

Towards maturity a model of e-IIUM2WORLD scholarship for underprivileged students in Malaysia

¹Hakim Lukmanul, ²Abdu Muhammad, ³Ahmad Dahlan Abdul Rahman

^{1,2,3} Kulliyah of Information and Communication Technology, International Islamic University Malaysia

Abstract: Education is essential part for human being to advance new civilizations, while having better education definitely is aspiration of many students nowadays. Seeking knowledge in Islam is very important even mentioned in the holy Quran to “Iqra” which means read. Even though it is important, disadvantage students in Malaysia have some challenges to continue their studies into higher educations because of economic issues, and sometimes they struggle to make every endeavors in order to realize to study in the higher learning institution. To overcome students’ complaints on financial issues in their studies, the authors are collecting students’ feedback based on the e-IIUM2WORLD Business Model Canvas (BMC) and Value Proposition Design (VPD) of Islamic economic system from earlier work. A survey was conducted to understand students’ jobs, pains, and gains. This paper proposes a refined conceptual model of scholarship system that can be developed and implemented for underprivileged students, especially those who coming from rural areas that beyond from economic welfares.

Keywords: A mature of scholarship model, underprivileged students, Malaysia.

I. INTRODUCTION

Getting study in higher education aspires many students today. Competition between job seekers become more hardly day by day compared to the past because this is due to the fact that the students who have skills and competencies are the primary demands of many industries nowadays. Unfortunately, many students not able to continue to the higher education. On the other hand, some students still have problems during their study such as lack of money to get good facilities, unexpected expenditures, and sometimes they should do part time to get more money to fulfill their needs. According to [1], it’s indicates that children in lower-income household do less well than their peers on many outcomes, including in health and education. They [1] mentioned that low income affects direct measures of children’s well-being and development, including their cognitive ability, achievement and engagement in school, anxiety levels and behavior. So, is there any relationship between low-income and student outcomes? They (researchers) give the example that those who have low-income tend to have poorer health, to do less well in education, are more likely to report low self-esteem and more likely to get involved in risky or delinquent behavior.

The availability of scholarship can help students’ financial during their study in the universities as well as schools. In Malaysia, the government committed to solve this problem of underprivileged students to support all disadvantaged groups and tax reduction incentive schemes to companies, and to work with financial assistance programmes for all groups. This is what Malaysian government planned in the Malaysia Education Blueprint 2015-2025 [2]. Higher education in Malaysia is not free and as the cost of education rises, it is important to plan ahead and consider the various options that are available to help finance students’ education. The most common forms of financial aid are scholarships (need not have to repay), study loans (need to repay and usually with interest) and waiver of tuition fee by the educational institution [3]. In Malaysia the key criteria for the Public Services Department scholarships are (a) academic performance (65%), (b) interview performance (15%), (c) extra-curricular activities (10%), and (d) family background (10%) [4].

To attract the scholarships from government, industries, or institutions, the students should have some criteria such as students must get an excellent achievement, fulfilling the prerequisites, and other terms. Study at the top universities whether private or public institutions require to have many skills and accomplishment, it's makes underprivileged students coming from rural areas who live in low-income hard to compete with original residences. Frequently, the powerlessness makes them surrender and sometimes give up to continue their study in higher education.

Industry today's serving the best product for their customer in order to keep their customer comfortable, understanding what is customer need and what is customer pain. Many changing will be the focus for industry to develop a mature system for their customer. A mature model of scholarship are evolutionary roadmaps to the implementation of certain practices that are vital for one or more areas of organization's processes. Maturity levels guide to evolution of an organization from a state in which practices are poorly defined and incoherent to a level of innovation and continues optimization [12].

II. PROGRAM BACKGROUND

This paper proposes conceptual model of scholarship for underprivileged students in Malaysia. The e-IIUM2WORLD program collaborates with many key partners to redesign a proper value proposition for students as customers of Islamic economic system in order to provide them a lot of convenience when applying financial funds for their studies. The potential of Islamic economic system can be used to give financial education for underprivileged students by harnessing Value Proposition Design for students [5]. To find out a mature model, focusing on customer segments are the first target that should be accomplished by observing directly their issues or pleasure about their experiences when applied scholarship.

e-IIUM2WORLD Business Model Canvas of Islamic economic system will use as a model of scholarship for students in Malaysia. Meanwhile, the authors will focus to evaluate Value Proposition Design for students [5].by conducting survey questionnaire to the students.

