

# **Why students choose to study the New Zealand Diploma in Business.**

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**This paper explores the results of a survey which asks a range of newly enrolled NZDipBus students at UNITEC why they elected to study the New Zealand Diploma in Business in 1999. This paper compares the reasons of full time and part time students. It will also briefly explore the level of monetary support offered to part time students by their employers. As many NZDipBus providers have articulation arrangements with universities, it is helpful to know how important these arrangements are to current students. The literature records the value of the NZDipBus to employers and students as well as retention issues.**

## **Purpose of research**

The purpose of this research was to ascertain why students chose to enrol in the New Zealand Diploma of Business (at UNITEC) when there are other options, particularly degree options available to them. The intention was to inform and focus the advice currently offered to students.

## **Methodology**

A survey of six new intake classes was undertaken and 125 questionnaires were completed. This survey was confined to the 100 Accounting Principles classes, and was therefore not fully comprehensive as some new part time students may have chosen a non accounting course as their first study option. However the six classes surveyed consisted of four full time classes and two part time classes, so at a range of reasons would result.

The questionnaire asked students to indicate whether they were studying full time or part time, which age bracket they were in, and the level of qualifications they had already achieved, as many new residents already have degrees. Respondents were also asked to indicate whether their current qualifications were from overseas or New Zealand.

Respondents were then asked to indicate why they had chosen to study the NZDipBus and were invited to respond with more than one answer if that was appropriate for them. Twelve reasons were provided for them and an open answer was also available.

Other questions related to why respondents had chosen to study at UNITEC, and whether they believed the NZDipBus was value for money. Information was sought as to whether the student was in full time paid employment and if so, whether the employer paid some or all of the fees.

## Literature Review

The Association of Polytechnics of New Zealand (APNZ) commissioned AC Nielsen-McNair in 1997 to surveyed employers' views of diploma level business qualifications generally and ascertain the perception of the strengths and weaknesses of the New Zealand Diploma in Business from the employers' point of view. From the 199 phone interviews it was found that employers preferred the current New Zealand Diploma in Business<sup>1</sup> to proposed unit standard qualifications. Employers saw its main strengths as the broad introduction to business it provided students, and the relevant business skills it taught them. The weaknesses were more difficult to identify but revolved around the reasons for its strengths which was that the coverage was too broad, it lacked depth, it did not contain enough practical knowledge and that it is not of as much value as a degree.<sup>2</sup>

Roger Jenner (1994)<sup>3</sup> carried out a study entitled *Product Flexibility and Client Satisfaction: A review of the National Certificate in Business<sup>4</sup> studies course at Waiariki Polytechnic, Rotorua. Does it fulfil its purpose and meet its clients' needs?* Jenner's study investigated the issue of discontinuity of study. His findings suggest that the course does contribute to positive outcomes for the majority of students.

*Course flexibility is utilised by a high proportion of students and appears to be a factor contributing significantly to the success of many.<sup>5</sup>*

Jenner's survey asked **how significant the flexible structure of the programme had been to the students' success.** Of the 237 respondents 59% (141) agreed, while 25% (59) neither agreed nor

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<sup>1</sup> AC Nielsen-McNair (1997) *Diploma Level Business Qualifications: a Survey of Employers' Views*. July.

<sup>2</sup> Ibid pg5

<sup>3</sup> Jenner, R, (1994) *Product Flexibility and Client Satisfaction: A review of the National Certificate in Business<sup>3</sup> studies course at Waiariki Polytechnic, Rotorua. Does it fulfil its purpose and meet its clients' needs?* Management Development Centre, Waiariki Polytechnic, Rotorua.

<sup>4</sup> The National Certificate in Business (NCB) was later renamed the New Zealand Diploma in Business (NZDipBus)

<sup>5</sup> Ibid pg1

disagreed. An even stronger response was offered to the statement: **The study I have undertaken has contributed positively to my career progress** as 65% (155) agreed. An equally strong response was also received to the statement: **The content of the papers I have studied has been relevant in my work.** To this question 72% (172) agreed. Dick McDonald and Lynne Eagles from Manukau Institute of Technology undertook further developmental work on this study which resulted in the *Drop Out/Stop Out Survey*.

