

UNIVERSITI TEKNOLOGI MARA

**A STUDY ON SERVICE QUALITY
AT OPEN UNIVERSITY MALAYSIA
AND ITS RELATIONSHIP WITH
STUDENTS SATISFACTION**

**JOSHUA MARIYAM ANAK DUUM
JAMADIL HALIM BIN AZMI BAZIR**

Dissertation submitted in partial fulfilment
of the requirements for the degree of

Master in Business Administration

Arshad Ayub Graduate Business School

December 2014

DECLARATION

I declare that the work in this dissertation was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and is the results of my own work, unless otherwise indicated or acknowledged as referenced work. This dissertation has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I, hereby, acknowledged that I have been supplied with the Academic Rules and Regulations for Post Graduate, Universiti Teknologi MARA, regarding the conduct of my study and research.

1. Name of Student : Joshua Mariyam Anak Duum

Student I.D. No. : 2012300081

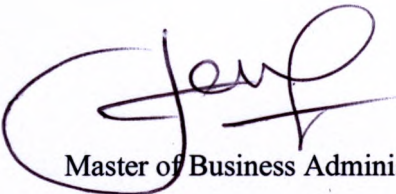
Signature of Student :



2. Name of Student : Jamadil Halim Bin Azmi Bazir

Student I.D. No. : 2012354109

Signature of Student :



Programme : Master of Business Administration

Faculty : Arshad Ayub Graduate Business School

Dissertation Title : A Study On Service Quality at Open

University Malaysia and Its Relationship With
Students Satisfaction

Date : 20 December 2014

ABSTRACT

The purpose of this study is to determine the level of service quality for student management at Open University Malaysia (OUM), Sarawak Learning Centre, Kuching. At the same time, we also wanted to find out how satisfied the students are with the university and whether students satisfaction are influenced by service quality. To obtain the data for this study, questionnaires were distributed to the students during their tutorial. The questionnaire was developed based on the SERVQUAL model. SERVQUAL is a very popular model in the study of service quality developed by Parasuraman in 1998. The model consists of 22 items grouped according to 5 dimensions namely tangibility, reliability, responsiveness, assurance and empathy with the constructs designed to measure service quality and relationship to overall satisfaction. The data gathered was processed and analysed using the SPSS version 17. We conducted the relevant tests, such as the regression analysis, correlations, and cross tabulations to obtain the mean, median and the descriptive statistics which were used to determine the level of service quality at OUM and students satisfaction. The study results showed that both service quality and students satisfaction at OUM are quite high. And our tests also discovered that there is a positive relationship between students satisfaction and service quality.

TABLE OF CONTENTS

	Page
AUTHOR'S DECLARATION	ii
ABSTRACT	iii
ACKNOWLEDGEMENT	iv
TABLE OF CONTENTS	v
LIST OF TABLES	viii
LIST OF FIGURES	ix
LIST OF ABBREVIATIONS	x
CHAPTER ONE: THE INTRODUCTION	1
1.1 Introduction	1
1.2 Open University Malaysia	2
1.3 Problem Statement	3
1.4 Research Objective	4
1.5 Significance of The Study	5
1.6 Limitations of Study	6
CHAPTER TWO: LITERATURE REVIEW	8
2.1 Introduction	8
2.2 Definition of Service Quality	9
2.2.1 Service	9
2.2.2 Quality	9
2.2.3 Service Quality in Higher Education	10
2.2.4 SERVQUAL	13
2.3 Definition of Student Satisfaction	15
2.3.1 Definition of Satisfaction	15
2.3.2 Definition of Student Satisfaction	16
2.4 Relationship of Service Quality and Student Satisfaction In Higher	

CHAPTER ONE

INTRODUCTION

1.1 Introduction

The importance of service quality cannot be ignored in this modern competitive environment. In fact, service quality is generally recognized as a critical success factor in a firm's endeavors to differentiate itself from its competitors. Service quality is a subject of much concern to everyone. We often heard of people talking about service quality of the banks, restaurants, government departments and agencies, clinics, etc.

Over the past two decades, a great deal of research has been carried out on the topic of service quality. It is regarded as a driver of corporate marketing and financial performance (Buttle, 1996, p.8). It has also been put forward as a critical determinant of competitiveness (Lewis, 1989), and a source of lasting competitive advantage through service differentiation (Moore, 1987).

Customer satisfaction is the key to a business (Mustafa et al, 2007) which satisfy the acceptance of a service will be assessed by the customer. To become a leading higher education institutions, customer satisfaction with the quality of education in these institutions should achieve a satisfactory level. According to Ashraf and Ibrahim (2009) the quality of education is difficult to measure and where it is defined include learning outcomes received by educators and students of the institution's own environmental conditions. Therefore, customer ratings on quality of higher education is comprehensively in institutional organization (Haque, 2004) and not only focused on specific parts only.

For an educational institution that the majority of the clientele are students, then emphasis should be given to charging their lessons throughout the period of their studies at the institute. Similarly, in terms of faculties in university, according to Baharum (2003), Faculty of Education and Faculty of Management focuses on learning and teaching, while the Faculty of Engineering Public focus on academic management.