EXAMINING THE IMPACT OF FACTORS THAT INFLUENCE UNIVERSITI UTARA MALAYSIA STUDENTS’ INTENTION TO ENROLL IN MASTER OF BUSINESS ADMINISTRATION

By
DARWINA BINTI AB RAHMAN

Research paper submitted to
School of Business Management
Universiti Utara Malaysia
In partial fulfilling of requirement for Master of Science (Management)
PERMISSION TO USE

In presenting this research paper in partial fulfilment of the requirements for a Post Graduate Degree from Universiti Utara Malaysia, I agree that the University Library makes a freely available for inspection. I further agree that permission for copying of this project paper in any manner, in whole or in part, for scholarly purposes may be granted by my supervisor or, in their absence, by the Dean of Othman Yeop Abdullah Graduate School of Business. It is understood that any copying or publication or use of this research paper or parts of it for financial gain shall not be allowed without my written permission. It is also understood that due recognition given to me and to the Universiti Utara Malaysia in any scholarly use which may be made of any material for my research paper.

Rust for permission to copy or to make other use of materials in this research paper, in whole or in part should be addressed to:

Dean of School of Business Management  
Universiti Utara Malaysia  
06010 UUM Sintok  
Kedah Darul Aman
ABSTRACT

Development in business and administration area continues to get much attention from the government, higher educational institutions, and larger organizations. Higher educational institutions in Malaysia either private or public continue to offer Master of Business Administration program in order to produce a quality human resource in the field. This is based on the marketable of this program, high demand and job diversity associated with Business Administration. This study aims to examine the student’s intention to enroll in Master of Business Administration (MBA) program offered by Universiti Utara Malaysia (UUM). A survey involved students who enrolled in Bachelor of Business Administration with Honours (BBA-Hons) and 302 respondents was carried out. In addition, there are six main factors include personal factor, parental support, financial aids, job opportunities, quality of program and cost were used to help the researcher to find is there a relationship between selected factors that influence students’ intention to enroll in MBA program. A structured question was designed where the data were analyzed by SMARTPLS program to examine the relationship between selected factors and intention to enroll in MBA program. Results showed that personal factors, parental support, financial aids and job opportunities are significantly important determinants to predict student's intention to enroll in MBA program whereas quality of program and cost are not significantly important determinants to predict student’s intention to enroll in MBA program.

Keywords: MBA program, personal factor, parental support, financial aids, job opportunities, program quality, cost, intention to enroll.
Pembangunan di dalam bidang perniagaan dan pengurusan terus mendapat perhatian daripada kerajaan, institusi pengajian tinggi, dan syarikat-syarikat besar. Institusi pengajian tinggi di Malaysia sama ada awam atau swasta terus menawarkan kursus Sarjana dalam Pentadbiran Perniagaan bagi menghasilkan tenaga kerja yang berkualiti dalam bidang ini. Hal ini berdasarkan kepada kebolehpasaran kursus, permintaan tinggi dan kepelbagaian kerjaya yang berkaitan dengan pentadbiran perniagaan. Kajian ini bertujuan untuk mengenalpasti niat perlajar untuk mendaftar dalam program Sarjana dalam Pentadbiran Perniagaan yang ditawarkan oleh Universiti Utara Malaysia. Satu tinjauan melibatkan pelajar yang telah mendaftar dalam Sarjana Muda Pentadbiran Perniagaan dengan Kepujian dan seramai 302 responden telah dijalankan. Di samping itu, terdapat enam faktor utama termasuk faktor peibadi, pengaruh ibu bapa, bantuan kewangan, peluang pekerjaan, kualiti program dan kos telah digunakan untuk membantu pengkaji mencari faktor yang mana mempengaruhi niat perlajar untuk mendaftar dalam program Sarjana dalam Pentadbiran Perniagaan. Data telah dianalisis melalui program SMARTPLS untuk mengkaji hubungan antara faktor terpilih dan niat pelajar untuk mendaftar dalam program Sarjana dalam Pentadbiran Perniagaan. Keputusan menunjukkan bahawa faktor-faktor peribadi, pengaruh ibu bapa, bantuan kewangan dan peluang pekerjaan merupakan faktor penentu ketara penting untuk meramalkan niat pelajar untuk mendaftar dalam program Sarjana dalam Pentadbiran Perniagaan manakala kualiti program dan kos merupakan faktor penentu ketara yang tidak penting untuk meramalkan niat pelajar untuk mendaftar dalam program Sarjana dalam Pentadbiran Perniagaan.

Kata Kunci: Program Sarjana dalam Pentadbiran Perniagaan, faktor peribadi, sokongan ibu bapa, bantuan kewangan, peluang pekerjaan, kualiti program, kos dan niat untuk mendaftar.
ACKNOWLEDGEMENT

First and foremost, I would like to thanked the one and only Allah S.W.T for blessing and giving me strength of mind, spirit, ability, good physical condition, good health and guidance for me to complete this research paper. Allah S.W.T is one of my motivation to keep positive in completing this research and by Allah’s blessing and permission, I have succeeded in completing this research paper. Along the way in my journey to finish this research paper, there are numerous parties involved in helping me either directly or indirectly assistance in order for me to accomplish my objective.

