

# An Analysis of Higher Education Sector in Mongolia: Business Perspective

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**Abstract:** In Mongolia, as in other countries, graduate education has become a global business in which domestic universities compete with institutions abroad. For working professionals who want to enter the business occupations or update their skills, there are increasingly many alternatives to traditional campus-based degree programs in the home country. Study abroad is a possibility for those willing to take a break from their careers. A record number of Mongolian citizens now travel overseas to enroll in MBA programs throughout the world. Online education is another choice. Every year, online options such as Massive Open Online Courses (MOOCs) and web-based certificates and degrees are more varied and attractive. Given the competitive educational landscape, Mongolians who are dissatisfied with MBA programs at home may either choose an international institution or forego graduate study altogether. This poses a challenge for Mongolia’s universities. How can they retain and develop their hold on the home market? This survey investigates the factors that influence the enrollment choices of Mongolian MBA applicants. Using questionnaire output, we describe the advantages and disadvantages of Mongolian MBA programs from the perspective of applicants. Our analysis leads to observations concerning university rank and competition with educational markets in leading countries. This study concludes by addressing two questions. First, what should Mongolian universities do to make their MBA programs more attractive to Mongolian applicants? Second, what is missing from Mongolian MBA programs, in the eyes of would-be MBA students? At the same time, the research will focus on current MBA program challenges such as ethical and moral programs which impact societal values. Furthermore, it will raise the gender issue where it stands especially in the current MBA programs graduates. By addressing or telling challenges and issues will encourage Mongolia’s MBA program more efficient and successful and productive.

**Key Words** — Education, Mongolian higher education, Education core program.

## I. INTRODUCTION

Higher education in Mongolia was founded during the communist period. The first state higher education institution the National University of Mongolia was established in 1942 with three faculties: medical, pedagogical and veterinary faculties in Ulaanbaatar. Under the communist system, all costs of higher education were fully subsidized by the Government. The Government was involved in the policy-making, planning and development of the entire higher education from the first date of its foundation. Several ministries shared responsibilities for education and all educational institutions were subject to applicable laws, regulations, policies and plans. University graduates were fully employed in accordance with the plan. Higher education reform was implemented at the time of the country’s transition to market economy and building of democratic society. Early 1990s’ economic crisis in Mongolia has long left many social issues unsolved. Insufficient taxable income, difficulties with tax collection added by the reluctance of people for tax deduction and abuse of tax regulations by business, individuals as well as by tax collectors, fiscal deficit, debt and compelling public needs have made under

funding for public higher education institutions constant. To implement structural adjustment policies Mongolia borrowed US\$ 900 million from international banks among 1991-2000(Altantsetseg, 2003). The challenges of globalization have hit Mongolia at a time when the country started reforming the entire education system. During the 1990s, the Mongolian higher education sector was fully shaped in terms of ownership, governance, funding, and academic curriculum (Sodnomtseren, 2006). Mongolia’s graduate education system is outdated and uncompetitive. Ten years of reform in higher education system have brought substantial changes in financing, structure and governance and academic curriculum. Over the past twenty years, policy makers at all levels of the Mongolia education system have expressed an interest in measures to improve teachers and students’ quality. As in other countries, graduate education has become a global business in which domestic universities compete with institutions abroad (Altantsetseg, 2003).

Total of Graduate students (master’s Degree and Ph.D.)

<b>Total of Graduate students (person)</b>			
<b>Year</b>	<b>Total Male</b>	<b>Total Female</b>	<b>Total students</b>
2005	3226	5423	8649
2006	3769	6644	10413
2007	3256	6007	9263

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2008	4263	7449	11712
2009	4521	8243	12764
2010	6364	11742	18106
2011	7632	13547	21179
2012	8718	14797	23515
2013	9293	15902	25195
2014	8393	14063	22456

Information adapted from Mongolian National Statistics  
<http://www.infomongolia.com/>

**Total of Ph.D. Degree students**

**Total of master's degree students (person)**

Year	Total Male	Total Female	Total students
2005	2285	4205	6490
2006	2778	5371	8149
2007	3256	6007	9263
2008	4263	7449	11712
2009	4521	8243	12764
2010	6364	11742	18106
2011	7632	13547	21179
2012	8718	14797	23515
2013	9293	15902	25195
2014	8393	14063	22456

**Total of Ph.D. degree students (person)**

Year	Total Male	Total Female	Total students
2005	941	1218	2159
2006	991	1273	2264
2007	851	1259	2110
2008	886	1321	2207
2009	833	1310	2143
2010	948	1471	2419
2011	1224	1825	3049
2012	1294	1965	3259
2013	1404	2031	3435
2014	1431	1960	3391

Information adapted from Mongolian National Statistics  
<http://www.infomongolia.com/>

Before, graduate education was uncommon, and most decisions about who could study were made by the government. Now, graduate education is becoming more and more common, both in Mongolia and internationally. Table 1-1 shows annual data on the total number of Mongolian graduate students between the years 2005 and 2014. Tables 1-2 and 1-3 show annual masters and Ph.D. students over the same period. All three tables show steep increases. The growth is particularly strong among master's level enrollments, which have more than tripled since 2005. Given the many options for MBA study, students themselves decide whether and where to study. In Mongolia, like in other parts of the world, professionals often need to update their skills on the job. Mongolia's educational institutions must compete

with post-secondary institutions through the world. Mongolian students who are not satisfied with the options at home can study abroad. Those who cannot afford to go abroad can enroll in online programs, including free programs like Khan Academy, Academic Earth and Coursera. Furthermore, many universities are establishing overseas branches (look for examples), a trend that will inevitably affect Mongolia in the future. Mongolia's universities are therefore increasingly in direct competition with overseas institutions. To survive, Mongolia's MBA programs must be modernized so they meet the needs of working professionals.

