

# **Institutional Factors Influencing Students' College Choice Decision in Malaysia: A Conceptual Framework**

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## **Abstract**

*Intense competition in the higher education sector in Malaysia has forced many universities to become “entrepreneurs” and implement marketing strategies in recruiting students both locally and abroad. The objective of this paper is to develop a conceptual framework to explore the institution factors that influence students' college choice decision in Malaysia. The independent variables that have been identified to have influenced of students' college choice decision are location, academic programme, college reputation, educational facilities, cost, availability of financial aid, employment opportunities, advertising, Higher Education Institutions (HEIs), representatives and campus visit.*

**Keywords:** College choice decision, institutional factors, higher education institution, Malaysia, education.

## **1. Introduction**

Higher education in Malaysia has experienced an increasing competition among universities and higher education institutes to attract students both locally and internationally (Mazzarol, 1998). Competitive pressure has forced the higher educational institutions to look for more competitive marketing strategies in order to compete for students in their respective markets. Therefore, to study the important attributes especially institutional factors that affect students' college choice decision in higher education institutions become pertinent on the part of marketing strategy planning for students' recruitment of higher educational institutions. Joseph & Joseph (2000) concluded that course and career information, and physical aspects and facilities and facilities are critical issues that must be kept in mind when educational institutions are trying to create sustainable competitive advantages in marketing strategies. LeBlance and Nguyen (1999) identified perceptions of price in the form of the price/quality relationship as most important factors, while Ford et al. (1999) recognized academic reputation, cost/time issues and program issues as the determinants of universities choice.

## **2. Literature Review**

### **2.1 Location**

Sevier (1986) stated that research has consistently shown that college or university location can be a major factor for potential student's decision to apply and enroll. Some students may be looking for a school close to their hometown or place of work for convenience and accessibility (Absher & Crawford, 1996; Servier, 1994). A study by Kohn et al. (1976) discussed that an important factor in student predisposition to attend college is the close proximity of a higher education institution to home. It was found that a low-cost, nearby college was an important stimulator of a student's decision to further his or her education. Hossler & Gallagher (1990) also concluded that the proximity to a college campus does affect college attendance rates. Students who live close to a campus are more likely to attend college though they may not attend the campus located near home. As a result, this study hypothesises that location has a significant influence on college choice decision.

***H<sub>1</sub> There is a significant positive relationship between location and college choice decision.***

### **2.2 Academic programmes**

A study conducted in Kuala Lumpur and Selangor, Malaysia by Yusof et al. (2008) also found that availability of the required programme as “the very importance attributes” for first year university students to choose a particular higher education institution.

Ford et al (1999) also found that program issues such as range of programs of study, flexibility of degree program, major change flexibility and range of degree options are the most important factors for students to choose higher education institutions. Ismail (2009) indicated that students are satisfied with college choice based on their information satisfaction with respect to academic recognition (external influence). Consequently, this study hypothesises that there is a significant positive relationship between academic programmes and college choice decision.

***H<sub>2</sub>: There is a significant positive relationship between academic programmes and college choice decisions.***

### **2.3 College reputation**

Institutional image and reputation has a tremendous effect on college choice. It is a powerful influence on potential student and college reputation is extremely persuasive in the college search and selection process. Students value the reputation of a college and it rates as an influential factor by students in the college choice process (Lay & Maguire, 1981; Murphy, 1981; Sevier, 1986; Keling, 2006). Keling (2007) stated that the most influential factor that students will evaluate in selecting their choice of institution was reputation of the institution. The study was conducted in Malaysia with an average mean score of 3.730. The existence of this relationship justifies that there is a positive relationship between college reputation and college choice decisions.

***H<sub>3</sub>: There is a significant positive relationship between college reputation and college choice decisions.***

### **2.4 Educational facilities**

Absher & Crawford (1996) stated that educational facilities such as classrooms, laboratories and libraries are important in a student's selection of a college or university. Consequently, this study hypothesizes that educational facilities is a significant predictor that influences college choice decision.

***H<sub>4</sub>: There is a significant positive relationship between educational facilities and college choice decisions.***

### **2.5 Cost**

It was reviewed by Joseph & Joseph (2000) that cost-related issues seem to have more importance as years go by. For instance, Houston (1979) found they were at the bottom of the scale, while in Webb (1993) and Joseph & Joseph (1998) they are one of the most important elements. Jackson (1986) concluded that price is a negative influence on college choice while financial aid to reduce costs is a positive influence. As a result, this study hypothesizes that cost is a significant predictor that influences college choice decision.

