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Original Research

Institutional Determinants of College Choice Decisions Among Business Students in Nepal


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Abstract

College choice remains a crucial concern for students and parents, particularly during admissions. The decision students make about their education has far-reaching consequences for their future. This topic has been explored extensively in the literature. However, few studies have focused on institutional factors of students' college choice decisions in Nepal. Therefore, this study examines institutional determinants/factors which are more significant in college choice decisions. Based on a survey of 385 conveniently sampled undergraduate and postgraduate business students of Pokhara University, the factor analysis results demonstrate four institutional factors: university/college reputation, quality of educational facilities, cost and financial assistance, and employment opportunities as significant factors in college choice decisions. This research aids colleges in marketing themselves to prospective students and understanding what drives individuals to pursue higher education by revealing the most significant institutional factors. Moreover, the study's limitations are discussed and suggestions for further investigation are offered.

Keywords: college choice decisions, institutional determinants, business students, Pokhara University

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Introduction

Higher education is facing new challenges due to the multi-university concept in Nepal, and the number of higher education institutions (universities and colleges) is expanding significantly (Bajracharya, 2020). For instance, Nepal currently has 1437 higher education institutions (HEIs), including eleven centrally subsidized public universities, six health academies, and other institutions. The government has also permitted more than 80 institutions with international connections to offer higher education programs (University Grants Commission [UGC-Nepal], 2021). This scenario illustrates the exponential growth of higher education in Nepal throughout the previous two decades. Therefore, HEIs in Nepal are facing more competition for students' enrolment in public and private institutions, and college choice decisions have grown more critical and complex in many nations, including Nepal (Awale, 2021; Shrestha, 2013; Silwal & Baral, 2021). Additionally, the reasons why students choose a particular institution in Nepal remain unclear to college administrators (Katuwal, 2011; Shrestha, 2013). Therefore, the present study examines the institutional determinants of college choice decisions among business students of Pokhara University.

Studies have examined factors that determine college choice decisions and identified numerous determinants. For instance, Al-Fattal (2010) found that a student's decision to enrol at a private Syrian university is influenced by factors such as the institution's location, reputation, academic programs, educational quality, infrastructure, facilities, cost, and cost financial aid, and potential employment opportunities. Similarly, Kusumawati (2013) discovered the five most crucial variables in choosing a college, including cost, reputation, location, employment prospects, and parents, in the context of Indonesian public universities. Maniu and Maniu (2014) in Romania found similar results, identifying criteria such as university prestige, financial stability, career prospects, parental influence, course availability, and geographical proximity as crucial in determining a student's final college decision. Additionally, Migin et al. (2015) identified five important institutional characteristics such as cost of education, academic reputation, location, programs and facilities, as important determinants in selecting private HEIs in the Malaysian context. These recurring themes in the reviewed literature served as the study's conceptual framework.

However, most of these research efforts have focused outside the cultural context of Nepal. Although these studies have added considerably to the body of knowledge on selecting a university, it is possible that their results are not generalizable to the majority of the developing world. Students' priorities may vary depending on their cultural background (Arar et al., 2017). Few studies have investigated students' college choices in Nepal. For example, Silwal and Baral (2021) focused on the institutional, marketing, and social characteristics of colleges in attracting students with the moderating effect of gender, which is beyond the scope of the present study. Likewise, Awale (2021) conducted the study from the service marketing perspective, which is also beyond the scope of the study. Similarly, another study (Shrestha & Sapkota, 2021) was confined to medical students. Likewise, the study by Shrestha and Shrestha (2020) focused on factors influencing opting for course specialization, and Joshi (2014) focused on high school students. Likewise, another study adopted a marketing mix framework to examine the enrolment of students (Pokharel et al., 2018). However, considering institutional factors in Nepal, the issue of college choice has largely been ignored in the literature. As such, limited attention has been given to institutional factors of college choice in Nepal. Therefore, this study tries to fill the gap by addressing the key question: what institutional determinants influence the college choice decisions of business students in Nepal?

