In this study also found that the largest percentage of children using the mobile phone is to play games. The next most popular use was the camera, music players is the next influence and followed by video players, while the rest of the children were reported using the smartphone to surf the Internet. Based on Tayseer et al. (2014), the researchers had conducted a research article and conclude that there was a relation between the students' exam results and their frequency usage of social networks like Facebook, Twitter, WhatApps and others. Beside the study found not all of them use the social network to find the academic purpose and they preferred to have online learning than meet and learn face to face by using their device like smartphone.

Time Management

Time management of smartphone use is a key element among students in managing time with good management especially in university studies. According to the past study Kibona and Mgaya (2015), the majority of students use smartphones for leisure purposes but only a handful of students are using smartphones as educational uses. This is because smartphones have been used by almost all societies, including all students in the university. University students have been viewed as one of the most important targets and the largest number of groups in the use of smartphones (Al-Barashdi et al., 2015). Moreover, for university students, the use of smartphones is important for some purposes not only exploring sources from the internet and even

exploring apps that have new functions to achieve the goal as a student. Therefore, the time management depends on the individual in managing the use of the smartphone either positive or negative as in the previous study there are also students using smartphones by enjoying various types of entertainment such as games (Al-Barashdi et al., 2015). Entertainment such as games, social media, Facebook or Whatapps can affect learning to students if not managing time correctly. As a result, most students are too dependent on the use of smartphones that can lead to unnecessary use. This makes the number of students going to the classroom a little bit and some are more interested in using smartphones just as fun instead of learning. Al-Barashdi et al. (2015) said that those reason which results in late sleep and not enough breaks that cause the mind to be inactive.

In addition, the issue of time management has been addressed from the perspective of the impact on time management of the mobile Internet. There have been mixed responses to the effect on efficiency of mobile Internet. For some, mobile Internet gave them the ability to spontaneously download academic materials and access e-mail, leading to greater efficiency. A respondent states that they will check whether the material is available or not via mobile internet before going to the campus to download the required course material, this way can prevent them from wasting time. The main argument against mobile Internet's role in saving time was that it takes time to make better use of it and therefore does not make users more efficient. Therefore, this study cannot demonstrate a strong evidence that mobile Internet can help respondents manage their time more efficiently (Chigona, 2008).

People who use their smartphones with time management in a socially and learning manner with the aim of making their lives better and able to improve student academic performance more quickly. Managing a good time on the use of smartphones is relevant to the self-dependence of a student in managing learning. However, discipline is required for students to achieve good performance in university-level education. Additionally, smartphones open scope to university students to help improve academic performance by managing time between using smartphones over entertainment or as opportunities to improve their learning process. From Aljomaa et al. (2016), smartphone has become the most efficient and has become a computer substitute for some people. Therefore, a good time management of using a smartphone as a university student is to close the phone during the learning process to avoid focusing distractions. In addition, when no classes are inaccurate for good management time it is useful to use time by checking e-mail or university portal related to learning tasks. This can have a positive impact on the student and the academic performance of the student. The management of this phone usage time can be seen in studies related to previous work (Derks et al., 2016).

Health

Research from Peter et al (2017) shows that social networking can become addictive, distractive and have negative impact on social interactions, emotional health or cause burnout. Emotional health is an important part of overall health. Smartphones could be negatively affecting mental health like depression. Mostly, depressed persons are seeking interactions using their smartphone. Statement above supported by Hisock et al (2001) by explaining that smartphone obsession is common within individuals feeling, and they are in need to be in contact with others at all the times. This characteristic need to raise consciousness and awareness to everyone of the harmful

effects of smartphone overuse on sleep, health, focus and knowledge. The consequences of smartphone overuse can lead to major health problem such as misery and depression.

With regard to addiction, Torrecillas (2007) declares that the chemical addiction and smartphone addiction differs where both have no physical effect but are mentally impacted. Smartphone addicts tend to not overlook work and study, separate themselves from friends and family, and continue to engage with smartphones while they are more likely to communicate with others virtually. Torrecillas also found that 40% of teenagers and adults use smartphones to make calls and chat using SMSs for more than four hour a day. Those individuals felt bothered and disappointed when they could not answer to all calls and SMSs directed to them. Lastly, researchers declare that smartphone addicts tend to be completely disappointed when losing their smartphones for a short period of time regardless of cause, and that the decision to turn off the smartphone may cause anxiety, sadness, anger and failure to sleep (Heron & Shapira, 2004). Smartphone misuse among university students can cause social and psychological disorders such as disorders of attention and hyperactivity disorders, disturbing behavioral disorders, anxiety disorders, mood disorders, material disorders, sleep disorders, and eating disorders (Billieux et al, 2014). These signs have a major adverse impact on the lifetime of the affected person, consider in impaired health or deprived social effective. According to Diagnostic and Statistical Manual of Mental Disorders (Fifth Edition), smartphone addicts also has been exposed into some major problem into their system as stated in this study is nosological systems (DSM-5, American Psychiatric Association, 2012).

