Factors that predict the financial performance of Montemorelos University as reflected by perception of students

Trenton Hamidan and Pedro Gonzales
Faculty of Business and Legal Sciences
Doctorate in Business Administration
Montemorelos University

Problem

The empirical model in which philanthropy, tuition and fees, campus industries, and quality of instruction are predictors of the financial performance of Montemorelos University, as perceived by the students of the institution.

Methodology

The research was empirical, quantitative, descriptive, exploratory, explanatory and transversal. The study population was made up of students from Montemorelos University, Mexico. An instrument was administered, and 132 students responded from the population described. The substantive statistical process was based on regression analysis, performed in SPSS 25.0.

The constructs for the five instruments used were done through factorial analysis techniques (with explained variance levels of over 64 %, which are acceptable) and the reliability, measured with the Cronbach alpha coefficient for each instrument, was acceptable (with the lowest explained variance levels of .620). For the analysis of this hypothesis, the statistical technique of multiple linear regression was used.

Results

The model was validated with the sample of students from the above-named university. Quality of instruction and campus industries are very good predictors of financial performance, according to the perception of the students. When evaluating the influence of independent constructs through the standardized beta coefficients, it was found that the best predictor is the quality of instruction, followed by campus industries and philanthropy. Tuition and fees ranked the lowest in predicting financial performance.

Conclusion

It is recommended that Montemorelos University diversify its revenue with a different combination mix. There is a preponderance on tuition and fees which should be offset by greater infusions into philanthropy and campus industries. The alumni association is a gold mine with vast untapped resources. Greater focus should be placed on foreign alumni who are positioned to contribute significantly to the alma mater. There is room for expansion with campus industries. The university should explore more of the Mexican market and opportunities with the present NAFTA market and the imminent NAFTA replacement.