This study on institutional determinants of college choice decisions holds an important place in Nepal's higher education setting since institutions now face competition to enrol students in the undergraduate and graduate business degree programs offered by the universities. Furthermore, while there has been extensive research on the student's educational aspirations and exclusion from higher education, less focus has been placed on students' college choice decisions in the context of Nepal. Furthermore, this study has resulted in a deeper understanding of students' concerns about institutional factors in their decisions. These findings guide what business students in Nepal consider while making college choice decisions. This is important because it will help policymakers in Nepal's higher education sector determine which institutional characteristics impact prospective students' decisions about colleges to apply to. The study contributes to the literature on institutional determinants affecting college choice in Nepal by conducting an empirical examination on the topic using data obtained from one of the HEIs in Nepal.

Theoretical Framework

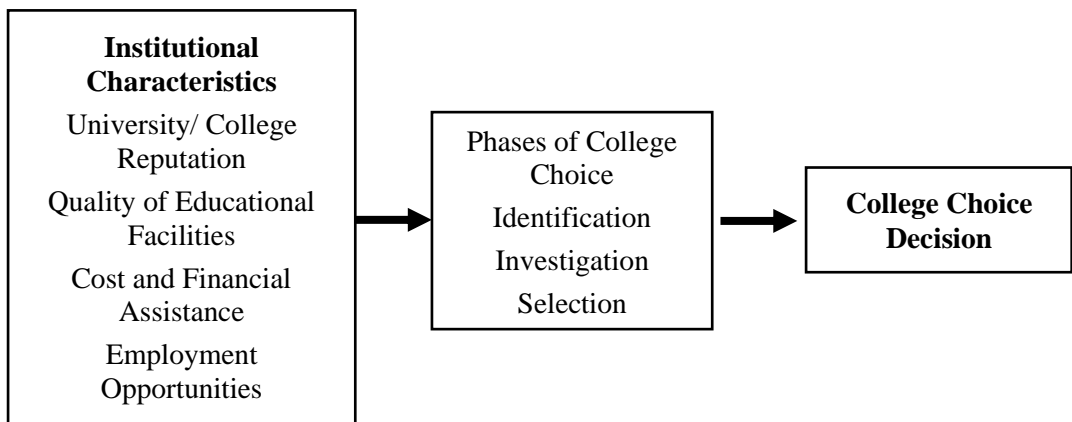
Several models of students' college-applying processes characterize selection as an evolving phenomenon (Chapman, 1981; Jackson, 1982; Litten, 1982). Several authors, including Jackson (1982) and Litten (1982), have proposed that there are three stages to this procedure. From developing an interest in higher education to deciding on a specific college, these are the steps taken by prospective students. A three-stage approach for deciding on a university was proposed by Litten (1982). First comes the motivation and the final choice to enrol in higher education. In the second stage, students look into prospective colleges and universities. The final stage consists of the enrolment process, which includes the enrolment application, admission, and enrolment. Litten's concept is similar to Jackson's (1982) three-stage model. Initiating the process is a favoured mind-set, or perspective, on going to college. That's why the student wants to study more. Jackson is moving on to the stage of exclusion. The learner develops a list of potential options at this stage. The institutions are selected by students interested in learning more about them. Analysis and judgment constitute the final phase.

Chapman's (1981) broad conceptual model of student college choice identifies the essential variable sets and their interrelationships to guide future research and present admissions practice. This dynamic model proposes that to fully comprehend a student's decision regarding which college to enrol in, it is required to include the student's historical and present-day attributes, those of the student's family, and the institution itself. According to the model, several internal and external factors shape a student's decision over which institution to attend. There are three main types of external factors at play here: (1) the impact of influential people, (2) the institution's inherent features, and (3) the institution's outreach to potential students. Students' overall expectations of college life are impacted by both the students' traits and the external forces they encounter. Drawing on some of the constructs of the work of Jackson (1982), Litten (1982), and Chapman (1981), the current study is underpinned by the theoretical assumption that student college choice decision is greatly influenced by the institutional characteristics with some influence of demographic and socio-economic characteristics (student characteristics). Although the proposed conceptual model is adapted from Chapman (1981), the study is also guided by Jackson's (1982) and Litten's (1982) three-phase model, in which Litten's second phase describes the investigation of

potential institutions of higher education. The present study underscored that investigation of potential higher education institutions is based on institutional factors. Similarly, as mentioned above, the three-phase model of Jackson (1982) describes the exclusion stage. The exclusion stage mainly identifies potential institutions where the students want to pursue their higher studies, which again highlights institutional characteristics. To put it in other words, the current research is based on the conceptual model of Litten (1982), Jackson (1982), and Chapman (1981). The proposed conceptual framework of the study is given below:

Figure 1

Conceptual Framework of the Study



(Adapted from Chapman, 1981; Jackson, 1982; Litten, 1982)

Literature Review

Factors influencing students' decisions to enrol in college have been the subject of numerous research (Akareem & Hossain, 2016; Haron et al., 2017). There is a three-step method for choosing a college or institution (Hossler & Gallagher, 1987). Students express their desire to continue their studies past high school. When students have completed the first phase, they go on to the second and begin learning about the characteristics of various universities. Once accepted, students move on to the third phase, where they research and evaluate their options before making a final decision. High school graduates often feel empowered to make important decisions about their futures, such as which college to attend and which program to study.