Social Media

Smartphones are technology which can have multiple function that students can be used for study or entertainment. This smartphones can be a great advantage if it is used for learning or business and it becomes a disadvantage if students are only using for entertainment purposes (Lepp et al, 2015). There are many social media in this era such as Facebook, Twitter, Instagram and others. Social media are used by individuals for various reason such as communication, work related activities, and interaction. Facebook are the most people use for entertainment and keep in touch with friends or family (Susan & James, 2011). Nyland et al. (2007) mentioned out that most of the people who are using Facebook, tend to use it for communication and entertainment purposes. According to Perse and Ferguson (2000), the three main purposes people use social media are for learning, entertainment, and passing time.

With its importance in the use of social media and its ability to extend current communications, the use and satisfaction of smartphones was initially considered a natural paradigm for understanding the Internet, but after years it launched, the use and satisfaction of smartphones could be unreasoning and dangerous factor if it is used excessively (Morris & Ogan, 1996). The peak commonly measured incentive categories are activity such as entertaining, thrilling, or boredom-relieving activities, social such as social contact or communication, novel sensory such as information pursuing, and self-reactive such as to become less tense or break free, according to Charney and Greenberg (2001). A study by Woodbury (2009) showed that smartphones are not a good platform for students to do assignments or getting learning materials. However, 87% of the subjects view it as a platform to enhance cooperation with colleagues. From student point of view, downloading & reading

study notes in various MS office formats, videos, live streaming from worldwide through google and various sites freely available to students for all the purposes mobile can be used by a student. That was why now everyone is looking out at having a smartphone.

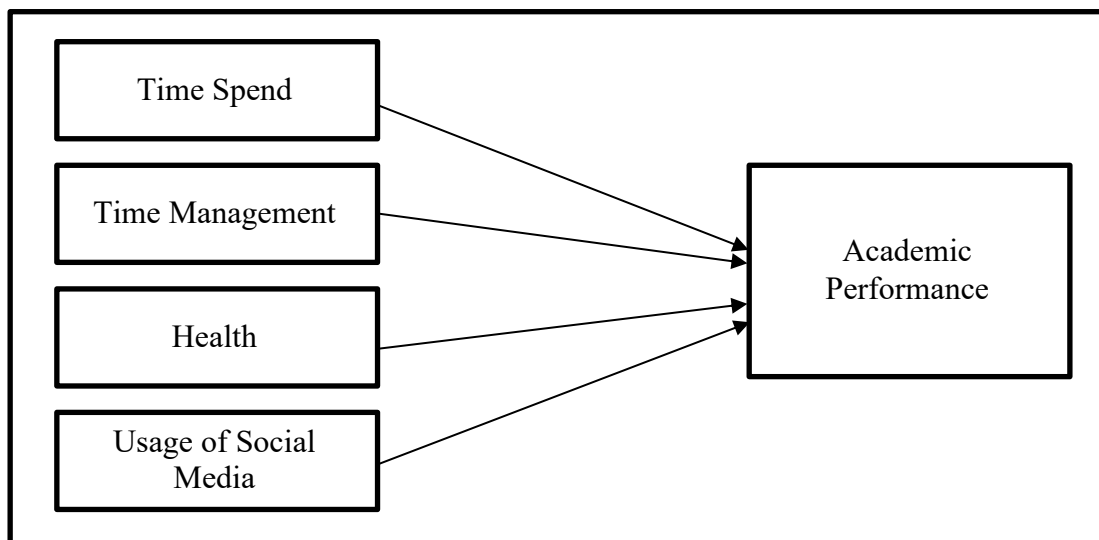


Figure 1: Conceptual Framework

3. Methodology

Quantitative research will be used to achieve objective of research and statistical analysis will be using to further evaluate the information and enable the researchers to analyse the data meaningfully. The quantitative design is suitable for descriptive research while the study aims to make an explanation; the design of the experiment is appropriate (Robson 2011). Quantitative survey of research applied to measure the large groups of people. Structured questionnaires will be distributed to the respondents or students whom are studying at University Malaysia Kelantan (UMK) City Campus and the stratified sampling method was proposed and it was based on faculty which are Faculty of Entrepreneurship and Business (FKP) and Faculty Hospitality, Tourism and Wellness (FHPK). The survey means to identify whether the usage of smartphone give a good impact to their academic performance. The questionnaire consists of six sections including demographic, academic performance, time spend, time management, health and social media questions. The total of sample are 357 respondents and this number are the exact number that should be received, however, only 255 respondents were collected and have been used for analysis. The data have been analysed by using SPSS version 25 and it has been analysed to run the data to gather the descriptive, reliability, correlation and regression analysis information.

