

FACTORS INFLUENCING THE UNIVERSITY CHOICE DECISION OF BUSINESS STUDENTS AT HIGHER EDUCATION LEVEL: A CASE FROM PAKISTAN

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The purpose of the study is to explore the factors influencing the university choice decision of business students at the higher education level. A sample of 200 questionnaires was distributed to measure admission decision and applied factor analysis and multiple regression. The study found the following factors to influence university choice decision: the value of a degree from this school, a particular field of study available, size of the department, reputation of department's faculty, the opportunity to work w/particular faculty, programme structure and requirements, research opportunities and postgraduate job placement. Furthermore, the findings of multiple regression analyses represented a significant impact on the academic reputation of the university, work, social, and spouse.

Keywords: *Factor Analysis; Higher Education; Multiple Regression; Pakistan; University Choice Decision.*

Introduction

In the modern world, the sector of higher education has experienced relatively radical transformation due to which this sector has become competitive. The increased competition threatens the existence of many universities and to participate with limited capital for a larger quantity of prospective students is the point of dispute among institutions. In this competitive environment, it has become the dire need of institutions to pinpoint the factors which affect the student in the selection of institutions and thus attracting big chunk of the students. Some studies have attempted to inspect that which method candidates use to choose a University. As Kotler and Fox (1995) emphasized that to pull prospective candidates, universities need to know how the universities may be chosen. Recognition of the features that a prospective scholar may think in selecting a university

as compared to another is a subject of weight to proprietors who are worried about the efficiency of their enrolment process. Plank and Chiagouris (1997) stated that knowing the selection procedure of an institution is a tool with the potential for making the marketing plans for universities (Raposo and Helena, 2007). However, knowing the university selection procedure is not an easy task. Choosing an institution is a grand and diverse decision for a candidate, not only in financial problems but also due to taking a decision which influences the future of student (Litten, 1980; Yost and Tucker, 1995).

The admission decisions of postgraduates have turned into an important indicator of mutual and educational problems. Most of the students from educated families consider the rankings of the universities to observe which university attracts brilliant candidates. Due to many reasons, how students decide universities and the indicators that affect those choices have become vital to many divisions of society. In the present century, students, parents even states suppose that everybody in society must get something from post-secondary education. A bachelor's degree persists to be analyzed as a path to own satisfaction and monetary achievement. Many studies express that higher education leads to high income, a good job, a good career, and a high quality of life. Administrators of universities put a notice in accepting how candidates decide. The main lifeblood of universities is enrolments. Students consider it a difficult decision when they come and choose the university. Many factors are involved to select or not to choose a university.

In the background of Pakistan, a clear drift has been the mounting rivalry among institutions to attract scholars. Several studies have found out the effect of work, social environment, spouse, and friends. Above and beyond, the effect of friends is shaping to study. McMahon quoted advice from academics, work, social environment, friends, and relatives choice does matter for students. Therefore, it is proposed that the influence of work, social environment, academic reputation, family, and friends is significant.

Problem Identification

The significance of higher education can be judged by the way it benefits a student economically and socially. In Pakistan, higher education is the topmost level. A bachelor's degree is required for admission to postgraduate courses, leading to a master's degree program. After the completion of master, M.Phil and Ph.D. Programs are available for further advancement in education. (The Compton Encyclopedia, 1996).

Most of the developing countries have picked up the pace and they have increased enrollment at college and university level manifold. However, Pakistan has to yet gear up the spirit to increase student enrollment in the universities (Brickman, 1995). Public universities are not meeting the standards of the society due to many weaknesses whereas the private sector is emerging with greater speed in the field of enrollment of students. Almost half the members of the total universities belong to the private sector. There is a general observation that Quaid-Azam university Islamabad, National university of science and technology Rawalpindi, National university of modern languages and sciences, Shaheed Zulfiqar Bhutto institute of science and technology Islamabad, Iqra University Islamabad and Federal Urdu University of Science and Technology mostly influence in university choice decision making. A clear gap has been found between the students' choice regarding their academics, social, work, and spouse.

Problem Statement

Students are considered the backbone of universities. There is a dualistic higher education system in Pakistan that includes Public and Private Institutions. In the current educational system of Pakistan, different private universities keep trying of admitting students for business. Due to competition, universities are offering a wide range of courses and other extracurricular activities to facilitate the students to choose the university of their choice. That is why one of the most disturbing problems for students is to choose the university. University choice decisions are defined as the beliefs, procedures, effects, and perceptions associated with the students' decisions to continue their study. The main goal of this research was not only to explain university choice but also to provide an understanding of ways to select a university.

