ASSESSING SERVICE QUALITY IN BUSINESS SCHOOLS: IMPLICATIONS FOR IMPROVEMENT

ASHI ZESHAN[1], TAHIRA AFRIDI[2] & SARFRAZ M. KHAN[3]

[1]Assisstant Professor, Department of Business Education, University of the Punjab, Pakistan

[2]Lecturer, Department of Business Education, University of the Punjab, Pakistan

[3]Scholar, Department of Business Education, University of the Punjab, Pakistan

ABSTRACT

Measuring service quality in business schools has gained great momentum due to increased competition among institutes. Quality experts opined that measuring service satisfaction is one of the greatest challenges of the quality movement implementation. The literature suggests that there is mounting pressure from stakeholders, students, parents and employers to close the increasing gap between institutional quality and their expectations. Therefore, this study was designed to assess service quality in business schools according to SERVQUAL model in the perception of students.

Survey research was used to achieve the objectives of the research study. Eight business schools were taken as sample from public and private sectors randomly. A structured questionnaire was adopted with five dimensions of service quality (Tangibility, reliability, responsiveness, assurance, and empathy) recommended in SERVQUAL model containing 20 statements. The responses of 300 business graduates were taken on five-point Likert rating scale. The collected data was analyzed by frequencies, mean, t-test, one way ANOVA and independent sample t-test. The findings show that students perceive low quality in all the dimensions of SERVQUAL model in all institutes.

KEYWORDS: Business Schools, Service Quality, SERVQUAL

INTRODUCTION

Increased competition in the educational environment has contributed to the growing importance of service quality measurement at business schools (Gbadamosi, Gbolahan & De Jager, Johan 2008). Quality experts believe that, 'measuring customer satisfaction at an educational establishment might be regarded by educators as one of the greatest challenges of the quality movement' in higher education (Quinn, et. al. 2009). Therefore, it is vital for business schools to actively monitor the quality of services and commit to continuously improve to the needs of stakeholders.

In the last decade, there is huge demand in Pakistan for business education. As a result a number of private and foreign business institutes enter in Pakistani market to compete for students. Most of the institutes are striving to attract students by supplying improved services. There is increasing pressure from the customer of business education, which includes student, parents, executives and employers to close the widening gap between their expectations of institutional performance and actual performance. But unfortunately, there are a few researches on the quality measurement concept which can be used to improve the service quality of Pakistani business schools as per expectations of stakeholders. Therefore, this study intends to measure the service quality offered by Pakistani business schools in the perception of the students through SERVQUAL model.

MEASURING SERVICE QUALITY

In the search for a reliable method of measuring service quality there has been little consensus on the methodology which is of general applicability in all service industries (Faganel, 2010). There are a number of models used by various researchers to measure the services' quality. For instance, The Image Model of Grönroos (used by Sachdev, & Verma, 2004); Lethenin & Lethenin's 3-Dimension Model for Measuring Service Quality (1992); ECSI, European customer satisfaction index (used by Martensen, Gronholdt, Eskildsen & Kristensen, 2000); SERVPERF (used by Fagnel, 2010); HEdPERF (used by Abdulllah 2006).

SERVQUAL model presented by Parasuraman, Zeithaml and Berry (1985) was the most experimented model in last decades (Faganel, 2010). A number of researches have been conducted on the basis of SERVQUAL model (Mc Elwee and Redman, 1993; O'Neil & Wright, 2002; LaBay & Comm, 2003; Sahney et al., 2004; Barnes, 2006; Gao & Wei (year); Tyran & Ross, 2006; Yang et al., 2006; Smith et al., 2007; Lee & Tai, 2008; Yeo, 2008; Brochado, 2009). In brief, SERVQUAL is recognized as a tried and tested instrument that has been successfully applied in various different contexts (Buttle, 1996). Its strengths more than outweigh any deficiencies, and the results can be presented in a format useful for targeting specific service improvements (O'Neill and Palmer, 2001).

Therefore, current research study was conducted by using this model. SERVQUAL is based on customers' expectations and perception and comprised of five dimensions which can be defined as follows:

- Tangibles: physical facilities, equipment and appearance of personnel

- Reliability: ability to perform service dependably and accurately

- Responsiveness: willingness to help customers and provide prompt service

- Assurance: knowledge and courtesy of employees and their ability to inspire trust and confidence

- Empathy: caring individualized attention provided by the firm to its customers.