Researchers in the 1960s and 1970s identified academic staff qualities, strong academic reputations, and programs as significant determinants in students' decisions about colleges (Baird, 1967). There was a substantial correlation between financial aid and final HEI choice. Numerous research carried out after 2000 revealed that when selecting an HEI, students primarily consider the school's location, curriculum, price, campus size, and financial and non-financial benefits. Recent research in this field has revealed that prospective college students consider a wide range of factors—including price and value, ease of travel, the reputation of faculty, availability of internships and job opportunities, the opinions of friends and family, campus facilities, and financial aid—when deciding which institution to enrol in (Ahmad et al., 2016).

University/College Reputation

A school's reputation and positive perception (image) are significant factors in attracting potential students. Therefore, most HEIs are pursuing accreditation since it improves their standing in the eyes of the public and prospective students. The institution's reputation influences students' decisions (Taylor et al., 2019). Moreover, university ranking systems influence prospective students by accurately representing their reputation and image. Similarly, Gill et al. (2018) researched institutions' attributes to STEM graduates in the UK and discovered that the university's reputation, academic programs, and location are critical factors in students' decision-making.

Similarly, Maniu and Maniu (2014) discovered that several factors, including the institution's age, accreditation, the degree of competition in the admissions process, and brand name, significantly impacted the university choice of Romanian students. Ahmad and Hussain (2017) stated that university reputation is the most important factor for prospective students in the United Arab Emirates when deciding where to enrol. Students in South Africa ranked the institution's reputation as the element that mattered most when choosing where to continue their education (Beneke & Human, 2010). Veloutsou et al. (2004) identified that students care more about a university's reputation than they do about the quality of its courses. Afful-Broni and Noi-Okwei (2010) found that academic considerations such as the availability of the desired program, the institution's reputation in the academic community, and the calibre of the instruction had the most influence on students' decisions to enrol in a university in Ghana.

Quality of Educational Facilities

There is a strong correlation between student preferences and school infrastructure, which includes classrooms, laboratories, and libraries (Al-Fattal, 2010; Maniu & Maniu, 2014). Students' intentions to enrol in higher education institutions in Malaysia were significantly correlated with factors like campus appearance and availability of services (Wagner & Fard, 2009). Clemes et al. (2008) found similar associations between students' plans for their future conduct and aspects of the service they received that exceeded their expectations.

Cost and Financial Assistance

Researchers have examined cost because it appears to impact whether prospective students choose to enrol at a particular institution (Foskett et al., 2006; Wagner & Fard, 2009). For example, Wagner and Fard (2009) in Malaysia found that the cost of education significantly correlates with a student's intention to study at a university. However, tuition fees are listed as the fourth most important factor in studying at a university by South African students (Beneke & Human, 2010). Similarly, Ming (2010) investigated and established the cost impact of cost on the decision to attend a university. It has been observed that prospective students' decisions to enrol in college or university depend mainly on the financial aid programs offered by those institutions. In their study, Foskett et al. (2006) concluded that flexibility of fee payment is a significant determinant of a prospective student's decision to enrol. Similar to this, Van Alebeek and Wilson (2019) argued that the cost of higher education directly and substantially affects whether or not a student will enrol in college. They also found that tuition costs significantly impact students' choice of higher education institutions. Eseyin (2018) concluded that one of the important considerations in choosing a college or university is the financial assistance the institutions provide.

Additionally, Festa et al. (2019) and Adefulu et al. (2020) concluded that due to the rising costs of higher education, recent research has also shown that financial aid is a significant factor affecting students' decisions regarding enrolment. Likewise, Maniu and Maniu (2014) contend that students are thoughtful, rational decision-makers who carefully weigh the costs and benefits of all available options. However, in South Africa, research by Beneke and Human (2010) found that financial aid was only the fifth most important factor when deciding where to go to college.