**II. LITERATURE REVIEW**

Altantsetseg (2003) identifies three impacts of globalization on higher education in developing nations. First, university education is becoming crucial to economic well-being, since knowledge is now the dominant commodity in the globalized economy (Bloom, 2006). Therefore, modernization of the university system is essential to the future economic advancement of Mongolia. Second, information technology will be a key challenge if Mongolia hopes to compete with more advanced nations in the higher education arena. Since computer technology tends to aggravate economic polarization, without concerted effort, Mongolia will have a hard time catching up. Third, "brain drain" may be another challenge, as Mongolian universities strive to attract the best and brightest into their ranks. In the market for MBA training, the choices of Mongolian students (to enroll in a domestic program or an overseas program) therefore are of interest to the nation. This chapter explores motivational constructs that influence the enrollment decision. It begins with an overview of consumer motivation. This is followed by discussion of five types of consumer motivation that may enter the enrollment decision: prestige motivation, quality motivation, career motivation, professional skills motivation, and internationalization motivation. The chapter ends with a summary of the motivational constructs and their expected influence on the enrollment decision. The research framework and hypotheses are presented at the end of the chapter.

**2.1. Consumer Motivation**

Consumer motivation is defined as "the needs, wants, drives, and desires of an individual that lead him or her toward the purchase of products or ideas" (American Marketing Association, 2016). Consumer motivation may be driven by physiology, psychology, or the environment. The physiology need is very important part of all human needs. Until these needs were satisfied, other motivating factors cannot work. If the customer has to choose product their psychology leads

them what they want to prepare it. Also, the environment is driven consumer’s motivation. Develop educational degree provides consumer motivation to pursue the physical and psychological needs. Consumers to achieve reputation, develop the future career, good job, life satisfaction, the high job position are their final needs goal. Young people are the basis for the development of the country. The human capital is country's affluence. The country's future development depends on young people.

**2.2. Prestige Motivation**

Prestige refers to the social comparison aspects of consumption (Kozak, 2008). Prestige motivation is one of the leading measures of how consumption is affected by the consumer’s personal and interpersonal environments (Correia & Kozak, 2012). Consumers’ choice of prestige brands is influenced by their wish to connect with their peers and individuals in other groups (Kinra, 2006). When choosing between a local brand and a foreign prestige brand, a consumer’s preference may depend on his/her social class and how he/she perceives the reputation and quality of the two products. Prestige motivation is supported by Maslow’s hierarchy, which states that self-esteem is a basic human need. It is human nature for individuals to seek both self-esteem and the high regard of others. Self-esteem comes from two sources. The first is strength and achievement, which enable the individual to face the world with confidence. The second is the reputation or prestige that comes from recognition and appreciation of others (Baker, 2001).

The self-esteem is the basic needs of human, so people want to be accepted with others, self-confidence, be respected, and be famous. Mongolian students need be prestige. So, they want to study prestige and famous university which is an important factor when they decide to study abroad or Mongolia. The prestige university gives them the good career, good education, good knowledge, and especially respect for others. Prestige motivation may be closely related with perceptions of quality. Consumers in developing countries have more and more choice between older local brands and newer nonlocal or foreign brands. For reasons other than quality, they may prefer brands seen as foreign (having a nonlocal country of origin) to those seen as local (Batra, Ramaswamy, Alden, Steenkamp, & Ramachander, 2000). In a study of consumer perceptions in India, Kinra (2006) found that Indian consumers preferred foreign brands to the brands produced in their country. This preference came from the high ratings consumers attributed to the “technology” and “quality” associated with foreign brand names.

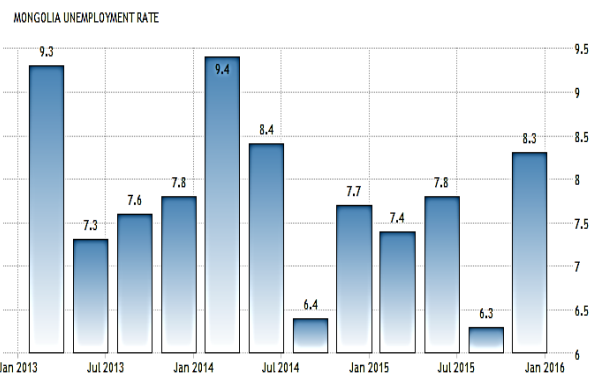
Quality perception is particularly influenced by country of origin effects, including stereotypes. For example, a common

stereotype is that the French produce the good perfumes, and the Germans produce good cars. Consumers may therefore prefer a car produced in Germany to an identical one produced in Russia. In this way, the country of origin may have a strong impact on perceived quality, and ultimately on intention to buy.

