

# Examining the Pattern of UUM Students' Intention to Enroll in MBA Programs

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**Abstract** – Education is essential in this era where most of developing countries need a generation that can contribute to increase future economic. A new era of education plays an important role to build a society in 21 centuries. Besides that, education is very important for current generation due to high competition to gain a job. Moreover, education can be a main dominator to enhance the economy, social, race, family and also to individuals. Nowadays, the importance of education already has been shown to all students, regardless of culture and race at all levels. Overall, education does give big impact to human life in order to gain and perpetuate quality of life. Therefore, this study will be conducted to examine factors that may influence the undergraduate students' intention to enroll in MBA programs. By explaining the enrollment intention from the student's point of view, as a result, this finding will help universities to develop, improve and offer a business and administration program at world class level. **Copyright © 2016 Penerbit Akademia Baru - All rights reserved.**

**Keywords:** Intention to enroll, Personal factor, Parental support, Financial aids, MBA programs

## 1.0 INTRODUCTION

Education is essential in this era where most of developing countries need a generation that can contribute to increase future economic. Hanafiyah [1] say that a new era of education plays an important role to build a society in 21 centuries. Besides that, education is very important for current generation due to high competition to gain a job. Moreover, education can be a main dominator to enhance the economy, social, race, family and also to individuals. Nowadays, the importance of education already has been shown to all students, regardless of culture and race at all levels. Overall, education does give big impact to human life in order to gain and perpetuate quality of life. Due to this matter, Shahrudin [2] state that education is highly recommended and pursued by government because it would reflect the determination of better state position and the nation's welfare. Furthermore, education act as catalyst prosperity of life by leading individual towards sources of stable economy, the ability of self-control and stabilization of social relation. Past research by Mustafa et al. [3] stated that in the eyes of students, parents and employers, higher education has become a positional good place which can lead to a better social status and lifetime opportunities. Currently, most of the higher educational institution either locally or globally for sure has offered Master of Business Administration (MBA) program whereby every country tried to meet labor market demand. It is because this program is marketable and very important for those who are pursuing to get their dream job such as becoming a leader in large organization locally or globally. Furthermore, Master of Business Administration is one of the most popular disciplines either for degree students or corporate recruiters. According to Bell, Connell, MacPherson and Rupp

[4], there are strong demands for the MBA program and believe this would help individual's current or future career path. In Malaysia context, the current economic downturn could be fuelling the growth of MBA programs. Given the enhancing of the importance and popularity of business and management program at higher educational institutions emphasize on Malaysia, this study will be conducted to examine factors that may influence the undergraduate students' intention to enroll in MBA programs. The problem addressed in this study is that lacks of research study in emphasizing student's intention to enroll in an MBA program in Malaysia context is also a contributing factor. Then, based on researcher's observation, there are lacks of a number of UUM ex-students enroll in an MBA program in UUM. Therefore, the objective of this study is to contribute knowledge of examining the relationships amongst the factors that influence students' intention to choose MBA programs. Universities that offer business and administration course for postgraduates need to ensure that the outcome of the learning process is based on the objectives of the university itself. Business and administration course should be able to provide the student in developing their future as business leaders with soft and hard skills and competencies to deal with the constantly changing business environment.

## **2.0 LITERATURE REVIEW**

### **2.1 Intention to Enroll**

Word intention comes from word '*Intendere*'. This word basically comes from Latin term which refers to targeting specific direction, directing something, on the analogy to drawing a bow at a target and it has been implemented to name the property of minds of having content, being about something. Due to this statement, it means that intention is the ability of minds to represent objects, properties, or states of affairs.

As stated by Teo & Chwee, [5], in Theory of Planned Behavior (TPB), the term intention can be referred as an individual's action towards certain behaviours. Both researchers agreed that behavioural intention was derived by attitude. According to Ajzen & Fishbein [6], Theory of Attitude - Behaviour Relations states that there were strong relationship between attitude and behaviour.

Zandi & Naysary [7] have studied about factors that were influencing students' intention to enroll in accounting major. They have discovered that the personal beliefs of students influence their attitude to choose. Beggs et al. [8] studied on the factors that affected undergraduate student's decision to select their academic majors in general. Mix qualitative and quantitative approaches had been adopted in order to identify the main factor effecting student's decision. Making a decision on what major to choose was also affected by the pressures from peers and lecturers that also seemed to be the main factors that lead to the student's decision. The researchers have stated that if there was positive belief of the outcome of enrolling in accounting major, they would have a positive attitude towards it.

However, Zandi & Naysary [7], add another factor that is the amount of information on students that may affect student's behavioural intention to choose accounting major. Researchers focused towards both male and female student. According to their results, perception and the amount of information on students was a major role in the male student's final decision to enroll in accounting program. However, the amount of information on accounting program was not considered as an influential factor in female students' decision making process.