Employment Opportunities

Previous research has also indicated that securing a decent job after graduation is a significant motivation for pursuing further education. As a result, students must receive support in enhancing their employability through internships and university-industry partnerships to increase their chances of finding a job after graduation (Al-Fattal, 2010; Maniu & Maniu, 2014). Similarly, Dhaliwal et al. (2019) discovered that graduates' employability had a considerable and advantageous influence on students' decisions about higher education institutions in India. Contrasting the previous findings (Al-Fattal, 2010; Maniu & Maniu, 2014), quality of instruction is an essential criterion for South African students. However, the likelihood of finding gainful employment ranks second (Veloutsou et al., 2004).

A detailed analysis of the literature claims that various factors that students consider while choosing a college have been found in prior studies. However, these factors' relative importance varies substantially from country to country. Therefore, this study aims to pinpoint the crucial institutional factors that Nepali business students consider while selecting an HEI in their country. The empirical research also provided a basis for developing study objectives and questions essential when considering the processes by which students choose which institutions to attend. Additionally, it guided the instrumentation process.

Methodology

Using a self-report structured questionnaire, a descriptive cross-sectional study was designed. To quantify the most important aspects of the study, a questionnaire was developed using previous literature (Al-Fattal, 2010; Kusumawati, 2013; Maniu & Maniu, 2014; Migin et al., 2015; Gill et al., 2018) to derive the items of university/college reputation. Similarly, the statements regarding the quality of educational facilities were derived from (Al-Fattal, 2010; Maniu & Maniu, 2014). Likewise, cost and financial assistance items as well as statements about employment opportunities, were adapted from (Maniu & Maniu, 2014; Migin et al., 2015).

All undergraduate and graduate students in the business administration programs in the constituent colleges of Pokhara University were considered participants. Students in their first or second year of college were chosen through a non-probabilistic convenience sampling method since their replies were more likely to reflect the reality

of the criteria that students evaluate when selecting an institution. Later on, those in their final year of college were contacted because it was assumed they would have enough work experience to fill out the survey. The study used Facebook Messenger, Viber, and email to distribute the survey link to 750 students. Participants in the study were 400 people out of a total of 750 people. However, 15 of the original 400 responses were deemed ineligible since the respondents had not answered the question correctly. The response rate for this study was 51.33%, based on 385 valid responses. Since it was larger than the recommended minimum of 350 participants, the present sample size was acceptable (Plano Clark & Creswell, 2015). To protect the students' anonymity, participants were not obliged to disclose their names or other identifying information on the survey. Following extensive explanations, participants expressed their approval.

Basic demographic information, including the respondent's gender, age, the program of study, and parents' monthly income, was the emphasis of the questionnaire's first section. The subsequent portions of the survey assessed the significance of different variables expressing the relative relevance of various university features influencing student institution selection. The final survey had 23 Likert-scale questions (1–5, with 1 indicating strong disagreement and 5 indicating strong agreement). The questionnaire was made free of jargon, and the language was simple. The order of the questions was maintained to guarantee reliable data collection and complete student comprehension.

It is vital that the instrument used to gather data provides valid and reliable information. Therefore, the reliability and validity of the tool were evaluated to guarantee accurate results. All questionnaire items were derived from previously validated studies (discussed in the first paragraph of the methodology section); however, due to modifications and rearrangements, we had a panel of professors evaluate the questionnaire's content validity and run a pilot test. After receiving experts' feedback and analysing the pilot test results, the questions were revised and updated accordingly. The questionnaire's Cronbach's alpha score was 0.732, indicating that the items were highly consistent. Every construct must have an alpha value of at least 0.70 for the internal consistency test to be valid (Hair et al., 2012). As a result, it was determined that the final questionnaire utilized to gather the data was reliable. Similarly, composite reliability and average extracted variance were also used to examine the construct and convergent validity of the measure (Fornell & Larcker, 1981).

For this study, SPSS 20.0 and Analysis of Moment Structures (AMOS) 22.0 were used to analyse the data. Descriptive statistics, such as frequency distribution, were used to examine respondent characteristics, and mean value analysis was used to evaluate the relative importance of institutional characteristics. The factor structure and internal consistency of the study measure were examined with the aid of exploratory factor analysis (EFA). The observed variable factor structure was determined using confirmatory factor analysis (CFA).

