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Digital Financial Governance and Multi-Source Fund Management: A Pathway to Youth Entrepreneurship in the Digital Economy
(Tadbir Urus Kewangan Digital dan Pengurusan Dana Pelbagai Sumber: Pemangkin Keusahawanan Belia dalam Ekonomi Digital)

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ABSTRACT

In the digital era, student financial governance has evolved into a catalyst for innovation, entrepreneurship, and sustainability. This paper presents the second phase of Universiti Kebangsaan Malaysia's (UKM) financial digitalisation journey, extending the foundational work of Mariam Masuan et al. (2025) into a comprehensive model of digital financial governance and multi-source fund management. The study integrates three key economic systems, which are the TKP23 student development fund, TAP457 digital sponsorship platform, and the RHB KMUKM institutional account, under Kesatuan Mahasiswa UKM (KMUKM). Using a qualitative approach, combining quantitative fund data and qualitative governance insights, it explores how transparent, technology-driven fund management fosters entrepreneurial capacity and aligns with SDG 1 (No Poverty), SDG 8 (Decent Work and Economic Growth), and SDG 9 (Industry, Innovation, and Infrastructure). Results reveal a self-sustaining system generating over RM170,000 through sponsorships, merchandise, and PayNet's cashless initiative. Through the *Buku Panduan Dana KMUKM* and *Buku Penjanaan Dana KMUKM*, UKM established a national benchmark for student-led financial governance, becoming Malaysia's first student body to introduce a third-party financial-hosting service that bridges youth leadership, entrepreneurship, and the digital economy.

Keywords: Financial literacy, Student Union of the National University of Malaysia (KMUKM), Youth Entrepreneurship, Digital Empowerment, Sustainable Development Goal (SDG)

ABSTRACT

Dalam era digital, tadbir urus kewangan pelajar telah berkembang menjadi pemangkin kepada inovasi, keusahawanan dan kemampanan. Kertas kerja ini membentangkan fasa kedua perjalanan pendigitalan kewangan Universiti Kebangsaan Malaysia (UKM), memanjangkan kerja asas Mariam Masuan et al. (2025) menjadi model komprehensif tadbir urus kewangan digital dan pengurusan dana pelbagai sumber. Kajian itu menyepadukan tiga sistem kewangan utama iaitu dana pembangunan pelajar TKP23, platform penajaan digital TAP457, dan akaun institusi RHB KMUKM — di bawah Kesatuan Mahasiswa UKM (KMUKM). Menggunakan pendekatan cerapan tadbir urus kualitatif, ia meneroka cara pengurusan dana yang telus dan dipacu teknologi memupuk kapasiti keusahawanan dan sejajar dengan SDG 1 (Tiada Kemiskinan), SDG 8 (Pekerjaan yang Baik dan Pertumbuhan Ekonomi) dan SDG 9 (Industri, Inovasi dan Infrastruktur). Keputusan mendedahkan sistem mampan diri yang menjana lebih RM170,000 melalui tajaan, barangan dan inisiatif tanpa tunai PayNet. Melalui Buku Panduan Dana KMUKM dan Buku Penjanaan Dana KMUKM, UKM mewujudkan penanda aras kebangsaan bagi tadbir urus kewangan yang diterajui pelajar—menjadi badan pelajar pertama Malaysia yang memperkenalkan perkhidmatan pengehosan kewangan pihak ketiga, merapatkan kepimpinan belia, keusahawanan dan ekonomi digital.

Kata Kunci: Celik Kewangan, Kesatuan Mahasiswa Universiti Kebangsaan Malaysia (KMUKM), Keusahawanan Belia, Pemerkasaan Digital, Matlamat Pembangunan Mampan (SDG)

INTRODUCTION

The rapid expansion of the global digital economy has fundamentally transformed financial management practices within youth and student organisations (Koskelainen et al., 2023). For entities such as *Kesatuan Mahasiswa Universiti Kebangsaan Malaysia* (KMUKM), this shift requires transitioning from conventional manual administrative processes to a dynamic digital financial ecosystem that supports governance, innovation, and entrepreneurial development. Earlier work by Mariam Masuan et al. (2025) documented the initial phase of KMUKM's digitalisation efforts, especially concerning automation and system integration. Building on this foundation, the present study explores the second phase of transformation, moving beyond procedural digitalisation to encompass strategic digital financial governance. This shift emphasises not only process efficiency but also student empowerment, institutional trust, and the development of entrepreneurial competencies aligned with Malaysia's evolving digital economy.

The financial ecosystem of KMUKM is supported by three key digitalised funding pillars that together create a multi-source governance model. The TKP23 Fund, generated from a RM10 contribution from each student each semester, serves as the core developmental resource that underpins inclusive programming and long-term operational sustainability. Complementing this is the TAP457 platform, which acts as an integrated digital gateway to distinguish sponsorships, donations, and external contributions from fee-based collections. This separation enhances transparency, strengthens audit trails, and protects the integrity of external partnerships. The third pillar, the RHB KMUKM Account, represents a unique form of financial autonomy granted by the Ministry of Higher Education (KPT). Managed independently by student leaders, this account facilitates direct engagement with government agencies, government-linked companies (GLCs), and private sector funders. More importantly, it provides a structural platform for entrepreneurial initiatives, including merchandise commercialisation, service-based offerings, and strategic industry collaborations.

