Measuring the Fiscal Influence of Higher Education: A Pragmatic Study

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Abstract: In today's social and economic environment, higher education has an impact on economic growth and development. This study aims to investigate the key motivational factors influencing individuals' decisions to pursue higher education and the anticipated financial outcomes. The research objectives focus on understanding the impact of factors such as career advancement, acquisition of knowledge and skills, personal development, social prestige, cultural norms, networking opportunities, job prospects, and perceived value for money. The study employs a descriptive and cross-sectional research design, collecting data from 427 respondents residing in select cities of Uttar Pradesh through both online and in-person surveys. The data was collected online and in person and then analysed it using SPSS and SmartPLS 4.0. The survey findings reveal that career development and employment opportunities emerge as the most significant motivators for pursuing higher education, aligning with existing literature. The study highlights the intricate relationship between higher education and personal financial success, offering actionable insights for policymakers and educational institutions to optimize the financial benefits of higher education. These results underscore the importance of aligning educational offerings with labour market demands to enhance individual and societal economic outcomes.

Key words: Career Advancement, Knowledge and Skills, Personal Development, Social Status, Cultural Expectations, Networking Opportunities, Value for Money

1. Introduction

Higher education is generally considered as an important motivator for gaining economic growth and development. The education enables individual to achieve enhanced knowledge, skills, and competences, and thus promising creativity and increasing efficiency and individual effectiveness. The economic impact of higher education goes beyond personal advantages to include more significant social consequences including employment rates, income generation, wealth distribution, and overall economic stability (Adedeji, Segun O. & Campbell, and Omolara. 2013). Earnings are higher for workers in industries that require more education and training. Education levels are crucial for enhancing national power in the knowledge-based economy of today, since talent acquisition is becoming a key factor in global competition. As a result, nations increasingly stress the role that skill and education play in promoting economic progress. India's comparatively low levels of productivity and education provide difficulties, as the country's talent pool is insufficient to fulfil the needs of global competition and industrial restructuring.

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In the last few decades, India has witnessed a phenomenal change in its educational policies. Over the previous few decades, India's higher education sector has grown remarkably. After attaining independence, the nation's small number of schools and colleges grew to become one of the best higher education systems in the world. The All-India Survey on Higher Education (AISHE) 2020-21 reports that there are 42,000 institutes and more than 1,000 universities in India. This trend has been fuelled in part by rising public demand for higher education, greater government funding, and legislative reforms. By creating multifunctional institutions and encouraging research and innovation, the National Education Policy (NEP) 2020 seeks to improve the caliber and accessibility of higher education (Government of India, 2020). Notwithstanding these developments, problems including underfunding, gaps in quality, and the requirement for increased industry academic collaboration remain (Agarwal, 2021) Higher education, with its functions in knowledge generation, processing, and dissemination, provides an important connection between economic development and talent development. The advancement of a nation's higher education system has a significant impact on its capacity to innovate, expand economically, and thrive. Higher education relates to higher earning potential, better employment opportunities, and more career satisfaction, ultimately contributing to national economic health by increasing consumer spending, tax revenue, and workforce flexibility. (Smith, 2020; Jones & Brown, 2019; Williams et al., 2021). Clark (2018) highlights the significant role of higher education institutions in the regional and national economy, as they stimulate local economies through research and development, and generate new sectors and revitalize existing ones. As a result, recognizing is a critical practical issue in the current environment. Here the research question arises as whether different factors influencing students to go for higher education have significant economic benefits on students. To address the research question, this empirical study looks at what factors motivate people to pursue higher education and how it affects the economy. Ahmad & Sahin, (2020) using quantitative and qualitative methodologies, it investigates how individuals perceive economic gains and new chances. Data analysis and stakeholder interviews will provide a comprehensive understanding of higher education's contribution to economic development, informing policymakers and educational institutions about its critical role in economic advancement, emphasizing the need for sustained investment and support.,

