SUCCESS FACTORS OF CIMB GROUP’S FINANCIAL PERFORMANCE (2005 – 2011)

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SUCCESS FACTORS OF CIMB GROUP’S FINANCIAL PERFORMANCE (2005 – 2011)

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ABSTRACT

This study has focused on the success factors on bank performance and profitability determinants. Bank profitability is expected to be receptive to macroeconomic control variables. CIMB Group has been selected to this research because of within 2005 until 2011 CIMB Group becomes stronger as major player and 2nd largest financial services provider by assets in a banking sector in Malaysia. Even though after Sub Prime crisis on 2008, CIMB Group still can maintain and expand the business out of Malaysia.

The main objective of this study to identify success factors of CIMB Group performance based on their financial report over a 7 years period from 2005 until 2011. This study identifies determinants of CIMB Group success comprising of CIMB Bank Berhad, CIMB Islamic and CIMB Investment Bank performance.

The study utilized the secondary data obtained primarily from the CIMB Annual Report and Audited Financial Report. This study chosen trend analysis, descriptive analysis, correlation analysis, multiple regression and regression coefficient analysis to identify the determinant of CIMB Group success factor comprising of CIMB Bank, CIMB Islamic and CIMB Investment.

Thirteen variables used to complete this study. Return on Asset (ROA) is Dependent Variable. Independent Variables are Net Interest Margin, Asset Quality, Loan Deposit, Size, Capital Adequacy, Leverage, Market Capitalization Change, Loan Portfolio based on type of customer (individual) and Loan Portfolio (variable rate) Gross Domestic Product, Base Lending Rate and Inflation.
ABSTRAK


Sebanyak 13 pembolehubah digunakan bagi memenuhi kajian ini. Pembolehubah bersandar ialah Return On Asset (ROA). Pembolehubah tidak bersandar pula ialah Net Interest Margin, Asset Quality, Loan Deposit, Size, Capital Adequacy, Leverage, Market Capitalization Change, Loan Portfolio based on type of customer (individual) and Loan Portfolio (variable rate) Gross Domestic Product, Base Lending Rate and Inflation.
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CHAPTER 1

INTRODUCTION

1.0 Chapter overview

This preliminary chapter of thesis gives a general introduction to research study. The aim of the chapter is to provide a general overview and background of the study, which will serve as the fundamentals for other subsequent chapters and for the study as a whole.

This chapter provides a research background and elaborates on a CIMB Group as a subject of the study. Then the rationale for undertaking the research study is explained. This chapter will end with the limitations of the study.

1.1 Introduction

In this recent decade, the Malaysian banking sector has been significantly transformed and reinvented. The restructuring, consolidation and rationalization efforts that were undertaken in the banking sector have placed the financial sector on a stronger foundation. This decade has also been a period of favourable performance and increased resilience. This has been achieved with the successful integration of business processes and the redeployment of resources to support new areas of growth. Financial reforms have also changed the environment.
The contents of the thesis is for internal user only
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