

UNIVERSITI TEKNOLOGI MARA

**THE PATTERN OF PTPTN LOAN REPAYMENT AMONG THE
BORROWERS**

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ABSTRACT

This study examined the pattern of National Higher Education Fund Corporation (PTPTN) loan repayment among the borrowers. In order to investigate the pattern of PTPTN loan repayment among the borrowers, the study conducted was a descriptive study based on 322 respondents who have graduated and working in both private and government sector. A discriminant analysis was conducted to predict the pattern of PTPTN loan repayment among the borrowers. The objectives of this study is to identify the main reason the borrowers who are paying and not paying the PTPTN loan, which gender is the most in paying and not paying the PTPTN loan, the average salary who is paying and not paying the PTPTN loan, develop of discriminant functions of the predictor variables which will best discriminate between the categories of repayment status and determine which predictor variables contribute to most of the repayment status. The results suggested that among the factors namely; gender, age, higher education, cumulative grade point average (CGPA), income, working sector, working experience and distance to workplace, the income and distance of workplace affects the most to the pattern of PTPTN loan repayment. The findings could assist PTPTN to understand the borrowers' insight in repaying the loans. Besides, the PTPTN would be able to develop more effective strategy to ensure all borrowers are able to pay their loan. Moreover, the PTPTN also could manage the terms and conditions of the loan agreement so that the borrowers do not feel the burden of repayments.

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