2. Review of Literature, Theoretical Framework and Proposed hypothesis of the study

Higher education's economic function, especially its impact on economic development, can be examined through the neoclassical economics supply framework, emphasizing capital, labour, technological innovation, and institutions. Human capital, which includes workers' knowledge, skills, capacities, and health, is crucial here. According to human capital theory, economic development hinges more on human capital accumulation than on natural resources or material capital (Becker, 1993). In today's global economy, human capital is vital for sustainable growth (Prasetyo & Kistanti, 2020). Higher education is essential for training advanced talent and fostering research capabilities, promoting economic growth (Abanyam, David, & Ibrahim, 2020). Education drives economic growth by upgrading industries, regulating income distribution, and fostering innovation (Min, 2017; Zhou & Luo, 2018; Bygstad et al., 2022). Investments in education enhance productivity and reduce income inequality (Romer, 1990; OECD, 2012). Higher education institutions support regional development through research and industry collaboration, yielding broader societal benefits (Goldstein & Drucker, 2006; Wolfe & Haveman, 2002). Thus, policies enhancing higher education access and quality are vital for economic growth (Marginson,

2016). Success in higher education is determined by a variety of internal and external factors. The main drivers are covered in the sections that follow, with references to relevant research.

3. Factors Driving Customers towards Higher Education

Empirical study on factors driving consumer to go for higher education indicates that a person's desire to improve employment prospects and move up the professional ladder is one of the main extrinsic and intrinsic incentives that drive accomplishment in higher education (Becker, 1993). Research indicates that graduates with advanced degrees are more likely to be promoted and assume leadership positions in their workplaces (Oreopoulos & Petronijevic, 2013; Benson et al., 2020). Advanced degrees help people stand out in competitive job markets and provide doors to leadership roles. Another important incentive is the development of specialized information and critical thinking abilities, which are necessary for success in the workplace (Baum et al., 2013). Higher education encourages lifelong learning, keeping people abreast of industrial developments and technical improvements (Friedman, 2020). It also boosts productivity and efficiency (Wuttaphan, 2017), encouraging creativity, critical thinking, and problem-solving (Fan & Beh, 2024; Wiyono & Wu, 2022; Farah, 2022).

Personal development is another significant motivator, encompassing intellectual growth, self-awareness, and the development of a broader worldview. College opens the door for people to find what they love, question their opinions, and discover who they are (Austin, 1999). Ahmad & D'Cunha, (2020) stated that it helps people become more mindful, disciplined and ready to learn throughout life. Recent studies show that personal growth and enjoyment of learning are the main reasons people choose university (Koh, 2009; Trenzini et al., 2020). Social status is also important, with higher education often commanding respect. In many cultures, getting a high school diploma means you are successful (Bourdieu 1986).

This honor brings more attraction and luck in your community and workplace. Research shows that the social reinforcement of higher education leads people to achieve higher degrees (Collins, 2019). According to Bourdieu's concept of cultural capital, education raises your social game by providing you with knowledge and skills that society values. A higher education makes you more desirable in your community. Culture plays an important role in why people choose to attend college. Some cultures consider the benefits of school to maintain family traditions and honor (Escandon-Barbosa et al. 2022).

Recent studies show that family and cultural expectations greatly influence college programs in core communities (Lee et al. 2020). The importance of education often depends on the country's cultural norms that value school success (Yu et al. 2022). These cultural pressures make people want to go to university to fulfill the expectations of their families and society. People also go to college to network and make more money. Schuler and Rabeno (2023) say that school is the best place to build professional networks that lead to employment and career growth. Many studies show that education means more. Colleges provide opportunities for students to mix with faculty, staff, and major businesses, leading to employment and professional advancement (Bataeineh 2022). More education means more lifetime earnings (Vlina-Martinez et al. 2024). Another important reason to go to college is to get more job and career opportunities. Employers may need advanced degrees for some industries, and higher education credentials can boost employability (Tomlinson, 2008). Studies indicate that postsecondary education graduates have lower

unemployment rates and are more likely to obtain stable work in an enjoyable field (Oreopoulos & Petronijevic, 2013; OECD, 2019). Higher education makes students more employable because it gives them the skills and credentials needed to compete in the labour market (Maheshwari et al., 2023; Tomlinson, 2008).