Culture-specific factors may influence consumers’ preference for brands they see as “foreign” (Batra, Ramaswamy, Alden, Steenkamp, & Ramachander, 2000). This may carry over into consumer perceptions of MBA programs. This study hypothesizes that Mongolians who see foreign MBA “brands” as having higher quality will be less likely to enroll in Mongolian MBA programs. Hypothesis 1: Prospective Mongolian students regard MBA programs abroad as more prestigious than MBA programs in Mongolia.

**2.3. Career Expectancy**

Mongolia's employment climate affects educational choices and leads to rational fear among Mongolian students that after graduation they will face serious competition in the job market. Even though more than 90 percent of Mongolians have attended school through the secondary level, there is a mismatch between the skills they learn, and the skills demanded in the changing labor market. The result is a well-educated but unemployed population where 1 in 10 are out of work (Diamond, 2012).



Mongolia Unemployment Rate 1990-2016   Data				
Mongolia Labor	Last	Previous	Highest	Lowest
Unemployment Rate	8.30%	6.30%	10.30%	2.80%
Unemployment Persons	96471	75701	142861	75309
Labor Force Participation Rate	60.50%	61.40%	64.80%	59.20%
Population (*)	3.06	2.99	3.06	0.96
Retirement Age Men	60.00	60.00	60.00	60.00
Retirement Age Women	55.00	55.00	55.00	55.00

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Wages <sup>(**)</sup>	868.50	836.90	868.50	60.90
Wages in Manufacturing <sup>(**)</sup>	823.60	803.30	823.60	60.60

Career expectancy explains the benefits proteges realize from mentoring relationships. Career motivation is theorized as being comprised of three components: career resilience, career insight, and career identity (Allen, 2004). Mongolians may believe that foreign MBA degrees are more helpful to their careers than Mongolian MBA degrees. If two individual MBA holders are interviewed for a job, one educated at a Mongolian university and another educated abroad, the company may prefer the applicant who studied abroad, because this person has more experience and knowledge of foreign countries. If Mongolian students expect employers to exhibit such a preference, they may prefer to earn their MBAs at overseas universities. Hypothesis 2: Prospective Mongolian students regard MBA programs abroad as more helpful to their careers than MBA programs in Mongolia.

**2.4. Professional Skill Motivation**

The foreign MBA programs do better for students with high professional. They believe that foreign academic has good training environment, good academic quality, learn lots of things from professional teaching staffs, education's system is developed, accepted in the international countries. Also, their language skill will improve, develop future career, improve all their skills, professionalize their profession. It'll give them lots of experience about foreign country, improve knowledge, develop themselves, continuously develop. After the graduation they can work in good and big companies., be happy in the future, make your country better, work in high position, open opportunities for big companies, global experience.

Hypothesis 3: Prospective Mongolian students regard MBA programs abroad as more helpful to their professional skills than MBA programs in Mongolia.

**2.5. Internationalization Motivation**

Internationalization motivation stems from the self-concept of the individual student. Rooted in Rogers' (1951) theory of individual self-enhancement, (Grubb & Grathwohl, 1967) describe self-concept as follows:

1. Self-concept is of value to the individual, and behavior will be directed toward the protection and enhancement of self-concept.
2. The purchase, display, and use of goods communicates symbolic meaning to the individual and to others.
3. The consuming behavior of an individual will be directed toward enhancing self-concept through the consumption of goods as symbols (Sirgy, 1982).

In Mongolia, internationalization and globalization became key themes in the 1990s, both in higher education policy debates and in research on higher education (Altantsetseg, 2003). However, in terms of internationalization, Mongolian universities lag behind their counterparts in other Asian countries. Mongolians who want to think of themselves as being international, up-to-date, upwardly mobile, and sophisticated, may therefore see going abroad as the best route to an MBA. Young Mongolians are particularly eager to go abroad for education. They want a high quality international education that will open opportunities when they enter the job market. There may be an intimate relationship between the desire to be international and the motivation to consume international luxury goods. In a sense, foreign MBA degrees may be international luxury goods, since earning an MBA abroad will set a student apart from the average in Mongolia. The Mongolian drive to internationalize through study abroad can be described as "nouveau cool." This term was originally used to describe the Chinese one-child generation around the age of 20 whose lives are filled with a variety of international luxury brands. Likewise, it could describe recent cohorts of Mongolian MBA students who choose to earn their degrees abroad. The concept of nouveau cool is defined using luxury goods, reflecting new market opportunities and the promise of upward mobility in the job market (Zhou & Yang, 2013). Hypothesis 4: Prospective Mongolian students regard MBA programs abroad as more international than MBA programs in Mongolia.

**2.6. Language Development**

Write one paragraph explaining why international education should promote English ability. Cite a few papers. Hypothesis 5: Prospective Mongolian students regard MBA programs abroad as more helpful to their English skills than MBA programs in Mongolia.

**2.7. Standard of Living**

Provide one paragraph explaining why prospective students should prefer universities abroad based on standard of living. Hypothesis 6: Prospective Mongolian students regard MBA programs abroad as offering a better standard of living than MBA programs in Mongolia.

