

Factors Effect the Decision to Work in Hanoi: Case Study of Students from Hanoi University of Industry

Tran Thi Huyen*, Pham Thi Phuong Thao, Nguyen Le Huyen Trang, Le Kim Chi, Nguyen Thi Lien, Tran Cuong

Faculty of Business Management, Hanoi University of Industry

* Corresponding Author

DOI: <https://dx.doi.org/10.47772/IJRISS.2024.804106>

Received: 27 March 2024; Accepted: 06 April 2024; Published: 11 May 2024

ABSTRACT

Choosing a suitable workplace has long been a matter of interest not only for recent graduates, but also for researchers, educational administrators. The focus of this study is to highlight the important factors influencing the decision of University of Industry students to stay in Hanoi after graduation. Based on 200 survey samples from students of Hanoi University of Industry, research has shown that students' decision to choose to stay in the working city is influenced by 6 factors ranked in descending order: Family orientation, personal factor, Preferential policies, Expected income Job opportunities, Living environment. This is a valuable finding both theoretically and practically, as the basis for making decisions that attract students to choose to stay in the city to work after graduation. Keywords: Decision, employment, workplace, student, University of Industry, Hanoi.

Keywords: Decision, employment, workplace, student, University of Industry, Hanoi

INTRODUCTION

Every year, along with many universities and colleges throughout the country, the number of graduates from Hanoi University of Industry becomes a source of quality human resources for Hanoi city as well as other regions and other areas in Vietnam. However, the decision to choose and find a job in the city or return to the hometown after graduation is an issue with too many influencing factors and becomes a concern not only for students prepare graduate, or new graduates, but also for managers and researchers (*Todato, 1969* [1]; *Huỳnh Thị MộngCầm, 2022* [2]; *Mẫn và Dung, 2010*) [3]

Like most other developing countries, nowadays, Vietnamese younger are more free to find job opportunities as well as places to work and many people decide to choose big cities as a place to work and live to have better income and live independently. Hanoi city is where many immigrant students come to study, after graduation, deciding whether to stay or return to your hometown is an important decision, affecting each student's future after graduation. Compared to other localities, Hanoi creates many employment opportunities through the expansion of services and production in the formal and informal sectors. These factors have created a gravitational pull, affecting the motivation of most students to stay in the city after graduation (Hải, 2018; Hiền 2022).[4][5]

During the process of industrialization and modernization of Vietnam, every year there are hundreds of thousands of students graduating from universities in Hanoi, a part is Hanoi University of Industry. Hanoi University of Industry has the characteristic that the ratio of students from other provinces is higher than students living in Hanoi. On the other hand, the conditions of students when studying at Hanoi University of

Industry are diverse majors and students are always active, ready to accept challenges, most students after graduating want to stay and work in Hanoi. (Thảo, 2010; Huy và Dung, 2011).[6][7]

Most previous studies only mentioned migration in general or migration from rural to urban areas. These studies rarely mention graduates who do not return to their hometown but stay in the city to work and live. Currently, there are still no studies on students in Hanoi deciding where to work after graduation. However, in Can Tho or Ho Chi Minh City, there has been research on this issue but it is not up to date with the labor market context and the fluctuations of the current socio-economic situation. On the other hand, subjective factors have not been paid attention to and analyzed in depth. This research will help supplement multi-dimensional aspects of the life picture of students staying in the city after graduation, as well as their socio-economic integration with Hanoi city. Thence, this study proposes some solutions to help students have more orientation in choosing a workplace after graduation, it also helps the city take measures to retain workers and develop better human resources.

METHODOLOGY

There have been many studies conducted by researchers and experts to find the optimal sample size consistent with analytical methods, estimation methods, reliability or distribution rules of the study. selection set. For example, Hair, Anderson, Hair, Tatham, and Black (1998) gives reference to expected sample sizes, at least 5 times the total number of observed variables. In this study, with the number of observed variables being 39 variables, the minimum research sample size is $5 \times 36 = 180$ samples, however the author chose 200 samples, ensuring the sample size conditions according to Hair et al (2020)[8].

Based on domestic and foreign research projects, the author synthesizes the most commonly observed variables and is mentioned by many models. Through the calculation process, this study proposes a research model including six independent variables: (1) personal factors, (2) family orientation, (3) expected income, (4) job opportunities, (5) living environment, (6) preferential policies of the city.

The measurement tool for quantitative variables in the study is a 5-point Likert scale (with levels ranging from 1 Completely disagree to 5 Completely agree). This type of scale is quite commonly used in sociological behavioral studies[9].