4. Findings/Results and Discussion

This chapter discusses the findings of the research through the use of the data analysis process to examine the data collected in order to produce some kind of finding or conclusion. Data Analysis is the method by which numerical and/or logical methods are systematically applied to explain and demonstrate, condense and recapture and analyse data (Sharma B, 2018). The data was analysed using the Statistical Package for Social Science (SPSS) version 26.0 computer software. The aim is to evaluate either the objective of this research feasible or not feasible and to test the questionnaire's reliability. Moreover, either the results are significant or not significant. The 254 respondents were analysed and explained using four types of analysis which are descriptive analysis, reliability analysis, Pearson correlation analysis and multiple linear regression analysis.

Descriptive Analysis

Gender

Table 4.1: Number of Respondent by Gender

	Frequency	Percent %
Male	71	28.3
Female	180	71.7
Total	251	100

(Sources: Developed for the research)

Table 4.1 shows the number of respondent by gender. There are 71 persons of male with 28.3% and 180 persons of female with 71.7% from the students who answered the questionnaire. From the analysis, we can look that the average UMK students of female more than male students.

Age

Table 4.2: Number of Respondent by Age

	Frequency	Percent
19 - 20 years old	13	5.2
21 - 22 years old	156	62.2
23 - 24 years old	71	28.3
25 years old and above	11	4.4
Total	251	100

(Sources: Developed for the research)

Table 4.2 shows the number of respondent by age. In term of age, we divided our respondents into 4 categories. Those are 13 (5.2%) respondents where in 19 to 20 years old category, 156 (62.2%) respondents where in 21 to 22 years old category, 71 (28.3%) respondents where in 23-24 years old category and 11 (4.4%) respondents where in 25 years old and above category. We can conclude that, out of 251 respondents in this study, the majority of the respondents come from the age group of 21 to 22 years old and those with age of 25 years and above occupies the lowest spot with only 11 respondents.

Race

Table 4.3: Number of Respondent by Race

	Frequency	Percent
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Malay	219	87.3
Chinese	18	7.2
Indian	7	2.8
Others	7	2.8
Total	251	100

(Sources: Developed for the research)

Based on the table 4.3 above, majority race of the respondent with 219 (87.3%) are from Malay and followed by Chinese which represents about 18 (7.2%). Besides that, it also followed by Indians and Others respondents both equally tied at 7 (2.8%).

Year

Table 4.4: Number of Respondent by Year

	Frequency	Percent
Year 1	10	4.0
Year 2	27	10.8
Year 3	33	13.1
Year 4	181	72.1
Total	251	100

(Sources: Developed for the research)

According to table 4.4 above show the number of respondents by year. In term of that, the majority of the respondents with 181 (72.1%) come from students year 4. Second highest group is being presented by students in year 3 with 33 (13.1%) and closely followed by students year 2 with 27 (10.8%). The lowest group is from students' year 1 with 10 (4.0%).

Course

Table 4.5: Number of Respondent by Courses

	Frequency	Percent
SAB	88	35.1
SAR	32	12.7
SAK	34	13.5
SAL	30	12.0
SAE	3	1.2
SAH	27	10.8
SAP	21	8.4
SAW	16	6.4
Total	251	100

(Sources: Developed for the research)

The reading of table 4.5 tells us that the majority of the respondents are from course SAB with 88 (35.1%) followed by 34 (13.5%) respondents from course SAK followed by 32 (12.7%) respondents from course SAR followed by 30 (12.0%) respondents from course SAL followed by respondents from course SAH with 27 (10.8%) followed by respondents from course SAP with 21 (8.4%) followed by

respondents from course SAW which represented about 16 (6.4%) and the lowest respondents are from course SAE which are only 3 (1.2%).

Cumulative Grade Point Average (CGPA)

Table 4.6: Number of Respondent by CGPA

	Frequency	Percent
$2.00 \leq x < 3.00$	38	15.1
$3.00 \leq x < 3.50$	178	70.9
$x \geq 3.50$	35	13.9
Total	251	100

(Sources: Developed for the research)

Based on the table 4.6 above, the respondent with CGPA $3.00 \leq x < 3.50$ has monopolized which represented about 178 (70.9%) and it is followed by CGPA $2.00 \leq x < 3.00$ and $x \geq 3.50$ with 38 (15.1%) and 35 (13.9%) respectively.

