SAVING BEHAVIOUR AMONG GENERATION Y IN BANKING SECTOR IN MALAYSIA

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Thesis Submitted to

Othman Yeop Abdullah Graduate School of Business,

Universiti Utara Malaysia,

in Partial Fulfillment of the Requirement for the Master of Science (Finance)

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ABSTRACT

This study is to shed a light the saving behavior among generation y in banking sector in Malaysia and to fill the knowledge gap on their saving behavior by looking into their saving behavior as well as their demographic characteristics. The purpose of this study is to identify whether there is a significant relationship between saving behavior and its determinants which consists of financial literacy, retirement planning behavior and debt management among Generation Y in Banking Sector in Malaysia**.** This research adopts quantitative approach where data for these studies has been conducted by survey method generation y in banking sector those ages between 19 -35 years old. A total of 150 set of questionnaire has been collected manually responded in 7 divisions in Maybank Corporate Banking which are MDO, SL, COS, CCS, Region, SER & EU. The finding from this study shows that Retirement Planning Behavior has the most influenced factor that influence saving behavior among Gen Y.

Keywords: Gen Y, saving behavior, financial literacy, retirement planning behavior and debt management.

ABSTRAK

Kajian ini bertujuan mengkaji faktor-faktor yang mempengaruhi tabiat menyimpan di kalangan Generasi Y di Perbankan di Malaysia and mengisi kekangan pengetahuan tentangtabiat menyimpan dengan mengetahui tabiat menyimpan dan karakter demografi. Ujian Pekali Korelasi telah digunakan untuk mengkaji hubungan signifikan antara pembolehubah bebas (pengetahuan kewangan, persaraan masa hadapan danpengurusan hutang). Sebanyak 150 orang pekerja golongan Generasi Y yang telah dipilih untuk menjawab kaji soal selidik tentang faktor-faktor yang telah mempengaruhi tabiat menyimpan. Kajian ini melibatkan beberapa jabatan / unit dari Perbankan Korporat di Maybank seperti MDO,SL, COS, CCS, Region, SER & EU. dengan pembolehubah bersandar. Keputusan menunjukkan bahawa persaraan masa hadapan telah memainkan peranan yang paling penting dalam mempengaruhi tabiat menyimpan di kalangan pengaruh Gen Y,

Kata kunci: Generasi Y, tabiat menyimpan, pengurusan kewangan, pengetahuan kewangan, pengurusan hutang, kedudukan kewangan.

ACKNOWLEDGMENTS

' In The Name of Allah The Most Gracious and The Most Merciful, and peace be upon our Greatest Prophet Muhammad S.A.W'.

Praise to Allah, the Most Gracious and the Most Merciful who gave me the physical, mental and spiritual strength to complete this thesis amidst many difficulties. I would like to take this opportunity to thanks to all people that has given me cooperation and kind assistance in completing this research project.

First and foremost I would like to thanks my family for supporting me and encourage me throughout this course. Besides that I would like also to thanks to my supervisor Dr. Norshahfizah Hanafi for the guidance and advice.

Next, I would like to express my sincere gratitude to all respondents and friends who devoted their time in giving their commitment and participate in this research. Lastly, would like to thanks the faculty and the employees as well for all the kind assistance.

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LIST OF ABBREVIATIONS

Maybank Corporate Banking	MBB CB
Managing Director’s Office	MDO
Specialize Lending	SL
Credit Origination & Structuring	COS
Corporate Credit Surveillance	CCS
Region (Penang, Johor. Sarawak & Sabah)	Region
Special Enterprise Relationship	SER
Emplacement Unit	EU
Financial Literacy	FL
Retirement Planning Behavior	RPB
Debt Management	DM
Saving Behavior	SB

CHAPTER 1
INTRODUCTION

1.0 Introduction

In this chapter, it helps to introduce the information or details of the research project that involved such as background of the study, problem statement, and research question, significance of study, limitation of study, scope of study, definition of key term and organization of thesis.

1.1 Background of Study.

This study is to understand the Saving Behavior among Generation Y ("Gen Y"). In general, Gen Y is the fastest growing population of workforce today where they are confident, independent, ambitious and achievement-oriented. Being born in generation of technology savvy, Gen Y seems to be different from their ancestors where their parent is more concern on the daily spending compared to Gen Y who works hard to spend. Gen Y struggles to save money as most of them have minimal understanding in financial planning which could lead them ending with no saving.

Gen Ys in Malaysia make up the largest population which grown up with modern information technology, including smart phones, and are well-educated and socially networked. Gen Ys utilize the internet as their primary channel of information-gathering and communication. According to Wan Azmi, W., Madden, R., & Mokhtar (2015) majority of Gen Ys are Living on the Financial Edge with high cost borrowing which comprised of personal loans and engaged in expensive credit card borrowings.

The contents of the thesis is for internal user only

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