Research Questions

- Which factors most influence on university choice decision?
- Is there a significant difference in the relative importance ascribed to the major university choice factors?

Objectives

The objectives of the study are:

- To examine the potential factors affecting the university choice decisions of business students at the postgraduate level.
- To analysis the gap between higher education institutions and university choice decisions of students.
- To suggest the ways through which university choice decisions of students can be easy and beneficial for them.

Literature Review

An overview of the previous studies is presented in this section. Moreover, this section encompasses the hypothesis and theoretical framework. The study intends to portrait the potential factors affecting university choice decisions. Extensive researches have been conducted by various researchers on factors influencing the university choice decision (Nagaraj, Munisamy, Jaafar, Abdul Wahab and Mirzaei, 2008; Yusof, Ahmad, Tajudin and Ravindran, 2008; Kusumawati, 2013, Agrey and Lampadan, 2014; Naidu and Derani, 2016). Kankey and Quarterman (2007) examined the factors influencing the university choice. The findings of this study propose that decisions of students are influenced by academic program, career opportunities, social activities and the financial aid, friends, affiliation of the university (religion, public, private), To collect data, a questionnaire was used and the sample was 196 students in the state of Ohio.

Webb and Coccari (1997) have empirically tested various factors to attract students. The empirical results based on a representative sample of 222 students from private and public universities and identified that academic reputation, marketability of degree, and library size are used to select a university. Kallio (1995) investigated the relative effect of college choice decisions of postgraduate students. For this study, 1986 surveys were conducted at a university. This study pointed out that residence, quality of education, and academic reputation play a decisive role in university choice decisions.

Ghani et al. (2008) analyzed the determinants of Malaysian adult learners and identified the factors alleged to be significant in selecting a university for distance learning. The outcomes give imminent to academics on the natural world and relative significance of the issues alleged important for adults. Ethington and Smart (1986) researched the persistence in post-graduate education. They concluded that both academic and social combinations are major for men and women, academics have a higher effect on men.

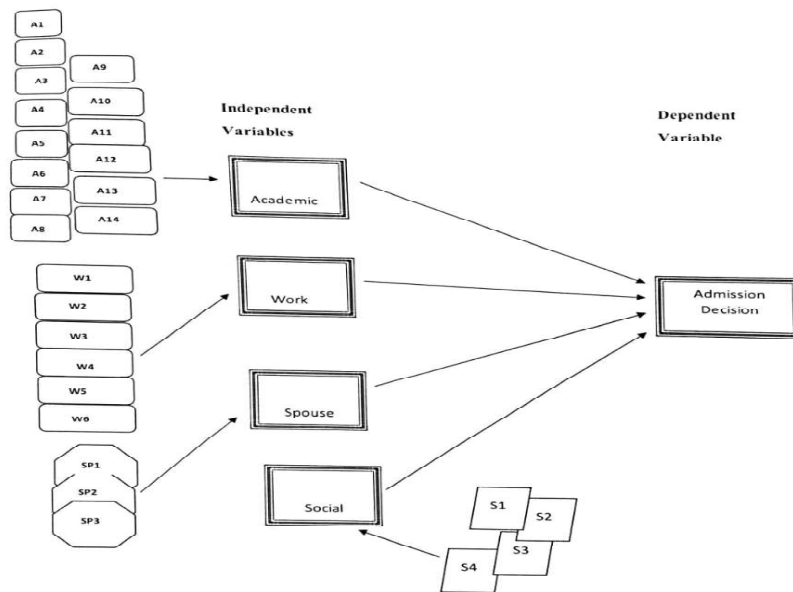
Methodology

The current study is based on a survey of 200 business students enrolled in M.Phil and Ph.D. programs at different universities in Pakistan. A field study was conducted to identify the factors influencing the university choice decision of postgraduate Students. The data was gathered from different public and private sector universities of Pakistan. Out of 200 respondents, the refusal rate was around 4.5 percent so a total of 191 questionnaires were used for data analysis. The dependent variable of the study was the admission decision to enroll and the independent variables were Academic, Work, Spouse, and Social (Kalio, 1995). The questionnaire was comprised of two main parts. The first section dealt with the demographic characteristics of the respondents including gender, age, marital status, and occupation. The second part of the questionnaire contained 28 items to accord the attitudinal evaluation of various statements related to independent variables and dependent variables by using a 6 point Likert scale. Firstly, this study runs factor analysis to test which factors are more important to get admission in M.Phil and Ph.D. programs. Moreover, multiple regression was applied to test the hypotheses and to find the impact of independent variables (Academic, Work, Spouse, and Social) on the dependent variable (Admission Decision). For the reliability of the data, the internal consistency test was applied. The value of Cronbach alpha was 0.834 which allowed proceeding further.