In a UNITEC *Graduate Destination Survey 1994*<sup>6</sup> which was carried out in 1995, it was reported that graduates from the Faculty of Business had some of the highest average graduate salaries with 15% (9) earning over \$45,000, most of whom graduated from either the Diploma in Marketing Management and the NZDipBus. Unfortunately employment data relating specifically to the NZDipBus is not provided in the survey results. However it is also noted in the Survey that *Computing and the NZDipBus provided the best springboard into further study* as 55% of graduates were continuing their study in other programmes, mainly the BBS (48%). Students were also asked whether they believed their qualification had assisted them in their chosen career. Of the 42 respondents to the questionnaire, 29 answered this question of whom 86.2% (25) believed that the NZDipBus had assisted, but 13.8% (4) did not. However 89.7% (26) believed that their NZDipBus qualifications provided sufficient skills for the job while 10.3% (3) students disagreed.

Student retention is a concern for both individual students and all tertiary organisations. It has been a particular concern for the NZDipBus programme because of its flexible nature (Jenner 1994). At a 1997 Conference on *First Year Experience in Tertiary Education* at AIT Craig McInnis discussed the effect on students of the transitional year to tertiary education<sup>7</sup>. He raised a range of issues including the cost of drop-outs in the first year of tertiary programmes<sup>8</sup>.

Boddy and Neale (1997) surveyed students through the Recruitment and Retention Committee at Victoria University, Wellington, with the support of the Assistant Vice Chancellor (Academic)<sup>9</sup>. Phone interviews were completed with 80 of the sample population of 130 leavers. The reasons given for non completion by the women who comprised 71% of the telephone sample, included: *the university environment did not suit me*

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<sup>6</sup> *Graduation Destination Survey 1994*, UNITEC Institute of Technology, Auckland 1995

<sup>7</sup> Bunny, S (1998) AIT Hosts Global Conference on Student Retention, Education Today, August.

<sup>8</sup> McInnis, C (1997) Mainstreaming and Managing Strategies for Successful Transition and Retention, First Year Experience in Tertiary Education Conference, October, Auckland, New Zealand

<sup>9</sup> Boddy, G Neale, J (1997) Why Student Leave/Withdraw, First Year Experience in Tertiary Education Conference, October, Auckland, New Zealand

33%; *Discovered I did not like the course after I'd begun* 28%; *The courses does not suit my career choice* 26%; *Not committed enough towards study* 26%. The males *Left the university for something more important to me* 35%; *The course does not suit my career choice* 30%; *Financial problems* 6%<sup>10</sup>. The conclusions drawn by Boddy and Neale from this study were that *there is a need for students to get good advice, to be able to feel that their tertiary study is of value to them and they are achieving what they set out to accomplish. Some withdrawal result from disillusionment, diminished self-esteem and a failed investment – by the student, the institution and the state.*<sup>11</sup>

Ann Pocock(1998), studied the learning concerns of 137 participants at the Learning Support Centre at Wellington Polytechnic. One conclusion that she drew was that *there is a strong relationship between the study concerns of the school leaver and the mature learner. The fundamental difference lies in the lack of educational experience for the mature learner*<sup>12</sup>.

In Pocock's survey of students' study concerns *exams* were the greatest concern to 93%, followed by *remembering information* 91%. Other high levels of concern concerned *note-taking, size of workload, assignment writing, understanding lectures, poor study skills, maths and inability to study* which all rated over 85% and were a major concern for at least a third of the students. Pocock records that 60% of mature learners were mostly worried about the length of time since they had studied.

These studies highlight the perceived value of the NZDipBus to graduates, as well as the need for concern to ensure that students are placed in programmes where they are most likely to succeed and continue in their studies.

## Findings

From Figure 1 it can be seen that of the 125 students surveyed 62.4% are full time students and 37.6% are part time students.

**Table 1. Numbers of Full Time and Part Time Students**  
(Full time students included a class of international students.)

