INFLUENCE OF ACADEMIC PROGRAM, TUITION FEES AND LOCATION ON STUDENTS’ DECISIONS TO ENROLL AT UNIVERSITI: A STUDY OF KUALA LUMPUR BUSINESS SCHOOL CAMPUS

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Abstract

Purpose of Study: This research focuses on three factors influence students’ decisions making to enroll at private Higher Education Institution (HEI) namely as academic program, tuition fees and location as independent variable and students’ decision making as dependent variable. Theory of Planned Behavior (TPB) applied for this study.

Methodology: The survey consists of questionnaire responded by 100 undergraduate students in Universiti Kuala Lumpur, Business School Campus. Data were analyzed by employing exploratory factor analyses and reliability analyses. SPSS version 24 applied.

Main Findings: The result revealed for factor loading all items above 0.5, academic program remarks the highest Kaiser Meyer-Olkin (KMO) with .804 and for Cronbach’s alpha tuition fees was the highest one with .819.

Implications/Applications: The present study helps in investigating the factors which influence students’ decisions making to enroll at HEI.

Keywords: Students’ Decision Making, Factors Influence, Academic Program, Tuition Fees, Location

INTRODUCTION

The growth in HEI industry has caused a remarkable growth in the number and type of Higher Education Institution (HEI) (Mbawuni and Nimako, 2015). Every year a multitude of high school students, complete their secondary school and searching HEI to further their study. Kim (2004) holds the view that every student has their own preferences about HEI based on institutional type, reputation, or even a student’s intuitive feelings about how their personality fits into a certain HEI.

LITERATURE REVIEW

Understanding the determinants of decision making it is vital nowadays especially for private HEI.

Study on how students select their preferred HEI in Malaysia was mainly conducted by others researcher (Md Sidin et al., 2003; Yusof et al., 2008; Khairani and Abd Razak, 2013; Nurzatil et al., 2015). With the growth and extreme competition in this sector, there was limited literature about the factors influencing students’ choice to further at private HEI (Shah et al., 2013). In this study three factors namely as academic program, tuition fees and location will be focus on to as factors influence student decision making to enroll at private Higher Education Institution (HEI).

Academic Program

In making decision process to selecting private HEI becoming difficult due to all these private HEI offer a wide range of quality and competitive program that aims to attract students (Jayakumar, 2016; Vahdany and Gerivani, 2016; Wijayanto and Sumarwan, 2016; Kweka and Ndibalema, 2018; Masciantonio and Berger, 2018; Owagbemi, 2018; Verma et al., 2018). Therefore, academic programs offered in a particular HEI is the top attribute as the decision making for students’ enrolment (Zain et al., 2013).

Tuition fees

In study reviewed by Ming Sia (2013) said cost related issues seem to have more importance as years go by, also agreed by Mustafa et al. (2018) where tuition fee is an important factor considered in choosing a HEI. The strong influence of tuition fees on students’ HEI choice on enrollment decisions can be seen when students often weigh the choices they make against tuition charges as reported by Hoxby and Turner (2013).
Location

Location also is one of factor that will be influence decision making by student to attract student to further and select the HEI as a place to study. For student, this factor refers to where a HEI is located geographically, and closes proximity to home or city center because some students may be looking for a HEI close to their hometown or place of work for convenience and accessibility (Mustafa et al., 2018).

Students’ Decision Making

Decision making process is a part of consumer behavior. Choosing a HEI is a critical stage for all high school graduates who have a plan to further their study at HEI level. Students are highly selective when deciding on which HEI they should to enroll, because the decision making spectrum has been found to involve a multistage process (Halder and Chandra, 2012; Dumbu, 2014; Pan, 2014; Esia-Donkoh et al., 2015; Vahdany and Gerivani, 2016; Wadhwa, 2016; Al-Fadley et al., 2018).

THEORY OF REASON ACTION AND THEORY OF PLANNED BEHAVIOUR

Theory of Planned Behavior (TPB) applied for academic programs, tuition fees, and location. As information, the TPB is used to understand, anticipate and simulate the human behavior in different situations (Ajzen, 2012).

PROPOSED RESEARCH MODEL

Figure 1.1: Research framework model

| Independent Variable | Fixed HEI Characteristics | Students’ Decision Making |
|----------------------|---------------------------|---------------------------|
| Academic Programs    | h₁                         |                           |
| Tuition fees         | h₂                         |                           |
| Location             | h₃                         |                           |

Figure 1.1 above show the theoretical framework adopted from Chapman (1981), Hossler and Gallagher (1987).

RESEARCH METHODOLOGY

The questionnaire for this study has been developed based on previously validated measures. It is important to note that all the items in the questionnaire were modified to fit with Malaysia context. Before deciding on the actual questionnaire to be utilized in this study, a study was conducted using 100 samples from undergraduate students (semester one). (Total no of population is missing) Sekaran and Bougie (2013) stated that a study is performed to correct any inadequacies in the instrument prior to data collection and to identify difficulties in wording and translation. In March 2018, a face to face monitoring survey questionnaire was conducted in Universiti Kuala Lumpur Business School campus as proposed. A total of 100 questionnaires have been distributed to the students semester one from intake January until March year 2018 from Universiti Kuala Lumpur Business School campus to collect data as well as to know the understandings of the questionnaires. As information, 100 was responded completely and returned. The response rate was 100%.

