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THE DECISION OF CHOOSING A UNIVERSITY: THE IMPACT OF EDUCATION COSTS

By

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ABSTRACT

A Student Decision on Choosing a University: Impact of Education Costs. This study aims to analyze the effect of the cost of education on students' decisions to continue their studies in tertiary institutions. This study uses a quantitative approach with an explanatory research type. The research sample consisted of 380 respondents and statistically processed with the simple linear regression method using the SPSS version 26.0 application. The results showed that the cost of education had an effect on students' decision to choose a university. These findings indicate that higher education institutions must take into account the tuition fees charged to students. This is related to the level of students' ability to complete their studies at a college. Several studies have shown that in general the cost of education is important for universities to attract and retain students who are studying.

Keywords: *Decision to Choose University, Cost of Education, College*

INTRODUCTION

Higher education (HE) is one of the most important priorities for most Indonesians, even though some people prefer to work and do not continue their education to a higher level. To continue their education to university, everyone is faced with various choices such as universities, levels of education and choice of study programs (Harahap & Amanah, 2019). Higher education inevitably has to change its paradigm in improving performance through improving higher education performance in accordance with student expectations, so that it has high competitiveness in the target market (Harahap, Amanah, Gunarto, Purwanto, & Umam, 2020).

In recent years, many changes have occurred in the world of higher education. Initially, being able to study in college was considered a prestigious thing. However, now higher education has been seen as a necessity for society (Aydin, 2015). One of the reasons for this is because there are many demands in the labor market which provide a minimum requirement for a job to be owned by people who have graduated from the tertiary level. The community

considers that by entering higher education, a person will have a greater opportunity to improve their socioeconomic status (Latifah, 2015). So that everyone has the hope of being able to continue and complete higher education (Harahap, Hurriyati, Gaffar, Wibowo, & Amanah, 2017a).

Higher tuition fees at PT are usually due to the management of the HE is carried out by one of the foundations or companies, which means that they do not receive financial assistance from the government. However, the PT may be able to receive assistance in certain forms such as subsidies or incentives, in accordance with the relevant regulations. Research conducted by Broekemier & Seshadri (2000), on students and parents shows that the quality of study programs, campus safety, costs and academic reputation are the main key criteria used by students and parents to choose higher education institutions (Shah, Nair, & Bennett, 2013).

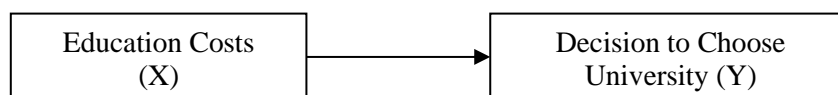
Students' decision to continue their study at the desired campus plays an important role in their future success. If the reality is not as expected then success will be under uncertainty. The act of selecting higher education has many dimensions and impacts, namely part of the resolution effort and part of the decision-making process. Intense competition makes every university realize the need to fully exploit its assets to maximize performance and to develop competitive advantage (Harahap, Hurriyati, Gaffar, & Amanah, 2018).

The cost of education that must be spent can not only be assessed from the high, low, expensive, but can also be seen from another side, namely how the ability, perceiving and feeling the costs incurred are related to the feasibility, convenience and appropriateness of accessing certain tertiary institutions (Primadini, Rizky, & Bangun, 2019). The price component for education costs according to (Lupiyoadi & Hamdani, 2006) includes: a. Registration / re-registration fee at the beginning of each semester, b. Tuition fees which include fees for providing education as well as matters relating to the development and fostering of curricular and extra-curricular activities such as money for books, equipment and so on per semester; c. Cost per credit; d. Building construction contribution money; e. Exam fees and others.

The decision to choose is a prospective student's attitude towards a university to determine his choice of the intended university. The behavior of students continuing their studies and determining a university must be in accordance with the wants and needs of these students in pursuing knowledge which includes; introduction of various universities, seeking university information, evaluation of alternatives to choosing a university, decision to choose a university and behavior after choosing a university (Harahap, Hurriyati, Gaffar, Wibowo, & Amanah, 2017b).