**2.8. Self-Improvement**

Provide one paragraph explaining why prospective students should prefer universities abroad based on self-improvement. Hypothesis 7: Prospective Mongolian students regard MBA programs abroad as promoting self-improvement more than MBA programs in Mongolia.

### III. RESEARCH RESULTS

#### EMPIRICAL RESULTS

##### Pilot Tests

The first pilot test questionnaire is based on the categories derived from the semi-structure interview. The first pilot test incorporated 8 categories and 50 questions. The categories included language skills, academic skills, reputation, experience, career expectancy, self-improvement, academic quality and internationalization motivation. The second pilot test had 9 categories and 74 questions. The categories included professional skills, career advancement, self-improvement, English skills, prestige motivation, university facilities, internationalization, lifestyle, and university rank. These constructs were operationalized by a multi-measure, five-point Likert scale, which anchors ranging from “strongly disagree” to “strongly agree.” The pilot data were collected using online based Google Forms.

##### Pilot Test 1

The first pilot questionnaire was carried out among Mongolian students at Da-Yeh University. There was a total of 20 participants involved in the survey. The demographic information included four major items, as shown in Table 3-6.

1. Gender: The number of participant in survey was weighted toward 5 male, and 15 female which presented 75% for female and 25% for male.
2. Age: The majority of 18 respondents accounted 90% of them were 21-30 years old, and 2 respondents accounted for 10% of them were 31-40 years old.
3. Marital status: There are 5 respondents who get married, and 15 single respondents, which presented 75% for single, presented 25% for married.
4. Education: The following respondents were 4 people who have bachelor’s degree, which were presented by 20%. Among respondents were 16, who have master’s degree which were presented by 80%.

##### Formal Questionnaire Sample Description

Characteristics	Categories	Frequency	Percent (%)
Gender	Male	5	25.0
	Female	15	75.0
	<b>Total</b>	<b>20</b>	<b>100.0</b>
Age	20 and under	0	0
	21-30	18	90.0
	31-40	2	10.0
	41-50	0	0
	51 and above	0	0
	<b>Total</b>	<b>20</b>	<b>100.0</b>
Marital Status	Single	15	75.0

	Married	5	25.0
	<b>Total</b>	<b>20</b>	<b>100.0</b>
Current degree status	Bachelor	4	20.0
	Master	16	80.0
	Doctorate	0	0
	<b>Total</b>	<b>20</b>	<b>100.0</b>

##### Pilot Test Questionnaire Survey’s Category Questions

No.	Category	Questions
1	Language skills	Q1: I can improve my English ability by completing an MBA abroad/Mongolia.
		Q2: I can get an education in English by completing an MBA abroad/Mongolia.
		Q3: I can communicate with English native speakers by completing an MBA abroad/Mongolia.
		Q4: I can communicate with English native speakers by completing an MBA abroad/Mongolia.
2.	Academic skills	Q1: I can become more educated by completing an MBA abroad/Mongolia.
		Q2: I can get an advanced education by completing an MBA abroad/Mongolia.
		Q3: At an overseas MBA program, I will have the guidance of professional teachers/Mongolia.
3.	Reputation	Q1: The foreign university’s reputation will be an important factor in my decision to study an MBA abroad/Mongolia.
		Q2: Acceptance at a well-known university will be an important factor in my decision to earn an MBA abroad/Mongolia.
4.	Experience	Q1: I can improve my professional communication skills by completing an MBA abroad/Mongolia.
		Q2: I can improve my knowledge of business by completing an MBA abroad/Mongolia.
		Q3: I can improve my professional skills by completing an MBA abroad/Mongolia.
		Q4: I can master my professional

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		knowledge by completing an MBA abroad/Mongolia.
	Q5:	I can acquire advanced knowledge by completing an MBA abroad/Mongolia.
	Q6:	I can learn many things by completing an MBA abroad/Mongolia.
5.	Career	Q1: Completing an MBA abroad will open career opportunities for me. /Mongolia
		Q2: By earning an MBA at a foreign university, I can get a better job in the future. /Mongolian university
		Q3: Completing an MBA abroad will help me find a job in a short time. /Mongolia
		Q4: I will have opportunities for promotion if I complete an MBA abroad/Mongolia.
6.	Self-improvement	Q1: I can continuously develop myself by completing an MBA abroad/Mongolia.
		Q2: I can raise my own status by completing an MBA abroad/Mongolia.
		Q3: By enrolling in an MBA program abroad, I will find many opportunities to improve myself/Mongolia.
7.	Academic Quality	Q1: I can get a high-quality education by completing an MBA abroad/Mongolia.
		Q2: In overseas MBA programs, the learning environment is good/Mongolia.

The constructs in the first pilot test are summarized in Table 4-2. Corresponding reliability estimates are given in Table 4-3. Most of the constructs were of acceptable reliability, with a Cronbach's  $\alpha$  exceeding 0.7. However, Constructs 1 and 3 (Reputation and English Skills) were unreliable. Furthermore, Constructs 3 and 7 included only two items each, falling short of the target of 3-5 items. To remedy these shortcomings, a second pilot test was planned.