Reliability Analysis

Table 4.7: Reliability Statistics for All Variables

Variables	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
Academic Performance	.806	.816	5
Time Spent	.735	.733	5
Time Management	.687	.693	5
Health	.739	.744	5
Social Media	.765	.770	5

(Sources: Developed for the research)

According to the reliability statistic in Table 4.7, it was conclude that the coefficient alphas regarding reliability of dependent variable and independent variables, which was academic performance is 0.806, time spend is 0.735, time management is 0.687, health is 0.739 and social media is 0.765. It shows that the stability and validity of coefficient alphas were all above acceptable. Therefore, it has proved that the test is reliable and can proceed for further analysis. The question items that have been adopted in this section will not be deleted due to the range in coefficient alphas.

Pearson Correlation

Correlation is only sensitive to a linear relationship between variables. In this research, researcher had used Pearson correlation analysis to identify the relationship between the dependent variable (academic performance) and independent variables (time spend, time management, health and usage of the social media). After conducted this test, researchers can know whether the correlation is statically significant or not.

Table 4.8: Table of Correlation for All Variables

Correlations		Academic Performance	Time Spend	Time Management	Health	Social Media
Academic Performance	Pearson Correlation	1	.550**	.471**	.409**	.542**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	251	251	251	251	251
Time Spend	Pearson Correlation	.550**	1	.578**	.472**	.575**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	251	251	251	251	251
Time Management	Pearson Correlation	.471**	.578**	1	.537**	.557**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	251	251	251	251	251
Health	Pearson Correlation	.409**	.472**	.537**	1	.523**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	251	251	251	251	251
Social Media	Pearson Correlation	.542**	.575**	.557**	.523**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	251	251	251	251	251

**. Correlation is significant at the 0.01 level (2-tailed).

(Sources: Developed for the research)

Based on the table, there are the results of the Pearson Correlation between dependent variable (academic performance) and independent variables (time spend, time management, health and usage of the social media). The table summarise that

time spend, time management, health and the usage of social media have a positive relationship towards the academic performance of the students at University Malaysia Kelantan. Besides, it also showed the significant value (Sig. (2-tailed)) and the number of respondents (N) which are 251.

H₁: There is a positive significant impact between time spend and academic performance among university students.

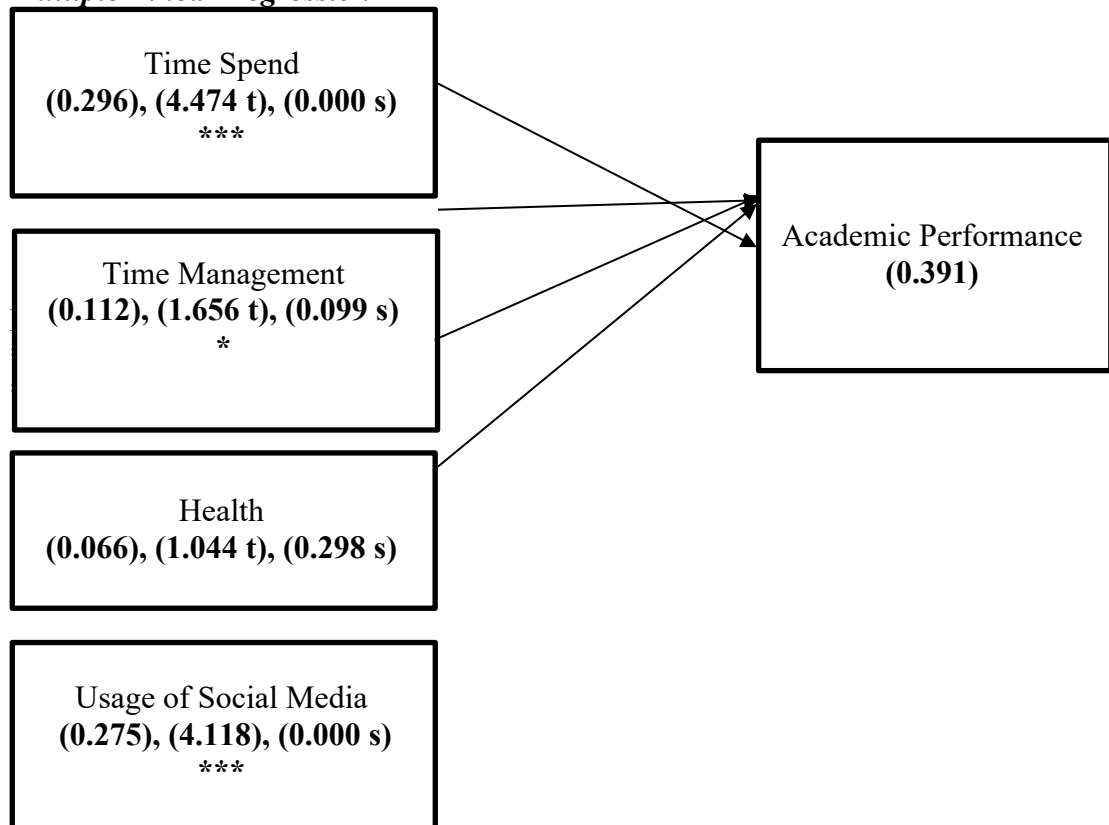
H₂: There is a positive significant impact between time management and academic performance among university students.

