

Building the model of factors influence on decision to choose Ho Chi Minh University of Economics and Finance

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UEF university
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ABSTRACT

Currently, society is entering a new normal period after the Covid-19 pandemic, which has instigated significant transformations in the university admission process. The issue of university admissions has become increasingly challenging in general. This study aims to systematize the theoretical basis and identify the factors influencing the decision of new students to select the Ho Chi Minh University of Economics and Finance (UEF) during the new normal period. The study employs a mixed-method research approach, combining both qualitative and quantitative methods. Through the study, the authors have synthesized relevant theories to identify the factors influencing the decision of new students to choose UEF during the new normal period and develop a research model. The research results reveal that the proposed model includes factors such as Geographical location, Media, Support, Tuition fees, facilities, Brand, Personal characteristics, and Trust directly versus indirectly influencing the decision of new students to choose UEF during the new normal period. This study provides valuable insights for private universities in Vietnam, with particular relevance to UEF. The study offers a number of recommendations that university administrators can utilize to enhance the appeal of private universities to prospective students in the field of Economics and other disciplines. The conceptual framework developed in this study can serve as a valuable guide for private university administrators as they develop their enrollment strategies.

1. Introduction

In the new normal period following 2022, the economies of countries experienced a decline, leading to numerous business closures and adversely affecting employment opportunities and income levels for many families. Consequently, secondary school students

tend to choose vocational schools to shorten their study duration and secure immediate employment upon graduation. This trend has contributed to a decrease in enrollment targets for universities in general, including private universities.

One of the significant challenges in university admissions during the new normal period is not only

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the decline in the number of applicants but also the decrease in the number of actual enrollees. According to statistics, in 2023, only approximately 900,000 students participated in the National High School Graduation Examination, a 15% decrease compared to 2022 (Nguyen et al., 2023; Tran et al., 2023). The decline in the number of applicants for university admissions not only impacts the human resources available to society but also poses difficulties for universities in sustaining their operations and development. Particularly, private universities in Ho Chi Minh City face fierce competition from public universities and international institutions in attracting students.

The objective of this study is to identify the influencing factors and construct a research model that examines the decision-making process of new undergraduate students majoring in Economics in the new normal period, specifically in choosing UEF University. The model incorporates the mediating factor of Trust and the direct impacts of Personal characteristics on Trust and the decision to choose the university by new students, thereby enhancing the research model's completeness. Consequently, several managerial implications are proposed to assist UEF University administrators in conducting counseling and communication activities to further develop and reach a broader range of secondary school students in their university admissions process.

2. Literature review

2.1. The new normal period

According to Thanh Chon (2021), the concept of the new normal period refers to the period following the Covid-19 pandemic. It is a term used to describe the changes in activities, social relations, and human behavior after the Covid-19 pandemic. The new normal entails a lifestyle that requires individuals, society, and businesses to be highly adaptable, dynamic, resilient, and capable of adjusting to the societal changes in the post-Covid-19 period.

In the three university admission seasons of 2021, 2022, and 2023, the total number of university admission preferences registered by applicants nationwide each year consistently exceeded 3 million preferences. At the same time, the number of students admitted to universities is high, but the number of students actually enrolling is lower. According to

statistics, in 2021, the number of applicants for university admission was 3.92 million, but only 60.45% of them enrolled. In 2022, there were 616,522 applicants registered for university admission with 3,098,730 preferences, accounting for a rate of 64.07%. In 2023, 660,000 applicants registered for university admission with 3.4 million preferences, equivalent to 66% of the number of candidates registered for the National High School Graduation Examination in 2023 (Lien P., 2023; Bao N., 2023). With a large number of students not enrolling in universities and opting for other choices, universities are facing a more challenging admission period than during the Covid-19 pandemic.

2.2. Private universities and new students

2.2.1. Private universities

Private universities are educational institutions that have legal personality, including universities, colleges, and other higher education institutions in accordance with the regulations of the law. Private universities are owned by social organizations, professional organizations, private economic organizations, or individuals who invest and construct facilities (Law of Higher Education, section 7, 2015). In general, private schools are established and operated by individuals or organizations following their own mechanisms and primarily rely on tuition fees from students and investors.

Currently, in Vietnam, there are the following types of universities: public universities, private universities, and universities with 100% foreign capital, which primarily operate using funds from sources other than the state budget, attracting social resources for education, complying with current laws, and conforming to the Charter of Vietnamese Universities.

