

Determinants of Student Intention to Work in Hometown

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Abstract: This empirical research tests the effects of personal emotion and perceived environmental conditions on students' intention to return to their hometown to work after graduation in Vietnam. With a sample of 182 students from the National Economics University, the result confirms that students' intention of returning to work in hometown is affected by family support, hometown personal love and perceived environmental conditions. The findings recommend several solutions for policy makers in the provinces including (1) strengthening the relationship between students with their hometown; (2) improving the city quality of life and environmental conditions; (3) providing favourable policies for highly qualified labour resources and more job opportunities; and (4) encouraging their city residents to support and pull their family members back in order to attract high quality human resources for economic development.

Keywords: Return hometown intention, graduated student (s), city marketing, environment conditions, knowledgeable worker (s).

1. Introduction

Nowadays, in a growing knowledge economy, talent and creativity are becoming increasingly decisive in shaping economic opportunity and development. The prosperity and growth of a city now depends less on access to physical resources and more and more on the ability to attract knowledgeable workers (Yigitcanlar et al., 2007) [1]. Since then, extensive empirical work has tried to discover how to attract highly skilful and knowledgeable human resources, especially graduated students (Rérat, 2014) [2]. The reason why there is an interest in students is

because university students are young adults who are about to graduate in the near future. They are regarded as valuable human resources having knowledge and being ready to be employed for socio-economic development in their areas of origin.

As a developing country, Vietnam is facing the problem of the rural-urban migration of its population coinciding with a special period of Vietnam's socio-economic development. After graduating, students tend to stay, find a job, and settle for their lives in big cities; very few of them choose to return home for work (Le et. al., 2013) [3]. How to attract a high quality workforce is currently a big question for many rural areas and provinces in Vietnam. However,

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there is limited research on this problem and our knowledge about what impacts students' intention of returning hometown for work is limited (Tran and Tran, 2010) [4]. The objective of this research is to identify and test a theoretical model and hypothesis of determinants of students' intention to return to their home town. This research will help policy makers and enterprises in Vietnam to better understand and develop appropriate solutions to attract a quality labour force for the economic development of the provinces. With a sample size of 182 students, the research results support all the hypotheses and confirm that *students' intention to return to their home town is affected by family support, hometown love, and environmental conditions.*

2. Literature review and hypotheses

The migration of highly educated individuals is often considered an expensive "gift" given by the rural areas to the more developed cities. Students after graduating from universities do not often come back to their hometown for work and with a devotion to the development of the place where they were born (Huynh and La, 2010) [5].

In the neo-classical model of migration (Todaro, 1969), the expected wage differences between the host and source cities are cast as the key determinant of skilled migration [6]. Expected wage levels are tied not only to the prevailing incomes in various occupations, but also to the job opportunities that exist within professions. However, recent research has pointed out that the individual migration decision is believed not only to be impacted by expected income but also motivated by a number of "pull" factors, such as a favorable

working environment, better living conditions, active recruitment by employers, cost of living/inflation, inability to find work (Rérat, 2014; Soon, 2010...) [2, 7], family support (Bjarnasona and Thorlindssonb, 2006) [8], and hometown love, as mentioned in Güngör and Tansel (2006) [9].

Based on a literature review, the theoretical model and hypothesis for students' hometown return intention is developed for this research.

2.1. Expected income

Generally, income is often the main factor to consider when choosing a career to pursue because of the value placed on wealth and being able to meet the high cost of living in an increasingly competitive economic environment. Earning a good income is regarded as a necessary consideration when choosing a certain work place (Torado, 1969) [6]. Morathop et al. (2010) indicated that the expectation of earning income in one's hometown has an important effect on the positive intention of returning to one's hometown to work [10]. It can be said that, if the degree to which graduates have an expectation about earning income by returning to their hometown to work is high, it is possible that there will be an increase in their intention to return there for work. This result is consistent with that of many theories of migration, which hold that an important factor related to the intention to move or not to move is economic attraction; income is regarded as an important variable, capable of predicting the desire for migration. If the opportunity to earn the desired income is also compared, a person often will choose a career in the place that enables him or her to earn better income, especially in developing countries (Soon, 2008) [7].

Hypothesis 1: Expected income is positively related to student' intention to work in their hometown

2.2. Family support

Family support is a students' perception of family members' attitudes, encouragement toward their return intention and also the family's preparation of facilities for students to settle in their hometown if they come back home to work (Yue et al., 2010) [11].

Rérat (2014) mentioned in his research the role of family support relating to the return intention [2]. Several studies, such as Zweig and Changgui (1995) for China, and Niland (1970) for Asian engineering students, confirm the importance of the family and reference group in an individual's migration decision, although the results of Niland's study are not uniform across the five countries studied. Morathop et al. (2010), and Huang and Zang (2013) indicated that greater family encouragement of students to settle in a big city results in a greater tendency to indicate non-return intention [10, 12]. Gungo and Tansel (2006) showed that family support is another important determinant of return intention [9]. Greater family support for settling at home results in a greater probability of returning. When the respondent's family is not supportive to the decision of finding a job in a big city, the probability of return intention is higher.