H₃: There is a positive significant impact between health and academic performance among university students.

H₄: There is a positive significant impact between usage of social media and academic performance among university students.

The independent variables for time spend and social media p-values were 0.000 which is statistically significant. For time management, the p-value was 0.099 and for health, its p-value was 0.298 which is greater than 0.10. Independent variable health is the only variable that was not significant, hence its hypothesis was not accepted. Meanwhile, the other three independent variables were significant, hence its hypothesis was all accepted.

Multiple Linear Regression



*significant at 0.10
Standardized coefficient beta (t)

Figure 4.1: Conceptual Framework for Multiple Linear Regression

Table 4.9: Table of Model Summary for Regression Analysis

Model Summary^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.626 ^a	.391	.382	2.46092
a. Predictors: (Constant), SocialMedia, Health, TimeSpend, TimeManagement				
b. Dependent Variable: AcademicPerformance				

(Sources: Developed for the research)

The regression analysis used in this study was to determine how many factors such as time spend, time management, health and social media affect academic performance through the use of smartphones. So, the value of R-square in result model summary is 0.391 that is less than 0.50 that approximately half of the observed variation can be explained by the model's inputs.

Table 4.10: Table of Regression Coefficients

Coefficients^a						
Model		Unstandrdized Coefficients		Standard Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.417	1.118		6.633	.000
	Time Spend	.284	.063	.296	4.474	.000
	Time Management	.106	.064	.112	1.656	.099
	Health	.057	.055	.066	1.044	.298
	Social Media	.262	.064	.275	4.118	.000
Dependent Variable: Academic Performance						

(Sources: Developed for the research)

A standardized coefficient beta is a value that compares the strengths of each individual variable to the dependent variable. Therefore based on the result of the study, the values of each independent variable are different. Therefore, the independent variables for time spend are in value 0.296, time management is 0.112, health 0.066 and for social media is 0.275.

In addition, the t values of the study results for time spend, time management, health and social media is (4.474, 1.656, 1.044 and 4.118). Meanwhile, the p-value is a term that tests the hypothesis that the coefficient is equal to zero (no effect). A p-value lower than 0.05 indicates that it can reject the null hypothesis. However, if greater than 0.10 it is not significant because it indicates that the change in predictions is not associated with a change in response. In the table above it can be seen that the independent variables for time spend and social media p-values are 0.000 which is statistically significant. For time management, the value is 0.099 and for health is 0.298 that is greater than 0.10.

5. Conclusion/Contribution/Recommendation

Recommendation

For further study, the researcher has recommend a few suggestions that could improve the study in the future. Based on the frequencies statistics under gender item, questionnaire item should be approached equally in both male and female respondents, in order to identify their behaviour towards smartphone, and later, can simplify the pattern of smartphone behaviour between male and female on academic performance. Same goes to race, in this study, the majority of the respondents were Malay and only a couple dozen of respondents were Chinese, Indian or other races. This is because this study has been done in Kota Bharu, Kelantan, where most of the resident is Malay. This study should be done elsewhere in the future where there are many races lives in one city, for example, the city of Kuala Lumpur, a city that is full of races.

Based on this study, the researcher target approach were university students in UMK City Campus, but in the future, the study should be done broadly. This is because, the research's target approach should be in a large scale like university students in Kelantan or university students in Malaysia. By doing this, the researcher will collect a set of data that is more reliable or more validity to ensure the university students behaviour towards smartphone on academic performance. Every university uses a different kind of material between each other. Some have proposed to use a traditional approach and some are using a modern way that was full of high technology. So every student has to follow their university's method of learning and this also has affect their learning behaviour.