No.	Category	Siegle-Reliability			Mean for Test	Standard Deviation for Test
		Cronbach's Alpha	Split-Half (odd-even) Correlation	Spearman-Brown Prophecy		
1	Language skills	0.645	0.447	0.618	15.525	3.138
2	Academic	0.806	0.640	0.780	11.725	2.109
3	Reputation	0.592	0.421	0.593	8.225	1.422
4	Experience	0.824	0.760	0.864	24.525	3.556
5	Career	0.742	0.705	0.827	15.45	2.949
6	Self-improvement	0.834	0.729	0.843	11.25	2.457
7	Academic Quality	0.922	0.855	0.922	7.8	1.749

**Pilot Test 2**

**Participants**

The pilot questionnaire was collected from respondents in Mongolia. The 25 participants were all residents of Ulaanbaatar. The questionnaire was distributed, and the data were collected via Google Forms.

The demographic information included eleven major items: (1) gender, (2) age, (3) marital status, (4) education level, (5) recent major, (6) occupation, (7) income, (8) professional field, (9) country, (10) Do you have an MBA degree? (11) Have you ever considered earn MBA degree? These responses are summarized in Table 4-4 to Table 4-7.

Table presents the first seven demographic items. These are summarized below.

1. Gender: The number of participant in survey was weighted toward 12 male, and 13 female which presented 52% for female and 48% for male.
2. Age: The majority of 18 respondents accounted 72% of them were 23-26 years old, 5 respondents accounted 20% of them were 27-32 years old and 2 respondents accounted for 8% of them were 18-22 years old.
3. Marital status: There are 6 respondents who get married, and 19 single respondents, which presented 76% for single, presented 24% for married.
4. Education level: The following respondents were 12 people who have bachelor's degree, which were presented by 48%. Among respondents were 11, who have master's degree which were presented by 44% and another 2 respondents were another degree, which were presented by 8%.
5. Recent major: There have total 25 respondents, they have different majors. There are: Translator of Korean language, Chemistry technology, Nursing, Interior design-2, Economic mathematic modeling, Geologist, Tourism-2, Marketing manager, GMBA, Biotechnology, Accountant-2, Linguistics, English teacher, Production management, Not yet graduated bachelor's degree, Mechanic engineer, Information technology, Insurance economy, Interior design, Business administration-2, and Mining equipment exploitation.

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6. Occupation: The following respondents were 11 people who were students, which were presented by 44%. Among respondents were 7, who were private which were calculated by 28%, 3 respondents were entrepreneur which were 12%, another 3 respondents were other and last 1 respondents were worked at public organization, which were presented by 1%.

7. Income: The 9 respondents monthly income were 500'000 - 800'000₹, which presented by 36%, also another 9 respondents monthly income were about 500'000₹, which calculated by 36%, 5 respondents monthly income were 800'000 – 1'200'000₹, which calculated by 20%, and last 2 respondents monthly income were above 1'200'000₹, which presented by 8%.

**Formal Questionnaire Sample Description**

No.	Characteristics	Categories	Freq.	Percent (%)
1	Gender	Male	12	48
		Female	13	52
		<b>Total</b>	<b>25</b>	<b>100</b>
2	Age	18-22	2	8
		23-26	18	72
		27-32	5	20
		33-38	0	0
		39 and above	0	0
		<b>Total</b>	<b>25</b>	<b>100</b>
3	Marital Status	Single	19	76
		Married	6	24
		<b>Total</b>	<b>25</b>	<b>100</b>
4	Current degree status	Bachelor	12	48
		Master	11	44
		Doctorate	0	0
		Other	2	8
		<b>Total</b>	<b>25</b>	<b>100</b>
5	Job position	Government organization	1	4
		Private organization	7	28
		International organization	0	0
		Entrepreneur	3	12
		Teacher	0	0
		Student	11	44
		Other	3	12
<b>Total</b>	<b>25</b>	<b>100</b>		
6	Income	About 500'000	9	36
		500'000-800'000	9	36
		800'000-1'200'000	5	20
		Above 1'200'000	2	8
		<b>Total</b>	<b>25</b>	<b>100</b>

8. Professional field: There have 13 options professional field. Every respondents can choose all these categories. Example: One person can choose all 13 options. We just want to know how people chosen. Most chosen options were business administration. 13 respondents chosen this option, which calculated by 52%. Another options government administration, education, and linguistics were any respondents didn't choose it. I think recent years in our global world business administration became more popular than other profession. That's reason most people chosen business administration.

**Professional Field**

No.	Professional field	Chosen options	Percent (%)
1	Information technology	5	20
2	Business administration	13	52
3	Government administration	0	0
4	Accounting	1	4
5	Bank finance	2	8
6	Economic	3	12
7	Marketing	2	8
8	Health	2	8
9	Agriculture	1	4
10	Education	0	0
11	Linguistics	0	0
12	Environment	3	12
13	Other	3	12

9. Country: There has same as professional field category. Each person can choose so many countries. Most chosen country was America. 14 respondents chosen this option, which presented by 56%. All of respondents didn't choose Russia. Other countries they chosen. We think people really like to study in America. We can see these results.