Respondents' Characteristics

The respondents were business students at Pokhara University. Descriptive statistics were used to examine the demographic aspects. Participants' demographic information (such as gender, age, family income, and program of study) was collected in the first section of the survey. Table 1 contains information on the study participants.

The respondents were business students of Pokhara University. The demographic features were analysed using descriptive statistics. The first part of the survey inquired about demographic details such as respondent gender, age, family income, and program of study. Information about the research participants is provided in Table 1.

Table 1

Description of the Research Participants

Demographic Variables	Categories	Frequency	Percent
Gender	Male	157	40.8
	Female	228	59.2
Current study program	BBA	180	46.8
	BBA-BI	148	38.4
	MBA	57	14.8
Age	Up to 23 years	310	80.5
	24 to 29 years	68	17.7
	30 and above	7	1.8
Monthly family income	Less than Rs 25000	90	23.4
	Rs 25001 to 50000	140	36.4
	Rs 50001 to 75000	71	18.4
	Rs 75001 to 100000	46	11.9
	More than 100001	38	9.9
Total		385	100

Results

The study aimed to determine institutional factors that determine the college choice decisions of business students. Descriptive statistics, such as mean value analysis, were used to identify the factors students value most when selecting a university. EFA was used to establish the measure's factor structure and internal reliability in this study. CFA was used to validate the underlying factor structure of an observed variable set.

Institutional Determinants of College Choice

Table 2 shows a 23-item five-point Likert scale (1 representing strongly disagree and five meaning strongly agree) used to assess the factors influencing students' college choices—the first six items measured university/college reputation, seven items measured quality of educational facilities, five items estimated cost and financial assistance, and five items measured employment opportunities. The mean value for all the items is more than three (Awang, 2012), indicating that these components are essential indicators of college choice and enrolment consideration.

The longest list of outcome options (n=10) came from the University of Edinburgh (2022) in the Scottish capital; see details in Table 2. Here there are more options than we have found at most UK universities. The University of Edinburgh details the various resubmission options and splits the two different lower degrees (MPhil and MRes) than can be awarded when the examiners conclude that the candidate's research work is not good enough to be awarded a PhD.

Table 2

Factors Influencing College Choice as Considered by Respondents

Items	N	Mean	Std. Deviation
University/College Reputation			
I prefer studying in an internationally accredited institution (F1)	385	3.72	0.895
I prefer good recognition of its degree both nationally and internationally (F2)	385	3.45	0.959
I prefer national accreditation of the institution (F3)	385	3.54	0.957
I prefer the origin of the institution (F4)	385	3.69	1.033
I prefer the international relations of the institution (F5)	385	3.76	0.901
I prefer the institution that has built an excellent local image (F6)	385	3.92	1.006

Quality of Educational Facilities

I prefer the institution having varieties of academic programs (F7)	385	3.43	0.971
I prefer the institute that has highly trained faculties in terms of qualification and research activities (F8)	385	3.7	0.972
I prefer well-furnished classrooms with good interiors (F9)	385	3.5	0.995
I prefer the institute to have a well-developed infrastructure (F10)	385	3.59	1.037
I prefer institutes having good library resources (both online and offline) (F11)	385	3.62	0.959
I prefer teaching and learning activities that are technologically advanced (F12)	385	3.36	0.905
I prefer the sound quality educational services provided by administrative staff (F13)	385	3.27	0.916

Cost and Financial Assistance

I prefer institutions having an affordable fee structure (F14)	385	3.38	1.052
I would prefer institutions providing financial aid and scholarship (F15)	385	3.51	0.896
I prefer institutions waiving tuition fees (F16)	385	3.57	0.91
I prefer institutions allowing flexible payment of an instalment (F17)	385	3.64	0.836
I prefer the institution bearing food and accommodation costs (F18)	385	3.68	1.038

Employment Opportunities

I prefer institutions that train students for future employment (F19)	385	3.17	0.975
I prefer institutions provided market suited education(F20)	385	3.53	0.981
I prefer institutions having job skills training and internship opportunities (F21)	385	3.8	0.896
I would go for institutions that employers prefer (F22)	385	3.61	1.08
I consider institutions having an excellent university-industry partnership(F23)	385	3.5	0.933

N = 385, 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree

KMO and Bartlett's Test of Sphericity

The usefulness of factor analysis is evaluated along two main dimensions. The Kaiser-Meyer-Olkin (KMO) criterion is the first method used to assess the completeness of a sample. KMO values for factors related to university reputation are all above the minimum threshold of 0.6 in this study university/college reputation (0.658), educational facilities (0.876), cost (0.707), and employment prospects (0.657).

