

Application of Recovery Model for Benefit of Teachers

¹Nur Arifah Amran, ²Puspa Liza Ghazali, ³Fauzilah Salleh, ⁴Nurul Zawani Baharazi and
⁵Saffiah Aini Ismail

^{1,2,3,4,&5} Faculty of Economic, Accountancy and Management Sciences, University of Sultan
Zainal Abidin. 21300 Kuala Terengganu. Terengganu.

Abstract

Islamic insurance or takaful is commonly used by the people nowadays especially in most of the Muslim countries since it has been introduced. The system has evolved with many studies done to increase the effectiveness of the takaful application. However the existing model of takaful do not provide plan for the learning disabled children, even though their number is increasing year by year. The learning disabled children can recover with a consistent guidance and it may become a burden for the country, parents and special education teachers if something is not done to help them. Hence they need a special plan in takaful in recovery. This study discussed on the takaful education plan for the learning disabled children which will contribute much on their learning process of recovery. Using an integrated model of takaful education plan, a new recovery model of takaful education plan is proposed which consists plan that may assists the special education teachers in educating the learning disabled children.

Keywords: Existing Model, Special Education Teacher, Learning Disabled Children, Integrated Model, Education Plan takaful

1. Introduction

In September 2011 three students from SK Bandar Bintangor in Sarawak were initially barred from taking their Primary School Assessment Test (UPSR) as their teachers claimed that they were too weak academically [1]. A month later, it was revealed that 1,000 out of 11,000 students who are chosen to undergo National Service training were illiterate [2]. Literacy is defined as the ability to read and write [3] which includes in basic knowledge that

should be empowered by every person since minimum seven years old, which are reading, writing and calculating. Children's early literacy development is important. Their success in school and later in life is to a greatly depend on the ability to read and write [4]. Diagnosis test should be done at early age for the children that are unable to read, write or calculate basic things since seven years old, because they might have suffering learning difficulties such as autism, dyslexia and dyscalculia.

They may be recognized as learning disabled children. It has been studied that usually the family members face financial problems, difficulty enjoying leisure activities, and various degree of distress while trying to understand the behavior of psychiatric patients living at home [5]. These special children need to be guided by the experts on how to learn consistently not just at school but also at home. In this situation, beside the teachers at school, who will be able to help these children's learning? These children should be helped more than that. Using the money received by the government, the parents should take a well-planned recovery scheme such as insurance that is able to provide them with the guideline for the parents on handling or provide learning support to this kind of children at home.

2. Problem Statement

Many numbers of studies on Takaful are carried out in Malaysia. The efforts to promote Takaful business has made the Takaful operators embarking on measures to diversify their distribution channels and actively introducing more innovative Takaful products to meet the increasing variety of demands by the customers [6]. However, there is less Takaful research about including the education plan containing section for the disabled children, especially the learning disabled children.

In Malaysia, there is a large number of disabled children, and it keeps increasing by year. Recorded in 2008, the number of learning disabled children in Malaysia is 1,446. Then in 2009, 2010, 2011, and 2012, the number increases to 1,468, 1,925, 2,239, and 2,766 respectively [7]. With such big number, it is important to prepare these children to at least achieving the minimum grade in education so that they can build their characteristics to become a person that can make a decision, and become an independent person. Edward [8]

states, accessing education could have equipped them with knowledge and skills, at least, two reasons why their communities would accept them around.

The parents should apply recommended approach so that they will be able to help their children's learning at home in their unique communicative way. This will make the children get maximum help in learning recovery and also may act as assistant for the teachers of the learning disabled children indirectly. The teacher's role is important, not only for teaching and learning disabled children but at the same time can approach the parents to protect their special children with takaful education plan. Thus the acceptance of the new recovery education plan should be identified among special education school teachers in the hope that teachers will be able to influence parents of the learning disabled children to protect their children with the protection as recommended by researchers.

3. Methodology

A new integration model of education plan is proposed by Ghazali [9] which includes almost all of the riders. Referring that the awareness of the people of buying takaful plan is still low, some of the reasons are because the people is facing risk in a low frequency and also because do not believe the agreement or not understand the quotation. The demand of buyer for a highly satisfaction plan as proposed by Ghazali can be viewed in table 1 as follows:

Table 1: Buyer's Proposal of Wakalah Integration Model

Numbers	Items	Values
1	Period term	n year
2	Age of the participant's child	Kn year
3	Monthly contribution	RM Y
4	Interest rate	R per year
5	Tabarru' fund	RM T
6	Wakalah fee	RM W
7	Personal account	RM P

8	Monthly profit	RM M
9	Yearly profit	RM y
10	Surrender value	RM S
11	Death coverage	RM10x
12	Khairat	RM2x
13	Loss an effort to work/40 critical illnesses	RM10x
14	Learning support	RM
15	Hospital bills	RM5x

In this study, a new recovery plan is created for education plan of learning disabled children. A total of RM100 is used as the monthly payment. This study used wakalah model rather than mudharabah, considering the relevancy of the current time. Table 2 shows the general demand of buyers on an education plan.