According to Mohmad Jumat [9] mentioned in her study that Simon et al. had reviewed 21 studies related to choice of program and they have identified four important categories in major selection include earning, career opportunities, career characteristics and the characteristic of the major. Moreover, they also stated that the main factors when an individual wants to select a major were jobs available, financial reward, and interest in the major/career.

Study from Jordan by Al-Rfou [10] studied about the impact of personal factors and future jobs either influence or not on the choice of business major. This study also discovered that siblings and friends were considered as an important source to select the major, but the main influence on the major selection were parents, while the teachers and media were lost among the selected factors. The researcher also found students had intention to enroll caused by future job factors and agreed that decisive influence by future earning, career option, occupational prestige and type of work were the most important factor to make a selection. Moreover, Pearson & Jenkins [11] clarified that over 19 percent of incoming fresh graduates agreed that parents were the most significant factor that encouraged student to select which major to pursue and agreed that teachers were the second most influential.

## **2.2 Personal Factor**

Based on the Health Promotion Model, personal factors can be categorized as biologic, psychological or sociocultural. Personal factor also can be categorized into constitution, personality and character, communication skills and sense a self. Constitution refers to the person's physical state such as a health condition. Then, if someone has any syndrome, disorder or condition, it may impact on a person's behavior. Personality and character can affect the behavior of a person and it can also detect that if the person is an extrovert or introvert. Communication skills here include a person's ability to understand and act on the communication of others and to communicate their own thoughts, feelings and needs to those they are with. Lastly, sense a self related to self esteem, self knowledge, cultural, religious and others.

According to Downey, McGaughey, & Roach [12], they conducted a study on attitude which influence in choosing a business major (MIS) then found that a major influence towards intention to choose career was the student's attitude. Besides, students use their intuitive manner and not relying on outside information in the matter of making a decision on major choices. There were other variety of factors influenced this matter such as interest in the major field, job security and availability, social and personal image, and many more. Moreover, Adams, Pryor, & Adams, [13]; Malgwi, Howe, & Burnaby [14]; Mauldin et al.[15]; and Strasser et al., [16], had agreed that interest in the field has long been recognized as an important factor in choosing a major and working in that field following graduation which as cited in by Mohmad Jumat [9]. Therefore, it makes sense whereby students typically choose major fields that they find interesting and this is based on empirical evidence.

According to Pringle, Dubose & Yankey [17], some major and the occupation do carry few stereotypes and students make decision on major based on personalities to fit with those stereotype. For instant, marketing major is more on to creativity and enthusiastic meanwhile accounting and finance majors are seen to be more analytical. Most researchers of previous study discovered that the most significant factor of the student's intention to enroll in particular program is their personal interest towards the field. Hence, the program offered must be a program that can give positive image and attract more interest of student towards that field.

### **2.3 Parental Support**

A parent can be defined as a ‘father’ and ‘mother’ where the relationship exists by reason of any of the circumstances set forth in. Parents includes the biological parents, stepparents, foster parent, adoptive parents, grandparents or other relatives are the persons who provide significant care for children in a home. Parental support in the other way is intervention for parents on their career focus to reducing risks or promoting protective factors for their children associating to their social, physical and emotional well-being. Moreover, parental support associates with involvement of children’s life and parental involvement refers to the amount of participant a parent has when it comes to schooling their child.

Pimpa [18] agreed that student’s family and friends were the important factor in the selection of business studies and a college major. There are many types of support from family, especially parents towards their children to encourage them to pursue studies in a particular major. Schools and parents do build effective educational environment for their children.

Downey, McGaughey & Roach [12] mentioned in his research that there are many potentially important factors for student deciding their major or career which include parents or family. Additionally, the main source of information for students is family and parents to select a major. For example, Maple & Stage [19] have clarified that parental factor is likely associated with the decision made by student regarding major in mathematics or science.

Commonly, parents back off and try not to get involved in children’s life when they get older. If parents use an accurate method in helping to form their children from the beginning, it can positively affect their children throughout their future lives. There are numerous study that examined the influences of each parent on the choice of children’s career. One of it is Mickelson & Velasco [20] had discovered that mothers were the most influential dominator on children’s decision towards career path. They also found that mother’s influence gave aspirations to their daughters and occupations were often similar to their mother’s professions. Parental support and encouragement had influenced vocational outcome where the attitudes and behaviours that adopted by children towards work could be due to what the parents said.

Based on the previous studies above, it can be concluded that family plays an important role, especially parents, supports for students to pursue higher education and decide on choosing a major. The support and positive attitude from parents towards the major or program can influence their children’s decision on choosing major in a particular field. Besides that, children’s understanding and aware of parent’s belief in them can lead to the successes in the field in future.