***H<sub>5</sub>: There is a significant positive relationship between cost and college choice decision.***

### **2.6 Availability of financial aid**

A study conducted by Yusof (2008) found that financial assistance offered by university as one of the four very important attributes expected from a particular higher education institution of choice. Thus, students who receive financial aid awards are more likely to enter college (Jackson, 1988; Litten, 1982; Manski & Wise, 1983). Ismail (2009) studied on mediating effect of information on college choice indicated that students are satisfied with college choice based on their information satisfaction with respect financial factors (external influences) which include financial aids and affordable fees. Based on the findings mentioned above, it is hypothesised that availability of financial aid has a significant influenced on college choice decision.

***H<sub>6</sub>: There is a significant positive relationship between availability of financial aid and college choice decision.***

### **2.7 Employment opportunities**

Students are often attracted to post-secondary education because of the career opportunities it may provide Sevier (1998). Paulsen (1990) stated that students often make college choices based on existing job opportunities for college graduates. Students are interested in outcomes. They are influenced by what graduates are doing, what graduate schools they attend and contributions that they are making to society (Sevier, 1997). Consequently, this study hypothesizes that employment opportunities is a significant predictor that influences college choice decision.

***H<sub>7</sub>: There is a significant positive relationship between employment opportunities and college choice decision.***

## 2.8 Advertising

College marketing through the media has grown tremendously in the last ten years. Television and radio advertising have been shown to be particularly effective in building institutional image and visibility, especially in specific geographical areas (Hossler et al., 1990). As a result, this study hypothesizes that advertising is a significant predictor that influences college choice decision.

*H<sub>8</sub> There is a significant positive relationship between advertising and college choice decision.*

## 2.9 HEIs' representatives

Lay & Maguire (1981) found out that visits to high schools by college admissions representatives were rated as an extremely effective influence for prospective students. College representatives were rated as a top influential factor in a study by Rowe (1980). These visits can be very conducive and beneficial for both the student and the admissions representative (Hossler et al, 1990). As a result, this study hypothesizes that HEIs' representatives have a significant influence on college choice decision.

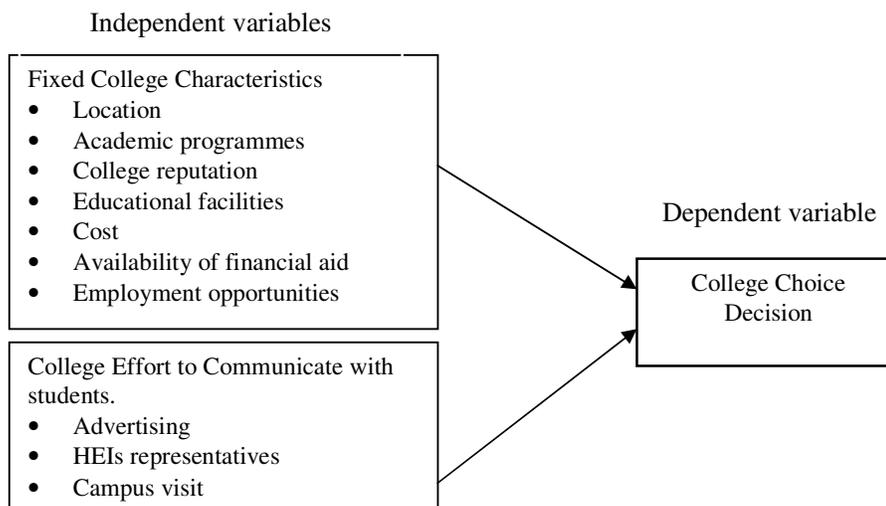
*H<sub>9</sub> There is a significant positive relationship between HEIs and college choice decision.*

## 2.10 Campus visit

The campus visit is often a college or university's best recruiting tools. It is a major factor in the decision-making process (Sevier, 1992). Hossler et al. (1990) found that the campus visit was the most important factor influencing a student's enrollment decision. Thus, this study hypothesis that campus visit is a significant influence on college choice decisions.

*H<sub>10</sub> There is a significant positive relationship between campus visit and college choice decision.*

## 3. Proposed Conceptual Framework.



The proposed conceptual framework is shown as figure 3.1 below. It shows the relationships between the independent variables and dependent variable. The independent variables to be examined are location, academic programme, college reputation, educational facilities, cost, availability of financial aid, employment opportunities, advertising, HEIs representatives and campus. Figure 3.1 Proposed Conceptual Framework showing the relationship between institutional factors (location, academic programmes, college reputation, educational facilities, cost, availability of financial aid, employment opportunities, advertising, HEIs representatives, campus visit) and college choice decision

## 4. Conclusions

The conceptual paper aims to develop a conceptual framework on student's college choice decision in Malaysia. The framework is developed based on the literature review. Institutional factors that influence students' college choice decision include location, academic programme, college reputation, educational facilities, cost, availability of financial aid, employment opportunities, advertising, HEIs representatives and campus visit.

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