Conclusion

The main purpose of this study is focus on the smartphone, is it a saviour or a destroyer among University Malaysia Kelantan students in City Campus. This study has met its research objective to determine the impact of using smartphone on student's academic performance. The finding of this research indicates that all independent variables which are time spend, time management and usage of social media accept health have a positive significant relationship towards the independent variables by Pearson's Correlation Coefficient Analysis, Multiple Linear Regression Analysis and Reliability Analysis. From the analysis of entire variable, the minimum requirement of reliability analysis has been satisfied since the Cronbach's Alpha coefficients value shows above 0.6. More studies are needed to investigate if smartphone can be linked to health of students that will give impact to academic performance. In addition, this chapter also provided a suggestion for the future researcher, academic institutions and authorities to make some significant improvement. Given that, more studies should be done to create awareness among university students about the impact of using smartphone on academic performance. It is because to prevent students obsess with smartphone and can't manage their time that will cause destroyer in their life. The influence and addiction of smartphone can be risk and also can be saviour toward university students.

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The Islamic banking and finance student information-seeking behaviour

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Abstract

Information-seeking is process or activity as a human to searching and gather the data to collect information that referred to human resources or in technology sources. The purpose of this research is to find out how the information-seeking behaviour toward courses of Islamic banking and Finance. By doing this research, this paper investigates how know the sources of information-seeking behaviour toward courses Islamic Banking and Finance. A total of 6 informants which consists of three universities were offered the course of Islamic Banking and finance in diploma and degree holder are selected for the purpose of this study. For the analysis, qualitative research was used to analyze the outcome and the sampling technique to ensure that the research objective is archived. The result showed that the respondent information-seeking behaviour in performing task is supported by the electronic sources rather that printed media and human resources due to limited and up-to-date information.

Keywords: Information-seeking behaviour, Courses of Islamic banking and Finance, Sources, Relationship, Level.

1. Introduction

Information as a main source that need by the information seeker which it's an important resource that contributes to solve problem in our daily task or work. Based on Aforo & Lamptey (2012) posits that information plays a vital role in our daily professional and personal lives and we are constantly challenged to take charge of the information that we need for work, fun and everyday decisions and tasks. Information also can be contained type of the data, facts or the things that happens around us. The data that already being research and collected and use it as a sources to solve problem was called as information. According to Ajiboye & Tella (2007), Information also can be defined as something which student needs during their studies when they construct meaning about the subject in the process of learning.

Information-seeking can be defined as process or activity as a human to searching and gather the data to collect information that referred to human resources or in technology sources. According to Mustaffa, Ahmad, & Baqi (2012) Information-seeking Behaviour (ISB) is basically, the behaviour pattern of various scholars, researchers and students in collecting information according to the need of their subjects by involve cognitive research in search, retrieval, recognition and application of meaningful content (Yusuf, 2012). In order to collect the information, it should be started with several process, such as from particular sources, system, channel or service. The information-seeking process will form behaviour of information seeker which shows the behaviour of information seeker in obtaining information.

In term of data collection that being seeking by information seeker it is also had several information that limited, especially for Islamic information. This field being an interesting module for the student to open this courses to learn related about Islamic economic which differentiate with other financing. The courses of Islamic Banking and Finance generally searching the information regarding with modern issue and problem through the main primary resources Islamic references such as Al-Quran, Sunnah and Hadith (Legal Maxim). The study of Saleh & Bakar (2013) indicated that the home/personal library and personal collections such as the Qur'an and Hadith and commentaries by other scholars were very significant sources of information.

The student will be gathering the information related with the courses through the sources selection based on information needed whether through library by find book and journal, website and through the academicians course. The form of existing resources by printed media, technology and human resources will be the tools that's useful to the student in information needed which also show the action or behaviour in seeking information for the Islamic subject material. This study aims to investigate the Information-seeking behaviour toward courses of Islamic Banking and Finance.

Research Objective

1. To identify the source in information-seeking behaviour toward courses Islamic Banking and Finance.
2. To analyze the relationship through information-seeking behaviour toward courses Islamic Banking and Finance.
3. To conclude the level of information-seeking behaviour toward courses Islamic Banking and Finance.

Research Question

4. Which sources is use in information-seeking behaviour toward courses Islamic Banking and Finance?
5. What is the relationship between information-seeking behaviour toward courses Islamic Banking and Finance in performing academic task?
6. How is the level of information-seeking behaviour toward courses Islamic Banking and Finance of students in selected institution?

2. Literature review

Information-seeking behaviour refers to the action of people to search the information to solve or find the answer for the problem or question. Raza, Fatima, & and Upadhyay (2010) posits that information seeking behaviour is a complex activity requiring access to diverse information resources to deal with work related, personal and social information problems. . Based on Safitri (2017) information-seeking behaviour begins when the person, realizes that individual needs some information and searches in various ways until the information seeker gets the information been looking for. To fulfil the information needed, the person will search the information in expanding the knowledge gain through various resources.

