# THE ROLES OF ADVICES ON STUDENT'S CHOICE OF UNIVERSITY - A CASE STUDY AT THAI NGUYEN UNIVERSITY OF ECONOMICS AND BUSINESS ADMINISTRATION (TUEBA)

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## **ABSTRACT**

This research is conducted to estimate the influence of factor advices to student's choice of university. Based on 344 observations which are students at the University of Economics and Business and Administration (TUEBA) and probit model, this research found out that the advice of related people to students such as their families, friends and high school teachers have positive impact on their choices. Surprisingly, the advice on specific majors has negative impacts to student's selection.

Keywords: advice, student's choice of university, EFA, Probit

#### 1. Introduction

Behaviour selection and determinants of behaviour have been one of the important topics in researching in recent years. Especially in the education sector because of the decline in the number of students enrolled. Nowadays, this topic is interested in universities, especially in developing countries. In Vietnam, dropping out of school to work as untrained workers in industrial zones has become a popular trend in recent years. The number of universities has increased rapidly in recent years, while the quantity of students enrolled has created an increasingly fierce competition among schools. Especially the group of local university, which often receive a very low enrollment of students. More student engagement channels have been implemented, including direct channels and indirect channels through family, friends, and school links.

According to Ajzen's theory of planned behaviour (1975), the behaviour of individuals depends not only on their perception but also on the opinions of those around them. The advice from student's family, friends and high school teachers are an important factor influenced in their decision of studying. This paper was designed to examine the effect of the advice on students' study choices, research conducted at Thai Nguyen University of Economics and Business and Administration, a university in mountainous areas of Vietnam.

### 2. Literature Review

Student learning choice is a behaviour influenced by many factors that have been shown in many previous studies, such as personal characteristics, cost of education, curriculum, school information, reputation of the school, training profession...Mbadugha (2000) và Hossler (1988) suppose that the cost of studying is a factor affecting the student's choice of school. Almost students are low-income person while the tuition of universities are high level so their choices of university are limited. "Students will decide whether they go to university or not as an investment decision, by comparing the expected benefits and expected costs" (Becker, 1993). Hossler et al., (1985) supposed that Although students rely on their comparisons, assessments of the expected costs and benefits when they take university choice, their decision still based on personal characteristics (habits, gender, preferences ...), family background as well as direct and indirect effects of the reference group (parents, school, friends ...)".

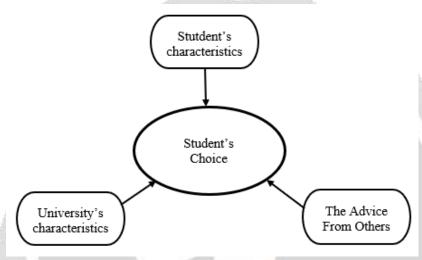
Nguyen Minh Ha et al. (2011) have pointed out the factors can affect to student's choice are information of university; Quality of teaching and learning; Characteristics of students; Future work; Ability to pass school; Family

members; Relatives outside the family. Blau and Duncan (1967) have shown the impact of outside relationship in different levels of influence such as parents idea, or others like family members, friends, high school teachers... This approach will have many advantages in analyzing the influence of reference groups or possible barriers to university choice decisions in each specific context. Same as Blau and Duncan, Do Thi Hong Lien et al. (2015) said that the influences on the decision to choose a university are information directly from admission advice, high school teachers or friend and otherwise are reputation, international language, the reputation of courses, interests, competencies, programs, lecturers with international languages, the reputation of affiliated/collaborating schools, information from the media, alumni. The factor of advice from people rounded students also have found in Mai Thi Ngoc Dao and Anthony Thorpe (2014) and Nguyen Thi Kim Chi (2018).

# 3. Researching Framework

Inheriting the scales built and developed from previous studies, the research framework is proposed as follows:

Figure 1. The framework of factors that influence the university selection decision of TUEBA's students



# 4. Research Methodology

Variables

Table 1. Descriptive variable

| Variable                | Definition   | Selection basis   |
|-------------------------|--|---|
| Tuition policy          | Perception of students on tuition policy of TUEBA. It is measured by Likert scales   | Joseph (1998, 2000); Karld<br>Wagner (2009);<br>Kee Ming Sia (2013)                                   |
| Studying<br>environment | Perception of students on studying environment of TUEBA.  It is measured by Likert scales                                      | Hooley & Lynch,1981);<br>Webb (1993)<br>Joshep Kee Ming Sia (2013)<br>Nguyen Thi Kim Chi (2018)       |
| Advice                  | Perception of students on advice from others (family, friends, teachers) to studying in TUEBA. It is measured by Likert scales | Joshep (1998, 2000), Karld<br>Wagner (2009). Joseph Kee<br>Ming Sia (2011), Blau and<br>Duncan (1967) |
| Student's Choice        | Perception of students that studying in TUEBA is proper = 1, 0 otherwise   | Ajzen (1991)  |
| Gender                  | It equals to 1 if the student is male, 0 otherwise   | Hossler et al., (1985)  |
| years                   | The year of studying in TUEBA university   | Hossler et al., (1985)  |
| Major                   | Accountant = 1, business=2, economic=3, finance=4, management and law=5, marketing = 6   | Hossler et al., (1985)<br>Blau and Duncan (1967), Do<br>Thi Hong Lien et al. (2015                    |
| Place                   | Student live in Thai Nguyen = 1, 0 otherwise   | Do Thi Hong Lien et al. (2015   |

| Variable    | Definition   | Selection basis           |
|-------------|--|---------------------------|
| Convenience | Perception of students on the convenience of studying in | Hossler et al., (1985),   |
|             | TUEBA. It is measured by Likert scales                   | Nguyen Thi Kim Chi (2018) |