Part	Full
47 37.6%	78 62.4%

<sup>10</sup> *ibid* pg 6

<sup>11</sup> *ibid* pg 8

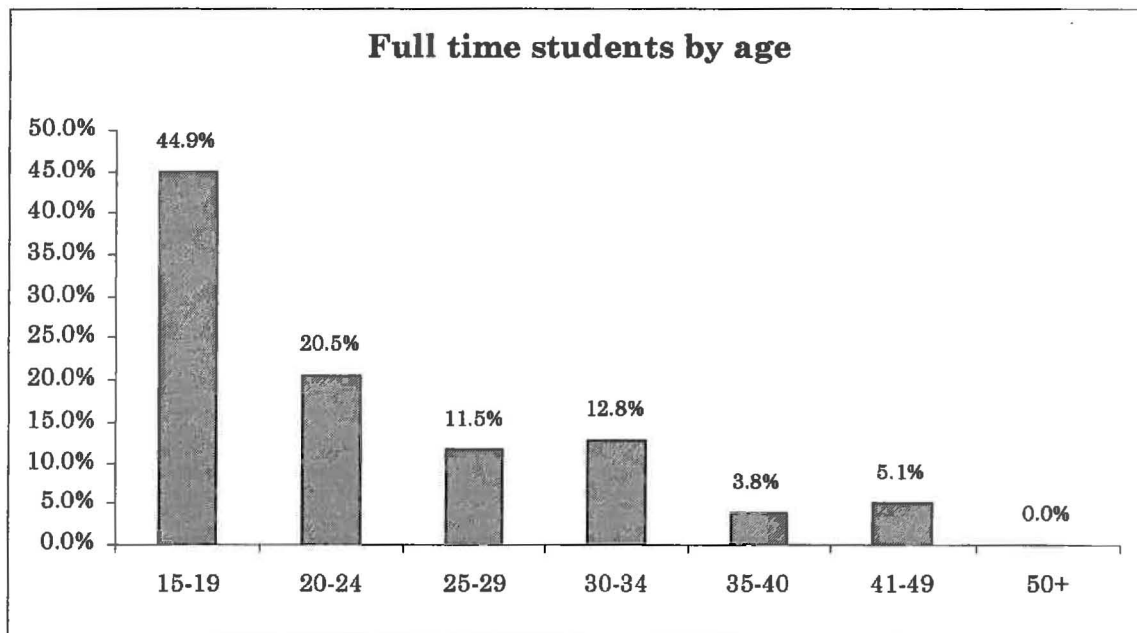
<sup>12</sup> Pocock, A (1998) Learning Barriers for the beginning tertiary student at Welling Polytechnic, , First Year Experience in Tertiary Education Conference, October, Auckland, New Zealand

**Table 2 Age of all students**

15-19	20-24	25-29	30-34	35-40	41-49	50+
31.5%	18.5%	15.3%	16.1%	12.1%	6.5%	0.0%
39	23	19	20	15	8	0

As can be seen from **Table 2**, the largest group of students overall is the 15-19 year old group (31.5%), with a fairly even spread over the 20-24 age group (18.5%), the 25-29 age group (15.3%) and the 30-34 age group (16.1%).