METHODS

This research uses a quantitative approach with descriptive methods. This study aims to test the hypothesis, to determine the effect between variables by referring to the formulation of the problem that has been determined and the expected research objectives. The sampling technique is carried out by simple random sampling technique, which is taken randomly which will provide the same or even opportunities for each population to be sampled. The number of samples or respondents that must be researched is 380 respondents. Data were collected through questionnaires and data analysis techniques using a quantitative approach with explanatory research type with simple regression analysis model. The analysis calculations used the SPSS (Statistical Packages for the Social Science) version 26.00 Windows program. The theoretical framework of this research is shown in Figure 1 below.



RESULT AND DISCUSSION

Result

The data in this study were obtained from 380 respondents through questionnaires. The following explanation covers two criteria for respondents, namely based on age, gender, faculty origin and regional origin. In this study based on gender, respondents were dominated by women where 234 women with a percentage of 61.58%, based on the origin of the faculty dominated by the economics and business faculties, namely as many as 82 respondents with a percentage of 21.58%, and based on their origin or regional ethnicity, the respondents were dominated from the Sundanese tribe as much as 295 with a percentage of 77.63%.

Table 1.
The Test Results

Variable	Number of Instrument	Cronbach's Alpha	Explanation
Education Costs	6	0,861	Reliable
Student Decision	10	0,890	Reliable

Based on the results of the instrument test by distributing questionnaires to 380 respondents, all variable indicators in this study, namely the cost of education on the student's decision to choose a university, were declared reliable, because they had a correlation coefficient of more than 0.361. Reliability test was conducted to measure the consistency and stability of each item on the questionnaire (Sekaran & Bougie, 2013). Reliability test results in Table 1 indicate that the instrument in this study, namely each variable has an Alpha value greater than 0.60. According to (Sekaran & Bougie, 2013), Cronbach's Alpha less than 0.6 is said to be bad and vice versa is said to be good if it is more than 0.60. Therefore, the data collected was considered usable for further analysis. Testing data in this study used a simple linear regression technique processed with Statistical Package for Social Sciences (SPSS 26.0) software.

Table 2.
The Simple Linear Regression Analysis Test Results

Model		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
		B	Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	1,473	0,139		10,568	0,000		
	Education Costs	0,546	0,041	0,567	13,383	0,000	1,000	1,000

Based on the table of simple linear regression analysis test results above, the regression equation in this study is as follows:

$$Y = 1,473 + 0,546X + e$$

The explanation of this equation is described as follows:

1. Constant (α) = 1,473. This shows a constant level where if the variable cost of education (X) is 0, then the student's decision to choose a university (Y) will still be 1,473.
2. The cost of education (X) shows a positive coefficient value of 0,546. This shows that the cost of education has an unidirectional relationship with the student's decision to choose a university. If the cost of education is appropriate or relatively affordable and well implemented, the student's decision to choose a university will also be good.

Table 3.
The Determination Coefficient Test

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0,567 ^a	0,322	0,320	0,56782

From the test results in Table 3 shows that R^2 is 0,322. This means that 32.20% of the variation in the dependent variable (the student's decision to choose a university) can be explained by the variation of the independent variable (cost of education). While the rest (100% - 32.20% = 67,80%) is explained by other causes outside of this research model.

Discussion

The results showed that the cost of education had an effect on students' decision to choose a university. Several previous studies stated that the main reason for choosing higher education institutions was affordable education costs (Khoiriyah, Susilawati, & Nilakusumawati, 2013; Artini, Kirya, & Suwendra, 2014; Fahriansyah & Zubir, 2015; Meilyaningsih & Sisilia, 2015). This research is in line with the theory presented by Matin (2014), namely that the cost of education is all expenditures in the form of money or non-money as an expression of the sense of responsibility of all parties (society, parents and government) towards educational development so that the educational goals are aspired. achieved efficiently and effectively, which must be continuously extracted from various sources, maintained, consolidated and organized administratively so that it can be used efficiently and effectively.

CONCLUSION

The results showed that the cost of education had an effect on students' decision to choose a university. These findings indicate that higher education institutions must take into account the tuition fees charged to students. This is related to the level of students' ability to complete their studies at a college. Several studies have shown that in general the cost of education is important for universities in attracting and retaining students studying.

As a recommendation, higher education institutions must provide student assistance funds, such as scholarships or grants to students. This can attract more prospective students because they see the main problems affecting the potential of higher education in its performance. According to Harahap & Amanah (2019), universities need to pay attention to study programs to be more creative and prioritize skills-based study programs that are in accordance with the needs of the job market. Universities should be more professionally managed by prioritizing user satisfaction, that is students, teaching staff and managers.

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