Overall, the value for money is a critical motivator in decision-making process of student for higher education. Families and prospective students frequently compare the expenses of school to the possible financial rewards. According to research, many people still consider higher education to be a wise investment despite growing tuition costs because of the long-term financial and personal benefits (Hershbein & Kearney, 2014). According to Kelchen's (2021) analysis, there is a need for higher education to preserve its perceived value through openness in its return on investment. When deciding if going to college is a wise financial move, people consider the advantages and disadvantages of each option (Natividad-Franco & Cruz, 2023; Garagyaraghi, 2021; Dilmurod, 2023).

3.1 Higher Educational Achievement and its Economic Effect

Numerous studies have looked at the effects of increasing educational attainment on the economy. According to Russell, Yu, and Andrews (2022), US universities have a favourable impact on local economic results and educational achievement. According to Cahalan et al. (2022), increased access to higher education in the US would have positive economic effects. Lo, Chang, and Chang (2022) establish a connection between enhanced student mobility and higher education to accomplish the 2030 sustainability goals. According to Velichkovska and Georgievski (2022), economic disparity is decreased by higher education. According to Karabayev et al. (2023), advancements in education are essential for Kazakhstan's economy to prosper. Lee (2022) provides comparative observations from the UK to demonstrate how higher education in South Korea decreases economic inequality and fosters social mobility. Finally, Mendelian randomization is used by Xie et al. (2024) to disclose the mediation impact of educational attainment on income, highlighting its economic implications. These studies collectively emphasize the significant economic benefits of higher educational achievement across various contexts.

3.2 Hypothesis 1: Different drivers of students to go for higher education has positive economic outcome

3.2.1 Theoretical Framework

The theoretical framework for this study is grounded in Rational Choice Theory (RCT), which posits that individuals make decisions based on a cost-benefit analysis to maximize their utility (Becker, 1962). In the context of higher education, RCT suggests that students and their families evaluate the fiscal implications of pursuing higher education, weighing the potential benefits such as enhanced earning potential and improved career prospects against the costs, including tuition fees, opportunity costs, and loan burdens (Perna, 2006). This framework acknowledges that such decisions are influenced by individual preferences, financial resources, and access to information. Furthermore, socio-economic and institutional factors such as financial aid availability, government policies, and labor market demands play a critical role in shaping these choices (McMahon, 2009). By applying RCT, this study investigates how fiscal considerations affect higher education decisions and evaluates the broader economic outcomes for individuals and society. This pragmatic approach aligns with the need to understand and address disparities

in access to education, especially in economically diverse contexts. The findings are expected to contribute to policy discourse on financial support mechanisms and equitable education access.

4. Research Methodology

The research methodology for this empirical study, titled "Measuring the Fiscal Influence of Higher Education: A Pragmatic Study" is based on "Rational Choice Theory", that adopts a comprehensive framework to evaluate the economic impact of higher education through drivers such as Career Advancement, Knowledge and Skills, Personal Development, Social Status, Cultural Expectations, Networking Opportunities, Employment Prospects, and Value for Money. The study employs a descriptive and cross-sectional research design, targeting individuals who have pursued or are currently engaged in higher education, including students, graduates, and other stakeholders across select cities in Uttar Pradesh. The sample of 427 respondents was determined using stratified random sampling to ensure representation across diverse demographic segments such as age, gender, educational qualifications, and professional engagement. Data collection was facilitated via structured questionnaires, informed by constructs adapted from seminal studies (Oreopoulos & Petronijevic, 2013; Baum et al., 2013; Terenzini et al., 2020; Maheshwari et al., 2023). Construct validity was verified through faculty and expert review. Analytical tools included SPSS for descriptive and inferential statistics, such as frequency distribution and regression analysis, and SmartPLS 4.0 for structural equation modeling, enabling examination of latent constructs and relationships. Rational Choice Theory underpins the study, as it explains individuals' higher education decisions based on cost-benefit analysis, emphasizing the fiscal returns of education.