### **2.4 Financial Aids**

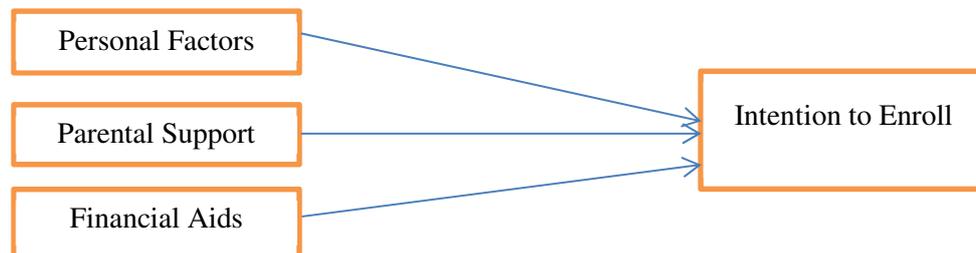
Financial aid is a funding that helps students in solving a payment of education-related. The financial assist educational expenses include tuition fee, room and board, books and supplies, transportation and miscellaneous expenses. There are various types of financial aids which are grants, scholarships or study loans. Basically, “financial need” refers to distinguish between how much cost to attend school and how much family can afford to pay. The financial aid program has grown in scale since higher education was seen as a serious matter in society. Additionally, research in this area has been increasing year by year. Then, financial aid has become essential among college enrolls worldwide. Nowadays, financial aids are provided to all levels of the student’s family income in the form of grants, subsidized loans, scholarship, and tax credits.

There is an extremely hot topic relating to financing of higher education that is faced by students in many advanced countries. Furthermore, Mohmad Jumat [9] state that policies that expect financial aids, to increase university enrollment, aimed at persuading low-income families to invest in higher education for their children by using a way in reducing the costs connected to the university attendance that lead to the reducing or containing of inequalities.

Financial is one of the crucial matters for student to entree college or university and this can be a problem for low income families as they cannot afford to pay for their courses in college or university. Money is a motivating factor in a student's decision to be enrolled. Based on the increment in college prices, it can affect enrollment decisions. Moreover, Long [21] state that a net price after the application of financial aids is the most influential factor.

Based on the previous empirical research, it can be said that financial aids did help student to pursue and enroll in college. It can be applied when choosing a major because the availability of financial aids and scholarship offered will drive the students' intention to enter the program. It means that students who qualify to receive a financial aid are more likely to enroll in the program. Thus, it can be summarized that financial aid is one of the main factors that influence students' intention to enroll in a program or major. Additionally, Demi [22] say that higher level of income and higher level of parental education was strongly associated with intention of student to enroll in higher education.

### 3.0 CONCEPTUAL FRAMEWORK



**Figure 1:** Conceptual Framework

### 4.0 RESEARCH METHODOLOGY

#### 4.1 Sampling Design

According to this research, the researcher has decided only students from SBM were chosen to participate in this study. Specifically, the study aimed BBA (Hons) student from year one to year four during the first semester 2015/2016. Due to this specific selection of programming, the researcher used probability sampling category whereby every element in the target population has an equal chance to be selected for this research. In order to achieve this probability, the researcher refers to schedule of Krejcie & Morgan [23] to determine the sample size from the overall population for determining sample size followed by a given population for easy references. The sample was obtained randomly due to reduce the opportunity for systematic bias in choosing a sample. Hence, increase the representativeness of the sample.

This sampling refers to the collection of information from members of the population who are conveniently available to provide it. The barrier does exist in order to get a student's data and the rigid procedures need to be followed. However, researcher has divided the sample into

group or relevant subjects that are meaningful in the context of the study. The researcher has divided 21% of the members of each group (year) in the sample. A respondent from year 1 to year 4 will represent samples from each group of year and will be proportionate to the total number of elements. It means a researcher employed proportionate stratified random sampling. The researcher chooses this sampling because it provides greater precision compare to other type of probability sampling technique. Hence, there are equal chances given to students from the BBA-Hons as sample according to years of current studying. A size of the sample for this study is 302 respondents. BBA-Hons students as a respondent respectively from Year One to Year Four were targeted.

Apart from that, this study used sampling techniques called a stratified sampling method for probability sampling and researcher chooses stratified sampling method purpose to target the generalisability of the research finding. Every single student with active status who enroll in the BBA-Hons program in UUM Sintok are included in the study's target population. Face-to-face survey method of data collection was chosen by researcher in data collection purpose to achieve a better response rate.