Hypothesis 2: Family support is positively related to students' intention to work in their hometown

2.3. Job opportunities

Previous researches of Huang and Zang (2013), Soon (2006), and Rérat (2004) pointed out that students who have good perceptions of

the working environment at home are more likely to return [2, 12]. Favorable perceptions of wages at home may still induce students to return, though its effects are considerably less than those of the perceptions of skill use opportunities and job promotion prospects at hometown. Good perceptions of job-finding opportunities in their hometown also have a large and significant impact on a student expressing either a not return or a probably return intention (Huynh and La (2011) [5], Soon (2008) [7].

Hypothesis 3: Job opportunity is positively related to students' intention to work in their hometown

2.4. Quality of living environment

The living environment of a place refers to the set of characteristics that define a place, making it attractive and livable. A set of desirable amenities include parks, bike trails, cultural amenities, such as museums and art galleries, a rich variety of cafe and restaurants, a vibrant nightlife, and a diverse and tolerant population (Gungo and Tansel, 2006) [9].

The quality of a living environment, the "livability" of a region, is commonly expressed as an index that includes such factors as the standard and variety of amenities, education and community facilities, climate, environmental quality, housing affordability, crime level, and transportation access.

The "quality of living environment" may assume a very different meaning for each individual. Traditionally, research has shown that factors related to the living environment dominate in the relocation of households between central areas and suburbs. The importance of life quality and residential amenities in migration has been highlighted in

the case of some rural areas by research on amenity-led or lifestyle migration [2, 7]. The quality of a living environment of a locality has been increasingly reflected via the job search intention of workers and firms (Jan, 2008) [13]. Students who have good perceptions of the living environment at home are more likely to return (Bjarnasona and Thorlindssonb, 2006) [8].

Hypothesis 4: Quality of living environment is positively related to students' intention to work in their hometown

2.5. Hometown love

Hometown love is a personal sentiment expressed by having a deep affection for, and being proud of the place of origin, and by a desire to contribute to and be devoted to one's hometown (Le et al., 2013) [2].

Philip Kotler (1993) mentioned in his research that provinces can take advantages over big cities in attracting labour by the pride, and the love of their citizens on the hometown. Bjarnasona and Thorlindssonb (2006) indicated that the relationship of a person with their hometown through having close friends, and regular social contact with their hometown, and having a good impression of their hometown... is a factor that will pull them to return home [8].

Hypothesis 5: Hometown love is positively related to students' intention to work in their hometown

Control variables of the model include gender (men or women), academic performance (excellent, good or fair), and birthplace (Hanoi or not). Those control variables were used in the research of Rérat (2004) [2] and Morathop et al. (2010) [10].

3. Research methodology

This study is quantitative which targets the testing of the research hypotheses and model of determinants of students' intention to work in their hometown after graduating from university. However, before conducting the quantitative research, the author implemented an additional exploratory study by the qualitative method through the deep interviewing of ten students.

After the exploratory study had confirmed that the research model is appropriate, and all the measures had been assessed and confirmed to be properly used for the study, the official quantitative study was conducted from March 2015 to April 2015 by using a questionnaire table. The main purpose of this quantitative study was to collect necessary information for the research, the data from this study are used to evaluate measures, test the thesis model and hypotheses.

The research questionnaire was designed by using measures from the previous researches of Le et al. (2013) [2], Soon (2006), Bjarnasona and Thorlindssonb (2006) with adaptation for the Vietnamese context [8]. Five point Likert scale questions are used ranging from 1 "Strongly disagree" to 5 "Strongly agree". Measurements are coded as follows: intention to work in hometown - RI, family support - FS, hometown love - HL, job opportunities - JO, expected income - EI, quality of living environment - QL). Control variables are coded with dummy variables (0 and 1).

The subjects for this study are final year students in twelve academic majors in the National Economics University.

Data collection was conducted in two ways:

Firstly, by sending soft electronic copies of the survey questionnaire online via Google docs to about 100 email addresses (I got the

address information from administrative officers or directly from students when teaching these classes). Students were asked/reminded to answer the questionnaire before and after sending the emails. Out of these, 47 students answered the questionnaire (response rate 47%).

Secondly, hard copies of survey questionnaires were sent directly to students in class, at their graduation ceremony, and at the time of starting to go into internships, for self-administered answers. 155 questionnaires were sent to students in the National Economics University. Out of these, 145 questionnaires were collected.