5. Results

The demographic characteristics of respondents as presented in table 1 reveal a diverse sample. Age-wise, the majority are between 21 to 30 years (34.2%), followed by 31 to 40 years (21.5%), and 41 to 50 years (21.1%). A smaller proportion falls into the categories of up to 20 years (11.2%), 50 to 60 years (7.0%), and above 60 years (4.9%). Gender distribution is almost equal, with 50.1% male and 49.9% female. Marital status shows a slight majority of married respondents (53.9%) compared to unmarried ones (46.1%). In terms of education, 34.2% have post-graduation degrees, 26.0% hold professional qualifications or other degrees, 20.1% have doctoral degrees, and 19.7% are graduates. Income distribution indicates that 31.6% earn up to Rs. 25000 per month, 24.8% earn between Rs. 25001 to Rs. 50000, 23.4% earn Rs. 50001 to Rs. 75000, and 20.1% earn between Rs. 75001 to Rs. 100000 per month. This data highlights the varied socio-economic background of the study's participants.

Table 1: Demographic characteristics of respondents

Categories	Description`	Frequency	Percent
Age Categories	up to 20Years	48	11.2
	21 to 30 Years	146	34.2
	31 to 40 years	92	21.5
	41 to 50 years	90	21.1
	from 50 to 60Years	30	7.0
	Above60 years	21	4.9
Gender	Male	214	50.1

	Female	213	49.9
Marital Status	Unmarried Married	197 230	46.1 53.9
Education Level	up to Graduation Post-Graduation Doctoral Degree Professional Qualification and others	84 146 86 111	19.7 34.2 20.1 26.0
Income	Upto Rs25000PM Rs. 25001 to Rs50000PM Rs. 50001PM to Rs750000 PM Rs 75001 to Rs100000PM	135 106 100 86	31.6 24.8 23.4 20.1

The descriptive data for the study on estimating the economic effect of higher education indicate interesting trends. The overall construct "Career Advancement" has a mean of 3.6903, a standard deviation (SD) of 0.85233, and a variance of 0.726, indicating moderate relevance with significant variation among respondents. "Knowledge and Skills" has a higher mean of 3.8370, an SD of 0.65824, and a variance of 0.433, indicating a significantly stronger agreement on its value. "Personal Development" leads with a mean of 3.8882, a standard deviation of 0.75093, and a variance of 0.564, indicating its perceived relevance. "Social Status" has a mean of 3.4836, a standard deviation of 0.88157, and a variance of 0.777, indicating lower but variable relevance. "Cultural Expectations" also scores high (mean 3.8345, SD 0.78735, variance 0.620). "Networking Opportunities and Income Motives" have the lowest mean (3.1777) and the highest variability (SD 0.91471, variance 0.837). "Employment and Career Prospects" (mean 3.8326, SD 0.42021, variance 0.177) and "Value for Money" (mean 3.5051, SD 0.44366, variance 0.197) show significant perceived value with low variability. Finally, the "Economic Impact of Higher Education" is rated highest (mean 3.9995, SD 0.57675, variance 0.333), highlighting its crucial driving factor influencing students to choose higher education for achieving greater economic benefits.