The consolidation of these financial streams' positions KMUKM as a representative model of Malaysia's broader transition towards a digital economy, highlighting how youth-led governance can develop into a sustainable, technology-driven entrepreneurial ecosystem. Through the use of digital tools, student leaders gain practical competencies in financial decision-making, risk assessment, accountability, and diversifying income sources, essential skills for succeeding in an increasingly digital economy (Silva et al., 2024). This transformation marks a significant shift in perspective: student leaders are now not just custodians of funds but active architects of transparent, resilient, and innovative financial systems.

In light of these advancements, this study aims to investigate KMUKM's digital financial governance model, considering it both as an operational framework and a pedagogical platform that fosters financial literacy, entrepreneurial capabilities, and institutional accountability within higher education environments. Specifically, the study seeks to (i) evaluate the effectiveness of KMUKM's multi-source digital financial governance model; (ii) examine how digital financial systems enhance entrepreneurial competencies and financial literacy among student leaders; (iii) assess the sustainability of KMUKM's income-generation strategies; and (iv) propose enhancements for future digital governance practices within student organizations at higher education institutions.

RESEARCH OBJECTIVES

This study is guided by the following research objectives:

i. To examine the effectiveness of KMUKM's multi-source digital financial governance system (TKP23, TAP457, and RHB KMUKM) in enhancing transparency, accountability, and operational efficiency within student fund management.
ii. To analyze the relationship between digital financial governance and the development of entrepreneurial skills, financial literacy, and empowerment among student leaders in the context of the digital economy.
iii. To evaluate the sustainability and institutional impact of KMUKM's income generation strategies, including sponsorship acquisition, merchandise sales, and service-based partnerships, as a model for student-led entrepreneurship in higher education.
iv. To provide recommendations for future improvements in the digital management of student financial activities.

By critically examining the transition from manual to digital processes within KMUKM, this study aims to offer insights that may inform broader strategies for administrative digital transformation in higher education institutions.

LITERATURE REVIEW

The acceleration of the global digital economy has profoundly transformed the operational landscape for student organisations, necessitating an evolution from traditional fund management practices to innovative, technology-driven financial ecosystems (Wang et al., 2024). This literature review synthesises key concepts relevant to this paradigm shift, focusing on digital financial governance in higher education, the cultivation of financial literacy and entrepreneurial skills among youth leaders, and the implementation of sustainable multi-source fund management strategies within student organisations. It builds upon foundational work by Mariam Masuan et al. (2025) and highlights how strategic digitalisation enhances operational efficiency, fosters entrepreneurship, and aligns with broader sustainability goals.

A key element of KMUKM's digital transformation is the Sistem Permohonan & Pengurusan Dana KMUKM, developed by Wan Aleeya Fitriah, a student from the Faculty of Information Science & Technology, to streamline fund applications, track approval status, generate financial reports, and support auditing processes. The system replaces previously manual procedures with a centralized digital platform that ensures accurate records and transparent fund tracking for all UKM students. Its early development was highlighted in the prior study by Mariam Masuan et al. (2025), and in this second phase it now functions as a fully integrated component of KMUKM's financial governance ecosystem, strengthening transparency, accountability, and operational efficiency.