SERVICE QUALITY IN EDUCATIONAL SETTINGS: PAST RESEARCHES

During the last decade, quality initiatives have been the subject of an enormous amount of practitioner and academic discourse, and at various levels have found a gateway into higher education (Avdjieva and Wilson, 2002, Barnes, 2003). Ford et al., (1999) identified reputation, career opportunities, program issues, physical aspects, and location as important attributes to offer for educational service providers.

Further the authors highlighted that due to high competitive environment surrounding business education, institutions need to better understand the nature and quality of service offered. Adee (1997) recommended several `university characteristics' may be useful in explaining the perceived quality among students, these being an emphasis on competent teaching, the availability of staff for student consultation, library services, computer facilities, recreational activities, class sizes, level and difficulty of subject content, and student workload. In line with the previous researchers Lau (2003) suggests a conceptual framework consisting of three factors based on learning, teaching and resources (Institutional Administrators, faculty, and Students) which are considered to influence student involvement and satisfaction. Abdullah (2006) used HEDPERF instrument consisting of 41statements to assess service quality in the higher education sector.

His study confirmed that students' perceptions of service quality are consisted of six identified dimensions: non-academic aspects, academic aspects, reputation, access, program issues and understanding. He suggested widening and developing of the measuring instrument from a different perspective that is from other customer groups (internal customers, employers, government, parents and general public). Table 1 highlights the past researches in educational settings to measure service quality.

Table 1: Past Researches in Educational Setting to Measure Service Quality

Authors	Service Quality Dimensions
Entwistle and Tait, 1990	• Standards of organization • Assessment and feedback • Teachers' enthusiasm and methodology • Relevance and interest of the material to students • Teachers' interest in individual students • Explanation of study material • Difficulty, pace and quantity of workload • Willingness for class involvement
Lehtinen and Lehtinen (1992)	• Physical Quality • Interactive Quality • Corporative Quality
Gronroos 2000	• Technical quality • Functional quality • Reputational quality
Hampton, 1993	• Quality of education • Teaching • Social life-personal • Campus facilities • Effort to pass courses • Social life-campus • Student advising
LeBlanc and Nguyen, 1994	• Faculty • Reputation • Physical evidence • Administration • Curriculum • Responsiveness • Access to facilities
Qureshi, Mahmood, & Sajid, 2008	• Curriculum • Contact personnel • Physical Evidence • Reputation • Responsiveness • On campus facilities • Grading and assessment criteria • Faculty • Students • Fee structure • Development and planning • Discipline
Pereda, Airey & Bennett, 2007	• Recognition • Quality of instruction and interaction with faculty • Sufficiency of resources • Quality of facilities

Table 1: Contd.,	
Abdullah, 2006	• non- academic aspects • academic aspects • Reputation • Access • Program issues • Understanding
Martensen, 2000	• Institution image • Student expectations • Perceived quality of non-human resources • Perceived quality of human resources • Perceived value • Students satisfaction • Students loyalty
Brochado, 2009	• Tangibility • Reliability • Responsiveness • Assurance • Empathy

Kaleem & Rahmat (2004) conducted a research study by using SERVQUAL model and found that service quality across public and private sector business schools is below the students' satisfaction level. Moreover, they reported that the students in private sector have more expectations than the students in public business schools. They attributed this gap due to higher fee structure in private sector. Qureshi, Mahmood, & Sajid (2008) reported in their study that business schools in both public and private sectors are not performing up to the required standards and they suggested that business schools in private sector may invest in quality education while public sector schools may invest on secondary education. Morales & Calderon (2010) conducted the research on measuring the service quality of executive education in business schools through SERVQUAL and found that reliability and empathy is the most important dimension in the perception of business schools while tangibility is at the second place. Gao & Wei (2010) in their study found that Chinese students have consistent high expectations of service quality provided by business schools, while their perceptions are relatively low which indicates that Chinese business schools need to improve their service quality.

In Pakistan business education has gained great popularity owing to the growing demands for improving the quality of services to satisfy the major stakeholder, the students. In response to this popularity, there is mushrooming of business schools in Pakistan in last couple of decades. These institutions are working under Public and Private sector and are listed with Higher Education Commission of Pakistan (Lodhi, 2010). In Pakistan currently there are a few business schools from public and private sector which are providing quality in the limited context and are not able to effectively focus on quality of service delivery to the external customers (Qureshi, Mehmood & Sajid 2008). For that reason, this research study was designed to measure the perception of the students about quality of services offered by business institutes and recommend improvements for future.