The word of print media is mixing of two words which is print and media. According to Kamal (2014), Print media is combination of two words and can be define as; the medium that disseminates/distributes printed information to the Mass through its mediums of Newspapers, Magazines, and Brochures etc. Some student used printed media in order to gains information to perform academic task. It also play dominant role in the learning process, mostly students used book as the medium to learn the education. According to Woody, Daniel, & Baker (2010) research about 'E-books or Textbooks: Students prefer text books', the researcher indicated that students still prefer print to digital books. It states a positive relationship between printed media resources and also the information-seeking. This can be seen where according to Wura Jacobs (2017) in his journal health information seeking in digital age, even though 86% of the US population are connected online, studies have found that there are still many people who prefer to use traditional media (such as library, books, brochure, magazines) or healthcare professionals as their primary source of health information.

Electronic media refers to all means of sharing information, except the print media, such as radio, television and internet. It is a media that can be shared on electronic devices for the audience viewing and can be broadcasted to the wider population. It is a powerful version of media that has visual appeal and is more convincing as people can listen to the radio, see live pictures of events on television, can view or read text or images on smart phones. Technology is an important need of students who seek information. Studies done by Ogedebe (2012) found strong correlations of Internet access with academic performance. The studies agreed that the use of Internet has improved students' academic performance as Internet assists them to have better preparation for exams. However, electronic media sites do bring negative impact to their users especially as regards study habits and completion of homework and assignments (Flad, 2010).

It has been commonly known that academician such as teachers, lecturers and educators are among the climactic agents of developing the educational aspect,

especially in the lexicon of student learning outcome. According to Oleszkiewicz, Granhag, & Kleinman (2017), gathering information from the human sources is the fundamental method to collect the information. The information that is provided by human and be given to human is the basic information among the student instead of using the other method. Alshahrani et al.(2017) stated that they study about the influences of internet towards the students as their sources to perform the academic task and make a comparison between sources by internet and academician.

3. Methodology

The purpose of this research was to explore the course of Islamic banking and finance through information-seeking behaviour in performing academic task which are electronic media, printed media and human resources. The research design on this study was focused on exploratory and descriptive studies. In this study, a non-probability sampling technique which is the qualitative research will be approach by exploratory design where interview sessions take place.

The samplings that are being used in this research are in the specific field or courses of study which is in the Islamic banking and finance. The sample consist of students from Universiti Malaysia Kelantan Pengkalan Chepa (UMK), Universiti Teknologi MARA Kota Bharu (UiTM) and Kolej Islam Antarabangsa Sultan Ismail Petra (KIAS). This research selects a male and female as informants from each institute to study the difference in their seeking behaviour.

This study used semi-structured interview as a research instrument whereby it does not strictly follow the prepared list of questions and informants are free to answer the open-ended questions. The objective of this data analysis is to observe the raw material and finally interpret it to answer the research questions. To measure this accuracy of these research findings, validity and reliability test have been used by triangulation process. The software of Atlas.ti version 7, had been use to analyse the result from the interview.

4. Findings/Results and Discussion

The finding is analyse through the objective of the research that need to achieve. The result shown, the informant answers all the objective given by the researcher. Based on the result of the main sources, the student preferred to use media electronic which have variety type of platform such as library platform system, youtube channel and also online journal. The printed media such as book newspaper still sustain as a preference for the sources that use in performing academic task. However majority of informant claim that books being a secondary selection after internet cause of easy to reach through cyber database. The relationship of information-seeking behaviour through searching information, shown at informant action which majority of informant were use a library platform system that shown the action parallel with the informant behaviour in seeking information by going to library as well. The informant not really interested to meet the lecturer but rather directly going through meet the other lecturer from other university and authority person to seeking information such as meet bank manager or faculty leader. Based on the result of sources and relationship of information-seeking behaviour, the level of the research had been conclude, which the result shown the informant easy to access in performing the academic task, however it depends on assignment as well. It is because of factor the limited sources in Islamic banking knowledge sector and the

material that prepare by institution not up-to-date. The limited sources being a huge impact to informant in performing academic task due not enough of specific topic in Islamic syllabus material that can be used in Islamic banking and finance courses assignment. The table below show the following result that had been analysis.

Table 4.1 - The result of information-seeking behaviour from student as main resources toward courses Islamic banking and finance courses task.

