

CIMB/BeSMART

Getting smart about money

ZULITA MUSTAFA
zulita@nst.com.my

THE alarming financial state of young Malaysians today is the cause for a nationwide call to mobilise intervention programmes that address the increasing number of youth bankruptcy cases.

From 2008 to 2018, there has been a steady increase in of bankruptcy cases and the trend shows that the youth in this country are more at risk than ever before.

As of last year, 96,000 individuals had been declared bankrupt by the Department of Insolvency, 24 per cent of which were youths under the age of 35.

According to the Asian Institute of Finance, 37 per cent of Gen Ys own one long term debt while 75 per cent with more than one long term debt.

In this day and age where the fundamentals of financial management have been side-tracked by messages of achieving wealth quickly, the society that wants immediate gratification and success needs to be reminded of proper wealth management accompanied by a disciplined lifestyle.

This is what BeSMART programme is all about. It is a financial education programme with the overarching aim of improving the financial literacy of youth across the nation to set them on a successful life trajectory and to mitigate the growing numbers of bankrupt youth today.

The two-day workshop sessions have been specifically customised for the pre-university and university students utilising a mixture of interactive lectures, simulation games and personal Q&A sessions with bank representatives to deliver a holistic and practical overview of the necessary components of sound financial management.

Launched in December last year, the BeSMART programme was born through CIMB Foundation's aspiration to serve society and create an informed youth in Malaysia.

At the recent BeSMART programme, 100 final year students from the Economics and Management Faculty, UPM not only attended the two-day workshop on financial literacy but got up close and personal with two royalties — Raja Muda Selangor Tengku Amir Shah Sultan Sharafuddin Idris Shah and CIMB Group Holdings Bhd group chief executive officer Tengku Datuk Seri Zafrul Tengku Abdul Aziz during a sharing session held at Universiti Putra Malaysia.

Tengku Amir stressed on the importance of financial literacy for youths in order to make the right financial decisions and prevent bankruptcy at a young age.

He said that planning and timing play a vital role in ensuring that youths know how to manage their finance.

"BeSMART is a good programme as financial literacy is important for everyone to understand and be aware of."

"When (Tengku) Zafrul came to me about bankruptcy cases in Malaysia being quite high, I find that the key problem is that youths are not aware or lack the knowledge on financial literacy."

Sharing his experiences, Tengku Amir, who is also Selangor Youth Community (SAY) founder and patron, said his organisation is trying to help people and give them the right tool and knowledge on how to run a business and manage finances.

SAY was established to foster interest and increase youth participation in community-based activities, including arts, culture, health and sports.

"Youth development is a subject matter that is very close to my heart."

"Financial literacy is vital for youths as their decisions on money management are crucial in preventing youth bankruptcy."



Tengku Amir Shah Sultan Sharafuddin Idris Shah (sixth from left) and Tengku Datuk Seri Zafrul Tengku Abdul Aziz (second from right) with Team Brilliant who was chosen as the winner after they came up with the highest income at the financial literacy game conducted during the two-day workshop. Also present were CIMB foundation chief executive officer Datuk Hamidah Naziadin (far left) and USM vice-chancellor Professor Datin Paduka Dr Aini Ideris (fifth from left).

"I studied at Leeds University and lived in the United Kingdom for 10 years by myself. I had to take care of the bills and expenditures."

"No doubt, we made mistakes when we were young but the whole point of making them is to learn from the mistakes."

Tengku Amir advised the students to step out of their comfort zones and take control of their lives, saying that complacency would not bring any positive change to the country's future and youth.

"Back in university, I studied Psychology but I had friends from different faculties."

"I pushed myself to go to Leeds because I didn't want to be near my sister in London and I wanted my freedom. So I was totally out of my comfort zone," he said, adding that "if you don't believe in yourself then who will?"

Tengku Amir said the next step is to create achievable goals and be "smart".

The like-minded Tengku Zafrul agreed, saying youths should not be afraid to make mistakes.

"People aged between 20 and 35 can afford to fall and pick themselves up again."

"Failure is not the opposite of success. It is a learning process to improve yourself and achieve better things."

Tengku Zafrul said when he came back from University of Bristol, United Kingdom, he was already in his 20s. He admitted that he had done a lot of things but he didn't do it productively.

"Back then my time management was bad but over the years I've managed to balance my schedule."

He added that when students leave university and start work, they'll have various ideas in their minds about what to do with their monthly income such as shopping, leisure or buying cars.

"It is noticeable that when you first get your salary in this country, there are always three things that graduates would do — buy a car, spend on leisure and apply for a credit card."

"For me, to be able to do so many things at one time is to have a good planning. If you plan, you can also see what you spend and take control over it."

"I plan my diary in advance to make sure I stick to it — it is all about discipline and time management. Keep track of what you are doing because if you don't, you won't be able to know what you've spent on," added Tengku Zafrul.

“Youth development is a subject matter that is very close to my heart. Financial literacy is vital for youths as their decisions on money management are crucial in preventing youth bankruptcy.”

**RAJA MUDA SELANGOR
TENGKU AMIR SHAH
SULTAN SHARAFUDDIN
IDRIS SHAH**

Also present at the event were CIMB Foundation chief executive officer Datuk Hamidah Naziadin and UPM vice-chancellor Professor Datin Paduka Dr Aini Ideris.

Hamidah said the royal presence was another testament of Tengku Amir's commitment and passion towards youth development.

"Getting the right speakers will definitely benefit the youth by end of the day."

"To the students here, I want to commend all of you for making the decision to learn how to take control of your finances at such a young age."

"It is never too early to start. When I was your age, one of my goals was to be financially independent, but at that time, there was no one to show me the ropes and teach me how to do this in a comprehensive way."

"In those days, we learned everything through trial and error which also meant that it took a lot longer and a lot more work for us to achieve our goals."

"That is why CIMB Foundation strongly believes in advocating education as we want our youth today to have a better headstart in life than we had so that you won't have to go through the same challenges we did," said Hamidah.

Positive feedback came from both participants and lecturers about how much they have learned from this programme and particularly how much fun they had doing so.

The intensive two-day sessions are interactive and games are used to teach these important lessons from the start of day one until the final hour of day two.

Team Brilliant was chosen as the winner after they came up with the highest income at the financial literacy game conducted during the two-day workshop.

They received a Private Retirement Scheme Account from CIMB Foundation.

The first phase of the programme will run nationwide for two years. To date, 34 sessions have been conducted, out of a total of 80 sessions for the rest of this year.

Modules of the programme cover a wide range of money management lessons such as Financial IQ, Risk Assessment & Profiling, Property Investment, Debt Management, Unit Trust Investments and Budgeting & Tracking.