



UNIVERSITI TEKNOLOGI MARA

**A STUDY ON SPENDING HABITS AMONG  
DPA STUDENTS  
OF UiTM SARAWAK.**

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## **ABSTRACT**

The objective of our study is to identify spending habits among the students on how they spend their money. Apart from that, we determine the main source of financial resources of students. Besides that, our study encourages students to prepare personal budget planning as one alternative to manage their money in appropriate manner. In addition our study also required suggestion and recommendation on how to manage money.

The main aim of our research is to analyze and determine spending habits attitude among target group and help them with our recommendation to upgrade their sensitivity upon the importance of budget planning and encounter overspend habits.

The survey has been conducted through questionnaire distributed to 200 respondents but somehow we manage to gather only 152 questionnaires as our reference in conducting our research. We focused on part 4 until part 6 of DPA students because we believed that students at this level already reach maturity level and we trust them to give accurate and adequate information to support our research.

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## **CHAPTER 1: INTRODUCTION**

### **1.1 BACKGROUND OF STUDY**

In this modern era, it is essential for every person to have a good knowledge on spending habits. The reason is that, the act of spending money is inevitable in our daily life and if we do not estimate or control our spending, a problem of over spending might occur whether we realize it or not. However, some of us might think that it is less important to know about it. Thus, it will create a dramatic impact on an individual's ultimate economic security. Therefore, better knowledge and understanding about financial matter is the first way in ensuring future population that is capable of making competent financial decisions. In addition, managing our money wisely enables us to achieve financial goals such as buying a house, saving for the children's education or planning for the retirement.

In US, certain institution offered financial education for the students and many of them took the course in the first place. It shows that youngsters in US were aware about their financial management. They also took great concern of their money management which some person unaware off.

In Malaysia, parents should pay a significant role in giving financial education to their children since in the young age. They can be a good model and example towards their children through the ways they handling with money in daily life. Parents also should advice their children regarding the ways to

## CHAPTER 2: LITERATURE REVIEW

### 2.1 DEFINITION

There has been much research directly conducted on the spending habits especially among the students and youth. The research has mostly focused on how the students manage their money with regard in spending and saving money. Other matters that being focused or taken into consideration is about the need to assess financial information and money management skill.

According to *Lohse and Deborah (1995)*, spending habit commonly recognized as the attitude or behavior of a particular person regarding on money expenses or money outflow. The spending snob is a person who spends money without thought, who ignores information and events designed to help save money or whose need to impress others out weights the need to shop wisely and stretch the uses of his or her money.

Spending habit related with spending money to fulfill human's needs, demand and desire. Besides that, spending habit is an essential criteria that have to be concerned by each and every human being because it determine how much money that we spend on the necessary and unnecessary thing, which may reflect our money standing stability. When human being spends their money for purchasing basic needs only, they may avoid overspending and financial