III. PROBLEM STATEMENT

Allocating budget for scholarship have planned by Malaysia Prime minister, Dato' Sri Mohd Najib Tun Razak in his speech [11]. In 2015, the government will allocate RM3 billion for sponsoring education of which RM1.9 billion will be given to the Public Services Department, Ministry of Education RM759 million and Ministry of Health RM258 million [6]. Perbadanan Tabung Pendidikan Tinggi Nasional (PTPTN) also purposed to give students loans for their studies since the establishment of its in 1997. Besides that, the Jabatan Pengkhidmatan Awam (JPA) scholarship contributed to manage the budget for students in Malaysia who intends to study abroad and local [7].

However, in 2008, 15,200 applicant vied for the 2,000 scholarship. Due to the intensity of competition and the prestigious prize, the annual selection process has captured the public's attention and there have been constant debates about the scholarship, specifically concerns about fairness and transparency [7]. In other hand, according to PTPTN case, 2.1 million borrowers have taken loans worth RM47.8 billion. In fact, as at 31 august 2014, only RM5.36 billion or 46% of RM11.76 billion has been collected. Based on these issues, it is means that some challenges still occur among students in Malaysia.

Providing alternative for students in getting scholarship should be considered because many applicants compete to get allocating budget from government. Empowering students' financial can make students feel comfortable in their study. The better achievement and good quality of students can be realized in the future without anxieties with provide them a mature model of scholarship.

Leveraging Islamic economic system can be one solution to provide scholarship for students rather than depending on government budgets, institutions' scholarships, industries funding, and so on. One of element of Islamic economic system is Zakat. The big potential of this Zakat funds enable to serve scholarships for students, particularly underprivileged students. Moreover, Islamic financing/trading, charities also includes in the Islamic economic system. In this case, students are allowed to received scholarship/Zakat from the program because they are in the way of God (Fisabilillah) through seeking knowledge. According to Pusat Pungutan Zakat, the total amount of Zakat in 2013 more than RM484 million. This big number has big potential for the program to allocate students scholarship [8].

IV. LITERATURE REVIEW

Malaysia is a Muslim country where Islam is the main religion within it. Several policy was introduced by Malaysian government such as New Economic Policy (NEP), Assimilation of Islamic Values (AIV), Islamic consultative Body (ICB), National Development Plan (NDP), National Vision Plan (NVP), and Islamic Hadhari (IH). Malaysia has implicitly included the Islamic Principles, particularly Islamic economics, Banking, and Finance. To achieve its mission, Malaysia established 2 main institutions: One for the banking sector, Bank Islam Malaysia Berhad, and the other one for the educational sector, International Islam University Malaysia. In addition, Lembaga Urusan dan Tabong Haji (LUTH), Center of Zakat Collection(CZC/PPZ) and Baitul Mal, Yayasan Pembangunan Ekonomi Islam Malaysia (YPEIM) are complementary institutions to support the Islamic economic development in the country [9].

The government Malaysia seriously put more attention on practicing Islamic value in the governmental system through several policies that introduced recently. This initiation can be used by many economic doers to collaborate with an existing institution. According to [7], the proposed initial Business Model Canvas (BMC) of e-IIUM2WORLD explained about leveraging Islamic economic system where the students are one of customer segments of this program, as shown in figure 1.