DATA ANALYSIS AND RESULTS

Three factors has been analyzed in this study. Factor analysis is one of the important steps in data analysis to reduce a vast number of variables to a meaningful, interpretable and manageable set of factors (Sekaran and Bougie, 2013; Jabarullah and Hussain, 2019). This is done by defining that the common underling cut-off point chosen for significant factor loading is 0.50, which was suggested by Hair et al. (2010). In order to get solid loading, factor analysis was conducted based on original 25items of which 6 items on academic program (AP), 4 items on tuition fee (TF), 7 items on location (LO), and 8 items from decision making (DM). Based on the result of analysis, it shows all 25 items were higher than 0.5 with range between .523 and .958 considered as acceptable as recommended by Hair et al. (2010) (see table 1.1). The results also indicate the value of Kaiser Meyer-Olkin (KMO). The purpose of KMO is to assessing the strength of the relationships and suggesting factorability of the variables. Beavers et al. (2013). According to Tabachnick and Fidell (2007) and Hair et al. (2010) stated the KMO must exceed 0.50. For the test, results indicate the value of KMO has exceeded the minimum value 0.5 suggested by Tabachnick and Fidell (2007) also Hair et al. (2010) (see table 1.1). Cronbach’s alpha can be considered as a perfectly adequate indication of the internal consistency, and thus of reliability (Sekaran, 2000; Sekaran and Bougie, 2013). They also stated if Cronbach’s Alpha is closer to 1, the reliability
of the measures is higher. Cronbach’s Alpha of 0.6 is considered poor, 0.7 is good and 0.8 is categorized as very good and 0.9 is categorized excellent. According to table 1.1, results showed that all three variables Cronbach’s alpha values yielded .70 and above suggested by Sekaran and Bougie (2013). Hence, all the measures were highly reliable.

### Table 1: Factor Loadings, KMO and Cronbach’s alpha for all variables (n=100)

| No | Item                                                                 | Factor Loadings | KMO  | Cronbach’s Alpha (α) |
|----|----------------------------------------------------------------------|-----------------|------|-----------------------|
| 1  | Academic Program                                                     |                 |      |                       |
|    | AP1 The duration of study                                           | .578            |      |                       |
|    | AP2 Credits hours needed to complete the major subject               | .954            |      |                       |
|    | AP3 Entry requirements required                                      | .950            |      |                       |
|    | AP4 Acceptance of transfer credits                                  | .936            |      |                       |
|    | AP5 Opportunity to work in course applied                            | .955            |      |                       |
|    | AP6 Its qualification are recognized                                | .619            |      |                       |
| 2  | Tuition Fee                                                          |                 |      |                       |
|    | TF1 The cost of tuition fee charged by university                    | .539            |      |                       |
|    | TF2 The price paid for studying at this university is reasonable     | .583            |      |                       |
|    | TF3 Studying at the university is value for money                    | .571            |      |                       |
|    | TF4 My guardians are able to afford the tuition fee                  | .523            |      |                       |
| 3  | Location                                                             |                 |      |                       |
|    | LO1 The city in which university is located                          | .858            |      |                       |
|    | LO2 The cost of living in the area where the university is located   | .799            |      |                       |
|    | LO3 The distance of the university from my home                      | .742            |      |                       |
|    | LO4 The university’s campus is easily accessible by transport        | .653            |      |                       |
|    | LO5 The university’s campus is located near malls                    | .854            |      |                       |
|    | LO6 The university’s campus is close to health services              | .724            |      |                       |
|    | LO7 Accommodation is near the campus                                 | .848            |      |                       |
| 4  | Decision Making                                                      |                 |      |                       |
|    | DM1 Variety of academic programme offered                            | .958            |      |                       |
|    | DM2 Tuition fees structure                                           | .868            |      |                       |
|    | DM3 Location of university                                           | .939            |      |                       |
|    | DM4 Good reputation of the university                                | .726            |      |                       |
|    | DM5 Good facility provided by university                              | .805            |      |                       |
|    | DM6 The future employment opportunities available for graduates       | .718            |      |                       |
|    | DM7 Advertisement in social media application done by university      | .773            |      |                       |
|    | DM8 Availability of financial aid at university                       | .621            |      |                       |

**CONCLUSION**

As a conclusion, based on underpinning theory and previous research on HEI’s choice, investigates the factors influence students’ decisions making to enroll at private HEI was the main interest of this research. As mentioned before, a hundred (100) data distributed for study and the respondent was first year students (semester one only) study undergraduate program at Universiti Kuala Lumpur Business School Campus. The data analysis conducted by applied SPSS version 2.0 for factor analysis, KMO and Cronbach’s alpha reliability results. Furthermore, the study has outlined the specific components with named assigned accordingly matched with the framework that being proposed in the earlier stage of this study.
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