SERVICE QUALITY AND CUSTOMER SATISFACTION IN THE ENVIRONMENT

OF HIGHER EDUCATION:

A STUDY ON THE PUBLIC AND PRIVATE UNIVERSITY STUDENTS IN MALAYSIA

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ABSTRACT

Quality has become a reality; and the quality related activity is top priority in a university. Lately, the university emphasizes a policy to assure quality such as "Total Quality Management", "Continuous Quality Improvement", "ISO 9000" and "Quality Assurances". One would argue how the service industry such as university assures its service quality. This study provides a framework for service quality measurement in higher education, particularly the university. The purpose of this study is to examine the service quality items and determine the relevant dimensions that constitutes quality in higher education and applicable to the Malaysian situations. The researcher examines various service quality models developed for measuring service quality on various service industry. This study also reviews certain service quality dimensions developed for higher education across the geographical area. Based on various service literatures, the researcher employs a disconfirmation gap (perception – expectation) to measure students' disconfirmation regarding service quality at their university. This study also focuses on tracking to understand students' perception and expectation by examining how these two constructs moderated by certain demographic variables. A structured interview and questionnaire conducted among 616 students from the selected public and private universities. This study discovered five factors that constitute service quality in higher education. The study revealed significant gaps exist in students' disconfirmation of service quality across all dimensions within both types of university. However, the disconfirmation gap of service quality performance between two types of university is not significant; hence, the type of university is not a factor. The hypotheses results show that age and parents' income of students have moderating effect on their satisfaction regarding service quality delivered by the university. Meanwhile, this study also proved that the length of association with the university has a significant influence on students' perception, expectation, and hence satisfaction. The university should measure its service quality performance from the students' perspective and make concerted efforts to adjust to their quality policy accordingly so that the best disconfirmation gap will become a reality in the higher education industry.

Keywords: Higher Education, Service Quality, Perceived Quality, Customer Satisfaction

CHAPTER 1

INTRODUCTION

1.1 Background of the Study

Service quality research has taken a permanent role in service marketing as a result of economic transition and research activity in the area of service marketing has grown at an accelerated pace over the past several years (Boulding, et al., 1993; Cronin and Taylor, 1992; Zeithaml et al., 1990a, 1993). One area in the service marketing literature that has received considerable attention is the conceptualization of service quality (Gronroos, 1983; Bolton and Drew, 1991; Boulding, et al., 1993; Parasuraman et al., 1993; Zeithaml et al., 1993).

Today, controversy continues concerning how service quality should be measured (Cronin and Taylor, 1992, 1994; Parasuraman et al., 1988, 1991, 1994). One of the most controversial issues is the reliability of SERVQUAL; a scale developed by Parasuraman et al. (1985). SERVQUAL has been used to measure service quality in business schools (Carman, 1990) banking, dry cleaning, fast food services (Cronin and Taylor, 1992) and in many other service industry. Carman (1990) analyzed the five dimensions of SERVQUAL by adding items that are pertinent to different situations, such as the failure rate is higher for colleges and universities than for either business or government organizations (Cameron and Tschirhart, 1992).

The important role played by expectations and perceptions in customer's evaluations of services has been acknowledged in the service quality literature (Bolton and Drew, 1991; Parasuraman et al., 1985, 1988; Zeithaml et al., 1993). Oliver (1997) conceptualized the interpretations of the effect of expectation and disconfirmation on perceived product performance. Although the results of prior studies suggested a

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