

CHAPTER 1

INTRODUCTION

This research is about the MBA students. It looks at what motivates a sample of these students to pursue their MBA; their value system, the competencies and the experience they acquire from the MBA studies.

The research is inspired by the possibility of increased contribution higher education brings to the economy and to the individual.

Education, in every sense of the word, is one of the fundamental factors of development and the MBA program is no exception to this. No country can achieve sustainable economic development without substantial investment in human capital. Education enriches people's understanding of themselves and the world. It improves the quality of their lives and leads to greater social benefits to the individuals and the society. Education not only raises people's productivity and creativity but also promotes entrepreneurship and technological advances. In addition, it plays a monumental role in securing economic and social progress as well as improving income distribution.

Prior to the nineteenth century, systematic investment in human capital was not considered vital in any country. Expenditures on schooling, on-the-job training, and other similar forms of investment were considerably paltry. However, things began to change radically during the last century with the encouragement of His Majesty the King of that time.

During the twentieth century, education, skills, and the acquisition of knowledge became crucial determinants of a person's and a nation's productivity. One can even call the twentieth century the "Age of Human Capital" in the sense that the primary determinant of a country's standard of living is how effective it is in developing and utilizing the skills and knowledge of the people and at the same time improving the welfare and education of majority of its population.

The past decades have seen extraordinary expansions in access to basic education throughout Thailand. Many countries are now at the brink of a further increase in access to secondary and higher education and in effecting spectacular improvements in the quality of education offered at all levels. Due to the increasing numbers of students completing their basic education, the demand for education at higher levels is similarly increasing. Thailand is increasingly integrated in world markets for goods and services. Thailand's ability to compete in these markets and in globalizing service markets will depend on the caliber of the human capital they bring into the competition. Ensuring that all citizens are educated and numerate, while possessing a wide range of problem solving skills beyond the basic level, and that some have world class professional skills will necessitate new curricula, improved teaching programs, and academic methods that encourage higher order cognitive skills.

In the earlier neoclassical models, education was not considered a major input for production, hence was not included in growth models (Denison, 1962, p. 67). In the 1960s, mounting empirical evidence stimulated

the “human investment revolution in economic thought”. The seminal works of Denison (1962) led to a series of growth accounting studies pointing to education’s contribution to the unexplained residuals in the economic growth of western economies. Other studies looked at the impact of education on earnings or estimated private rate of returns.

A survey of growth accounting studies, in the year 2008, covering 29 developing countries found estimates of education’s contribution to economic growth ranging from less than 1% in Mexico to as high as 23% in Ghana and 35% in Thailand (Psacharopoulos, 2008a).

Education and Productivity

As explained above the educational provisions within any given country represent one of the main determinants of the composition and growth of that country’s output and exports and constitutes an important ingredient in a system’s capacity to borrow foreign technology effectively. For example: health and nutrition, and primary and secondary education all raise the productivity of workers, rural and urban; secondary education, including vocational, facilitates the acquisition of skills and managerial capacity; tertiary education supports the development of basic science, the appropriate selection of technology imports and the domestic adaptation and development of technologies; secondary and tertiary education also represent critical elements in the development of key institutions, of government, the law, and the financial system, among others, all essential to economic growth.

Empirical evidence at both micro and macro levels further illuminates these relationships. At a micro level, numerous studies indicate that increases in earnings are associated with additional years of education, with the rate of return varying with high level of education (Behrman, 1990; Psacharopoulos, 2008). The returns to primary schooling tend to be greater than returns to secondary and tertiary education (Psacharopoulos, 2008).

Education alone, of course cannot transform an economy. The quantity and quality of investment, both domestic and foreign, together with the overall policy environment, form the other important determinants of economic performance. Yet the level of human development has a bearing on these factors too. The quality of policy making and of investment decisions is bound to be influenced by the education of both policy makers and managers; moreover, the volume of both domestic and foreign investment is likely to be larger when a system's human capital supply is more plentiful.

On a macro prospective, the 'new growth theories' aim to augment technical progress by incorporating some of these same effects, emphasizing education as well as learning and R & D. According to Lucas (1988), for example, the higher the level of education of the work force the higher the overall productivity of capital because a more educated work force is more likely to innovate, and thus affect everyone's productivity. In other models a similar externality is generated as the increased education of individuals raises not only their own productivity but also that of others with whom they interact, so that total productivity increases as the average level of education rises (Perotti, 1993). The impact of education on the nature and growth of

exports, which, in turn, affect the aggregate growth rate, is another way in which human development influences macro performance. The education and skills of a developing country's labor force influence the nature of its factor endowment and consequently the composition of its trade. It has been argued that even 'unskilled' workers in a modern factory normally need the literacy, numeracy, and discipline, which are acquired in primary and lower secondary school (Wood, 1994).

It is within these arguments that MBA courses were launched. It was argued that developing economies needed broadly educated people in all the disciplines of business to provide the future generations of managers.

MBA courses are expected to:

1. To create a quality workforce by growing, training, and attracting the finest talent.
2. To support current business and industry.
3. To provide leadership in industry and commerce.
4. To provide strategic oversight.
5. To take strong and visible roles in regional initiatives.
6. To disseminate research and promote technology transfer.
7. To enhance the technology infrastructure.
8. To promote livable communities.
9. To employ a diverse workforce.