## 5.0 RESULTS AND DISCUSSION

The items were loaded to perform analysis and the results showed that the factor loadings revealed support to convergent validity for three constructs because all loadings involved have achieved loading higher than 0.5 which can still be considered significant and most loadings exceeding 0.60.

**Table 1:** Convergent Validity

Construct	Item	Loadings	Cronbachs Alpha	Composite Reliability	Average Variance Extacted
Personal Factor	PF1	0.797	0.707	0.818	0.530
	PF2	0.646			
	PF5	0.712			
	PF7	0.749			
Parental Support	PS1	0.696	0.874	0.902	0.569
	PS2	0.798			
	PS3	0.772			
	PS4	0.756			
	PS5	0.758			
	PS6	0.768			
	PS7	0.729			
Financial Aid	FA1	0.770	0.627	0.797	0.571
	FA3	0.850			
	FA5	0.632			
Enrollment Intention towards MBA	E1	0.876	0.850	0.909	0.769
	E2	0.859			
	E3	0.895			

The factor loadings involved ranged between 0.632 to 0.895. Furthermore, items with loading more than 0.70 considered to meet the level of satisfactory stage as recommended in the multivariate stated from prior studies . Due to the results, Table 1 presented a significant level

of the high number of factor loading which give reasons to conclude that the measures have a convergent validity.

The first variable of hypothesis in this study is Personal Factor (PF) and the hypothesis was H1: There is a relationship between personal factors and intention to enroll in an MBA program. Then, the results showed in Table 2 that personal factor is significant ( $\beta=0.39$ ,  $t=7.283$ ,  $p=0.000$ ) indicates that hypothesis path for H1 was positive and significant. Hence, hypothesis H1 was supported which there is a relationship between Personal Factors and intention to enroll in an MBA program.

The second variable of hypothesis in this study is a Parental Support (PS) and the hypothesis was H2: There is a relationship between parental factor and intention to enroll in an MBA program. Then, the results showed in Table 2 that parental support is significant ( $\beta=0.18$ ,  $t=2.973$ ,  $p=0.001$ ) state that hypothesis path for H2 was positive and significant. Therefore, hypothesis H2 was supported which there is a relationship between Parental Support and intention to enroll in an MBA program.

The third variable of hypothesis in this study is Financial Aid (FA) and the hypothesis was H3: There is a relationship between financial aids and intention to enroll in an MBA program. Then, the results showed in Table 2 that financial aid is significant ( $\beta=0.10$ ,  $t=1.841$ ,  $p=0.033$ ) which showed that hypothesis path for H3 was positive and significant. Therefore, hypothesis H3 was supported which there is a relationship between Financial Aid and intention to enroll in an MBA program.

**Table 2:** Hypothesis Testing (Inner Modeling Analysis)

NO	Hypothesized Path	Path coefficient	Standard Error (STERR)	T Value	P Value	Decision
1	PF -> Enrollment-Intention	0.390466	0.053865	7.283246	0.000	Supported
2	PS -> Enrollment-Intention	0.180481	0.059281	2.973261	0.001	Supported
3	FA -> Enrollment-Intention	0.104504	0.055892	1.841383	0.033	Supported

\*\*\*:  $p < 0.001$ ; \*\*:  $P < 0.01$ ; \*:  $P < 0.05$

## 6.0 CONCLUSION

Education is essential in this era where most of developing countries need a generation that can contribute to increase future economic. Higher education could improve skill development, innovation, knowledge creation, intergenerational effects, health, and less criminal activity which directly influence the impact of economic growth. Pursuing in a master's degree is a decision of the student which needs full commitment for them to make decisions in his or her lifetime. Bangser [24] say that there are numerous factors that could push someone to pursue higher levels of education include internal and external factor.

This research is to examine how selected factor can affect the student's decision that influences the intention to enroll in an MBA program in UUM. The literature had been reviewed regarding identified factors that may influence the student's decision either enroll or not to enroll in an MBA program for higher education. Then, there are six factors which have been identified in the literature which are personal factors, parental support, job opportunities, the quality of the program and cost.

The data were analyzed from questionnaire collected from 302 respondents from UUM students and results showed the factors which include personal factor, parental support, financial aids and job opportunity are significantly affecting student's preference to enroll in an MBA program, meanwhile quality of program and cost are not significantly affecting student's preference to enroll in an MBA program in UUM.

The target of this research is to accommodate knowledge associating with motivating factors towards many parties such as an institution of higher education in Malaysia by identifying the factors that influence UUM students' intention to enroll in (MBA) program.

Besides that, the purpose of this chapter was to provide an overview of the research study and started to summarize the finding and discussion of the result based on the analysis of this study in order to answer the research questions. Apart from that, this chapter also includes a discussion of the recommendation, limitation and future research.

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