Table 2: The General Demand of Buyers

C_1	C_2	C_3	C_4	C_5	C_6	C_7	C_8	C_9	C_{10}	C_{11}	C_{12}	C_{13}	C_{14}	C_{15}
n	K_n	12ny	T	W	P_n	J_n	S_n	$T_n = J_n + S_n$	2x	4x	10x	10x	12x	12x

- C_1 : Year of contribution
- C_2 : Age of child
- C_3 : Yearly contribution
- C_4 : Tabarru' account
- C_5 : Wakalah fee
- C_6 : Personal account
- C_7 : Monthly profit
- C_8 : Yearly profit
- C_9 : Total Surrender value
- C_{10} : Khairat

- C₁₁ : Learning support
- C₁₂ : Death coverage
- C₁₃ : Death benefit
- C₁₄ : Loss an effort to work/40 critical illnesses
- C₁₅ : Hospital bills

4. Result

Ghazali et al [10] proposed that the new integration model of takaful education plan can attract all categories of income earners into buying it. For this new education plan for learning disabled children, the partition of each riders are adjusted as the addition of rider for learning support. The division of partition in tabarru' account is as table 3 as follows:

Table 3: Riders' Partition of Tabarru' Account

Tabarru' Account	Khairat (2x)	Learning support (4x)	Death coverage (10x)	Death benefit (10x)	Loss an effort to work/40 critical illnesses (12x)	Hospital bills (12x)
Partition ratio of tabarru' account (50x)	2x = 1 person	4x = 1 person	10x = 1 person	10x = 1 person	12x = 1 person	12x = 1 person
Partition of the contribution (RM12)	RM0.24(2) = RM0.48	RM0.24(4) = RM0.96	RM0.24(10) = RM2.40	RM0.24(10) = RM2.40	RM0.24(12) = RM2.88	RM0.24(12) = RM2.88

The tabarru' account will uses 12% from the monthly payment RM100 and consists riders for khairat, learning support, death coverage, death benefit, loss an effort to work/ 40 critical illnesses and hospital bills. Hence RM12 is divided with the total partition ratio of tabarru' account which is 50. Then the division (RM0.24) will be multiplied according to the partition ratio of each riders. Since RM12 from RM100 monthly payment is used for tabarru'

account, the other balance is used for personal investment account and wakalah fee as shown in table 4 as follows:

Table 4: Monthly Premium Payment Partition

Overall total of monthly premium payment	Personal Investment Account	Partition for riders (Tabarru' account)	Wakalah fee
RM100	1 st – 7 th year: RM75	RM12	1 st – 7 th year: RM13
	8 th -14 th year: RM81		8 th -14 th year: RM7
	15 th -21 st year: RM83		15 th -21 st year: RM5

The table 5 below shows the result of life table for recovery plan of education which is based on table 2 earlier. The calculation is continued until the 21st year of matured plan, which is a suitable period for an education plan. Meanwhile the table 6 shows the manual calculation for surrender value.

Table 5: Life Table for Education Recovery Plan

C ₁	C ₂	C ₃	C ₄	C ₅	C ₆	C ₇	C ₈	C ₉	C ₁₀	C ₁₁	C ₁₂	C ₁₃	C ₁₄	C ₁₅
1	1	1200	144	156	1200	17	60	1281	2000	4000	10000	10000	12000	12000
2	2	2400	288	312	2400	420	120	2941	2000	4000	10000	10000	12000	12000
3	3	3600	432	468	3600	939	180	4720	2000	4000	10000	10000	12000	12000
4	4	4800	576	624	4800	1495	240	6536	2000	4000	10000	5000	10000	12000
5	5	6000	720	780	6000	2063	300	8363	2000	4000	10000	5000	10000	12000
6	6	7200	864	936	7200	2634	360	10194	2000	4000	10000	5000	10000	12000
7	7	8400	1008	1092	8400	3206	420	12026	2000	4000	10000	5000	10000	12000
8	8	9600	1152	1176	9600	4081	480	14161	2000	4000	10000	5000	10000	12000
9	9	10800	1296	1260	10800	4802	540	16142	2000	4000	10000	5000	10000	12000
10	10	12000	1440	1344	12000	5470	600	18070	2000	4000	10000	5000	10000	12000
11	11	13200	1584	1428	13200	6121	660	19981	2000	4000	10000	5000	10000	12000
12	12	14400	1728	1512	14400	6766	720	21886	2000	4000	10000	5000	10000	12000
13	13	15600	1872	1596	15600	7409	780	23789	2000	4000	10000	5000	10000	12000
14	14	16800	2016	1680	16800	8051	840	25691	2000	4000	10000	5000	10000	12000
15	15	18000	2160	1740	18000	8908	900	27808	2000	4000	10000	5000	10000	12000
16	16	19200	2304	1800	19200	9640	960	29800	2000	4000	10000	5000	10000	12000