**Chosen Country**

No.	Country	Chosen	Percent (%)
1	America	14	56
2	England	3	12
3	Russia	0	0
4	Australia	9	36
5	China	3	12
6	German	2	8

7	Japan	3	12
8	Korea	3	12
9	Taiwan	2	8
10	Other	1	4

**10. Do you have an MBA degree?**

The following 16 respondents answered “No”, it means they don’t have an MBA degree, which presented by 64%. Another 9 respondents answered “Yes”, it means they have an MBA degree, which calculated by 36%.

If you answered “no” to question 10, would you consider earning an MBA?

MBA Degree: Answers are shown below: 1. Everything will be fine 2. Yes, I have hope to study 3. No 4. Yes 5. Currently studying 6. I just want to be educated person 7. Now I’m studying in MBA degree. 8. I want to more improve my professional knowledge 9. Now I’m not yet graduated my master’s degree 10. Yes, I consider it. Because I want to live more successful 11. I need

**Reliability and Validity of the Likert Constructs**

Table gives an overview of the nine Likert constructs in Pilot Test 2. Corresponding reliability estimates are given in Table.

**Final Questionnaire**

**Participants**

The finished questionnaires were distributed both through the Google Forms Survey Portal and by paper. During an eleven-day period, 185 questionnaire responses were received. All responses were valid and complete and were input to SPSS 20.0 for statistical tests and analysis. The finished questionnaire consisted of 50 items.

**Demographic Information of Respondents**

Descriptive analysis is used to analyze research results coming from characteristics and information of the sample respondents. It is more comprehensive and easier to interpret the findings in forms of graph and chart computed by SPSS 20.0 to represent the demographic; 7 characteristics of respondents were covered:

1. Gender
2. Age
3. Marital status
4. Current degree status
5. Most recent major
6. Occupation
7. Income

**Main Questions**

The final questionnaire had 7 categories and 50 questions. The category includes: Professional skills, Career advancement, Self-improvement, Prestige motivation, University facilities, Internationalization, and English skills. The main 50 questions designed by five-point Likert scale, which ranging from “strongly disagree” to “strongly agree”.

**Procedure**

**Data Analysis**

In this study, the analysis methods as follow:

- 1) Reliability and Validity Analysis

Based on SPSS 20.0 version statistical software package, this study adopts statistical methods such as descriptive, reliability, validity, and factor analysis statistics.

- 2) Confirmatory Factor Analysis (CFA)

This study conducts the confirmatory factor analysis (CFA), and uses its result to analyze the relations between variables.

**Results**

**Structural Analysis of the Formal Sample**

The structure and characteristics of the formal questionnaire sample (as shown in Table 4-10) as follows:

**Formal Questionnaire Sample Structure**

Characteristics of Sample	Item	Number of Samples	Percentage (%)
Gender	Male	82	44.3
	Female	103	55.7
	Total	185	100
Age	18-22	12	6.5
	23-26	64	34.6
	27-32	51	27.6
	33-38	34	18.4
	39 and above	24	13
	Total	185	100
Marital Status	Single	81	43.8
	Married	104	56.2
	Total	185	100
Current degree status	Bachelor	105	56.8
	Master’s degree	71	38.4
	Doctorate	3	1.6
	Other	6	3.2
	Total	185	100
Sector	Education	42	22.7
	Accounting	11	5.9
	Public sector (government, non-teaching)	50	27
	Student	26	14.1
	Other	55	29.7
Total	185	100	
Income /₹/	About 500’000	24	13
	500’000 –	33	17.8

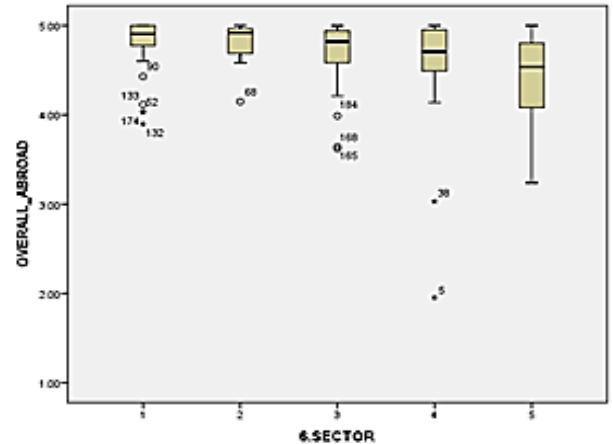


	800'000		
	800'000	– 95	51.4
	1'200'000		
	Above	33	17.8
	1'200'000		
	<b>Total</b>	<b>185</b>	<b>100</b>
	<b>Business</b>	<b>63</b>	<b>34.1</b>
	Administration		
	Government	24	13
	Administration		
	Accounting	14	7.6
	Bank finance	21	11.4
	Economy	19	10.3
	Marketing	24	13
	Health	12	6.5
	Mining	3	1.6
	Agriculture	4	2.2
	Education	25	13.5
	Linguistics	22	11.9
	Other	53	28.6
	<b>Total</b>	<b>185</b>	<b>100</b>
	<b>Asia</b>	<b>39</b>	<b>21.1</b>
		53	28.6
Continent	Europe	35	18.9
	Australia	37	20
	America	74	40
	Africa	0	0
	<b>Total</b>	<b>185</b>	<b>100</b>
Do you have an MBA degree?	Yes	66	35.7
	No	119	64.3
	<b>Total</b>	<b>185</b>	<b>100</b>
If you answered “no” to question 10, would you consider earning an MBA?	Yes	118	85.5
	No	20	14.5
	<b>Total</b>	<b>138</b>	<b>100</b>