Secondly, my deepest gratitude and thanks of course to my supervisors, Dr Yaty Bt Sulaiman and Dr Arfan Shahzad for giving me sincere and committed guidance, moral support, cooperation and being helpful throughout the whole process of completing this research paper since I first got acquainted with them personally. Their valuable comments, suggestions, academic support, ideas, and advices have been instrumental guidance for me in finalizing this study. Both of them are surely dedicated supervisors and I highly respect them as an amazing lecturers.

Thirdly, special thanks dedicated to my beloved parents, Mr Ab Rahman Bin Md Said and Mrs Jemiah Bt Yaakub for non-stop prayers for my success, endless love, support and cares during my journey in accomplishing this study. Both of them are also one of my motivator to be positive and working my way in the right direction all the time. I would like to extend my thanks to all my brothers and sister, Dalila, Effandy, Ezree and Mohd Hafiz for encouraging and motivating me from start till the end.

I also would like to give my sincere thanks to all my dearest fellow friends especially Mohd Saifullah Bin Masri, Siti Khodijah Bt Saiful Bahri and Nur Syazwani Bt Supri for giving me the moral support, companionship and help in finishing my study and also being my wonderful friends. I would like to say thanks to all my fellow friends from MSC Management students for their support and help.

Finally, I would like to thanked to employees from OYA GSB, HEP, HEA and other UUM’s staff for their good and remarkable service and special thanks to all the respondents who had given their cooperation along the process in completing this research paper

May Allah S.W.T repay the kindness of everyone that I have mentioned above.

Darwina Bt Ab Rahman
Master of Science (Management)
## TABLE OF CONTENT

- CERTIFICATION OF RESEARCH PAPER ................................................................. i
- PERMISSION TO USE ......................................................................................... ii
- ABSTRACT ........................................................................................................... iii
- ABSTRAK ........................................................................................................... iv
- ACKNOWLEDGEMENT ......................................................................................... v
- TABLE OF CONTENT ............................................................................................ vi
- LIST OF TABLES .................................................................................................. vii
- LIST OF FIGURES ................................................................................................ viii
- LIST OF ABBREVIATIONS .................................................................................... ix

### CHAPTER 1: INTRODUCTION

1.1 Background of Research ............................................................................. 1
1.2 Problem Statement ....................................................................................... 6
1.3 Research Objective ....................................................................................... 10
1.4 Research Question ........................................................................................ 11
1.5 Scope of Research ........................................................................................ 11
1.6 Significance of Research ............................................................................ 13

### CHAPTER 2: LITERATURE REVIEW

2.1 Introduction .................................................................................................... 15
2.2 Concept of Education ................................................................................. 16
2.3 Education in Business Administration ....................................................... 17
2.4 Enrollment Intention .................................................................................... 19
2.4.1 Past Studies on Program Enrollment Intention ....................................... 20
2.5 Personal Factor ............................................................................................ 24
2.5.1 The relationship between personal factor and enrollment intention ................. 25
2.6 Parental Support ......................................................................................... 27
2.6.1 The relationship between parental support and enrollment intention ................. 28
2.7 Financial Aids ............................................................................................. 31
2.7.1 The relationship between financial aids and enrollment intention ................. 32
2.8 Job Opportunities ....................................................................................... 35
2.8.1 The relationship between job opportunities and enrollment intention

2.9 Quality of Program

2.9.1 The relationship between quality of program and enrollment intention

2.10 Cost

2.10.1 The relationship between cost and enrollment intention

CHAPTER 3: METHODOLOGY

3.1 Introduction

3.2 Research Framework

3.3 Research Hypotheses

3.4 Research Design

3.5 Target Population

3.6 Sampling Technique

3.7 Sample Size

3.8 Questionnaire Design

3.8.1 Demographics

3.8.2 Personal Factors

3.8.3 Parental Support

3.8.4 Financial Aids

3.8.5 Job Opportunities

3.8.6 Quality of Program

3.8.7 Cost

3.8.8 Enrollment Intention

3.9 Data Collection

3.10 Technique Data of Analysis

3.11 Conclusion

CHAPTER 4: FINDINGS AND DISCUSSION

4.1 Profile of the Respondent

4.2 Content Validity

4.3 The Convergent Validity of the Measures

4.4 The Discriminant Validity

4.5 The Theoretical Framework and Hypothesis Testing

4.6 The Goodness of Fit of the Theoretical Framework

4.7 Conclusion

CHAPTER 5: CONCLUSION AND RECOMMENDATION

5.1 Introduction

5.2 Summary of Findings

5.2.1 There is a relationship between personal factors and intention to enroll in MBA program
5.2.2 There is a relationship between parental support and intention to enroll in MBA program
5.2.3 There is a relationship between financial aids and intention to enroll in MBA program
5.2.4 There is a relationship between job opportunities and intention to enroll in MBA program
5.2.5 There is no relationship between quality of program and intention to enroll in MBA program
5.2.6 There is no relationship between cost and intention to enroll in MBA program