Source: Authors

Methodology

A Probit model should be used to achieve the research objectives. The probit model has its forms as follows:

pi = prob (Yi = 1 | X) = 
$$\int_{-\infty}^{xi/\beta} 2\pi^{-\frac{1}{2}} \exp\left(-\frac{t^2}{2}\right) dt$$

Where pi is the probability of choosing the university (Yi = 1);  $\Phi$  represents the cumulative distribution of a standard normal random variable; X is a vector of determinants on the student's choice of university;

To estimate the impacts of determinants on the probability of choosing the universities, the marginal effect should be calculated, and it accounts for a partial change in the probability. The marginal effect associated with continuous explanatory variables X on the probability P(Yi = 1 | X), holding the other variables constant, can be derived as follows:

$$\frac{\partial Pi}{\partial Xik} = \phi(xi'\beta)\beta k$$

where  $\varphi$  represents the probability density function of a standard normal variable. The marginal effect on dummy variables should be estimated differently from continuous variables. Discrete changes in the predicted probabilities constitute an alternative to the marginal effect when evaluating the influence of a dummy variable (Greene, 2011). Such an effect can be derived from the following:

$$\Delta = \emptyset \overline{(X\beta, d = 1)} - \emptyset \overline{(X\beta, d = 0)},$$

The marginal effects provide insights into how the explanatory variables shift the probability of frequency of farmer's decision (Greene, 2011). The marginal effects are calculated for each variable while holding other variables constant at their sample mean values.

# 5. Regression Results

A regression function with student's choice of university as dependent variable and ten independent variables was used to identify the factors affecting to student's choice.

Student's choice Std. Err. P>z Coef. Place -0.0195131 0.1859939 0.916 Gender -0.2692278 0.1999242 0.178 Year 0.0020954 0.1303903 0.987 Major -0.0747464 0.0628157 0.234 -0.0071636 0.1791624 0.968 Method of recruitment Convenience 0.3641506 0.1462612 0.013 Tuition policy 0.3537288 0.14326 0.014 0.031 Studying environment 0.2987717 0.1385087 0.3102419 0.1224696 0.011 Advice -0.4708469 0.1760458 0.007 Major\_advice -0.1778939 0.6467881 0.783 cons

Table 2. Result of regressing binary probit model

Source: Authors calculated

The estimation model indicate that, of the ten factors (Place, Gender, year, major, method of recruitment, convenience, tuition policy, studying environment, Advice, Major-advice), five factors, that are, convenience, tuition policy, studying environment, Advice, Major-advice, are found to have effects on student's choice.

To identify the influence level of five factors to student's choice of university, we carried out the estimation of the marginal effect of these factors. The result in Table 3 reveals the significant impact of five factors to the student's selection of university.

variable dy/dx Std. Err. P>z -0.00547 0.05198 0.916 Place -0.07966 Gender 0.06171 0.197 0.03669 Year 0.00059 0.987 Major -0.02103 0.01763 0.233 Method of recruitment -0.00202 0.0504 0.968 Convenience 0.102454 0.04063 0.012 0.099522 0.015 Tuition policy 0.04088 0.08406 0.03874 0.03 Studying environment Advice 0.087287 0.03296 0.008 Major advice -0.13883 0.05382 0.01

Table 3. Result of marginal effect

Source: Authors calculated

In Table 3, all five factors have an impact on student's choice of university at significant level 95%. In which, convenience, tuition policy, studying environment, advice have a positive impact on their choice. These mean, when convenience to studying in this university increase 1 point, the probability of choosing TUEBA will increase 10,24%. Students who do not go far to study or who want to live with their family when they studying, often choose the university near their home. This will help them can save their money to travel, or living cost. In fact, a lot of students are poor so the cost of the study is one of reason influence whether they choose one university or not, this also is the reason why the tuition policy has impact their decision.

The main purpose of this paper is to identify the impact of Advice to student's selection of university, by estimation model, we found out that when the student decides they often ask idea of their parents, friend and maybe their high school teacher. The more their parents/friend/teacher advise them choosing the TUEBA, the more likely they choose to studying in TUEBA (8,72%). In contrary, the advice on specific major has negative impact on student's choice at 13,88%, these mean, in students like study accountant (business) major in TUEBA than remain majors so they more accept the advice to study in these major.

# 6. Conclusion

This research results showed that the advice and advice\_major are important factors affected to student's choice, so when taking the strategy to attract students, university management needs to concentrate on the student's family/teacher channel, this may an effective way to increasing the quantity of their university's student.

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