Four basic variables are considered as independent variables that affect the dependent variable of college or university choice decision. While those variables are academic, work, social life, and spouse. Academic variable considers the student's value judgment of the institution based on his/her perception of the school's quality of professors, good academic reputation, quality of major(s) and courses he/she is interested in, quality of learning resources and facilities (library, computers, laboratories), the interaction between students and professors, and focus on postgraduate education. Moreover, the Social variable encompasses all activities that the university undertakes for the social life of students. e.g. a variety of extracurricular activities (clubs, music, theater, etc.), quality of social life/activities, the opportunity to be with his/her friends, and the opportunity to interact with students from different backgrounds. Work variable refers to the job opportunities while Spouse refers to the hostels to live with the spouse. In a similar work (Kankey and Quarterman, 2007) examined the factors influencing the university choice and utilized the same variables as an academic program, career opportunities after

graduation, social atmosphere and the amount of financial aid, friends, an affiliation of the university (religion, public, private). All these above-given variables contribute to decision choice. 27 items measure these four independent variables. The academic variable contains 14 items, work encompasses items, the spouse has 3 items and social contains 4 items.

Research Design



Findings

The findings of the factor analysis are mentioned in Table 1. According to Table 1, KMO, the measure of sampling adequacy is 0.737 which indicates that data is factorable to extract the most important factors from 28 items.

Table 1: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.737
Bartlett's Test of Sphericity	Approx. Chi-Square	1910.824
	Df	378
	Sig.	.000

So, the results find out 8 factors which are covering 62.9 cumulative variances (see table No. 2).

Table #2: Total Variance Explained

Component	Initial Eigenvalue			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative%	Total	% of Variance	Cumulative%	Total	% of Variance	Cumulative%
1	6.337	22.632	22.632	6.337	22.632	22.632	2.820	10.070	10.070
2	2.353	8.404	31.037	2.353	8.404	31.037	2.797	9.990	20.060
3	1.931	6.898	37.935	1.931	6.898	37.935	2.390	8.535	28.595
4	1.609	5.745	43.679	1.609	5.745	43.679	2.307	8.240	36.835
5	1.505	5.373	49.053	1.505	5.373	49.053	2.307	8.240	45.075
6	1.356	4.843	53.896	1.356	4.843	53.896	1.944	6.941	52.016
7	1.282	4.580	58.475	1.282	4.580	58.475	1.529	5.460	57.476
8	1.243	4.439	62.914	1.243	4.439	62.914	1.523	5.438	62.914
9	.994	3.551	66.465						
10	.910	3.251	69.716						
11	.881	3.145	72.860						
12	.755	2.696	75.557						
13	.744	2.659	78.215						
14	.672	2.402	80.617						
15	.636	2.271	82.888						
16	.576	2.056	84.944						
17	.568	2.029	86.973						
18	.523	1.866	88.840						
19	.462	1.650	90.490						
20	.447	1.597	92.087						
21	.401	1.431	93.517						
22	.360	1.287	94.805						
23	.325	1.160	95.965						
24	.286	1.022	96.987						
25	.259	.927	97.914						
26	.238	.850	98.764						
27	.208	.741	99.505						
28	.138	.495	100.000						

The factors are following: 1) “Value of a degree from this school”, 2) “Particular field of study available”, 3) “Size of the department”, 4) “Reputation of department’s faculty”, 5) “Opportunity to work w/particular faculty”, 6) “Program structure and requirements”, 7) “Research opportunities”, 8) “Postgraduate job placement”.

Table No. 3 Rotated Component Matrix (a)