5.3 Recommendation
5.4 Limitation of Research
5.5 Future Research
5.6 Conclusion

REFERENCES

APPENDIXES
A: Questionnaire
B: List of Information of BBA Hons’s Student in UUM
C: Statistical data of information of Student Intake in MBA Program
LIST OF TABLES

Table 3.1: Working Model for Decision Making Model
Table 3.2: Measurement of Personal Factor
Table 3.3: Measurement of Parental Factor
Table 3.4: Measurement of Financial Aids
Table 3.5: Measurement of Job Opportunities
Table 3.6: Measurement of Quality of Program
Table 3.7: Measurement of Cost
Table 3.8: Measurement of Enrollment Intention
Table 4.1: Gender of the Respondents
Table 4.2: Race of the Respondents
Table 4.3: Religion of the Respondents
Table 4.4: Entry Qualification of the Respondents
Table 4.5: Current Year of Study of the Respondents
Table 4.6: Factor Loading Significant
Table 4.7: Convergent Validity
Table 4.8: Discriminant Validity Matrix
Table 4.9: Hypothesis Testing (Inner Modeling Analysis)
Table 4.10: Predicted Relevance of the Model
LIST OF FIGURE

Figure 3.1: The conceptual model derived from the literature review
Figure 4.1: Path Diagram of Cross Loading
Figure 4.2: Path Diagram of Factor Loading
**LIST OF ABBREVIATIONS**

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>AVE</td>
<td>Average Variance Extracted</td>
</tr>
<tr>
<td>BBA-Hons</td>
<td>Bachelor of Business Administration with Honours</td>
</tr>
<tr>
<td>C</td>
<td>Cost</td>
</tr>
<tr>
<td>CR</td>
<td>Composite Reliability</td>
</tr>
<tr>
<td>E</td>
<td>Enrollment Intention</td>
</tr>
<tr>
<td>EFA</td>
<td>Exploratory Factor Analysis</td>
</tr>
<tr>
<td>FA</td>
<td>Financial Aids</td>
</tr>
<tr>
<td>GOF</td>
<td>Goodness of Fit</td>
</tr>
<tr>
<td>IQ</td>
<td>Intelligence Quotient</td>
</tr>
<tr>
<td>JO</td>
<td>Job Opportunities</td>
</tr>
<tr>
<td>MBA</td>
<td>Master of Business Administration</td>
</tr>
<tr>
<td>MIS</td>
<td>Management of Information System</td>
</tr>
<tr>
<td>OYA GSB</td>
<td>Othman Yeop Abdullah Graduate School of Business</td>
</tr>
<tr>
<td>PF</td>
<td>Personal Factor</td>
</tr>
<tr>
<td>PLS</td>
<td>Partial Least Square</td>
</tr>
<tr>
<td>PLS PM</td>
<td>Partial Least Square Path Modelling</td>
</tr>
<tr>
<td>PS</td>
<td>Parental Support</td>
</tr>
<tr>
<td>QP</td>
<td>Quality of Program</td>
</tr>
<tr>
<td>SBM</td>
<td>School of Business Management</td>
</tr>
<tr>
<td>SPSS</td>
<td>Statistical Package for Social Science Program</td>
</tr>
<tr>
<td>TPB</td>
<td>Theory of Planned Behavior</td>
</tr>
<tr>
<td>UUM</td>
<td>Universiti Utara Malaysia</td>
</tr>
</tbody>
</table>
CHAPTER 1

INTRODUCTION

1.1 Background of Research

Education is essential in this era where most of developing countries need generation that can contribute to increase future economic. New era of education plays an important role to build society in 21 century (Hanafiyah, 2006). 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 economy, social, race, family and also to individual. Nowadays, the importance of education already has been sowed 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.

According to Nelson & Phelps (1966), more educated labor force will enhance frontier technology advance. Same goes to Benhabib & Spiegal (1994), innovation will be even faster when more educated labor force exists. Education does give an impact towards economic whereby highly educated workforce is more mobile and adaptable. They also be able to learn new tasks and new skills more easily with wide range of advance technologies and equipment. All of this may reduce supervision and enhance improvement. Therefore, more highly skilled worker will increase
The contents of the thesis is for internal user only
REFERENCE


*Journal of College Placement* (Summer): 47-49.


Mohmad Jumat, N. A. (2014). Examining The Impact of Factors That Influence UUM Student’s Intention to Enroll in Master In Islamic Finance and Banking Program. Published research paper, Universiti Utara Malaysia – Kedah.


Pdf