RESEARCH OBJECTIVES

The objectives of the study were as follows:

- Measuring the service quality of business institutes according to the SERVQUAL model in Business schools of Lahore in the perception of students.

- Assessing the need to improve service quality of business institutes with respect to determinants of SERVQUAL model.
- Assessing the need to improve service quality in the light of demographical variables.
- Give recommendations to improve the service quality of business institutes.

RESEARCH DESIGN

This study is designed to assess service quality in business schools according to SERVQUAL model. Survey research was used to achieve the objectives of the research study. Eight business schools are taken as sample from public and private sectors randomly. The study selected a convenient sample of 500 students from eight business schools. The required data was collected through a structured questionnaire based on SERVQUAL model. The questionnaire was administered by the researcher themselves. A total of 300 questionnaires were received.

The questionnaire was consisted of five SERVQUAL dimensions as used by Gao & Wei (2010). It contains 20 statements about five determinants, tangibility, reliability, responsiveness, assurance and empathy. The responses of the students were taken on five- point Liker rating scale ranging from 5 strongly agree to 1 strongly disagree. Further the respondents were assured about the ethical issues such as confidentiality and anonymity.

RESULTS & DISCUSSIONS

Cronbach's Coefficients alpha was calculated to measure the internal consistency of the five SQ dimensions. The internal consistency of the scale was found 0.888. To measure the perception of students about the quality of service one sample t-test was used while for variance in demographics (for gender and sector) independent sample was used and one way ANOVA for institutional variance was used.

Table 2: One Sample t test for Measuring the Perception about Service Quality of Business Schools

SERVEQUAL	Statements	Mean	SD	t-value	df	Sig.
Tangibility	Up-to-date equipments	3.9333	1.03882	15.562	299	.000*
	Physical facilities	3.6767	1.11786	10.484	299	.000*
	Well-dressed staff	3.8300	1.07934	13.319	299	.000*
	Better competitive accommodation	3.6533	1.03443	10.939	299	.000*
Reliability	Keep promises with students	3.5733	1.10848	8.959	299	.000*
	Staff's Sympathy to Problems	3.4867	1.14347	7.372	299	.000*
	Honors' its promises	3.5500	1.10978	8.584	299	.000*
	Maintain records accurately	3.8867	.97827	15.699	299	.000*
Responsiveness	Tell exact time about performance of services	3.6000	1.00167	10.375	299	.000*
	Perform services at first time	3.5033	1.06479	8.188	299	.000*
	Staff ready to help students	3.5700	1.17603	8.395	299	.000*
	Staff responds promptly to queries	3.4867	1.14054	7.391	299	.000*
Assurance	Students trust all staff	3.3667	1.15904	5.479	299	.000*
	Staff deals politely	3.5633	1.10305	8.846	299	.000*
	Students feel safe while receiving services	3.7000	.99665	12.165	299	.000*
	Professors are knowledgeable	3.9867	.97450	17.537	299	.000*
Empathy	Gives individual attention	3.5367	1.11930	8.305	299	.000*
	Professors understand specific needs	3.5900	1.16609	8.764	299	.000*
	All staff keeps students' interest at heart	3.3000	1.16671	4.454	299	.001*
	Timing suites students	3.4467	1.36628	5.662	299	.000*

*p<0.05

As table 2 illustrates that for tangibility the mean scores for all the statements are significantly above the cut point (3.0). It proves that all the students are agreeing with the statements that their institutions are providing the tangible facilities.

In case of reliability, responsiveness, assurance and empathy again the mean scores of the statements are significantly higher than the test value three showing that students perceive the quality services provided by their institutions. These are not in line with the findings of Qureshi, Mehmood & Sajid (2008) that institutions in Pakistan are not providing the services up to the level of their expectations. The results show that the institutions in Pakistan are on the road to improve the quality of services in all the dimensions as per stakeholders' expectations.

One-way ANOVA Analysis of Variance was used to measure the variation in Service Quality in Sub-scales by Institutions. The analysis indicates that there is significant difference of service quality among the eight institutes in the perception of students. Therefore, post hoc analysis is conducted to know the variance among institutes.