17	17	20400	2448	1860	20400	10329	1020	31749	2000	4000	10000	5000	10000	12000
18	18	21600	2592	1920	21600	11003	1080	33683	2000	4000	10000	5000	10000	12000
19	19	22800	2736	1980	22800	11671	1140	35611	2000	4000	10000	5000	10000	12000
20	20	24000	2880	2040	24000	12338	1200	37538	2000	4000	10000	5000	10000	12000
21	21	25200	3024	2100	25200	13005	1260	39465	2000	4000	10000	5000	10000	12000

By applying what had been done by Ghazali et al, the following are the formulae and calculation used to get an amount for each item.

$$S_n = 12Y_n + \left[P \left(\frac{i}{100} \right) \times \frac{66+S-1}{12} \right] + 12Y_n \left(\frac{5}{100} \right) \text{----- (2)}$$

Where n = 1, 2, 3... 11

Following are the application of formula (2):-

Table 6: Calculation of Surrender Value

Year	Calculation
1.	$1200 + \left[75(0.05) \left(\frac{66 + 0}{12} \right) \right] + 1200(0.05) = 1200 + 21 + 60 = 1281$
2.	$2400 + \left[75(0.05) \left(\frac{66 + 1281}{12} \right) \right] + 2400(0.05) = 2400 + 421 + 120 = 2941$
3.	$3600 + \left[75(0.05) \left(\frac{66 + 2941}{12} \right) \right] + 3600(0.05) = 3600 + 940 + 180 = 4720$

5. Discussion

The Ministry of Welfare Malaysia gives RM150 as monthly contribution to the disabled children in primary and secondary school while RM300 per month for those at higher learning institution [11]. Using the money contribution from the government to the disabled people, the amount of RM100 per month of the recovery plan is very suitable and affordable especially for the lower income parents. Participating in this plan is worth for the future education of the learning disabled children.

This new recovery plan provide monthly allowance for private teacher to teach the learning disabled children. These children need a continuous learning support and they are also different in the way of learning. Hence the help from private special education teachers is needed.

6. Conclusion

Takaful education plan for the learning disabled children are still new in the market. This plan offer almost complete riders which may consume more money if compared to other existing plan. What is more special, this recovery plan provides learning support program to help the learning disabled children This new recovery plan gives a good investment for parents in order to give the best to their learning disabled children.

References

- [1] Philip Hii. 18 November 2011. "Joy for Barred UPSR Pupils", The Star Online, <http://thestar.com.my/news/story.asp?file=/2011/11/18/nation/9930169&sec=nation>. Retrieved on 16th December 2015.
- [2] Jeswan Kaur, 15 October 2011, "Illiteracy Issue Raises Hard Questions", Free Malaysia Today, <http://www.freemalaysiatoday.com/category/opinion/2011/10/15/illiteracy-issue-raises-hard-questions/>. Retrieved on 13 November 2015.
- [3] Oxford Dictionary, 2016. Retrieved on 12th January 2016.
- [4] Early Literacy: Early Literacy Development: A Focus on Preschool. Retrieved at www.sde.ct.gov/sde/lib/sde/PDF/DEPS/Early/literacy.pdf. Retrieved on 28th February 2016.
- [5] Abbas Ali Hosseinkhanzadeh, Mehdi Esapoor, Taiebeh Yeganeh, & Reza Mohammadi, (2013). A Study of The Family Cohesion in Families with Mentally Disable Children. *Procedia - Social and Behavioral Sciences* 84, 749 – 753
- [6] Mohamed Sherif, Nor Azlina Shaairi, (2013),"Determinants of demand on family Takaful in Malaysia", *Journal of Islamic Accounting and Business Research*, Vol. 4 Iss 1 pp. 26 – 50
- [7] United Nations Children's Fund (UNICEF) Malaysia, May 2014

[8] Edward Salifu Mahama, (2012), "Disability and development: the role of language and e-learning", *Multicultural Education & Technology Journal*, Vol. 6 Iss 3 pp. 162 – 176

[9] Ghazali, P. L. (2013). *Integration model in life premium tables of family takaful*. (Doctoral dissertation, UNIVERSITI MALAYSIA TERENGGANU)

[10] Ghazali, P. L., Mohd, I., Mamat, M. & Ahmad, W. M. A. W. (2013). Integration model in premium life table of family takaful. *Journal of applied sciences research*, 8(7), 3763-3776.

[11] FOMCA, Ringgit [Brochure], Pusat penyelidikan dan sumber pengguna, Selangor, 2015