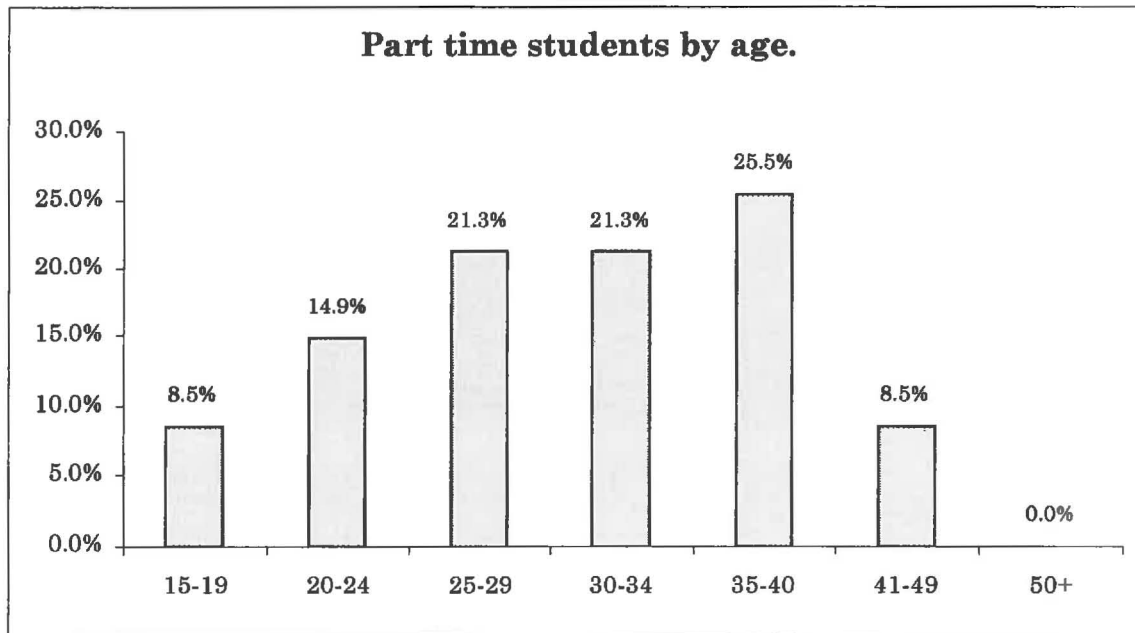
**Figure 1. Full time students by age**



From **Figure 1** it can be seen that the largest age group represented amongst full time students is the 15-19 age group (nearly 45%). This is double the 20-24 age group, and more than three times those in the 25-29 group, and those in the 30-35 group.

However the contrast between the age profile of full time and part time students is clearly demonstrated in **Figures 1 and 2**. The full time classes have a preponderance of 15-19 year old students while this group is the least represented in the part time class statistics. Over 65% of part time students are aged between 25-40, with the largest age group aged between 35-40.

**Figure 2. Part Time Students by Age**



**Table 3 Main Reasons for choosing NZDipBus**

(12 categories were offered, plus an open option. Students could indicate more than one reason.)

	ICANZ* AT	NZIM	Recognised By Employers	Cross Credit to BBS	Learn NZ Business	Appropriate Entry Requirements
<b>Full Time</b>	12.5%	7.4%	14.8%	20.8%	12.5%	8.8%
<b>Part Time</b>	14.7%	9.3%	16.3%	14.7%	13.2%	7.0%
<b>All</b>	13.3%	8.1%	15.4%	18.6%	12.8%	8.1%

From Tables 3 and 4 (and Appendix 1) it can be seen that *cross crediting to the BBS* is the most popular reason for full time students in particular (20.8%) and for most students overall (18.6%)

**Full time** students indicated that they believe that the NZDipBus is *recognised by Employers* (14.8%), and that it can provide *Learning about New Zealand Business* (12.5%) and also provide the *Accounting Technician qualification offered by the Institute of Chartered Accounts of New Zealand. (ICANZ\*)* (12.5%).

**Part time** students indicated different reasons. Their main reason was that the NZDipBus is *well recognised by employers* (16.3%), followed by either wanting to gain an *Accounting Technician* qualification (14.7%) or

to cross credit to the BBS (14.7%). Learning about New Zealand Business was also important to 13.2%.

**Table 4 Reasons for Choosing NZDipBus – Overall Responses**  
(Students could indicate more than 1 option, plus an open response)

	<b>Number</b>	<b>Percent</b>
Easily cross credits to BBS	64	18.55%
Well recognised by business	53	15.36%
Qualify as an Accounting Technician	46	13.33%
Learn how NZ business operates	44	12.75%
Qualify for NZIM Diploma in Management	28	8.12%
Entry requirements were appropriate	28	8.12%
It is a nationally recognised qualification	19	5.51%
Wanted an applied general business course	18	5.22%
Only takes two years to complete	14	4.06%
Qualify for the Certificate in Banking	10	2.90%
Unsure of course of study	9	2.61%
Other	7	2.03%
Initially lacked confidence in study ability	5	1.45%
	<b>345</b>	

From this it can be seen that most students have indicated more than one reason.

**Table 5 Qualifications held by NZDipBus Students prior to entry.**

<b>Previous Qualifications</b>	<b>6<sup>th</sup> Form Cert</b>	<b>Bursary</b>	<b>Tertiary Diploma</b>	<b>Degree</b>	<b>Other</b>
88.8%	52.3%	13.5%	6.3%	19.8%	31.5%

Over half of the students claim Sixth Form Certificate which is consistent with the large number of students aged between 15 and 19. Nearly 20% already have a degree, which reflects the numbers of “new residents” present in the full time classes. Students with Bursary are still opting to enter the NZDipBus. Seventeen students indicated that their qualifications came from overseas, and 24 indicated they came from New Zealand.