The Institution wise post hoc results are as follows:

With respect to PAK AIMS, it is evident from the analysis that in tangibility dimension of SERVQUAL Pak Aims students significantly perceive low quality of services than the students of LUMS, HCC, GCU and HB &F. But in reliability dimension respondents perceive its performance lower than LUMS and HB & F respondents. While for assurance and responsiveness the mean difference revealed that Pak Aims is not doing well in providing service quality in comparison to LUMS and HB&F. This means that Pak Aims needs to improve its services in all its dimensions.

The students in UMT perceive that the institute is not providing better services than the perception of LUM, HCC & HB &F students in all the dimensions. Moreover the mean of other institutions are high in most of the categories, implying that institute is not providing quality services and needs to improve.

For LSE the analysis revealed that the mean difference is significantly lower as compared to LUMS, HCC & HB & F in all service quality dimensions except empathy. While HCC, DBE & GCU respondents means are higher than LSE but not significant. Interestingly for LUMS, the highest ranking institute in Pakistan, students perception is high for all categories i.e. tangibility, reliability, responsiveness, assurance and empathy. These results are not in line with the findings of Kaleem & Rahmat (2004) study which found that the highest gap of perceptions and expectations exist in the responses of LUMS student. They attribute this gap to the high expectation of services against the high fee structure at LUMS.

The independent sample t-test revealed that there is no difference of opinion among respondents with respect to gender and sector. The findings are in line with the past researches (Qureshi, Mehmood & Sajid (2008); Kaleem & Rahmat (2004).

CONCLUSIONS

Measuring service quality is very important to retain students in any institution. But perception of quality is different for different stakeholders. In this research study, most of the statements means fall in the range of 3.3- 3.9 which means that there is room to improve the quality of services to survive in competitive environment. Therefore, institutions may improve their services in the light of discussed dimensions of SERVQUAL according to the perceptions of major stakeholder- that is student.

REFERENCES

1. Abdullah F. (2006). The development of HEdPERF: a new measuring instrument of service quality for the higher education sector, Int. J. of Cons. Stud. 30: 569-581.

2. Adee A. (1997), ªLinking Student Satisfaction and Service Quality Perceptions: The Case of University Education, *European Journal of Marketing,* 37 (7), 528-535.

3. Avdjieva M. and Wilson M. (2002). Exploring the Development of Quality in Higher Education. *Managing Service Quality.* 12 (6), 372-383.

4. Barnes B. R (2006). Analysing Service Quality: The Case of Post-Graduate Chinese Students. ISSN nr. 1743-6796

5. Brochado A. (2009). Comparing alternative instruments to measure service quality in higher education, Q. Assur. In Edu. 17, 174-190.

6. Buttle F. (1996), ªSERVQUAL: Review, Critique, Research Agenda, European Journal of Marketing, Vol. 30, No. 1, pp. 8-32.

7. Entwistle N. J. & Tait H. (1990). Approaches to learning evaluation of teaching and preferences for contrasting academic environments. *Higher Education.* 18, 483-490.

8. Faganel A. 2010. QUALITY PERCEPTION GAP INSIDE THE HIGHER EDUCATION INSTITUTION. *International Journal of academic research.* 2(1), 213-215.

9. Ford J. B., Joseph M. and Joseph B. (1999). Importance-Performance Analysis as a Strategic Tool for Service Marketers: The Case of Service Quality Perceptions of Business Students in New Zealand and the USA. *The Journal of Services Marketing.* 13 (2), 171-181.

10. Gbadamosi, Gbolahan & De Jager, Johan. 2008. Measuring Service Quality in South Africa Higher Education: Developing a Multidimensional Scale. Global Business and Technology Association (GBATA), United States. ISBN 1-932917-04-7

11. Gao. & Wei W. (2010). Measuring Service Quality and Satisfaction of Student in Chinese Business Education. Accessed from world wide web. http://it.swufe.edu.cn/UploadFile/other/xsjl/sixwuhan/Paper/IM131.pdf

12. Grönroos C. (2000). Service management and marketing. A customer relationship management approach. Wiley, Chichester.

13. Hampton G. M. (1993). Gap analysis of college student satisfaction as a measure of professional service quality. *Journal of professional service marketing.* 9 (1),115-128

14. Kaleem A. & Rahmat (2004). Analyzing the Services quality of Business Schools In Pakistan: A Comparative and Analytical View. In proceedings of South Asian *Management Forum*, PP-86-95.