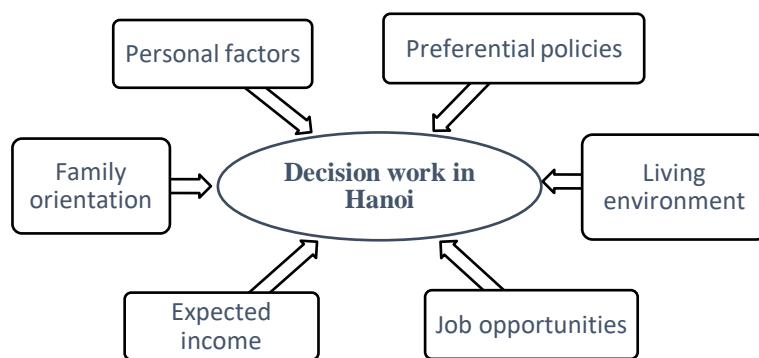


Fig 1: Study model

RESULT

Evaluate the reliability of the scale

Cronbach's alpha results show that the Cronbach's alpha coefficient of the scales: personal factors, family orientation, expected income, job opportunities, living environment, preferential policies, and choice decisions are more than 0.6. Among the above scales, the job opportunity scale has the highest Cronbach's

alpha coefficient of 0.95 and the lowest of 0.774. Cronbach's alpha coefficient of total variable correlation of each variable is greater than 0.3. The results of reliability analysis show that the scale has guaranteed reliability and can be continued to be used in the following analysis steps.

Exploratory factor analysis

For independent variables, KMO coefficient = 0.804 > 0.5, satisfactory, factor analysis is appropriate. Sig. Bartlett's Test = 0.000 < 0.05, Bartlett's test is 4751.375 with statistical significance is Sig. (Bartlett Test) = 0.000 proves that the observed variables are correlated with each other in the factor. Thus, the observed variables in the population are correlated with each other and EFA analysis is appropriate.

The Eigenvalue value reaches 1.663 > 1. The variance extracted is 76.238% > 50%, showing that the selection factor explains 76.238% of the variation in the data. The dependent variable still retains 6 observed variables and is included in the regression analysis in the next step.

From the results of EFA analysis of independent variables, of the 29 observed variables included in the analysis, all 29 observed variables have Factor Loading coefficients greater than 0.5, meeting the requirements. The resulting rotated matrix has converged the observed variables to each factor that they represent with standard loading factors. This shows that observed variables and factors are closely related to each other.

Exploratory factor analysis for the dependent variable shows that the coefficient KMO = 0.817 > 0.5, so the factor analysis is appropriate for the research data. The result of Bartlett's test with a Chi-square index of 589.192 has a statistical significance of Sig. (Bartlett Test) = 0.000 proves that the observed variables are correlated within the factor. This proves that the data used for factor analysis is completely appropriate. Eigenvalue reached 3.182 > 1. The variance extracted is 79.546% > 50%, showing that the selection decision factor explains 79.546% of the variation in the data.

3.3 Multivariate regression model

Table 1. Results of regression analysis

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
DS	(Constant)	-0,593	0,253		-2.338	0,020		
	PF	0,274	0,049	0,264	5,554	0,000	0,876	1,142
	FO	0,282	0,035	0,386	7,989	0,000	0,847	1,180
	EI	0,133	0,029	0,211	4,517	0,000	0,906	1,104
	JO	0,097	0,033	0,138	2,937	0,004	0,891	1,122
	LE	0,096	0,037	0,119	2,553	0,011	0,917	1,091
	PP	0,236	0,047	0,243	5,048	0,000	0,856	1,169
Dependent Variable: DS								

Source: Calculate by author

With Tolerance greater than 0.1 and the variance magnification factor VIF of the variables less than 10, the regression model does not have multicollinearity. Adjusted R Square coefficient = 0.607 means that the independent factors explain 60.70% of the variation in the dependent variable. 39.30 (39.3%) is explained by factors not included in the model. Specifically, the regression function is written as follows:

$$\text{Decision} = -0,593 + 0,386*FO + 0,264*PF + 0,243*PP + 0,211*EI + 0,138*JO + 0,119*LE + \epsilon$$

In the above model, we understand that the increase of factors all have positive impacts on the decision of students at Hanoi University of Industry to stay in Hanoi to work. Specifically, arranged in descending order as follows: family orientation (0.386), personal factors (0.264), preferential policies (0.243), expected income (0.211), job opportunities (0.138), liveenvironment(0.119). These analysis results are consistent with the hypotheses developed when building the research model.