The original intention behind the founding of business schools is very clear: to create management as a profession. A profession, for the founders, did not simply mean a distinction between an expert and a novice. They saw a

profession in terms of using one's knowledge for the advancement of societal interest. That was the basis around which the "professionalization project" (creating management as a profession) of the business schools began. They linked the notion of a business school to three already-legitimated institutions that were seen as key of the 20th century:

1. Science. They wanted to establish management as a science, not just an art.

2. Professions. Professions took knowledge and used it to advance societal interests. Professionals acted in the best interests of the persons they were representing rather than their own self-interest.

3. The university. Universities were seen as the fulcrum for knowledge toward truth and the advancement of understanding.

Were the founders over-optimistic? It depends on your point of view. Like all entrepreneurs, they were trying to change the world. They were to address fundamental societal, economic, and political challenges associated with the rise of the large corporation. From an analytical perspective, though, they followed a path that was very different from the one that the traditional high professions of medicine, law, and science had pursued. In those cases, the impetus for professionalization came largely from a vanguard of practitioners who sought to distinguish themselves from hacks, quacks, and snake oil salesmen. For management, the impetus came much more from a small cadre of academics, a group of people who were concerned about what was going on in the society, and a small group of managers who were seeking to raise

their status. They all believed that if we were to build the business school, the profession will come.

The questions posed in this research are:

1. What is the motivation behind pursuing an MBA course?
2. What are the perceptions of the MBA course they are pursuing in terms of its usefulness?
3. What are the differences in perception of the MBA students attending private and public universities and part time and full time courses?
4. The differences in perceptions of students attending international and Thai courses
5. Differences in perception of skills and competencies learnt.

These questions were converted into appropriate hypotheses to test the research questions.

Hypotheses:

Ho 1: There is no significant relationship between the age of the respondents and push reasons for pursuing MBA.

Ho 2: There is no significant relationship between the university type of the respondents and push reasons for pursuing MBA.

Ho 3: There is no significant relationship between the study mode of the respondents and push reasons for pursuing MBA.

Ho 4: There is no significant relationship between the program of the respondents and push reasons for pursuing MBA.

Ho 5: There is no significant relationship between the industry of the respondents and push reasons for pursuing MBA.

Ho 6: There is no significant relationship between the age of the respondents and instrumental reasons for pursuing MBA.

Ho 7: There is no significant relationship between the university type of the respondents and instrumental reasons for pursuing MBA.

Ho 8: There is no significant relationship between the study mode of the respondents and instrumental reasons for pursuing MBA.

Ho 9: There is no significant relationship between the program of the respondents and instrumental reasons for pursuing MBA.

Ho 10: There is no significant relationship between the industry of the respondents and instrumental reasons for pursuing MBA.

Ho 11: There is no significant relationship between the age of the respondents and fulfilling reasons for pursuing MBA.

Ho 12: There is no significant relationship between the university type of the respondents and fulfilling reasons for pursuing MBA.

Ho 13: There is no significant relationship between the study mode of the respondents and fulfilling reasons for pursuing MBA.

Ho 14: There is no significant relationship between the program of the respondents and fulfilling reasons for pursuing MBA.

Ho 15: There is no significant relationship between the industry of the respondents and fulfilling reasons for pursuing MBA.

Ho 16: There is no significant relationship between the satisfaction level of the respondents and the program MBA of part time or full time.

Ho 17: There is no significant relationship between the satisfaction level of the respondents and whether the study in private or public university.

Ho 18: There is no significant relationship between the utility of the subjects studied and mode of attendance.

Ho 19: There is no significant relationship between the utility of the subjects studied and attendance at private or public university.

Ho 20: There is no significant relationship between the mode of attendance and future prospect.

Ho 21: There is no significant relationship between the type of university attended and future prospect.

Ho 22: There is no significant relationship between the mode of attendance and competencies learnt.

Ho 23: There is no significant relationship between the type of university and competencies learnt.

Ho 24: There is no significant relationship between the university attended and skill learnt.

The idea frame of the research:

This research studies the value and motivation and competencies and skill in studying MBA program by showing the idea frame as in Figure 1.

Scope of the research:

The scopes of this research are as followed:

1. Demographic scope was the students of Master degree of Business Administrative program (MBA) in both public and private universities.

2. Context Scope

- 2.1 Antecedent was students' private information of Master degree of Business Administrative program (MBA) including gender, age, and type of institutes of education, studying program and types of students' tasks.

2.2 Dependent variable was the factors of continuous studying Master degree of Business Administrative program (MBA) including values, motivation and competencies and skills.

3. The scope in term of research area was both public and private universities.

4. The scope in term of time, the period of this research was about 12 months started from January to December 2010.

The advantages of this research:

1. To know values, motivation and competencies and skills of students' studying in Master Degree of Business Administrative program (MBA).

2. To know the comparison result of values, motivation and competencies and skills of students' studying Master degree of Business Administrative program (MBA) categorized by students' privacy information and expectation while studying MBA program.

3. To know the relationship between privacy information and expectation while studying Master degree of Business Administrative program (MBA).

4. Ability to bring the research result as a guideline in improving Master degree of Business Administrative program (MBA) to increase higher quality.

Definition:

Student means student of Master degree of Business Administrative program (MBA) in both public and private University.

Individual factor means the privacy factors of Master degree of Business Administrative program (MBA) students including age, industry, public and private university and international and Thai program.

The factor in studying Master degree of Business Administrative program (MBA) means students' factors in studying Master degree of Business Administrative program (MBA) in term of motivation, value and competencies and skills.