Table 2: Factors Driving customers towards higher education and its perceived economic outcome: A descriptive statistic(N=427)

	Mean	Std. Deviation	Variance
Career Advancement	3.6903	.85233	.726
CA1	3.75	.964	.930
CA2	3.69	1.001	1.003
CA3	3.64	1.064	1.132
CA4	3.68	1.056	1.115
Knowledge and Skills	3.8370	.65824	.433
KS1	3.7869	.91877	.844
KS2	3.8712	.82496	.681
KS3	3.8361	1.01228	1.025
KS4	3.8806	.80914	.655
KS5	3.8103	.94401	.891
Personal Development	3.8882	.75093	.564

PD1	3.665	.9533	.909
PD2	3.9953	.91927	.845
PD3	3.9227	.81714	.668
PD4	3.970	.8145	.663
Social Status	3.4836	.88157	.777
SS1	3.302	.9690	.939
SS2	3.5199	1.01350	1.027
SS3	3.607	.9809	.962
SS4	3.506	1.0286	1.058
Cultural Expectations	3.8345	.78735	.620
CE1	3.95	.847	.718
CE2	3.78	1.075	1.155
CE3	3.7752	1.03054	1.062
CE4	4.1382	.78251	.612
Networking Opportunities and income motives	3.1777	.91471	.837
NO1	2.8982	1.12243	1.260
NO2	2.8982	1.14526	1.312
NO3	3.489	1.0977	1.205
NO4	3.42	.993	.986
Employment and Career Prospects	3.8326	.42021	.177
ECP1	3.7389	.44573	.199
ECP2	4.0141	.63895	.408
ECP3	3.7447	.50624	.256
Value for Money	3.5051	.44366	.197
VM1	3.0867	.55622	.309
VM2	3.7330	.50249	.252
VM3	3.6956	.49510	.245
Economic Impact of Higher Education	3.9995	.57675	.333
EI1	4.2272	.79754	.636
EI2	3.8126	.87882	.772
EI3	3.8642	.80800	.653
EI4	3.9508	.76294	.582
EI5	4.2740	.80629	.650
EI6	4.0656	.69903	.489
EI7	3.9578	.64866	.421
EI8	3.7611	.60830	.370
EI9	4.0820	.56113	.315
Valid N (listwise)			

6. Factors Driving customers towards higher education and its perceived economic outcome: PLS –SEM Modelling

6.1 Measurement Model

The measurement model for assessing the economic impact of higher education demonstrates robust construct reliability and validity. Cronbach's alpha scores vary from 0.730 to 0.924, demonstrating strong internal consistency across all constructs. The composite reliability (rho_a and rho_c) values meet the acceptable threshold of 0.70, indicating that the constructs are reliable. The average variance extracted (AVE) values are all more than the required 0.50, indicating convergent validity. Notably, the Economic Impact construct has a high Cronbach's alpha of 0.924 and AVE of 0.620, indicating its reliability and validity. The variance inflation factor (VIF) values typically remain below 3, suggesting low multicollinearity, except for Knowledge and Skills (7.492), which implies possible multicollinearity difficulties. The f^2 test values signify varying effect sizes, with Employment and Career Prospects (0.058) showing the highest. Overall, the constructs of Career Advancement, Cultural Expectations, Economic Impact, Employment and Career Prospects, Knowledge and Skills, Networking Opportunities and Income Motives, Personal Development, Social Status, and Value for Money demonstrate strong reliability and validity, supporting their use in evaluating the economic outcomes of higher education (Table 3).

Table 3: Construct reliability and validity

	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)	VIF	f^2 Test
Career Advancement	0.857	0.863	0.903	0.701	6.245	0.007
Cultural Expectations	0.855	0.863	0.903	0.702	1.456	0.015
Economic Impact	0.924	0.940	0.936	0.620		
Employment and_ Career Prospects	0.730	0.824	0.854	0.675	2.918	0.058
Knowledge and Skills	0.789	0.822	0.860	0.562	7.492	0.007
NO Networking Opportunities_ and income motives	0.860	0.872	0.841	0.592	1.110	0.011
Personal Development	0.885	0.889	0.924	0.756	1.830	0.018
Social Status	0.907	1.677	0.899	0.695	1.155	0.052
Value for money	0.824	0.831	0.897	0.746	2.649	0.014

The Fornell-Larcker criterion demonstrates the discriminant validity of constructs in assessing the economic impact of higher education. The diagonal values indicate satisfactory AVE (above 0.7), suggesting strong construct validity. Cross-construct correlations are lower than the square root of AVE,

affirming discriminant validity. Constructs like "Career Advancement" (0.837) and "Value for Money" (0.864) show significant economic impacts, while correlations reveal interrelationships, such as between "Economic Impact" and "Employment and Career Prospects" (0.641), underscoring the study's empirical robustness (Table 4).

