

CHAPTER 9

SAVING BEHAVIORS AMONG UMK STUDENTS: THE CASE OF SSPN-i

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INTRODUCTION

Majority of college students will experience financial independence without a parent's supervision for the first time at university. A student got their own financial sources such as PTPTN and can freely use it or save it. National Higher Education Fund Corporation (PTPTN) was operational since 1999. There are 3 objectives of PTPTN is to ensure the establishment of an efficient financing available to eligible students enrolled in higher education institutions in line with the government policy that there are no students who fail to enter institutions of higher learning for financial reasons. Secondly, a collection of loan repayments and lastly as a depositor in saving scheme for higher learning which product name is SSPN-i. PTPTN develop a saving instrument called SSPN-i and SSPN-i is the abbreviation for Skim Simpanan Pendidikan Nasional. It is a saving scheme or saving instrument designed specifically by Perbadanan Tabung Pendidikan Tinggi Nasional (PTPTN) for the purpose of higher education learning. This scheme is of Shariah-compliant using the “*Wakalah bil Istithmar*” concept where depositors appoint PTPTN to manage their deposits to use for investment (PTPTN, 2014).

The objectives of SSPN-i are to cultivate the habits of saving in Malaysians for higher education purposes and to reduce dependency on loans. (PTPTN, 2014) It is to assist parents in making systematic financial