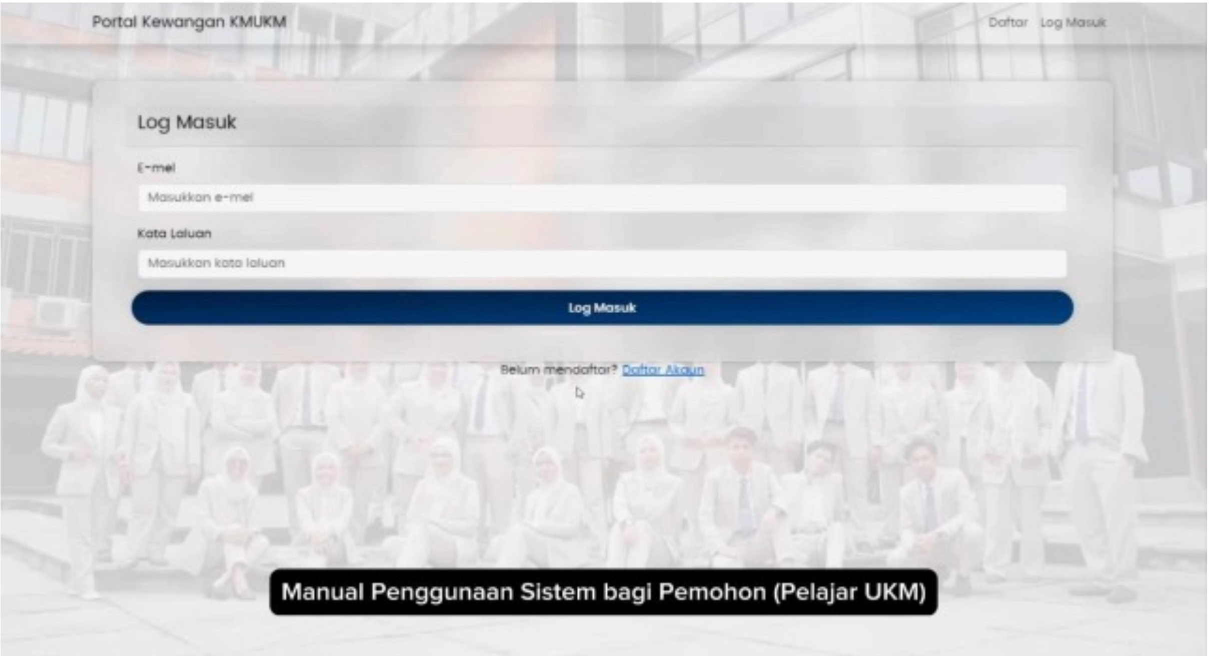

FIGURE 1: Login Interface *Portal Kewangan KMUKM*

Digital Financial Governance in Higher Education

Digital financial governance refers to the application of digital tools such as e-payment systems, online accounting platforms, real-time transparency dashboards, and automated reporting systems to optimize financial operations while strengthening institutional accountability.

Digital Financial Governance in Higher Education

The swift advancement of the digital economy has not only transformed national financial systems but also reshaped governance structures within universities. Digital financial governance refers to the utilisation of digital technologies to manage, monitor, and optimise financial operations, ensuring transparency, efficiency, and accountability (Olga, 2025). In the context of higher education, this involves integrating digital banking, e-payment systems, online transparency tools, and financial analytics platforms to facilitate real-time decision-making and traceable fund movements. Research by Hashim et al. (2021; 2022) and Bajger et al. (2025) indicates that institutions that successfully embed digital systems into their management practices tend to be more competitive and resilient during disruptions in the education sector. Therefore, implementing digital strategies should not be seen merely as isolated technological upgrades but as vital components of a comprehensive long-term institutional strategy.

Globally, universities are increasingly moving towards student-centred financial systems that prioritise autonomy and innovation (Hong, 2023). This shift is especially significant in developing nations, where digital governance empowers youth organisations to bridge the gap between administrative structures and entrepreneurial practices. The adoption of digital financial tools not only minimises manual bureaucracy but also enhances governance ethics through open-access reporting and participatory budgeting (Wan Shamshol et al., 2025). In Malaysia, the Kementerian Pendidikan Tinggi has promoted the digitalisation of student fund management as part of a national initiative to cultivate digitally literate graduates in line with the Malaysia Digital Economy Blueprint. The approach taken by KMUKM exemplifies this vision, illustrating how a university-level student body can integrate financial governance with digital innovation, effectively functioning as a microcosm of national economic modernisation.

Financial Literacy and Entrepreneurship Among Youth Leaders

Financial literacy, defined as the capacity to effectively utilise knowledge and skills for managing one's financial resources throughout life, is widely recognised as a fundamental component of youth empowerment and entrepreneurship (Sarkar & Riba, 2024; Romadhon & Mulyadi, 2025). Research indicates that early exposure to financial management and decision-making significantly enhances leadership confidence, accountability, and innovation among young adults (Drever et al., 2015; Alshebami & Aldhyani, 2022). In universities, student leaders who engage in financial management develop vital entrepreneurial skills, including risk assessment, resource allocation, and value creation.

The relationship between financial literacy and entrepreneurship is profoundly interconnected. As noted by Sari and Putri (2025), financial knowledge lays the groundwork for youth to progress from basic budgeting to income generation. This evolution is particularly prominent in organisations that employ participatory financial management, where members actively participate in budget planning and monitoring, fostering greater ownership and creativity. In the case of KMUKM, financial literacy is nurtured through practical experience with digital fund management systems such as TKP23, TAP457, and the RHB KMUKM account. These platforms simulate real-world entrepreneurial operations, enabling users to manage revenue streams, forecast expenditures, and establish partnerships with government-linked companies and private sponsors. This hands-on learning approach aligns with the UN Sustainable Development Goal 8, Decent Work and Economic Growth, as it equips youth with entrepreneurial skills and enhances their employability in a digital economy.

Sustainable Multi-Source Fund Management in Student Organisations

Multi-source fund management involves diversifying financial inflows to include institutional allocations, sponsorships, donations, and self-generated income, thereby ensuring both resilience and sustainability in organisational operations. Within the context of student governance, this diversification reflects the complexities of real-world financial ecosystems where public, private, and social capital coexist to underpin development initiatives. Effectively managing multiple funding sources requires implementing digital tracking systems, establishing clear governance frameworks, and enhancing financial literacy among student leaders. KMUKM's model exemplifies this approach through its three interconnected funding channels:

i. TKP23 Fund – a structured institutional pool sourced from RM10 per student each semester, used for developmental and educational programs.
ii. TAP457 Platform – a digital sponsorship system designed to segregate student-fee funds from external contributions for ethical governance.
iii. RHB KMUKM Bank Account – an autonomous financial mechanism authorised by KPT, allowing collaboration with ministries, GLCs, and private sponsors.