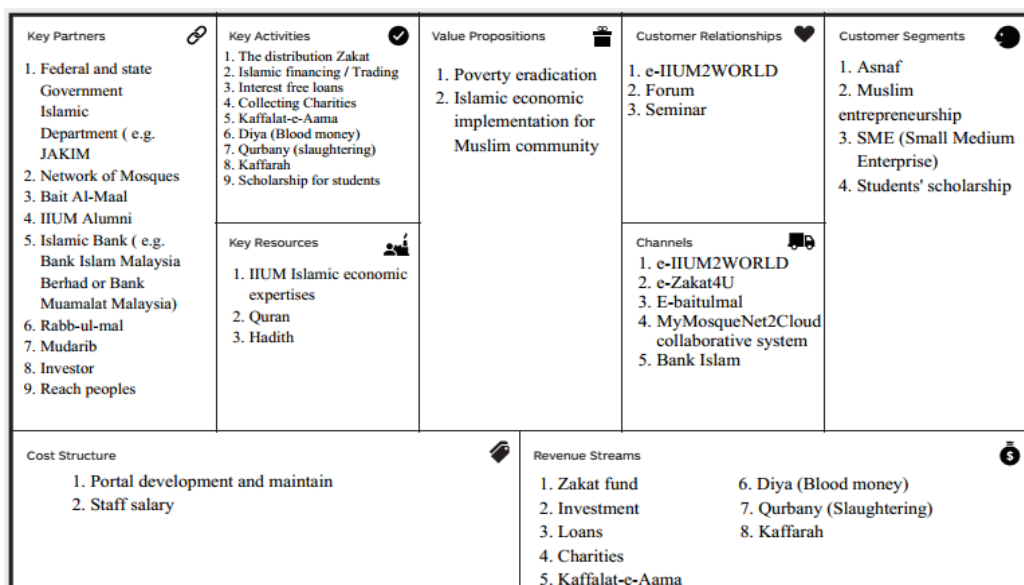


Figure 1: Business Model Canvas of e-IIUM2WORLD

The proposed initial Value Proposition Design (VPD) is shown in the figure 2. This VPD explains customers’ jobs, customers’ gains, and customers’ pains for student.

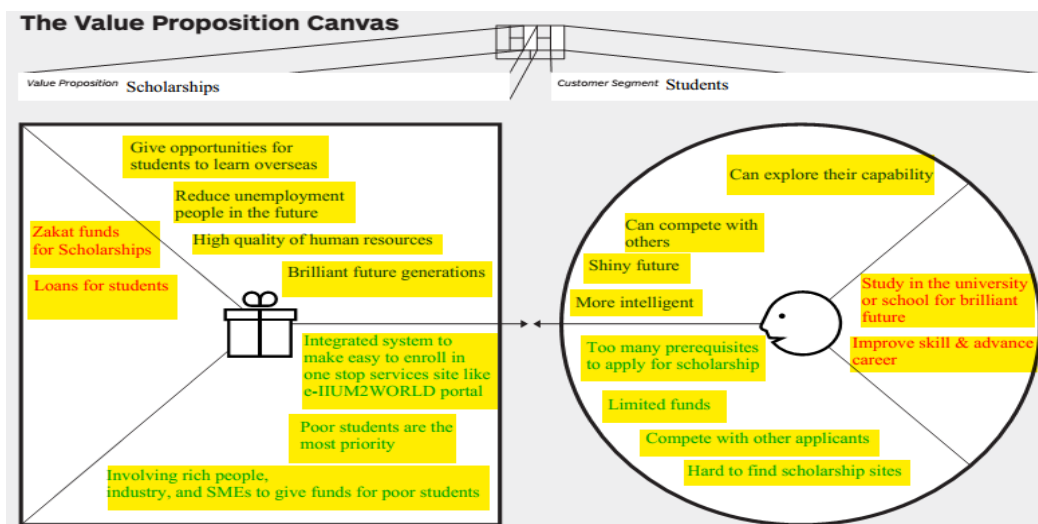


Figure 2: Value Proposition Design for students

V. METHODOLOGY

A survey conducted in this paper by giving the students questionnaires to find out their aspiration from scholarship, Specific context in which they are performs, and students' pain during applying the scholarships are the prioritize of this study. So that, the authors can revise the current model of scholarship to fulfill their expectation. Students who has low income below than RM2350 refer to Pedapatan Kasar Bulanan Isi Rumah Purata bagi kumpulan isi rumah 40% terendah Malaysia (Mean Monthly Gross Household Income of Bottom 40% Malaysia) [10] are the sample of this survey questionnaires. Utilizing sample is requiring to generalize all the population, and Simple Random Sampling can be a method in how to choose the samples. The authors put Malaysian students who studies in International Islamic University Malaysia (IIUM) as sample of this survey.

VI. EMPIRICAL FINDING

A. Student's Jobs:

Student's jobs are about what is student doing with their study. According to survey research was conducted, almost student agree with learning in higher education is important to archive their bright future, and they agree with scholarship system very helpful for them on many aspects. Ordinal scales which are Strongly Agree (SA), Agree (A), Neutral (N), Disagree (D), and Strongly Disagree (SD) has been used to measure the level of students' jobs. The recapitulation of students jobs shown in table 1.