Anova analysis Gender

Table 2. Results of ANOVA test with gender variable

		Independent Samples Test							
		Levene's Test for Equality of Variances		t-test for Equality of Means					
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
								Lower	Upper
DS	Equal variances assumed	2,632	0,106	0,041	192	0,967	0,00351	-0,16409	0,17111
	Equal variances not assumed			0,043	173,810	0,966	0,00351	-0,15657	0,16359

Source: Calculate by author

The results show the Sig value. in Levene's test is less than 0.05 (Sig. Levene's Test = 0.106 > 0.05), proving that there is no difference in variance between male and female choice decisions. Therefore, we use the Sig value. of the t-test assuming equal variances. Sig value. of the t-test is greater than 0.05 (Sig. T- Test = 0.967 > 0.05), proving that there is no statistically significant average difference in the choice decisions of students of different genders.

Major

Table 3. Results of ANOVA test with major variable

Test of Homogeneity of Variances			
QD			
Levene Statistic	df1	df2	Sig.
0,757	9	190	0,656
ANOVA			

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	0,743	9	0,083	0,249	0,986
Within Groups	62,987	190	0,332		
Total	63,730	199			

Source: Calculate by author

The results show the Sig value. of Levene's test is greater than 0.05 (Sig. Levene's Test = 0.656), proving that the variance of the value groups is homogeneous. Therefore, we consider Sig. of the ANOVA test. Sig value of the ANOVA test is greater than 0.05 (Sig. F = 0.986 > 0.05), proving that there is no statistically significant average difference in the decision making of students studying different majors.

DISCUSSION

Although the research results show that the model does not really accurately reflect the decision of students of Hanoi University of Industry to stay in Hanoi to work after graduation. However, through the research results, the authors found that the 3 factors that most influence the decision to choose a place to work for HNU students are (1) Family orientation, (2) Factors that affect the workplace. individuals, (3) Local preferential policies

Family factors are the factors that have the most influence on students' workplace orientation. Most students ask their families for their opinion about their future jobs, and also expect a lot of their families' help in job orientation. Parents and relatives are the closest people to students, so it is understandable that students trust and expect their families in their career orientation. Family members are also the people who understand the student's personality, interests, strengths and personal characteristics the most, and always want the best for the student. Therefore, the family's advice is worth paying attention to and trusting, so that students can choose and orient their future work.

This personal factor is the second most influential factor in the model of students' decision to choose a workplace. Students' awareness of social career trends and employment information will have an impact on their decision to choose a workplace. Some students do not expect help from family, school, or friends but plan to find and create their future careers on their own. Personal capacity affects students' confidence and initiative in deciding whether to work in Hanoi city or not. Many students always want to explore their full potential in big cities where they have a lot of competition, opportunities and challenges. That's why students also need to constantly improve their knowledge and personal skills, and have a correct and complete awareness of the labor market and economic trends. Thus, learn, practice, and improve your own capacity to meet social needs, escape the expectation of help from outside, and orient your future with your own personal strength.

The city's preferential policies are one of the factors that significantly impact students' choice of where to work after graduation. A place with good and feasible policies will attract a large number of skilled workers to come and stay to work. In addition to policies to support students after graduation, the city also has scholarship policies for students who are still studying. This is also a link between the locality and students, a motivation for students. Employees stay here to develop their careers. In addition, information and procedures in the open city will help students have easier access to employers, making the job application process easier. In order to retain high-quality human resources such as university students, the city needs to

have preferential employment policies and preferential policies for good living to attract students there to work.

REFERENCES

1. P. Todato, "A model of labor migration and urban unemployment in less developed countries," *The American Economic*, pp. 138-148, 1969.
2. H. T. M. Cam, "Factors affecting the workplace choice behavior of alumni of Dong Nai University of Technology," *Industry and Trade Magazine*, p. No. 4, March 2022.
3. Tran Van Man and Tran Kim Dung, "Factors influencing graduates' decision to choose a workplace," *Economic Development*, No. 6, 2010
4. L. S. Hai, "Factors affecting students' decision to stay in the city to work after graduation. Case in Ho Chi Minh City," Doctor thesis, Ho Chi Minh City, 2018.
5. H. T. Hien, "Research on factors affecting the decision to choose a workplace of economics students in Hanoi," *Journal of Science and Technology* No. 36, pages 60-70, 2023
6. B. Thao, "Analyzing factors affecting social science students' decision to work in Can Tho or other localities," Bachelor's degree thesis, Can Tho, 2010.
7. H. T. H. & L. N. T. Dung, "Factors affecting the decision to choose a place to work, in the case of Can Tho University students," *Can Tho University Science Magazine*, pp. 130-139, 2011.
8. M. C. H. C. N. Hair J.F, "Assessing measurement model quality in PLS-SEM using confirmatory composite analysis," *Journal of Business Research* 109, pp. 101-110, March 2020.
9. Sullivan, Gail M., and Anthony R. Artino Jr. "Analyzing and interpreting data from Likert-type scales." *Journal of graduate medical education* 5.4 (2013): 541-542.