Table 4: Discriminant validity: Fornell - Larcker Criterion

	Career Advancement	Cultural Expectations	Economic Impact	Employment and_ Career Prospects	Knowledge and Skills	Networking Opportunities _ and income motives	Personal Development	Social Status	Value for money
Career Advancement	**0.837**								
Cultural Expectations	0.391	**0.838**							
Economic Impact	0.623	0.468	**0.787**						
Employment and_ Career Prospects	0.634	0.491	0.641	**0.822**					
Knowledge and Skills	0.893	0.421	0.637	0.636	**0.750**				
Networking Opportunities_ and income motives	0.153	0.250	0.263	0.231	0.140	**0.769**			
Personal Development	0.415	0.282	0.461	0.412	0.598	0.123	**0.869**		
Social Status	-0.001	0.117	0.098	-0.153	-0.073	0.113	-0.068	**0.834**	
Value for money	0.618	0.387	0.588	0.755	0.612	0.207	0.438	-0.176	**0.864**

6.2 Structural Model and Hypothesis Testing

Structural model analyzes the relationships among the variables and the significance of these relationships. The table 5 presents the results of an empirical study on assessing the economic impact of higher education. The R^2-value of 0.568 indicates that 56.8% of the variance in economic impact can be explained by the model, with an adjusted $R^2$of 0.562, showing a minor adjustment for the number of predictors. The f-square matrix demonstrates the effect sizes for various predictors, with notable impacts from employment and career prospects (0.058) and social status (0.052). The model fit summary includes the Standardized Root Mean Square Residual (SRMR) of 0.097, indicating a reasonable fit, though the Chi-square value is infinite, which suggests potential issues with model specification. The d_ULS value is 7.727 for both saturated and estimated models, but d_G and NFI values are not available. This study highlights the significant predictors contributing to the perceived economic impact of higher education and provides a basis for further analysis and policy development.

Table 5: Model fit Summary

	Saturated model	Estimated model
SRMR	0.097	0.097
d_ULS	7.727	7.727
d_G	n/a	n/a
Chi-square	infinite	infinite
NFI	n/a	n/a
R^2(economic Impact) =0.568, R^2adjusted=0.562		

The structural model analysis in the study "Assessing the Economic Impact of Higher Education: An Empirical Study" reveals varied influences of different factors on economic impact. Employment and career prospects exhibit the strongest positive effect ($\beta = 0.272$, $t= 4.434$, $p < 0.001$), indicating significant economic benefits. Social status ($\beta = 0.162$, $t= 2.621$, $p = 0.009$) and personal development ($\beta = 0.119$, $t= 2.921$, $p = 0.004$) also show notable positive impacts. Networking opportunities and income motives ($\beta = 0.074$, $t= 2.511$, $p = 0.012$), value for money ($\beta = 0.128$, $t= 2.363$, $p = 0.018$), and cultural expectations ($\beta = 0.096$, $t= 2.469$, $p = 0.014$) have significant yet moderate effects. Career advancement ($\beta = 0.136$, $t= 1.650$, $p = 0.099$) and knowledge and skills ($\beta = 0.154$, $t= 1.821$, $p = 0.069$) have marginally significant effects, suggesting that while they contribute to economic impact, their influence is less pronounced. These findings underscore the multifaceted benefits of higher education on economic outcomes, highlighting the importance of employment prospects and personal development.