15. LaBay D. G. and Comm C. L. (2003), ªA Case Study Using Gap Analysis to Assess Distance Learning versus Traditional Course Delivery, *The International Journal of Education* Management, Vol. 17, Nos 6&7, pp. 312-317.

16. Lau L. K. (2003), Institutional Factors Affecting Student Retention, *Education*. 124(1), 126-136.

17. Lee J.-W. & Tai. S.W. (2008). Critical factors affecting customer satisfaction and higher education in Kazakhstanv. International Journal of Management in Education. 2, 46–59.

18. Leblanc Nguyen G. & Nha, (1994). Searching for excellence in business education: An exploratory study of customer impression s of service quality. In proceedings of the Annual Conference of the Administrative Sciences Association of Canada, Education Management Division. 15(10), 1-118

19. Lehtinen U. and Lehtinen J. R. (1992). Service Quality: A Study of Quality Dimensions.

20. Working Paper, Service Management Institute, helsinki.

21. Lodhi A. S. (2009). Factors Affecting The Faculty Retention In The Selected Pakistani Business Schools. A Dissertation Presented to the School of Education University of Leicester

22. Martensen, Gronholdt, Eskildsen & Kristensen, 2000. Measuring Student Oriented Quality In Higher Education: Application of The ECSI Methodology. *sinergie rapporti di ricerca*

23. Mc Elwee G. & Redman T. 1993. Upward appraisal in practice: An illustrative example using the Qualid model. *Education + Training. 35(2), 27-31.*

24. Morales M. & Calderson F. L. Assessing service quality in schools of business: dimensions of service quality in continuing professional education (CPE). Accessed from world wide web on April, (2010) http://www.esan.edu.pe/paginas/pdf/Morales.pdf

25. O'Neill M and Palmer, A. (2001), ªSurvey Timing and Consumer Perceptions of Service Quality: An Overview of Empirical Evidence, Managing Service

26. Quality, Vol. 11, No. 3, pp. 182-190.

27. O'Neill and C. Wright. (2002). Service quality evaluation in the higher education sector: an empirical investigation of student perceptions. High. Edu. Res. and Devel. 21: 23-40.

28. Parasuraman A., Zeithaml V .A. & Berry L. (1985). A conceptual model of service quality and its implications for future research. *Journal of Marketing*. 49, 41-50.

29. Pereda, Airey D & Bennett M (2007). Service Quality in Higher Education: The Experience of Overseas Students, *journal of Hospitality, Leisure, Sport and Tourism Education,* 6(2), PP- 55-67.

30. Quinn, Lemay, Larsen, & Johnson. 2009. Service quality in higher education. *Total Quality Management & Business Excellence*, 20 (2), 139 – 152

31. Qureshi A. A, Mahmood U & Sajid A, (2008). Impact of Quality of Service Delivery in Business Education, In Proceedings of 11th QMOD Conference. Quality Management and Organizational Development Attaining Sustainability From Organizational Excellence to Sustainable Excellence. *Center for Advanced Studies in Engineering,* Islamabad, Pakistan.

32. Rigotti S. & Pitt L. 1992. *SERVQUAL as a measuring instrument for service provider gaps in business schools. Management Research News. 15(3), 9-17.*

33. Sachdev S. B & Verma H. V (2004). Relative importance of Service Quality Dimensions; A Multisectoral Study, journal of Services Research. 6(1), 93-116.

34. Sahney S. Banwet D.K. & Karunes S. (2004). A SERVQUAL and QFD approach to total quality education: A student perspective. Int. J. of Prod. and Perf. Meas. 53: 143-166.

35. Smith G. A. & Clarke A. (2007). Evaluating service quality in universities: a service department perspective. Q. Assur. in Edu. 15, 334-351.

36. Tyran & Ross, 2006. Service Quality Expectations And Perceptions: Use Of The Servqual Instrument For Requirements Analysis. *Issues in Information Systems. 7 (1), 357-362*

37. Yang Z., Yan-Ping L. & Jie T. (2006). Study on Quality Indicators in Higher Education: An Application of the SERVQUAL Instrument, Paper presented at International Conference on Service Systems and Service Management, October 25-27, in Troyes.

38. Yeo R. K. Brewing service quality in higher education. Q. Assur. in Edu. 16: 266-286 (2008).