After collecting the questionnaires, the data was checked to ensure that the sample consists of the research designed subjects. 10 responses were eliminated because they were answered by second and/or third year students - inappropriate survey subjects, missing important information, or inconsistent or biased answers. Both ways led to the final sample size of 182 responses.

The author analyzed data via SPSS software version 20 to examine the validity and reliability of measures, and to test the research model and hypotheses.

4. Research findings

4.1. Sample statistics description.

Total responses consisted of 192 questionnaires, including 145 paper responses and 47 electronic responses. After cleaning the data, 182 questionnaires were used for analysis. The survey sample consists of final year students in 12 academics majors at the National Economics University.

Out of the 182 respondents, 72 students are men (39.6 per cent), 110 students are women (60.4 per cent). 22 per cent of sample respondents are living in Hanoi (40 students), 78 per cent are from other cities in Vietnam (142 students). 21.4 per cent of the sample respondents have an excellent academic performance (39 students), 74.7 per cent of the sample respondents have a good academic performance (136 students) and 3.8 per cent of the sample respondents have a fair academic performance (7 students). 116 students (63.7 per cent) have the intention to work in Hanoi after graduation, 40 students (22 per cent) have the intention to return to their hometown to work after graduating, and 26 students (14.3 per cent) intend to work in other cities after graduating.

4.2. Hypotheses testing

Measures assessment

All the measures in this research have been assessed for validity and reliability by using Cronbach's Alpha analysis and EFA analysis.

EFA analysis was used at the same time for 6 variables with 19 items, and varimax rotation loaded in 5 factors. Almost all items are loaded in their original factors with the lowest factor loading being 0.514 and the highest 0.910 (except items of FS1 and QL1 failed to load in their original factor).

After considering the variable content and Cronbach's Alpha analysis, the item of FS1 of the "family support" was eliminated, because its Corrected Item - Total Correlations is lower than 0.3; the "Cronbach's Alpha if item Deleted" is higher than Cronbach's Alpha of the measure and they load in wrong factor. As a result, this measure includes 2 items with Cronbach's Alpha of 0.7.

Table 1: Rotated component factor matrix

	Factors			
	1	2	3	4
RI1			.695	
RI2			.700	
RI3			.769	
FS2				.903
FS3				.881
EI1	.816			
EI2	.812			
EI3	.800			
JO1	.785			
JO2	.613			
JO3	.794			
QL2	.520			
QL3	.716			
HL1		.727		
HL3		.813		
HL2		.850		
HL4		.712		

Principal Component Analysis.
Varimax with Kaiser Normalization.

Source: Author survey.

EFA analysis shows that 3 items of “job opportunities” and 2 items of “environment” and 3 items of “expected income” load in 1 factor. Item QL1 loads in a new independent factor. After carefully checking the literature and Cronbach’s Alpha analysis, the item QL1 was eliminated. Although “job opportunities”, “quality of living environment” and “expected income” in Le et al. (2010) research are separated factors, in this research they are merged in one variable. All items express the environment characteristics of a city, so the new variable was named as “city environment” and includes 8 items.

After eliminating FS1 and QL1, EFA analysis for all items with varimax rotation loaded in 4 factors with an Eigenvalue > 1; KMO and Berlett test is 0.813 (Table 1).

Cronbach’s Alpha analysis for this research independent and dependent variables shows that all variables’ Cronbach’s Alpha (except RI) are

higher than 0.7 (Table 2). All the research variables having “Cronbach’s Alpha if item deleted” are lower than its Cronbach’s Alpha; and all the values of “Corrected item total correlation” are bigger than 0.3. Therefore, all research variables’ measurements are reliable.

Cronbach’s Alpha analysis for this research independent variable - “intention to work in hometown” shows that Cronbach’s Alpha of the measure is 0.665; but “Cronbach’s Alpha if item deleted” of individual items are lower than its total Cronbach’s Alpha; and all the values of “Corrected item total correlation” are higher than 0.3. This measure is usable in the new research condition in Vietnam (Hoang and Chu, 2008) [14].

Table 2: Measures

No	Variable name	Items	Cronbach’s Alpha
1	Living environment	3	0.89
2	Expected income	2	0.835
3	Job opportunities	4	0.832
4	Hometown love	4	0.832
5	Family support	2	0.665
6	Intention to work in hometown	3	0.665

Source: Author survey.

Measures assessment results in new research hypotheses:

H1: Family support is positively related to intention to work in hometown

H2: City environment is positively related to intention to work in hometown

H3: Hometown love is positively related to intention to work in hometown

Hypotheses testing

Before using regression to test the research hypothesis, the correlation matrix has been used to examine the bivariate correlation between factors. All correlation coefficients are positive

and smaller than 1 (from 0 to 0.8). Then, the regression model with the dependent factor of “intention to work in hometown” was set up. Finally, the regression assumptions were checked, the tests show that all of the assumptions are met, so the linear regression model is suitable.