Table 6: Structural Model: Path coefficient, Mean, STDEV, t- values, p values

	Original sample (O)	t-statistics (|O/STDEV|)	P-values
Career Advancement -> Economic Impact	0.136	1.650	0.099
Cultural Expectations -> Economic Impact	0.096	2.469	0.014
Employment and Career Prospects -> Economic Impact	0.272	4.434	0.000
Knowledge and Skills -> Economic Impact	0.154	1.821	0.069
Networking Opportunities and income motives -> Economic Impact	0.074	2.511	0.012
Personal Development -> Economic Impact	0.119	2.921	0.004
Social Status -> Economic Impact	0.162	2.621	0.009
Value for money -> Economic Impact	0.128	2.363	0.018

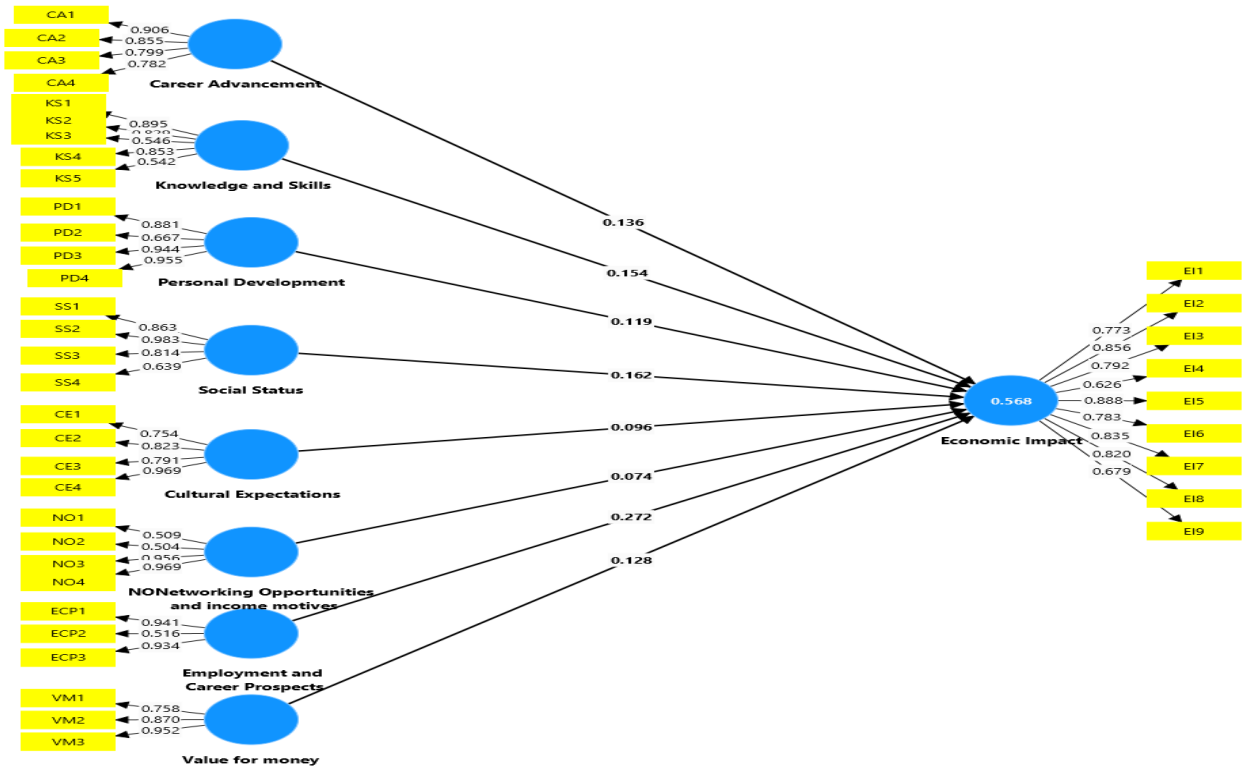

Figure 1: Structural model and outcome

7. Discussion and Conclusion

7.1 Discussion

The present study aims to analyze the various factors influencing customers' decision to pursue higher education and its associated economic impacts. This research provides a comprehensive understanding of how diverse factors contribute to the economic benefits of higher education. The structural model analysis reveals varying degrees of influence, encompassing both strong and moderate effects on economic outcomes. Notably, employment and career prospects have a significant economic impact, serving as a major motivator for pursuing higher education. This finding aligns with existing literature, such as studies by Oreopoulos and Salvanes (2011) and Chevalier (2007), which consistently demonstrate a strong correlation between higher educational attainment and improved employment rates and job quality.

The study also highlights the significant roles of social status ($\beta = 0.162$, $t = 2.621$, $p = 0.009$) and personal development ($\beta = 0.119$, $t = 2.921$, $p = 0.004$) in the economic benefits of higher education. These results corroborate the arguments of Koutsougeras and Wu (2012), who emphasize that higher education not only enhances social standing but also facilitates substantial personal growth and self-improvement. The positive effects of these factors suggest that the benefits of higher education extend beyond immediate financial returns, contributing to broader social and personal development that enriches overall well-being and economic potential.

Additionally, network opportunities and financial motivations exert a modest positive influence (β = 0.074, t= 2.511, p = 0.012). These findings support the work of Lin (2001) and Granovetter (1973), which underscore the critical role of social networks in achieving project success and maximizing benefits. While the impact of these factors is less pronounced compared to job opportunities, they underscore the importance of social relationships and financial goals in realizing the economic advantages of higher education.