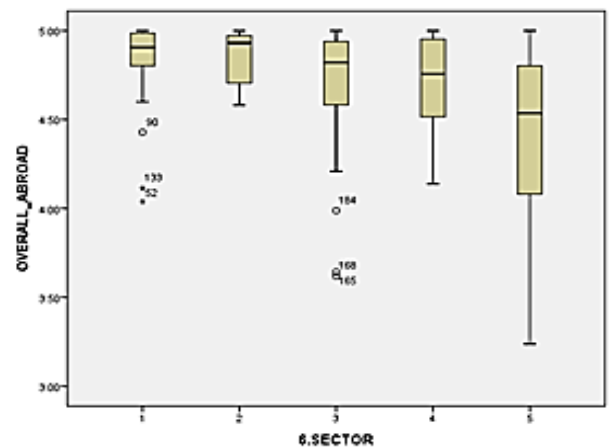
### Outlier Analysis

Outliers can have a disproportionate influence on the analysis. Therefore, we removed responses that contained construct values extreme at the  $p = 0.01$  level. Three iterations of outlier identification were performed. Figure 4-2 shows boxplots identifying outliers for OVERALL\_ABROAD (the average of the seven Likert constructs for universities abroad), and Figure 4-3 shows boxplots for OVERALL\_MONGOLIA (the average of the seven constructs for Mongolian universities). The 0.01 level outliers are identified by stars. Altogether, ten outliers were

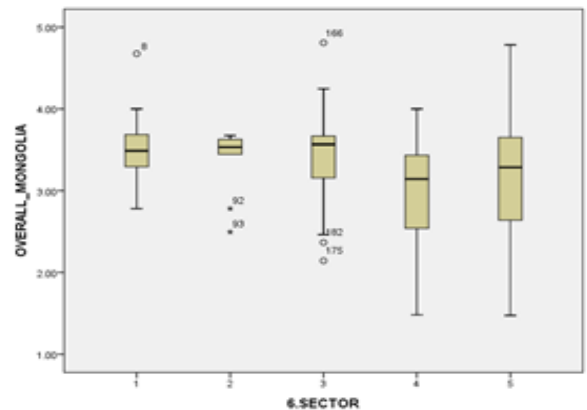
removed from the sample, bringing the number of usable responses to  $N = 175$ .



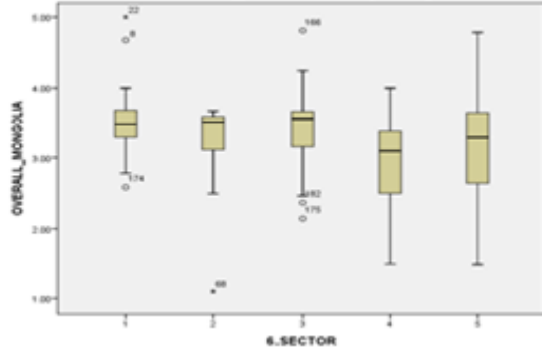
a) Iteration 1



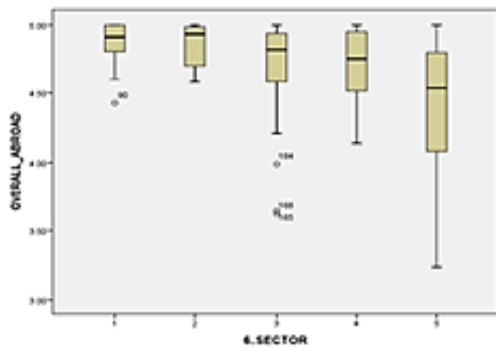
b) Iteration 2



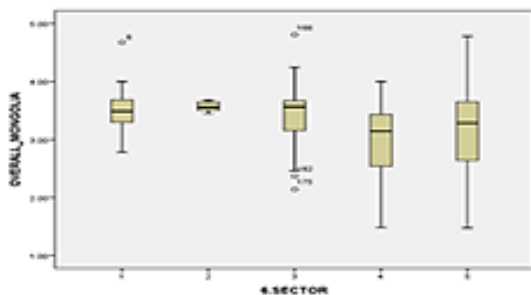
c) Iteration 3  
Boxplots of *OVERALL\_ABROAD*, by Respondent Sector



a) Iteration 1



Iteration 2



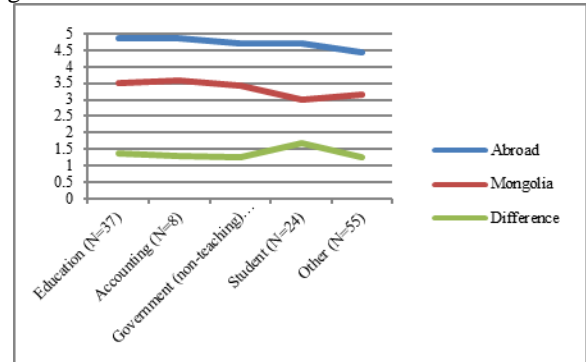
c) Iteration 3  
Boxplots of *OVERALL\_MONGOLIA*, by Respondent Sector

**The Impact of Professional Focus**

Figure 4-3 depicts average construct value as a function of professional focus. There are five values of professional focus, corresponding to five professional areas: education, accounting, government, student, and “other.” The output in the figure is determined by averaging the seven Likert construct values. Thus, the top line in the figure represents average perception of MBA programs abroad; the middle

line, average perception of universities overseas; and the bottom line, the difference between the two averages.