According to Hair et al. (2012), a value of 0.7 or more is considered good, while a value of 0.5 to 0.7 is considered acceptable. Bartlett's sphericity test showed a value of 206.681 for university/college reputation, 947.488 for educational facility quality, 345.810 for tuition/financial aid, and 330.690 for other factors (employment opportunities). The significance value for Bartlett's Test in Table 3 is 0.000, which is significantly less than the threshold value of 0.05 (Awang, 2012). As a result, if the KMO value is close to 1.0 and Bartlett's test significance value is close to 0.0, the data is sufficient and appropriate to continue with the reduction method.

Table 3

Results of the KMO test and Bartlett's Test of Sphericity

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy (University/College Reputation)		0.658
Bartlett's Test of Sphericity (University/ College Reputation)	Approx. Chi-Square	206.681
	df	3
	Sig.	0.000
Kaiser-Meyer-Olkin Measure of Sampling Adequacy (Quality of Educational Facilities)		0.876
Bartlett's Test of Sphericity (Quality of Educational Facilities)	Approx. Chi-Square	947.488
	df	15
	Sig.	0.000
Kaiser-Meyer-Olkin Measure of Sampling Adequacy (Cost and Financial Assistance)		0.707
Bartlett's Test of Sphericity (Cost and Financial Assistance)	Approx. Chi-Square	345.81
	df	3
	Sig.	0.000
Kaiser-Meyer-Olkin Measure of Sampling Adequacy (Employment Opportunities)		0.657
Bartlett's Test of Sphericity (Employment Opportunities)	Approx. Chi-Square	330.69
	df	3
	Sig.	0.000

Exploratory Factor Analysis

A lot of behavioural research has used EFA. For acceptable factor analysis results, most guidelines consistently recommend a large sample size of at least 200 (MacCallum & Austin, 2000). Three hundred eighty-five respondents made up the study's final sample. Therefore, EFA was carried out in SPSS 20.0 using a varimax rotation and the principal component extraction approach.

Three items in university/college reputation – I3, I4, and I6, one item in quality of educational facilities – I9; two items in cost and financial assistance – I16, I18, and two in employment opportunities – I19, I21 – were found to have factor loadings more minor than the acceptance limit of 0.5, and cross-loadings were observed. These items were consequently eliminated, and EFA was ultimately run with 15 items. Every extraction value exceeded the 0.50 acceptable range in terms of significance. Hair et al. (2012) stated that factor loadings more than 0.5 have practical significance; hence, items with factor loadings less than 0.5 were excluded. Therefore, the factor analysis only included 15 components.

Table 4

Results of Exploratory Factor Analysis

Items/ Factors	Initial	Extraction	Factor loading	Total variance explained
University/ College Reputation				
I prefer studying in an internationally accredited institution (F1)	1	0.674	0.821	
I prefer good recognition of its degree both nationally and internationally (F2)	1	0.655	0.809	62.459
I prefer the international relations of the institution (F5)	1	0.545	0.738	
Quality of Educational Facilities				
I prefer the institution having varieties of academic programs (F7)	1	0.606	0.820	59.612

I prefer the institute that has highly trained faculties in terms of qualification and research activities (F8)	1	0.572	0.802	
I prefer the institute to have a well-developed infrastructure (F10)	1	0.580	0.779	
I prefer institutes having good library resources (both online and offline) (F11)	1	0.503	0.762	
I prefer teaching and learning activities that are technologically advanced (F12)	1	0.672	0.756	
I prefer the excellent quality of educational services provided by administrative staff (F13)	1	0.644	0.709	
Cost and Financial Assistance				
I prefer institutions having an affordable fee structure (F14)	1	0.730	0.854	
I would prefer institutions providing financial aid and scholarship (F15)	1	0.708	0.841	70.851
I prefer institutions allowing flexible payment of an instalment (F17)	1	0.688	0.829	
Employment Opportunities				
I prefer institutions providing market-suited education (F20)	1	0.578	0.760	
I would go for institutions that employers prefer (F22)	1	0.777	0.881	68.621
I consider institutions having an excellent university-industry partnership (F23)	1	0.704	0.839	