The study further identifies that the value of money (β = 0.128, t= 2.363, p = 0.018) and cultural expectations (β = 0.096, t= 2.469, p = 0.014) positively influence the financial outcomes of higher education. These findings are consistent with Becker's (1993) research, which highlights the significance of perceived value and cultural influences in shaping individuals' perceptions of educational investments. While the effects of these factors are moderate, they nonetheless contribute to the overall economic impact of higher education, complementing the more dominant role of employment-related motivations.

The study found no significant association between knowledge and competence and economic outcomes (β = 159, t = 1.821, p = 0.069). The finding is consistent with prior research by Lauder, H., and Mayhew, K. (2020), who found that being a top scholar or student does not ensure success in the workforce, as the application of academic knowledge frequently differs from actual workplace abilities (Young, 2011). Universities have increasingly emphasized on "generic" abilities (problem-solving, communication), raising concerns about their relevance in the absence of discipline-specific information. According to Brink, C., and Hogan, J. (2016), universities must balance quality with social needs; nevertheless, many fail to address labor market demands, adding to the mismatch between education and economic success. This discrepancy underlines the need to reevaluate educational approaches. Finally, career advancement (β = 0.136, T= 1.650, p = 0.099) and knowledge and skills development (β = 0.154, T= 1.821, p = 0.069) exhibit smaller but notable influences. Although job growth and learning are important drivers, their economic impact appears less significant compared to employment opportunities and career choices. These findings align with the conclusions of Hanushek and Woessmann (2015), who suggest that while education enhances earning potential, not all aspects of academic learning translate directly into immediate financial gains.

7.2 Conclusion

The present study aimed as exploring the various factors influencing students in chosing higher education and examines how higher education affects economic outcomes. the outcome of the study shows that factors such as career advancement,cultural expectations ,employment and_ career prospects , networking opportunities, personal development, social status ,value for money play an important role in chosing higher education courses and in turn getting the financial benefits of higher education, but some factors are more important than others. The results show that while advancing in a career and acquiring important knowledge and skills, it does not have a direct impact on the economy. This study highlights the importance of higher education in improving economic health for individuals and communities. It provides useful information for policy makers and schools who want to promote economic growth by investing in higher education. Future research could examine how these factors work together and influence economic outcomes in different situations and groups.

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