**Key links in the research proposal story line**

This excerpt illustrates the kind and order of information provided in the introductory section of a research proposal, and in the introductory parts of the literature review and research design. The commentary in the right column of the table identifies the type of content and its features.

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| **Research proposal mock text** Abridged from Al-Ajmi, J., H. A. Hussain and N. Al-Saleh. 2009. ‘Clients of conventional and Islamic banks in Bahrain: How they choose which bank to patronize’*. International* *Journal of Social Economics* Vol. 36 No. 11, 2009 pp. 1086-1112. | **Commentary on text** |
| **Introduction of research proposal**Since the establishment of the Dubai Islamic Bank in 1975 in the UAE, Islamic banking has seen remarkable growth. There are now more than 500 institutions worldwide, with estimated assets of approximately one trillion US dollars. This is five times higher than in 2003. The spread of Islamic finance has led many countries to grant licenses to financial institutions to operate on the basis of Islamic sharia’a principles. Licensed institutions can now be found in more than 75 countries. Islamic sharia’a law prohibits paying and receiving riba (or interest), gharar (excessive uncertainty), or financing products such as alcohol. As an alternative to riba, Islamic banks are expected to operate on the basis of profit and loss sharing, exposing the bank to both the positive assets and the liabilities of the projects they finance. However, Islamic banks have been criticised for their failure to conform to the principles of Islamic sharia’a law. Islamic banks often use debt-like instruments which do not conform to the principle of profit-and-loss sharing (Aggarwal and Yousef 2000), and they pursue economic incentives at the expense of social justice (Asutay 2007; Dusuki and Abozaid 2007). Islamic banks have also been criticized for not giving the poor access to microfinance facilities (Saeed 2004). Hsan (2007, p. 19) observes that, ‘Islamic financial institutions have mostly been designed on the pattern of commercial banks in terms of their outlook, objectives, procedures, training and modus operandi’. A widely cited example of the difference between practice and Islamic principle is the ruling in February 2008 by the Accounting and Auditing Organization for Islamic Financial Institutions which found that 85 percent of sukuk issues were not compliant with Islamic law. This ruling has led to a decline of 48 percent in the sale of sukuk between January and August 2008. Furthermore, some products, such as Bai Al-Inah and Bai Al-Dayn, offered by Islamic banks in Malaysia were not found to comply with Islamic sharia’a in Gulf Cooperation Council countries. Overcoming these criticisms is important if Islamic banks are to attract and retain customers. Islamic banks lack standardization of their products, and have higher transaction costs as a consequence compared with conventional banks (Al-Maraj 2008) making it more difficult for them to succeed within a competitive financial environment. Meeting the criteria of customers in choosing a bank is therefore critical for Islamic banks to survive in the market (Wilson 1995). Islamic banks need to meet two objectives: run profitable operations for investors and satisfy religious obligations (Wilson 1997). It is imperative for Islamic banks to understand customer behaviour in their communities in order to develop suitable strategies to increase their client base. Literature in the field of Islamic banking shows that religious criteria are important for Muslim banking clientele, however they are not the sole factors involved in bank selection. A range of other factors come into play in bank selection, and it remains unclear what the relative weighting of religious and other bank selection criteria is. The picture is complicated by the lack of a comparison group in many studies, either because the countries where the studies took place are mainly Muslim, or do not offer a choice of Islamic and non-Islamic banks. It is therefore difficult to determine the relative importance of factors in an open field of choice in bank selection. The chief objective of the present study is to understand the relative importance of religious factors among the criteria that drive bank selection. In order to understand the relative importance of religious responsibilities relative to other factors in bank selection it is necessary to contrast the critieria applied by Muslim and non-Muslim banking clientele in a competitive field inclusive of Islamic and non-Islamic banks. Bahrain offers such a context, having a sophisticated financial sector in which Islamic and non-Islamic banks offer a wide range of services to a population comprised of a number of different religions. The study is based on a survey of Bahrainian clients, both Muslim and non-Muslim, of Islamic and non-Islamic banks. The survey focuses on the level of familiarity of bank clients with the products and services offered by Islamic banks, the extent to which they use those products and services, and the association of these products and services with the full range of possible bank selection criteria.The results of the study have implications for the way banks seek to enlarge their customer base. The way these banks conduct their business may motivate clients to choose a bank that uses Islamic sharia’a principles as a base for all products and services.  | Introduces the importance of the research by noting the growth and prevalence of the phenomenon under investigation (Islamic banking has grown and is widespread) Provides important background information  Explains why the research focus is important by highlighting a problem (Islamic banks don’t always conform to the principles of Islamic banking). Academic research is used to back up the claims made by putting references at the end of the sentence.Shows that the problem has been observed by authorities in the field of practice to demonstrate the importance of the research problem. Demonstrates the importance of the research focus by suggesting that something valuable is at risk unless the problem is understood better (success of Islamic banks and the ability of customers to meet religious obligations in their financial dealings).**Summary of literature review**: Shows how the research will contribute to the field of literature by summarising what is known on the problem in the field and highlighting a question that remains unanswered. Highlighting indicates references to literature typical in the literature review.Explains why the research context was chosen, how it will support the research aims (Bahrain enables understanding of relative weighting of bank selection criteria because it has diverse religious population and banking sector enabling comparison).Provides an introduction to the key features of the research design to indicate how the research will achieve the research aims. Shows the importance of the research commenting on the usefulness of the results for the field of practice.  |