	COMPONENT							
	1	2	3	4	5	6	7	8
Institution's academic reputation.	.264	.208	.376	-.203	.415	.139	.221	-.256
Diversity of course offerings.	.026	.287	.364	-.094	.202	.093	.641	-.024
Value of a degree from this school.	.058	.074	.801	.071	.026	.146	.047	.067
Geographic location of the institution	.294	.465	.427	.034	.192	-.109	-.015	.278
Social/cultural opportunities.	.039	.396	.623	.141	.360	-.167	-.001	-.164
Library facilities and collections.	.055	.317	.443	.260	.165	.347	-.325	-.237
Research and computer facilities	.210	.172	.158	.037	.668	.306	-.117	-.001
Quality of day-to-day campus life.	.586	.259	.192	-.082	.104	.330	.041	.090
Admissions process and policies	.599	.176	.128	-.171	.365	.212	-.195	.143
Size of the department	.112	.183	.182	.019	.144	.795	-.006	-.046
Particular field of study available.	.040	-.058	.026	.000	.799	.087	-.007	-.046
Reputation of department's faculty.	.170	.495	.223	.720	.143	.433	.058	-.174
Quality of teaching.	.046	.688	.181	.074	.021	.067	.065	-.105
Research opportunities.	-.052	.700	-.022	.122	.052	.068	.023	.014
Quality of students enrolled in program.	-.185	.313	-.339	.071	.116	-.114	-.073	.465
Opportunities for friendships	.089	.340	.094	.146	.605	-.194	.103	.234
Opportunity to teach.	.230	.682	.051	.059	.076	.083	.140	.097
Opportunity to work w/particular faculty.	.102	-.075	.109	-.123	-.020	.035	-.053	.779
Postpost graduate job placement.	.616	.070	.030	.211	.054	-.080	.142	-.419
Program structure and requirements	.130	.097	-.057	.244	-.111	.048	.776	-.112
Length of time to degree.	-.060	-.003	.494	.496	.013	.156	.189	.230
Ability to pursue studies part-time.	.510	.203	.174	.397	-.112	-.106	.081	.152
Spouse/partner educational plans.	.196	.146	.202	.681	.035	-.095	.131	-.141
Availability of child care.	.087	.211	.025	.026	-.041	.260	-.118	-.104
Availability of university housing.	.260	-.015	-.129	.584	.432	.116	.207	-.086
Ability to continue in current job.	.595	-.097	.076	.139	.115	.235	.259	-.038
Employer tuition reimbursement.	.524	.031	-.111	.216	.103	-.008	-.035	.010
Will you take admission?	.103	-.061	-.138	.404	.022	.634	.233	.159

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization a Rotation converged in 13 iterations.

Table No. 3 of the rotated component matrix shows the loading values of these 8 most important factors, this table helps to rank the variables from one to eight.

Table 4: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.453a	.205	.188	1.14878

a. Predictors: (Constant), Social, Spouse, Work, Academic

Table No. 4 shows the model summary of multiple regression results. The value of R square is 0.205 which indicates that 20.5% of the variation in the dependent variable admission decision, is explained by the independent variables academic, work, spouse, and social. It also indicates that the model is a good fit for the data. Moreover, table #5 represents the overall significance of the model. Table #5 p-value is 0.000 that indicates that the model is significant which shows that the independent variables academic, work, spouse, and social are statistically significant and can predict the dependent variable.

Table 5: ANOVA^a

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	63.457	4	15.864	12.021	.000 ^b
Residual	245.465	186	1.320		
Total	308.921	190			

a. Dependent Variable: Admission Decision

b. Predictors: (Constant), Social, Spouse, Work, Academic

Furthermore, table No. 6 shows that all independent variables are statistically significant and their coefficients are also statistically significant. The unstandardized coefficients are 0.733, 0.363, 0.410, and -0.547 for Academic, Work, Spouse, and Social respectively.

Table 6: Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	-.072	.428		-.167	.868
Academic	.733	.228	.300	3.214	.002
Work	.363	.160	.184	2.269	.024
Spouse	.410	.111	.275	3.696	.000
Social	-.547	.154	-.342	-3.560	.000

a. Dependent Variable: Admission Decision

The highest value of the unstandardized coefficient is 0.733 for academic which indicates that for each one-unit change in the Academic variable, the dependent variable will change by 0.733. It exhibits that students more care about the academic characteristics of the university. The noteworthy point here is the unstandardized coefficient for Social is -0.547 which shows that for one unit increase in social, the dependent variable will decrease by -0.547. The findings of the multiple regression analysis show that the academic reputation of the university is considered the most important factor and students prefer to get admission to well-reputed universities.

Conclusion

The primary objective of this study is to find out the factors affecting the university choice decision of students in higher education. The study applied a factor analysis test to explore the important factors. Moreover, multiple regression was also run to investigate the relationship between the concerned variables. The study concludes that university choice decision is a multi-factor decision. The study also concludes that the value of a degree from this school, a particular field of study available, size of the department, the reputation of department's faculty, opportunity to work w/particular faculty, program structure and requirements, research opportunities, postgraduate job placement are most important factors. Moreover, multiple regression analysis exhibits that there is a significant impact of the academic reputation of the university, work, social, and spouse to get admission in universities. This study provides important factors for universities to attract prospective postgraduate students because these factors can influence the enrollment process of universities. The study also concludes that universities should re-examination their strategies to attract students and hire qualified faculty members. This study suggests that Higher Education, Pakistan should also address the issues of universities and should make suitable and implementable policies to promote higher education in Pakistan.

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