TABLE 1: Specific students job

Statements	Q No	Statements Scores					Total
		SA	A	N	D	SD	
A. Students jobs							
Study in higher education for students	1	50%	30%	13.3%	3.3%	0%	96.6%
Learning in higher education in order getting better life	2	63.3%	26.7%	13.3%	0%	0%	103.3%
Easy to find jobs if graduate from higher education	3	26.7%	40%	30%	3.3%	0%	100%
Study in higher education with scholarship	4	46.7%	26.7%	16.7%	6.7%	0%	96.7%
Study in higher education encourage students to have critical thinking	5	30%	36.7%	13.3%	13.3%	0%	93.3%
Students who have scholarship not require to get part time jobs	7	13.3%	16.7%	26.7%	26.7%	13.3%	96.7%
Study abroad with scholarship	8	16.7%	33.3%	36.7%	6.7%	0%	93.3%
Compete fairly with other applicants in getting scholarship	9	23.3%	33.3%	30%	0%	0%	86.7%

B. students' Pain in getting scholarship:

Pain in getting scholarship is about problem students facing to get scholarship. According to the survey most Malaysian students are not satisfied with scholarship system in Malaysia. In many aspects include; difficulty, many prerequisites, insufficient funds and limited quota. The recapitulation of students' pains in getting scholarship shown in table 2. The ordinal scale has been used to measure the level of students' pains when applying scholarship. The scales include Strongly Agree (SA), Agree (A), Neutral (N), Disagree (D), and Strongly Disagree (SD) as a measurement.

TABLE 2: Specific pain of students in getting scholarship

Statements	Q No	Statements Scores					Total
		SA	A	N	D	SD	
B. Pain in getting scholarship							
Scholarship system in Malaysia quietly is satisfied	10	3.3%	13.3%	46.7%	33.3%	3.3%	100%
Difficult to apply scholarship in Malaysia	11	26.7%	50%	20%	3.3%	0%	100%
Too many prerequisites for scholarship in Malaysia	12	33.3%	33.3%	26.7%	6.7%	0%	100%
Insufficient funds from sponsors	13	13.3%	26.7	43.3%	10%	0%	93.3%
Online website for scholarship having up-to-date information	14	13.3%	40%	40%	6.7%	0%	100%
Hard to find information of online website for scholarship	15	3.3%	20%	46.7%	20%	3.3%	93.3%
Too many applicants with limited quota	16	20%	63.3%	13.3%	0%	3.3%	100%
Contract with your sponsors make you uncomfortable	17	10%	36.7%	46.7%	10%	0%	103.3%

C. Students pain in getting loans:

Pain in getting loans is about problem student facing on getting loan. According to the survey research that was conducted, not many Malaysian students aren't satisfied with loan system in Malaysia. Loan system Malaysia maybe good but overall they still unsatisfied with this system. To measure the level of students' pains when apply the loans money into the system, the authors used the ordinal scale as a measurement, which are Strongly Agree (SA), Agree (A), Neutral (N), Disagree (D), and Strongly Disagree (SD). The recapitulation of students' pains in getting loans shown in table 3

TABLE 3: Specific pain of students in getting loans

Statements	Q No	Statements Scores					Total
		SA	A	N	D	SD	
C. Pain in getting loans							
Loan system in Malaysia such as PTPTN is satisfied	18	0%	16.7%	26.7%	33.3%	20%	96.7%
Difficult to loan money from PTPTN in Malaysia	19	10%	0%	36.7%	40%	10%	96.7%
To many prerequisites to loan money from PTPTN	20	16.7%	0%	30%	46.7%	3.3%	96.7%
Insufficient funds from PTPTN	21	23.3%	16.7%	46.7%	13.3%	0%	100%
PTPTN is a burden for young generation	22	36.7	40%	13.3%	6.7%	0%	96.7%
Easy to get information from loan website	23	16.7%	43.3%	36.7%	3.3%	0%	100%
Too many applicants with limited quota of budgets	24	13.3%	33.3%	26.7%	23.3%	0%	96.7%
The website of loans in Malaysia have up-to-date information	25	13.3%	50%	23.3%	10%	0%	96.7%

D. Students gains from scholarship:

Student gains from scholarship is benefit from scholarship for student on it. According to the survey most of the student agree with scholarship very helpful for them in many aspects such as comfortable, financial and motivate them to focus on their study. Ordinal scales were used to measure students' gains from scholarship, the recapitulation of students' gains shown in table 4.