According to Hashim et al. (2022), institutions that succeed in embedding digital systems into their management practices tend to be more competitive and resilient in the face of disruptions in the education sector. As such, implementing digital strategies should not be viewed as isolated technological upgrades. Instead, they must be positioned as essential components of long-term institutional strategy. Zaimovic et al. (2023) stressed that financial literacy is the ability to use knowledge and skills to manage one's financial resources effectively, which, in turn, provides economic benefits throughout a lifetime.

Digital Financial Governance in Higher Education

The rapid evolution of the digital economy has not only transformed national financial systems but also reshaped university governance structures. Digital financial governance encompasses the use of digital technologies to manage, monitor, and optimise financial operations, thereby ensuring transparency, efficiency, and accountability (Alassuli et al., 2025). In the higher education sector, this integration includes digital banking, e-payment systems, online transparency tools, and financial analytics platforms that facilitate real-time decision-making and enable traceable fund movements (Dragan-Spiridon et al., 2025).

Globally, universities are increasingly adopting student-centred financial systems that emphasise autonomy and innovation (Hong, 2023). This shift is particularly significant in developing countries, where digital governance empowers youth organisations to connect administrative frameworks with entrepreneurial practices (Sakil, 2018). The implementation of digital financial tools not only streamlines bureaucratic processes but also enhances ethical governance through open-access reporting and participatory budgeting (Adeusi et al., 2024).

In Malaysia, the digitalisation agenda within higher education aligns with the Malaysia Digital Economy Blueprint (MyDIGITAL), initiated by the Economic Planning Unit (EPU) in the Prime Minister's Department in 2021. In line with this broader national vision, the Ministry of Higher Education (KPT) has launched several initiatives, including the Pelan Strategik Pendigitalan KPT 2021–2025 (KPT, 2021), aimed at strengthening digital governance and enhancing students' digital competencies. KMUKM's approach reflects this vision, exemplifying how a university-level student body can marry financial governance with digital innovation, effectively serving as a microcosm of national economic modernisation.

The publication of Buku Panduan Dana KMUKM (Figure 2) and Buku Penjanaan KMUKM (Figure 3) further institutionalizes these governance practices, providing standardized guidelines for fund management, sponsorship acquisition, and income-generation strategies. These documents now serve as references for other institutions, underscoring KMUKM's role as a national leader in student-led financial governance and sustainable entrepreneurship.

FIGURE 2: Buku Panduan Dana KMUKM

FIGURE 3: Buku Penjanaan KMUKM

METHODOLOGY

This study adopts a qualitative research design grounded in document analysis and semi-structured interviews to examine the evolution of KMUKM's digital financial governance ecosystem. The methodological approach was informed by the first-phase study conducted by Mariam Masuan et al. (2025) and complemented by an extensive review of the literature on digital governance, financial literacy, and youth entrepreneurial development. In this second phase, qualitative data were supplemented through semi-structured interviews with several key informants, namely the KMUKM Financial Executive, selected *Majlis Perwakilan Pelajar* (MPP) members with direct responsibility for fund management, and officers from the Alumni Relations Office and the PayNet collaboration unit. These informants provided insights into governance challenges, innovation within financial procedures, ethical transparency, and the influence of digital systems on the entrepreneurial development of student leaders.

To strengthen the validity of findings, the study also employed institutional document analysis. Two core documents, the Buku Panduan Dana KMUKM (Financial Governance Handbook) and the Buku Penjanaan Dana KMUKM (Income Generation Blueprint), were examined to trace the institutionalisation of governance practices, the standardisation of fund procedures, and the continuity of financial knowledge transfer across leadership cycles. These documents provided evidence of how digital governance is formalised, operationalised, and sustained within the KMUKM organisational structure.

Research Framework

The analysis is grounded in the Digital Empowerment Governance Framework (DEGF), which provides a conceptual basis for connecting digital governance practices to outcomes in youth entrepreneurship (Sharma et al., 2022; Gallego-Arrufat et al, 2023). The DEGF emphasises three crucial pillars: transparency, digital literacy, and innovation, as key factors in establishing effective digital financial ecosystems. These pillars play a significant role in developing entrepreneurial competencies, including opportunity recognition, income generation, employability, and empowerment among student leaders engaged in financial management. In this study, the DEGF is employed to investigate how KMUKM's digital systems (TKP23, TAP457, RHB KMUKM Account) function as governance tools that enhance accountability while simultaneously cultivating digital-era leadership skills.