2.2.2. New students

Students who are currently studying and conducting scientific research at higher education institutions are considered learners. This includes undergraduate students, master's program students, and doctoral program students (Law on Education in Vietnam, Section 59, 2015). Therefore, new students refer to high school graduates or candidates who have passed the first-year entrance examination at various

universities throughout Vietnam.

2.2.3. *The three stages in the university choice model of new students*

Chapman (1981) proposed a model in his study on “The University Choice Model of New Students,” which consists of five factors: student interactions, costs, significant others, abilities, and student passions. The author discovered that both the group of factors related to the student’s family and personal characteristics (internal factors) and the group of factors related to the characteristics of the university as well as the university’s communication efforts (external factors) significantly influence students’ decisions in choosing a university. Cabrera and La Nasa (2000) emphasized the three stages of the making decision of choosing university process. The orientation stage is related to factors such as socioeconomic status, positive attitudes towards education, academic achievements, and parental attitudes. During the search stage, students are influenced by factors such as information from universities and their parents’ academic achievements. The decision-making stage includes the characteristics and quality of the universities. Burns (2006) applied the findings from the studies by Chapman (1981) and Cabrera and La Nasa (2000) to a specific university in the United States to further confirm the relationship between the influencing factors and the new students making decision of choosing university.

2.2.4. *Research studies related to the university choice model of new students*

Ming (2010) proposed factors influencing the decisions of choosing university of Malaysian students. The research findings indicated that university choices are influenced by factors in the “University Characteristics” group, including location, educational programs, reputation, facilities, tuition fees, financial support, employment opportunities, and the “Student Communication Efforts” group, including advertisements, admissions representatives, interactions with high schools, and campus visits.

Luu (2010) conducted a study on “Identifying Factors Influencing Decision of Choosing University of Lac Hong University’s Students” by surveying two fundamental factor groups. The first group pertains to

student-related factors. Individual factors are among the prominent factors influencing decision of choosing university, with students’ abilities and making decision abilities being the most notable factors. The second group relates to university characteristics. A university offering a variety of different fields of study will cater to students’ preferences.

Nguyen et al. (2011) identified seven factors influencing students’ choices of Open University in Ho Chi Minh City, including efforts to provide information to high school graduates, teaching and learning quality, personal characteristics of students, future career prospects, admission capability, family influence, and external influence.

Le et al. (2014) synthesized the factor groups influencing the supplementary university choices of students at Ho Chi Minh City University of Technology, including admission scores, reputation, communication, location, facilities, faculty, tuition fees, and support. Analysis revealed that admission scores were eliminated from the formal theoretical model. In 2018, Le et al. surveyed the “Decisions of Choosing University of Business Administration Students in the 2018-2019 Academic Year at Private Universities in Vietnam” and examined direct influencing factors, including location, facilities, tuition fees and policies, reputation, program attractiveness, communication, and personal characteristics. The results indicated that all six factors, including tuition fees and policies, communication, personal characteristics, location, program attractiveness, and reputation, positively influenced decisions of choosing university, with communication being the most influential factor.

Do (2021) identified and measured the key factors influencing the decisions of choosing university of high school graduates. The research model included independent variables categorized into three main factor groups: (1) student factors, including attitudes towards higher education, decisions of choosing university, and career choice; (2) environmental factors, such as advice from others; and (3) school factors, including tuition fees, curriculum, post-graduation employment opportunities, university reputation, extracurricular activities, facilities, and alumni network. The results indicated that student preferences for facilities, environment, and university reputation; reference groups; tuition fees; and school-related activities directly influenced the intention to choose an admitted university, family influence, and external influence.

In summary, there are various factors that can influence the decisions of choosing university of high school students. The theoretical models examined above serve as a foundation for developing a practical model in this research study.

3. Model and Research Hypotheses

3.1. Research Model

Through the examination of theoretical foundations and relevant research works by both domestic and international authors, the authors of this study have inherited and developed previous research topics by Chapman (1981), Cabrera and La Nasa (2000), Burns (2006), Luu (2010), Ming (2010), Nguyen et al. (2011), Le et al. (2014, 2018), and Do (2021) to construct a model of factors influencing the decision to choose UEF University of new students during the new normal period. Factors such as geographical location, media, tuition fees, facilities, personal characteristics, brand, and trust have direct and indirect impacts on the decision to choose a private university by new students at UEF during the new normal period. The research model demonstrates that the higher the level of trust among new students, the greater their ability to make decisions regarding decision of choosing university. Within the model,

the personal characteristics factor has a direct impact on the trust and decision-making processes of new students.