Gender	Male			Female		
	1	2	3	4	5	6
Research Informant						
Internet (Article)	✓	✓		✓		
OPAC system			✓			✓
Book/Newspaper/Magazine	✓	✓		✓	✓	
Lecturer			✓	✓	✓	

Table 4.2 - The result of information-seeking behavior in getting the information of Islamic banking and finance courses

Gender	Male			Female		
	1	2	3	4	5	6
Research Informant						
Going to library	✓	✓	✓		✓	✓
Go to bank		✓			✓	
Join academic programmed	✓				✓	
Purchase from the store				✓		✓
Meet the lecturer from other university				✓		✓
Refer to authority person			✓		✓	

Table 4.3 - The result of information-seeking behaviour behavior of student accessibility in completing the task

Gender	Male			Female		
Research Informant	1	2	3	4	5	6
Easy to access	✓		✓			
Hard		✓			✓	✓
Depends on assignment		✓		✓	✓	

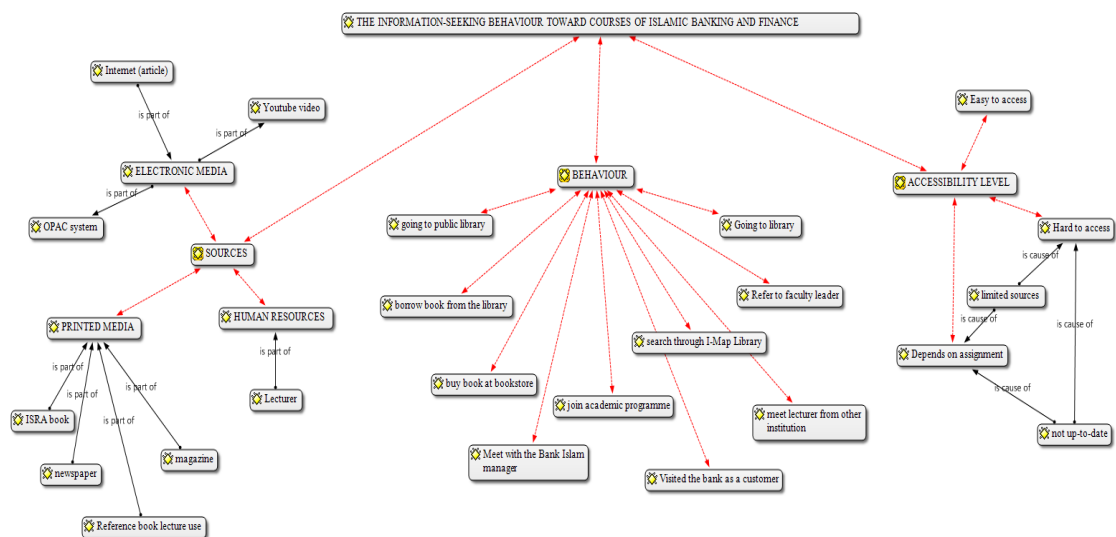


Figure 4.0 Model of The Information-Seeking Behaviour

Source: Atlas.ti version-7: The Qualitative Data Analysis & Research Software

5. Limitation

This research uses a judgemental sampling, which is the respondent that being selected is based on the excellent result which also performs to complete the task given by academician. It's have several issue to find the respondent which it's have many selection to find among the best. Besides that, it's also being a problem when most all the academic institution in Kota Bharu doesn't offered the courses of Islamic banking and finance and its cause the problem for the researcher to analyse each type of academic institution portal to find out the courses that being offered.

6. Conclusion

Overall of the research show the information-seeking behaviour toward courses Islamic banking and finance showed the student preferred an electronic sources

which easier to access than printed material. Lecturer as human resource being a minor selection that came from the reason gap between lecturer and student phenomena.

The result from the interview from three university, have a very similarity result through behaviour in seeking information and problem due to limited resources in specific subject in Islamic banking and finance subject courses. The action of informant use the advantage of the system library platform that prepared by university, showing majority of the informant performs their academic task that also depend on the task given.

7. Contribution and Recommendation

Through the research, it's contribute to the academic institution to find a way in solving the problem of the academic material sources issue especially in Islamic banking and finance subject. Besides that, it's also contributes to the financial organization as well. The lacking of academic resources in term of crucial career sector of Islamic banking and financing, can give the organization improving their management in produce a pamphlet or more detail through the main portal in prepared many information in term of general information or latest issue the academicians can take as a material source education.

In view of the foregoing, the recommendations are made:

- The main key in seeking information resources is based on accessibility. The library on each institution, need to improve and always up-to-date the database of the electronic media that easily can access within a user-friendly environment.
- The library also should provide more printed media resources such as journal and books that's focused on Islamic banking and Finance courses syllabus to avoid the issue of limited sources.
- Academicians also need to play a role to frequently up-to-date about the current issue in the Islamic banking and finance sector so the learning in the class can get advance input not just depend on book but also industry knowledge .
- The institution administration need to improve in providing resources such as thesis from lecturer and university alumni that already being printed also being prepared with the latest research topic as well.
- The library should provide the top and famous article as printed sources for student.

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