Conceptual Model: Digital Governance-to-Entrepreneurship Pathway

The study refines and extends the Digital Engagement Governance Framework (DEGF) into a sequential conceptual model that demonstrates how digital governance impacts the development of student leadership within KMUKM. As illustrated in Figure 1, the pathway commences with digital governance, which lays the foundation for transparent, accountable, and technologically advanced financial operations. Effective governance practices then enhance financial literacy, equipping student leaders with essential skills in budgeting, auditing, fund allocation, and managing diverse financial streams.

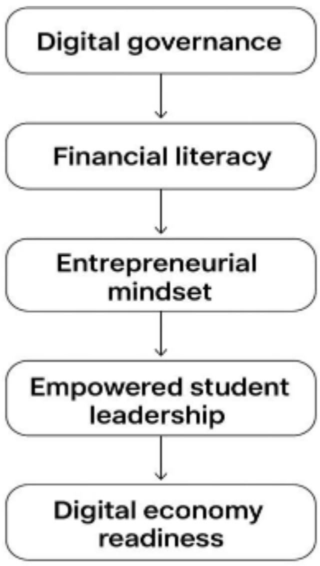

FIGURE 4: The Framework

Enhanced financial literacy fosters an entrepreneurial mindset, empowering students to assess risks effectively, identify opportunities, and make informed strategic decisions in their organisational roles. This mindset cultivates student leadership characterised by autonomy, innovation, and ethical accountability, particularly in navigating digital financial systems. Ultimately, these leadership skills contribute to readiness for the digital economy, equipping youth with the behavioural and technical competencies necessary for meaningful participation in Malaysia's evolving digital landscape.

This conceptual framework illustrates how KMUKM's digital financial platforms, initially designed for administrative efficiency, have transformed into experiential learning environments that nurture entrepreneurial capabilities and enhance student preparedness for engagement in the digital economy.

FINDINGS & DISCUSSION

The semi-structured interviews revealed six interconnected themes that illuminate the transformative role of KMUKM's multi-source digital financial governance system. Each theme captures a different dimension of how digitalisation influenced transparency, financial literacy, entrepreneurship, and student leadership development.

Theme 1: Digital Transparency and Ethical Governance

The findings indicate that KMUKM's transition to a multi-source digital financial governance system, which includes TKP23, TAP457, and the RHB KMUKM Account, represents a significant advancement towards enhanced transparency and ethical accountability. Interview data consistently underscored that separating sponsorship inflows (via TAP457) from student fee funds effectively mitigated the risk of commingling and reinforced fairness in decision-making. Informants perceived the system as more transparent, easier to understand, and less dependent on intermediaries, reflecting greater trust and clearer procedures.

This perspective aligns with the assertions of Adeusi et al. (2024), who contend that digitalised financial systems enhance accountability and ethical governance in higher education. Likewise, Wang et al. (2024) emphasise that digital financial management improves auditability and minimises manual errors, while Drăgan-Spiridon et al. (2025) highlight the role of digital transformation in reinforcing the integrity of reporting within university financial systems. Collectively, these insights affirm KMUKM's success in institutionalising transparent governance.

Theme 2: Technology Integration Enhancing Engagement and Efficiency

Participants reported that the digital system enhanced leader engagement by streamlining workflows, decreasing processing times, and enabling continuous monitoring via dashboards. Informants generally concurred that the digital submission processes simplified administrative tasks and encouraged wider involvement in fund-related responsibilities.

These findings align with the work of Ekin et al. (2025), who illustrate that digital platforms boost user participation through improved accessibility and real-time interactions. Additionally, Hashim et al. (2021) highlight that integrating technology enhances responsiveness and organisational efficiency in higher education. The similarities suggest that digital governance systems, akin to digital learning platforms, foster inclusive and interactive participation.

Theme 3: Paperless Governance and Digital Sustainability

Data indicates that KMUKM's digitalisation has significantly diminished the reliance on hardcopy forms, receipts, and manual verification processes. Informants have noted that the transition to online documentation has streamlined audit procedures, reduced the likelihood of document loss, and enhanced environmental efficiency.

These observations are consistent with the findings of Hashim et al. (2022), who contend that digital transformation supports sustainable practices in universities through the adoption of paperless systems and optimised workflows. Similarly, Alojail and Khan (2023) emphasise that digital workplaces minimise waste and promote organisational sustainability. KMUKM's approach also reflects national objectives outlined in the Pelan Strategik Pendigitalan KPT 2021–2025 (KPT, 2021), which advocates for digital ecosystems that enhance green governance and operational efficiency.

Theme 4: Development of Financial Literacy Through Real-world Practice

The digital ecosystem served as a practical learning platform, enabling leaders to enhance their skills in budgeting, revenue tracking, forecasting, and justification. Participants noted that they had limited prior experience in preparing comprehensive budgets; however, the structured digital templates and audit requirements integrated into the system promoted more systematic and informed financial decision-making.

