

## **Chapter One**

### **INTRODUCTION**

#### **1.0 Background to the Study**

Malaysia aims to become an industrialised country by the year 2020. The government has been making serious efforts to achieve this goal. In the effort to achieve developed country status, one of the strategies undertaken by the government involves the development of the country's most important asset – its human resources. Education is seen as one of the main instruments in developing the human resources. The announcement by the government that Malaysia should be the Regional Center of Education and that education should be treated as an investment is one of the major steps towards achieving this vision.

This development has placed the education sector under great challenges to take a quantum leap in the provision of quality education. Within five years the change has been phenomenal. A change accelerated by the recent economic crisis (1997 – 1999) that compelled the country to persuade its young citizens to pursue their academic qualifications and vocational training within its borders. (YB Dato' Sri Hj. Mohd Najib, Minister of Defence, Malaysia (former Minister of Education).

The government's agenda to make Malaysia a centre of educational excellence is also reinforced by the mission identified by the Malaysian Ministry of Education, that is, "To develop a world class quality education system which will realise the full potential of the individual and fulfill the aspiration of the Malaysian nation" (Education Act 1996).

Education and skill training is accorded high priority in nation building in order to provide a sufficient pool of well-educated, highly-skilled and strongly-motivated labour force as well as to produce responsible citizens with high moral and ethical values. During the Sixth Malaysia Plan period (1991-1995), the overall thrust of education was on expanding capacity and increasing access to all levels of education, strengthening the delivery system and improving the quality of education.

In addition to the above strategies, the Seventh Malaysia Plan (1996 – 2000) continued to emphasise the expansion of educational opportunities for those in the rural and remote areas. In this regard, the private sector and privatised public entities were also encouraged to expand their capacity and provide quality education.

At the primary level, enrolment in private schools increased by 106.4 per cent from 12,140 in 1990 to 25,060 in 1995. Enrollment in the private secondary schools increased by 47.6 per cent from 110,700 in 1990 to 163,400 in 1995. The provision of facilities by the private sector for tertiary education resulted in an increase in enrollment from 42,680 in 1990 to 50,840 in 1995. The enrollment in 1995 constituted 25 per cent of total enrollment in tertiary education in local public and private institutions.

In its efforts to develop Malaysia into a regional hub of educational excellence, the government encourages her people to set up various private institutions, particularly those offering higher tertiary education through twinning programmes. At the same time, efforts were also made to reduce the outflow of foreign exchange caused by the large number of Malaysian students pursuing higher education abroad.

Towards this end, the Malaysian government has made a series of amendments to the education laws of Malaysia. The Education Act 1996 was enacted to replace the Education Act 1961. The Private Higher Educational Institutions (PHEI) Act 1996 and the Universities and University Colleges (Amendment) Act 1996 were implemented to liberalise the education policy by allowing for the establishment of private universities and university colleges, branch campuses of foreign universities and the upgrading of colleges and university.

The government's ability to provide internationally recognised qualifications through strategic collaborations with the global academic community is a definite progress towards this direction. Some of the world's most established universities and colleges have twinning, credit transfer and branch campus arrangements that have transformed the sector into a dynamic and exciting regional gateway for education.

Therefore, it is clear that the government plays a leading role, directly and indirectly, in the development of education. The increasing importance of education and human resource development as one of the components in the national development process can

be seen in the growth of government development expenditure on education through the years from the First Five Year Plan (7.8%) to the present Seventh Malaysian Plan (budgeted at 15.4%).

As a result of all these developments during the last decade, it is not surprising to witness the rapid mushrooming of many new institutions of higher learning especially in the private sector. Furthermore, the Prime Minister of Malaysia has repeatedly emphasized that the strategy of the country's development plans is private sector-led growth. According to Dato' Sri Haji Mohd Najib, the involvement of the private sector has expanded the range of studies available and in fact created a creditable niche whereby the country is in a perfect position to export education.

### **1.1 Statement of the Problem**

Each year thousands of students finish their secondary education at Form Five and Form Six levels. The majority of these students do not know what they want to do. What is more alarming is that even if they have some idea of what they want to do, they do not know how to go about making a choice. At the same time, parents who have always been their guide in their growing up years are also at a loss. Many parents will readily acknowledge their lack of knowledge of the plethora of choices available nowadays in the education market.

These parents' plight is further aggravated by the rapid mushrooming of colleges and institutions of higher learning, both private and recently public as well. In 1994, there was a total of 227 private higher educational institutions, but in 1997 it was recorded that the total has increased to 449 PHEIs and 6 private universities (Education Guide Malaysia, Fifth edition 2000). As if the many new colleges and institutions of higher learning is not enough to confuse them, parents are also constantly bombarded with the many new and varied programmes offered by these institutions. Many parents may have heard of twinning programmes but they are not familiar with the new programmes such as the 2+1 programmes, 3+0 programmes, 2+2 and 3+1 programmes.

This dilemma of students and parents are reflected in the aftermath of their decisions. In many instances, colleges experience high failure rate, or high incidences of course transfer. An often-cited reason for these problems is that they have made the wrong choice. Sometimes they apply for transfer from one college to another due to their dissatisfaction with the existing college (Morgan et al, 1993).

## **1.2 Objectives of the Study**

Given the current situation outlined above, this project seeks to find out the factors that contribute to the final decision of a choice of college by students and their parents. Specifically, the project attempts to answer the following questions :

1. What type of information do parents and students look for during the search process?
2. Does the reputation of the institution of higher learning affect the student's final decision?
3. Do physical attributes such as location and facilities play an important role in their final choice?
4. Is the employability of the final award an important consideration to students and their parents?
5. Do student select colleges based on financial reasons?
6. Does the existence of financial aid or arrangements such as installment schemes make a difference in the parent and student's decision?

### **1.3 Significance of the Study**

An understanding of the search criteria of parents and students can provide significant and useful information to policymakers and administrators of institutions of higher learning. Such information can form the basis upon which policymakers formulate their strategies for enrollment planning, student marketing, recruitment plans and retention policies.

It is hoped that this study will lay the platform for further research in the future to establish more concrete evidences regarding parents' and their children's preferences in the choice of an institution of higher learning.

#### **1.4 Limitations of the Study**

The sample for this study has been limited to students in the Foundation programme of a private institution of higher learning in Petaling Jaya. Students in the first, second and final year degree programme were excluded from the survey. Since the research findings are responses from a small fraction of the total population of the institute, they should not be generalized to reflect the total population.

Since the research findings are based on a particular institution only, it may not be applicable to another institution. Their students and parents may place importance on areas different from that which was surveyed.

However, these limitations should not undermine the significance of the research findings, which serve as useful insights to the relevant authorities and policymakers.