**The Impact of Professional Focus on Perception of MBA Programs**



The maximum difference in perception is observed among students, who hold a more negative impression of Mongolian programs than do respondents in any other professional area. We take this as evidence that through experience, students have a close-up view of the drawbacks of Mongolian programs. They are better informed about the state of university programs. Table presents MANOVA output for two dependent variables (average perceptions of foreign and domestic MBA programs) and one independent variable (professional focus). Both analyses are highly significant, with  $F = 4.903$  (university in Mongolia) and  $F = 10.658$  (university abroad).

**IV. CONCLUSION AND RECOMMENDATIONS**

**The Future for Mongolian MBA Programs**

Remember the idea of “leapfrogging.” MBA programs abroad are not perfect. Mongolian universities may \*not\* want to copy MBA programs abroad ... at least not completely, because MBA programs have serious drawbacks. Instead of imitating universities abroad, Mongolian programs may want to “leapfrog” them and start with something better. Please cite the Bohley paper on UINDY. A program designed for working professionals may be better suited to Mongolia. Reason 1: There is “pent up demand” for good MBA programs. There are many people who may have waited instead of enrolling in an unsatisfactory program. They are already working. A program designed for working professionals would fulfill their needs. Reason 2: Mongolian universities can put themselves on the “front line” by adopting an innovative approach to MBA education. Commentators point out that with the proliferation of MBA programs, universities in western countries now have a “buyer's market” in which prospective students pick and choose what they want (Nicholls, Harris, Morgan, Clarke, &

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Sims, 1995). Universities may find it advantageous to develop multiple programs targeting students with different needs and priorities. At the University of Bath, for example, there are four MBA programs targeting different types of students (Nicholls, Harris, Morgan, Clarke, & Sims, 1995). Needs analysis has been widely used in aspects of higher education, especially curriculum design (Bagherzadeh, Bigdeli, K, & F, 2010). Dissatisfaction with the content and delivery of MBA programs is nothing new. There are several criticisms of traditional business school programs. The first is that they do not meet the needs of industry. In a needs analysis, a content analysis of 200 corporate job descriptions collected in Fall 2009 revealed 140 specific license /certification/ skills. Examination of 200 resumes of business students nearing graduation revealed low to no proficiency on the job description-derived skill sets. There is a gap between business school curricula and corporate needs (Fred R.David, 2011). Furthermore, MBA programs do not emphasize required multidisciplinary integration and experiential components (Navarro, 2008). Some critics claim that the MBA degree places too great an emphasis on quantitative abilities and analytical skills at the expense of other essential skills that permit employees to work for a business organization. MBA programs do not stress qualitative managing and ability to deal with people in an organization (Subhash & Stopford, 2011; Elliot, Goodwin, & Goodwin, 1994). A second criticism is that MBA graduates do not have their hearts in the right place. MBA graduates may be perceived as having unreasonable expectations in terms of starting salary and rank (Tay, 2001). Furthermore, the impact of MBA programs on business ethics is a concern (Podolny, 2009). MBA programs have been criticized for encouraging a “me first” mentality and implicitly condoning illegal and unethical behaviors. Their main consideration would be value-based leadership than ethics and morality. By ignoring the values, morality, ethics lead to enormous disasters such as bankrupt, crisis of many well-known companies where people’s financial life would affect badly, and their hard works would be crushed. Even tough schools claim that program has a program relate to ethics or morals, nonetheless, they are not pushed hard just softly touched where it creates the gap. The meaning of “softly touched” is that it does not require any research or analysis to finish the course. Therefore, it leads to untrusted leadership any levels. The paper suggested that to gain society trust, they need to learn value what society value (Podolny, 2009). A third criticism is that MBA programs encourage gender discrimination. In its famous gender equity experiment, Harvard Business School has made an individual struggle to get more female professors on a tenure track, to support female students who are falling behind in classes, to encourage more class participation from women, to help

women balance their academic and social lives, and to generally improve the attitude of students and faculty towards women. In the modern world, MBA programs should be leaders in promoting the role of women in business (Kantor, 2013). At heart is a question of educational relevance. To attract working MBA students, Mongolian universities must find ways to meet their needs. Traditional programs deliver roughly the same course content to all students, regardless of their job requirements. This one-size-fits-all approach may not suit the needs of professionals, which are likely to be industry and even firm-specific, especially among executives who are higher up on the corporate ladder. There may be pent up demand for MBA education in Mongolia. Many business professionals who are interested in pursuing an MBA may not because local programs do not fit their needs. Currently, given the choice between a traditional MBA program at a Mongolian university and attending a university overseas, many prospective students would currently prefer the overseas program because of the higher prestige. However, given the choice between a custom-designed program in Mongolia and a traditional MBA program abroad, it is possible that most Mongolians would choose to study at home.

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