This aligns with the findings of Drever et al. (2015), who identified experience-based learning as crucial for financial socialisation and the development of competencies among youth. Similarly, Sari and Putri (2025) highlighted that financial discipline and structured processes bolster budgeting capabilities. Additionally, Koskelainen et al. (2023) emphasised that digital financial tools improve literacy by offering real-time, practical exposure to financial management tasks.

Theme 5: Entrepreneurial Mindset and Innovation

One prominent theme was the development of entrepreneurial thinking. Managing sponsorships, merchandise revenue, and cashless transactions was often likened to “running a startup.” The innovative “tumpang service,” which allowed KMUKM to retain a 10% administrative fee for managing external funds, was widely recognised as a groundbreaking model for achieving financial autonomy.

These insights are consistent with the findings of Sarkar and Riba (2024), who demonstrate that financial literacy enhances entrepreneurial competence among young people. Similarly, Romadhon and Mulyadi (2025) emphasise that meaningful financial exposure encourages entrepreneurial initiative. Moreover, Masuan et al. (2024) and Wan Shamshol et al. (2025) have documented that digital and autonomous financial systems enable student organisations to innovate and generate income through sustainable models.

Theme 6: Leadership, Empowerment, and Digital Economy Readiness

The findings reveal significant growth in leadership capabilities among students, as they report enhanced confidence, autonomy, and digital skills resulting from their engagement with QR payment tools, proposal pitching, and online reporting. These competencies align with the industry-relevant skills needed in Malaysia’s digital economy.

This observation is consistent with the work of Sharma et al. (2022), who contend that digital empowerment frameworks strengthen citizens' readiness to engage in digital ecosystems. Additionally, Gallego-Arrufat et al. (2023) highlight that understanding digital rights and responsibilities is crucial for young entrepreneurs. Moreover, Sakil (2018) underscores that ICT-enabled governance models equip youth for more participatory and technology-driven leadership roles. Collectively, these findings bolster the rationale behind the Digital Empowerment Governance Framework (DEGF), which positions digital governance as a vital pathway to youth empowerment and employability.

Synthesis of Themes and Emergent Model

The six themes collectively reveal that KMUKM’s digital financial governance system serves not only as an administrative tool but as a transformative educational ecosystem. This system enhances digital transparency and ethical accountability (Adeusi et al., 2024), promotes operational sustainability through paperless processes (Hashim et al., 2022), improves experiential financial literacy (Koskeläinen et al., 2023; Drever et al., 2015), fosters entrepreneurial innovation (Sarkar & Riba, 2024), and supports leadership empowerment that aligns with the competencies required in the digital era (Sharma et al., 2022). These interconnected outcomes position KMUKM as a benchmark for digital student governance within Malaysian higher education.

The emergent model derived from these six themes (Figure 2) illustrates a progressive pathway whereby digital governance catalyses capability-building and leadership development. At its core, digital governance—anchored in transparency, technology-driven engagement, and sustainable paperless operations—reinforces institutional integrity and streamlines financial processes. These governance mechanisms, in turn, enhance students’ experiential financial literacy by immersing them in practical activities such as budgeting, audit compliance, and multi-source income management.

This enhanced financial literacy fosters entrepreneurial innovation, as evidenced by students’ ability to pitch for sponsorships, manage merchandise sales, implement cashless payment systems, and operate autonomous financial models such as the “tumpang service.” Ultimately, these entrepreneurial competencies contribute to the evolution of empowered student leadership, characterised by confidence, accountability, and readiness to participate in the digital economy. The model demonstrates how KMUKM’s integrated financial ecosystem creates a coherent, mutually reinforcing cycle that supports governance excellence, student capability development, and comprehensive leadership formation.

A further dimension of KMUKM’s financial transformation is seen in its expanded income-generation capacity, made possible through diversified digital and entrepreneurial initiatives. Analysis of financial records