### **Employers' Contribution**

Of the 33 students who indicated they were in full time employment, 6% indicated that their employers paid part of the fee, while 94% indicated that their employer paid all of the fees. Of these 21% of employers paid at the beginning of the semester, whereas 79% paid on the successful completion of the paper.

### **Is the NZDipBus Considered Value for Money?**

Seventeen students thought it was, two didn't, and twenty-seven were unsure.

### **Why did the students select UNITEC?**

The main answer here was proximity to UNITEC (31%), followed by a friend or family recommendation (9%).

### **Conclusions**

The sample surveyed was sufficiently broad to provide reasonably accurate data for one institution. The 1997 ACNielsen-McNair survey provided a reliable employer perspective of the value of the NZDipBus. It highlighted both the strength of the programme in providing generic applied business skills, and its limitations.

The flexible nature of the NZDipBus and its incorporated qualifications (eg Accounting Technician – ICANZ, Certificate in Banking – BINZ, and the NZIM Diploma in Management) indicates its success, which is also borne out by the Graduate Survey 1994 in terms of well paid positions, and providing a pathway to more study.

Academic success is important to reduce the institutional cost of recruiting replacements (McInnis 1997), and to enhance the individual's self esteem as well as to provide a return on the investment of the state. (Boddy and Neale 1997) The supported nature of the applied NZDipBus courses compared with the more open learning environment of many degree programmes provides support for those concerned about their study or exam performance. (Pocock 1997).

There are distinctively contrasting age profiles of full time and part time students. The predominance of 15-19 year old students in full time classes could arise from their lack of entry qualifications to enter a degree programme, hence the strong desire to cross credit into the BBS. Or students could have a desire to achieve a tertiary qualification *well recognised by business* to enable them to earn money. It also enables students to qualify with both an NZIM Diploma in Management as well as an NZDipBus within two years. Older full time students who may be "new residents" very often already have degrees from overseas and are studying NZDipBus to acquire *New Zealand business experience* required by the employment market. By contrast the majority of part time students are

spread from age 25 to 40. Some of these students may already have degrees. However it is more likely that the prospect of studying for a degree part time which extends the study period is a daunting prospect.

### **Main Reasons for Choosing NZDipBus**

The main reason UNITEC students select the NZDipBus is to cross credit into the BBS to enable them to go onto further study. The recognition of NZDipBus by employers is a critical factor as students invest about \$7000 in an NZDipBus in 1999 figures and need to be assured that there will be a return on their investment. The Accounting Technician qualification is sought after by many as a career option and those from overseas see the NZDipBus as an opportunity to learn about the New Zealand business environment.

### **Previous Qualifications**

While half of the students have only 6<sup>th</sup> Form Certificate (University Entrance), nearly 20% already have a degree and are diversifying their employment portfolios.

### **Employers' Contribution**

Of the 47 part time students, 33 indicated that they were in full time paid employment. Most of the employers paid all the fees on the successful completion of the paper. Some employers do not always see the course selections of individuals as being directly relevant to the employer's business which may account for their reluctance to support staff in some cases.

### **Value for Money**

At this early stage of their progress the NZDipBus students were not convinced that the NZDipBus was value for money. Current fee levels and an estimated 50% fee increase since 1995, plus textbook and loan charges make student uncertainty understandable.

### **Summary**

UNITEC students are selecting the NZDipBus for four main reasons: as a study pathway into a degree, as an accounting career, to acquire a widely recognised business qualification, and to learn about business in New Zealand.

Full time and part time students have different age profiles and select the NZDipBus for different reasons. The younger school leaving contingent is strongly represented in the full time student profile where there is an average age of 24, whereas it is the smallest group of part time students, where the average age is 32.

Employers do appear to support their staff by paying course fees on the successful completion of each course. Whether the course is value for money is unproven at this stage.

The literature demonstrates the recognition of the value of the NZDipBus by employers, and the positive outcomes for some NZDipBus graduates. The flexible options within the NZDipBus can help to offset some of the barriers identified by Boddy (1998) and Pocock (1998). The supported, applied nature of the NZDipBus, plus its flexible options, should overcome some of the concerns raised and allow students to have a high level of success. Successful students are the best marketing tool for the programme.

## REFERENCES

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