In the first regression model, the control model, the dependent variable is “intention to work in hometown” with 3 control variables (Table 3). “Birthplace” has a significant and positive relation with the “intention to work in hometown” but it is not the case for “gender” and “academic performance”. However, the model is not significant (F = 1.741, p = .166 > 0.1).

For model 2 with 3 control variables and 3 independent variables, the model is significant (Adjusted R² = 0.401, F = 20.677, p < .001). 3 control variables have not got a significant relationship with “intention to work in

hometown”. All 3 independent variables have significant and positive relations with “intention to work in hometown”. There are three factors impacting the descending level. They are: (1) family support (standardized β = .413, p < .001), (2) hometown love standardized β = .314, p < .001 (3) city environment (standardized β = .225, p < .001).

All 3 hypotheses are supported by the research data.

From the analysis, we have the following linear regression model with adjusted R² 40,1%:

$$Y = 0.223X_1 + 0.287X_2 + 0.367X_3$$

In which:

Y: intention to work in hometown

X1: city environment

X2: hometown love

X3: family support

Table 3: Regression model of dependent variable “intention to work in hometown”

Model	Coefficient		Standardized Beta	t	Sig.	Tolerance VIF	
	Unstandardized					Tolerance	VIF
	B	Std. Error					
1 (Constant)	2.069	.113		18.274	.000		
gender	.096	.106	.067	.899	.370	.998	1.002
Birthplace	.231	.110	.158	2.098	.037	.988	1.012
Academic performance	-.020	.126	-.012	-.157	.875	.987	1.013
2 (Constant)	-.166	.244		-.679	.498		
gender	.151	.086	.106	1.757	.081	.926	1.080
Birthplace	.013	.089	.009	.152	.879	.918	1.089
Academic performance	.081	.102	.048	.793	.429	.914	1.094
Hometown love	.287	.060	.314	4.810	.000	.800	1.250
City environment	.223	.063	.225	3.538	.001	.840	1.191
Family support	.367	.057	.413	6.395	.000	.817	1.224

Source: Author survey.

5. Recommendations

This research provides empirical evidence about the impact of family support, perceived city environmental conditions and hometown love to student' intention to work in their hometown after graduation. City love is the most important factor to pull graduates to come back home to work. The research result also confirms the fact that in Vietnamese social context, students' choice of future career is strongly influenced by their family. Family support, not surprisingly, has considerable weight in the mobility decisions of the survey participants, indicating that choosing a place to work is not simply a matter of earning a higher salary or enjoying better work conditions. Good perceptions of lifestyle and family ties at home also have a large and significant impact on a student's return intention. Greater family support for returning results in greater probability of having return intentions. The findings here on the perceptions of environment and family ties, seem consistent with those found by Gibson and McKenzie (2009) cited in Jan (2008) [13] where they conclude that return intention is strongly related to family and lifestyle factors, rather than to the income and job factor.

From the research findings, some recommendations have been suggested for policy makers in order to attract high quality labour resources for the economic development of cities and rural areas.

First, cities and rural areas should strengthen the relationship between students with their hometown to preserve and warm up their hometown sentiments. It is important to create hometown love among young people so that they would want to return to work in their hometown. Thus, a campaign focusing on the

significance of going back home to develop ones' hometown should be organized to support the notion that individuals have the power to develop and sustain their communities. Provincial governments should pay more attention to introducing lessons learnt by successful students who have come back and settled in their hometowns.

Secondly, efforts to improve city life quality and environmental conditions should be made by provincial governments. City and rural governments should invest more in social services and facilities such as education for children, the healthcare system, entertainment infrastructure, and trading centers to improve city living standards to attract high quality workers.

Thirdly, since the perception of skill use opportunities and job opportunities is one of the factors having a positive impact on return intention, home governments should ensure enough opportunities for returning students to apply their newly acquired skills. There should be job creation commensurate with the tertiary-level qualification of returning students. The local governments should provide favourable policies for high quality labour resources to return to their hometowns. The local governments and others concerned agents should help provide career opportunities for them. If these young emigrants could gain job satisfaction in their areas of origin, they would not abandon their hometown.

Finally, provinces should encourage their city residents to support and pull their family members back to settle in the region. The provincial governments can promote and market new and favourable city policies and environmental conditions for their residents in order to change their perception of the goodness of hometown life, so that they can help pull their

“sons” or “daughters” to return back to their hometown to work.

This study had some limitations. It relies on the self-reported intentions of final-year students at the National Economics University. The email survey method resulting in a limited number of responses may lead to an unrepresentative sample. In addition, the cross-sectional study design is limited in determining causal associations between the study factors, intention and decision to return to work. A further longitudinal study is needed to ensure the factors affecting intention actually affect the practice and the duration for which graduates are willing to work in hometown. More variables should be included in the study, such as motivation, which will influence the decision of graduates to return.

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