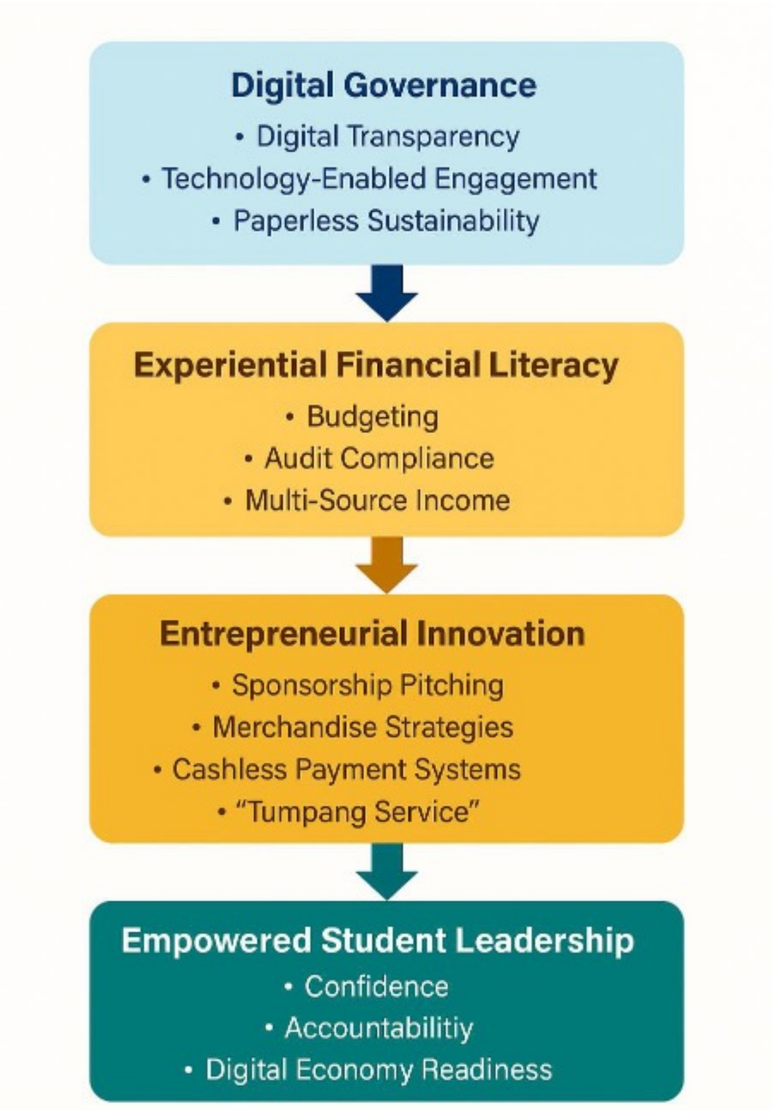

FIGURE 5: Emergent Model of KMUKM's Digital Financial Governance Ecosystem

shows that KMUKM successfully generated RM7,000 through the sale of official merchandise such as jerseys and T-shirts, demonstrating how student-driven branding can be leveraged as a sustainable revenue stream. Sponsorship acquisition improved significantly under the new governance model, with RM40,000 secured through direct banking transactions facilitated by the digital sponsorship platform. Strategic collaborations further strengthened KMUKM's financial resilience: the partnership with PayNet contributed RM60,000, while the Hotlink Maxis collaboration generated RM6,000, alongside additional inflows from various corporate partners. These financial achievements reflect KMUKM's strengthened ability to "find its own money" through legitimate, well-governed, and diversified income channels—an approach that directly supports SDG 1 (No Poverty) by reducing financial constraints on student programs and ensuring accessible, equitable funding opportunities for all student groups. Interview data further highlighted that these gains provided real-world entrepreneurial training for student leaders, who learned to plan campaigns, engage stakeholders, analyze market demand, and execute profit-generating initiatives within an ethical governance framework, aligning with SDG 8 (Decent Work and Economic Growth) through capacity building, skill development, and youth economic empowerment. At the same time, the use of digital platforms, automated reporting, and corporate–student financial ecosystems demonstrates meaningful advancement in SDG 9 (Industry, Innovation and Infrastructure), as KMUKM integrates digital innovation, modern financial infrastructure, and cross-sector partnerships into its governance model. Collectively, these diversified income streams underscore the effectiveness of KMUKM's digital financial ecosystem in fostering long-term sustainability, reducing reliance on student-fee allocations, and positioning KMUKM as a national model for financially autonomous, SDG-aligned student governance.

An additional outcome of KMUKM's digital governance reforms is the strengthened culture of transparency demonstrated through the introduction of a hybrid financial townhall, conducted physically and livestreamed at the end of each tenure. This town hall allows the student body to openly present all financial inflows, expenditures, sponsorships, and revenue-generation outcomes, ensuring that every transaction is auditable and accessible to the wider UKM community. Interview responses indicated that this townhall model significantly enhanced trust and accountability, marking a clear departure from past practices where financial reporting was limited or fragmented. Importantly, the effectiveness of KMUKM's digital governance is reflected in its financial performance: despite inheriting a substantial deficit, the 2024/2025 leadership successfully reversed the situation and ended the tenure with an estimated RM36,779.48 surplus generated through income diversification, digital financial management, and strategic entrepreneurial initiatives. When combined with the RM600,000 in semesterly student-fee allocations that were preserved and not touched for deficit recovery, KMUKM effectively recorded a total positive financial position of approximately RM679,558.24. This turnaround affirms the success of KMUKM's digital governance model, demonstrating how transparent reporting, data-driven decision-making, and multi-source income management can restore financial stability and create sustainable economic foundations for future student leadership.