TABLE 4: Specific gains of students from scholarship

Statements	Q No	Statements Scores					Total
		SA	A	N	D	SD	
D. Students gains from scholarship							
The scholarship and loans should cover all the students' fees	26	50%	33.3%	10%	16.7%	3.3%	113.3%
Students no need to take part time jobs, because scholarship system already covered students' expenses at all	27	30%	16.7%	23.3	16.7%	6.7%	93.3%
Scholarship make students feeling comfortable and confident to study	28	33.3%	36.7%	16.7%	10%	0%	93.3%
Scholarship help students focus on study	29	33.3%	50%	6.7%	10%	0%	100%
Students will be independent when getting scholarship or loans (independent without parents)	30	26.7%	53.3%	13.3%	3.3%	0%	96.7%
Scholarship teach students to be competitive	31	40%	46.7%	10%	3.3%	0%	100%
Poor and rich students have equality chance to get scholarship	32	33.3%	23.3%	13.3%	16.7%	10%	96.7%
Scholarship help underprivileged students in their financial issues	33	43.3%	36.7%	20%	0%	0%	100%
The loans reducing financial issues of students when study	34	13.3%	56.7%	16.7%	6.7%	0%	93.3%
Loans money could cover tuition fees of students	35	23.3%	50%	20%	3.3%	0%	96.7%
Loans money make students comfortable and reduce students' anxiety on study	36	6.7%	40%	26.7%	23.3%	0%	96.7%
Loans money make students focus in study	37	6.7%	33.3%	36.7%	10%	6.7%	93.3%
Students who get scholarship are quality students	38	20%	33.3%	33.3%	10%	0%	96.6%

VII. CONCEPTUAL REFINED SOLUTION

Based on empirical data that was collected, the refined Business Model Canvas (BMC) for scholarship and Value Proposition Design (VPD) for students are as follows:



Figure 3: A refined model of Business Model Canvas (BMC) for scholarship

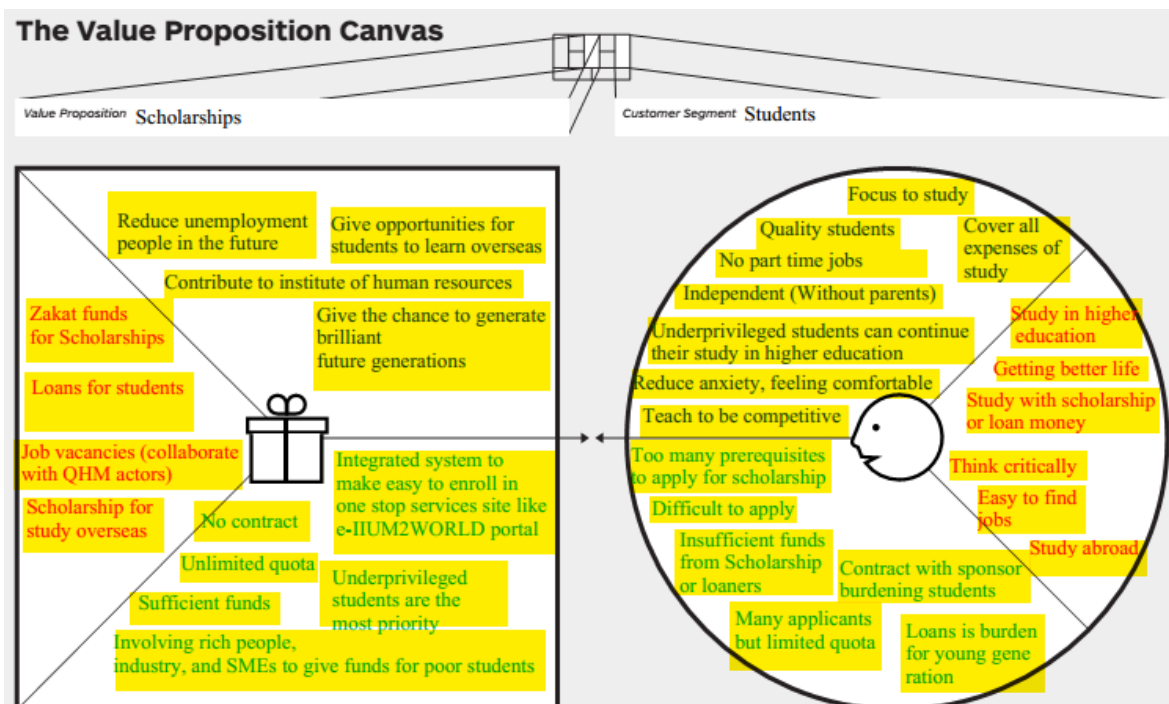


Figure 4: A refined Value Proposition Design (VPD)