3.2. Research hypotheses

H1: Geographical location has a positive impact on the trust of students when choosing UEF University.

H2: Media has a positive impact on the trust of students when choosing UEF University.

H3: Support has a positive impact on the trust of students when choosing UEF University.

H4: Tuition fees have a positive impact on the trust of students when choosing UEF University.

H5: Facilities has a positive impact on the trust of students when choosing UEF University.

H6: University brand has a positive impact on the trust of students when choosing UEF University.

H7: Personal characteristics have a positive impact on the trust of students when choosing UEF University.

H8: Personal characteristics have a positive impact on the decision to choose UEF University by new students during the new normal period.

H9: Trust has a positive impact on the decision to choose UEF University by new students during the new normal period.

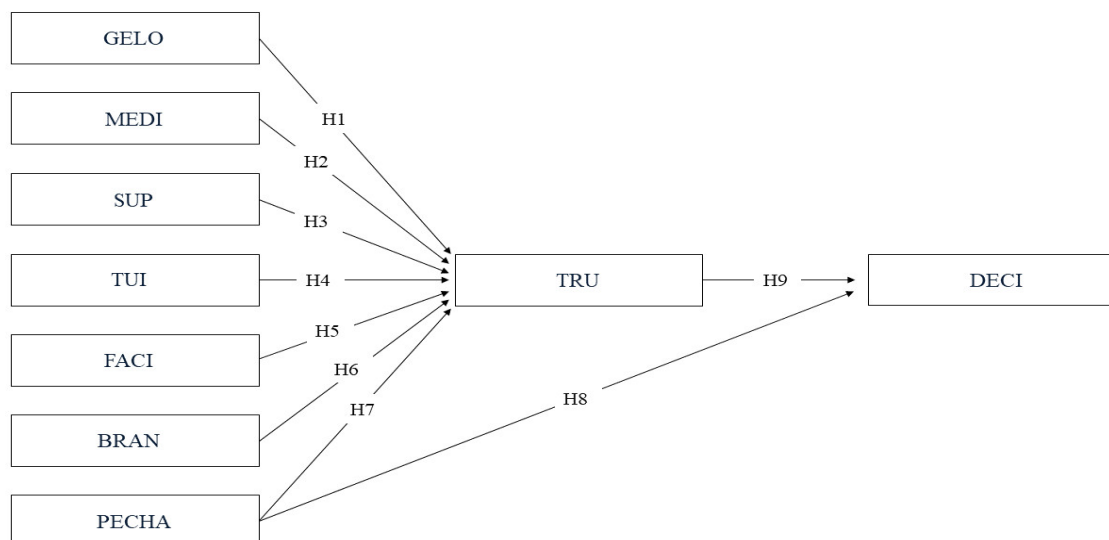


Figure 1. The proposed research model “The decision of choosing UEF by New Students during the New Normal Period”

3.3. Proposed Sample Selection Method

The proposed sample selection method is a convenience sampling method with a sample size of 300 new students at UEF University. The majority of the students are from the following business departments: Marketing, Business Administration, Tourism and Hotel Management, Economics, Finance and Accounting, and Public Relations and Communications. Fifty students will be surveyed from each department. A questionnaire designed using a 5-point Likert scale will be used to assess the new students' decision to choose UEF University.

3.4. Data analysis method

The quantitative research will be conducted from November to December 2023. The primary data will be processed using PLS Smart SEM 4.0 software to measure the impact of factors influencing new students' decision to choose UEF University in the new normal period through two steps:

- Step 1: Evaluation of the measurement model: Outer Loadings, Cronbach's Alpha, Composite Reliability, AVE, Discriminant

- Step 2: Measurement of the structural model: VIF, Original sample, P-value, R^2 , f^2

4. Conclusion

Through the proposed research model, it is evident that factors influencing the decision to choose UEF University among new students in the field of Economics include geographical location, media, tuition fees, support, facilities, personal characteristics, brand, and trust, which directly and indirectly affect the decision to choose a private university by new students at UEF during the new normal period. This article only presents the proposed model and research hypotheses. Applying this model to quantitative research will help relevant departments at UEF, such as Media, Counseling, and Admissions, utilize the research findings to maximize their impact on the preferences of high school students towards choosing private universities. The validation of the impact model and the proposal of managerial implications to enhance the decision-making process for new students in the field of Economics at UEF during the new normal period will be conducted in the next phase.

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