| **Introduction of literature review section** The selection criteria used by clients of conventional banks **have been thoroughly researched.** **Among those who have studied the motivations of consumers to** select Islamic banks **are Metawa and Almossawi (1998) in Bahrain, Dusuki and Abdullah (2007) in Malaysia, Erol et al. (1990) and Naser et al. (1999)** in Jordan. Religious belief as a motive to choose an Islamic bank **is well described in these studies**. **Hejazy (1995) found that** 98.8 percent of the clients of Islamic banks in Egypt were Muslims, while 54.3 percent of the clients of conventional banks were Christians. **In a study by Al-Sultan (1999) it was found that** Kuwaitis consider religious belief to be one of the important criteria for selecting their banks. **These results are supported by those reported by Naser et al. (1999) who studied the** selection criteria used by banks’ consumers in Jordan. **Similar results were reported by** Zainuddin et al. (2004) and Dusuki and Abdullah (2007), who surveyed Malaysian bank customers, and Okumus (2005) in Turkey. **However, Erol and El-Bdour (1989) and Erol et al. (1990) report that** religious belief plays little role in determining the selection of a bank by Jordanian consumers. In Malaysia, **Hamid and Nordin (2001) report a** similar lack of importance of religious belief in bank choice. **A review of the literature in the area reveals that** there are a number of motives shaping consumers’ choice of bank (see for examples Al-Sultan 1999; Hamid and Nordin, 2001;Ahmed and Haron, 2002; Metwaly, 2002; Bley and Kuehn, 2004; Zainuddin et al. 2004; Okumus 2005; Balnkson et al. 2007; Dusuki and Abdullah 2007). Among the factors included in bank selection are economic considerations, convenience, the influence of others, satisfaction with the bank’s products and services, reputation, and social responsibilities. **There is no unanimous agreement as to** the relative importance of each motive in the consumer’s decision (Dusuki and Abdullah 2007; Gait and Worthington 2008). This suggests that religious motivation cannot be conclusively identified as a primary reason for bank selection by Muslims. **A previous study of client’s selection criteria for Islamic banks in Bahrain by Metawa and Almossawi (1998) found that** religion is an important factor in bank selection. **The study sufferered from a number of limitations however.** **The study by Metwa and Almossawi focused mainly on** conventional non-Islamic banks and included a sample of only two Islamic banks with a limited number of Islamic compliant products and services. **The study was also limited to** only four criteria for choosing to bank with an Islamic bank. These shortcomings are a limitation when seeking to generalize their conclusions to an industry that now is composed of many more banks offering a wide range of products and services.  | **Bolded text indicates** **generic language of the type typcially found in research literature reviews**. The bolded language indicates to the reader that the purpose of the text is to summarise what has been done to date on the topic. (This type of language is less common in framing problems in the introduction, and in explaining the research design). Introduces a ‘gap’, or an aspect of the problem that remains to be understood in the field. The discussion ‘narrows’ to studies on the immediate topic of the research. Here the contribution is justified by pointing to limitations in the research design of studies on the topic area, showing how these limitations suggest the need for more research.  |
| **Introduction of research design****In order to determine the** relative importance of religious criteria against other customer criteria in bank selection, **a survey of** Bahrainian clients of Islamic and conventional banks **will be administered.** The present study attempts to overcome the limitations of previous research conducted in Bahrain by including three types of bank clients: those who bank with conventional banks, those who bank with Islamic banks who offer a wide range of Islamic products and services, and those who use both kinds of banks. The survey is inclusive of three Islamic banks and two branches of conventional banks with an Islamic window. Muslim and non-Muslim clients of conventional banks are included for the purpose of comparison. Bahrain is a suitable place to conduct such a study because Government policy in the past three decades has aimed to develop Bahrain as an Islamic financial centre. The Bahrainian banking sector has been required to put Islamic accounting, auditing, ethical and governance standards in place, and to develop human resources qualified in Islamic finance. In addition, the house of representatives requires the Government to finance public projects using Islamic financial facilities. Although Bahrain is a Muslim country, it is inhabited by many nationalities and people with different religious beliefs and cultures. The resulting duality of the banking system (conventional and Islamic) offers clients excellent opportunities to choose between different banking types as well as choosing an individual bank within each group. The survey instrument consists of three parts. The first aims to obtain socio-demographic information about the respondents. The second part solicits information about the importance of 19 possible motives used by bank clients. The third part solicits information about the clients’ awareness of products and services offered by Islamic banks.  | Links the aim to the method, enabling the reader to see the direct link between them. Justifies the case study by showing how it will enable the collection of suitable data (a comparison of Islamic and non-Islamic banking criteria).Provides detail of the method, showing how the method adopted will gather the data required to answer the research question. |