A. Students segments:

Students segments divided into three parts which are student jobs, student gains, and student pains. Evolving of student segments based on student perspectives on a model of scholarship

Students jobs, the problem that they want to solve, and what is student trying to get done in their study.

- Learning in higher education in order getting better life. This is because, students who study in higher education like university will get more knowledge and skill in how to solve their problem or create their own entrepreneur through skills that they have.
- Study in higher education is essential part for students. Higher education is the most important part for students to increase knowledge, skills, and experiences.
- Study in higher education with scholarship. Scholarship reduce financial issue of students during study, some of them put the scholarship as a priority when study into the next level of education.
- Study in higher education encourage them to think critically. To be a critical student, they should study in higher education, so this what student trying to solve and trying to get done.
- Easy to find jobs if graduate from higher education. This is because many industries today need employee who has many skill and experience.
- Study abroad. Some students prefer to study overseas because they want to get more knowledge from other countries, or they want to challenge their self to become more competitive.

Students pain, describing about anything that annoys the students during applying scholarship.

- Too many prerequisites for scholarship.
- Difficult to apply scholarship.
- Insufficient fund from sponsorship.
- Too many applicants with limited quota.
- Contract with sponsor burdening students.

Students pain, describing about obstacle during applying loans

- Insufficient funds from loaners. In Malaysia, loan for students managing by Perbadanan Tabung Pendidikan Tinggi Nasional (PTPTN).
- Loan is a burden for young generation.

Students gains. Describing the outcomes and benefits students wants.

- Scholarship or loans can cover all expenses of study or students' fees during study
- Scholarship teach students to be competitive with other students. Many endeavor should do to reach the scholarship.
- Scholarship or loans reduce student anxieties in term of financial issues, make them feeling comfortable and only focus on their study.
- Scholarship or loans could help underprivileged students. So, that means no gaps between powerless students and wealthy students. They have equal change to get scholarship.
- Students will be independent when getting scholarship or loans. That means they will not only depend on their parents' income but make some endeavor to fulfill their needs by themselves.
- They don't need to take any part times jobs. So they just focus for their study.
- Students who get scholarship are quality students.

B. Value maps, products and services.

This is list of what the authors offering to the students as follows:

Product and services:

- Zakat funds for scholarships. According to Pusat Pungutan Zakat, the total amount of Zakat in 2013 more than RM484 million. This big number has big potential for the program to allocate students scholarship [8].

- Loans many for students.
- In cooperate with QHM actors provide more jobs vacancy for students who seeking jobs after graduation.
- The scholarship will provide students who study abroad by support them fully.

Pain reliever:

- Integrated system to make easy to enroll in one stop services site e-IIUM2WORLD portal. The portal integrated with other portal such as Ministry of Higher Education (MOHE), e-ZAKAT4U sites make them easy to get information.
- Underprivileged students are more priority.
- By involving Industries, rich people and Small Medium Enterprises (SMEs) give them opportunities to help students financial.
- All of education fees for students will cover by the program.
- Unlimited quota for applicants, but we give more priority to underprivileged students to continue their study in higher education. So that they will able to help their family in the future.
- The program will not give contract to the students as long as they using it for well-being.

Gains:

- Give opportunities for many students whether studying inside of country or study abroad.
- Reducing unemployment rate, especially in the rural areas. So, the rural people more developing because of more students who have skill and experience.
- High quality of human resources. This is because education is very important for students to enhance their knowledge and skills.
- Brilliant future for students. It can be eradicating poverty in Malaysia by institutes many generations.

VIII. CONCLUSION AND FUTURE FRAMEWORK

With a better system of scholarship and loans, student can continue their education to next level of study without anxiety and difficulty because of complicate system. The competition between industries today are forcing students to strive harder in their study. Without any skill and knowledge, it is difficult to live in the modern era in today world. The important of education could contributes to a nation also, the better education system, better services will generate better outcomes.

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