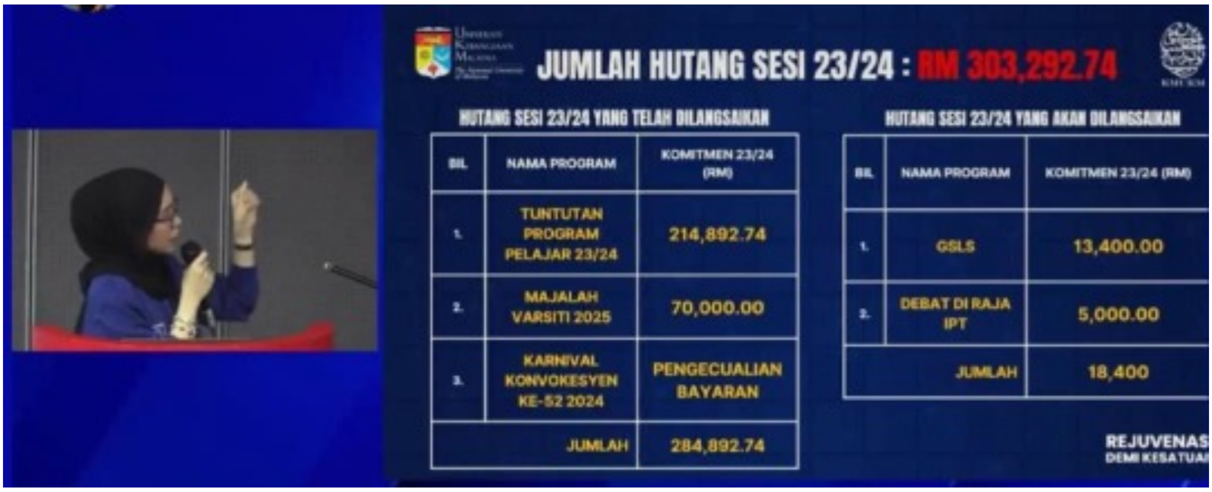

FIGURE 6: Financial Town hall KMUKM

Although KMUKM's digital financial ecosystem has improved transparency and efficiency, the findings highlight several areas for future enhancement. Participants recommended integrating all platforms TKP23, TAP457, and the RHB KMUKM account into a unified digital dashboard to streamline navigation and reduce administrative overlap. Strengthening cybersecurity measures and introducing simple analytical features such as automated budget tracking, spending summaries, and financial forecasting would further support data-driven decision-making. Students also suggested developing a mobile-friendly interface to improve real-time accessibility and approval workflows, as well as providing structured training to ensure smooth leadership transitions. Collectively, these improvements would enhance the sustainability, reliability, and user experience of KMUKM's digital financial management system.

Findings indicate that KMUKM's digital governance model enhances accountability, supports sustainable revenue generation, and reduces dependence on student-fee allocations. The system also aligns with national digital transformation goals by equipping students with practical competencies relevant to Malaysia's evolving digital economy. While the current model is effective, further improvements such as platform integration, enhanced cybersecurity, mobile accessibility, and structured leadership training will help ensure long-term sustainability.

In summary, KMUKM's digital financial governance provides a practical and scalable model for modernizing student financial management. Continued innovation and institutional support will be essential to maintaining this momentum and preparing future student leaders for responsible, data-driven financial stewardship.

CONCLUSION

This study explored the evolution of KMUKM's digital financial governance ecosystem through semi-structured interviews and an analysis of institutional documents. The findings, synthesised into six interconnected themes digital transparency, technology-driven engagement, paperless sustainability, experiential financial literacy, entrepreneurial innovation, and empowered digital-era leadership illustrate that KMUKM's digital transformation goes well beyond mere administrative efficiency. It embodies a comprehensive governance model that enhances integrity, builds capabilities, and reshapes the culture of student leadership within higher education.

Insights from student leaders and administrative informants indicate that digital governance mechanisms have significantly improved procedural clarity, bolstered accountability, and lessened reliance on manual processes. The shift to a fully digital ecosystem not only optimised fund management but also fostered practical financial skills, entrepreneurial competencies, and leadership readiness that align with Malaysia's digital economy. These developments suggest that digital financial platforms can serve as experiential learning environments, preparing youth for future governance and economic involvement.

The six emergent themes make practical and theoretical contributions to higher education institutions across Malaysia. First, the focus on transparency and accountability demonstrates a replicable governance model for IPTs aiming to enhance institutional trust. Second, the adoption of paperless systems aligns with national digitalisation and sustainability initiatives, including SDG 9 and SDG 12. Third, the evident growth in students' financial literacy and entrepreneurial skills underscores the potential for digital governance systems to act as incubators for youth empowerment, an area directly relevant to Malaysia's aspirations under the Malaysia Digital Economy Blueprint (MyDIGITAL) and broader TVET and graduate employability frameworks.

The study does have its limitations. It relies on qualitative insights from a specific institutional context, and further research is essential to investigate scalability, long-term outcomes, and comparisons across different institutions. Future studies should also consider how digital student governance systems can integrate data analytics, automated reporting, and cross-platform collaboration to enhance decision-making and foster interoperability among sectors.

In conclusion, KMUKM's digital financial governance model exemplifies how student organisations can transform into digitally empowered, ethically grounded, and entrepreneurially driven ecosystems. This model offers valuable guidance for universities across the nation that are aiming to modernise student governance, strengthen institutional integrity, and equip youth to take on leadership roles in Malaysia's rapidly evolving digital economy.

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