Extraction Method: Principal Component Analysis with varimax rotation

After eliminating the eight items with factor loadings below the minimal acceptable range of 0.5 and cross-loading on more than one factor, EFA was performed on the remaining 15 items. The analysis was performed with the help of varimax rotation. The number of eigenvalues more significant than one was used to get the factor solution

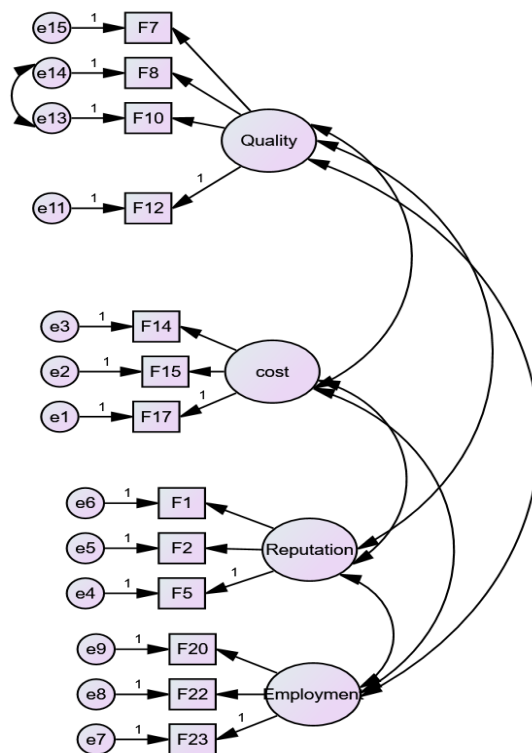
(Hair et al., 2012). The first factor, i.e. university/college reputation comprised of 3 items (I1, I2, I5), the second factor was quality of educational facilities consisting of 6 items (I7, I8, I10, I11, I12, I13), the third factor was the cost and financial assistance which had three items (I14, I15, I17), and the fourth-factor employment opportunities had three items (I20, I22, I23). The reputation of the university explained 62.459%, educational facilities explained 59.612%, cost and financial assistance explained 70.851%, and employment opportunities explained 68.621%. From these findings, we can infer those four unique factors have a substantial impact on the college selection process among business students of Pokhara University.

Confirmatory Factor Analysis

Figure 2 depicts the path diagram for the proposed measurement. A CFA was carried out to verify the results of the exploratory factor analysis

Figure 2

Path Diagram of Confirmatory Factor Analysis



AMOS (analysis of moment structures) version 22 was used for the study. The gathered data were put through confirmatory factor analysis to verify the factors of the theoretical model shown in Figure 2. Both confirmatory and exploratory factor analysis looked for evidence that data fits a presupposed component structure or model.

The confirmatory factor analysis was allowed to load all 15 exploratory factor analysis items. After loading all 15 items, there were problems with model fit since two items (items 11 and 13) of the educational facility attributes were again removed due to insufficient loading. Each item is shown to have a statistically significant loading (GFI = 0.951, CFI = 0.965, RMSEA = 0.059, CMIN/DF = 2,321). The composite reliability and the average extracted variance are greater than 0.70, demonstrating the scale’s reliability and validity (Fornell & Larcker, 1981).

Table 5
Output of Confirmatory Factor Analysis

Items		Construct	Loadings	P-Value	AVE	CR
F17	<---	cost	0.726	0.0001		
F15	<---	cost	0.699	0.0001	0.5616	0.79276
F14	<---	cost	0.818	0.0001		
F5	<---	Reputation	0.759	0.0001		
F2	<---	Reputation	0.705	0.0001	0.51048	0.75736
F1	<---	Reputation	0.677	0.0001		
F23	<---	Employment	0.747	0.0001		
F22	<---	Employment	0.853	0.0001	0.54934	0.78197
F20	<---	Employment	0.602	0.0001		
F12	<---	Quality	0.758	0.0001		
F10	<---	Quality	0.66	0.0001	0.51853	0.81114
F8	<---	Quality	0.706	0.0001		
F7	<---	Quality	0.752	0.0001		

CMIN/DF=2.321; GFI=0.951; CFI=0.965, RMSEA=0.059

Discussion

The study found that the university's reputation influenced Nepalese business students. The desire to attend a university with international accreditation, international connections, internationally recognized academic programs and a university's reputation are consistent with earlier research findings (Awale, 2021; Brewer & Zhao, 2010; Maniu & Maniu, 2014; Migin et al., 2015). Maniu and Maniu (2014) concluded that the university's reputation, which includes its age, accreditation, admissions competition, and brand name, was a key impact on the final decisions of college candidates in Romania. Likewise, Ahmad and Hussain (2017) found that an institution's reputation was important in the HEI selection process for students in the UAE. Overall, the present findings indicate that university reputation is a significant factor in the decision to attend a particular college. Consistent with prior research, the present study confirmed that students heavily consider the quality of a school's classrooms, laboratories, and libraries when making their final decision (Maniu & Maniu, 2014; Winter & Chapleo, 2017). Similarly, Awale (2021) found that physical facilities play an important role in students' decision-making in college selection in Kathmandu, Nepal. However, Silwal and Baral (2021) concluded that academic programs offered by colleges are more significant in the process of college choice.

The study also found that total costs were one of the crucial institutional elements that affected business students' decision-making process in college choice. Students considered affordability as well as price. Students made an informed decision under Becker's (1975) economic models of choice by considering all relevant social and economic factors. Ming (2010) also revealed that financial considerations play a role in the university selection process for Malaysian students. Foskett et al. (2006) came to similar conclusions, indicating that the price of higher education has a direct and significant impact on whether or not students have aspirations of attending college. This conclusion is supported by the findings of the current study, which show that financial considerations play a significant role in students' decisions regarding their postsecondary education. Findings in most other developing countries, including Thailand (Pimpa & Suwannapirom, 2008), Malaysia (Wagner & Fard, 2009), and South Africa (Beneke & Human, 2010), also support the results of the present study.

Along with these studies, few other studies have highlighted the importance of financial assistance, which is a prerequisite for many students who belong to the lower-income category. One study by Eseyin (2018) found that university financial aid is an essential consideration for students making college decisions. The results also indicated that low-income children are less likely to consider all their college options than their middle- and upper-income counterparts. They go for public and low-cost colleges as their first choices. Similarly, financial aid availability is a significant factor in Ming's (2010) contention that prospective students choose their colleges and universities. There is a correlation between students being offered financial help and enrolling at that institution. Likewise, Adefulu et al. (2020) and Festa et al. (2019) also found that students prioritize HEIs that offer financial aid and scholarships, lending credence to the findings of the present study.

Findings from the current study are consistent with those from previous research. According to Veloutsou et al. (2004), who studied the information requirements and significance of university selection, future employment prospects are significant to students in the United Kingdom. Similarly, Dhaliwal et al. (2019) study on the factors influencing the selection of private universities and colleges in the Indian context found that the employability of graduates had a significant and positive effect on the choice factors of higher education institutions. Hence, the prior studies align with the present study's findings concluding that employment prospects are a crucial factor evaluated highly by students when choosing colleges.

Conclusion

The focus of this study was to identify the important institutional determinants/factors that affect the enrolment decisions of prospective business students. The reputation of the university or college, quality of educational facilities, cost and financial aid, and employment prospects after graduation were revealed to be the four most influential institutional variables in the factor analysis. This study concludes that improving a college or university's national and international reputation, enhancing the quality of its programs, infrastructure, and services, providing affordable tuition and financial aid, and enhancing graduates' chances of finding gainful employment are all effective ways to increase the enrolment of business students.

The implications of the findings highlight the possibility that HEIs in Nepal may address significant institutional characteristics that affect prospective students' decision-making. The results, however, do not necessarily suggest that business students in all Nepali HEIs exhibit uniformity in their selection criteria. According to the findings, institutions should consider these institutional attributes while attracting potential students. It would benefit universities to market their programs and gain more insight into the underlying drivers of students' decisions to pursue higher education.

The constraints of this study prevent broad generalizations from being made from its results while providing avenues for further research. The analysis was limited to one HEI of Pokhara University; hence the study cannot be generalized. Therefore, the study's limited sample size makes it less than ideal for generalizing the factors influencing students' decisions about which colleges to apply to. Additional characteristics that may be investigated in future studies include geographical location, social milieu, parental and peer influence, and college advancement. In addition, future research conducted during enrolment with students from different programs and public and private institutions may shed light on the institutional features that influence student preference.

Disclosure

The authors declared no potential conflicts of interest with respect to the research, authorship, and publication of this article.

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