Managerial Implications of a University's Service Quality Dimensions

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ABSTRACT The importance of service quality to an organization cannot be underestimated since it is the very core of an organization's marketing and management strategy. University students' satisfaction with their learning experiences is crucial to the institution's popularity and competitive edge over other universities. Students become the mouthpiece of the education institution as they appear in promotional materials to increase experiential visibility and institutional solidarity. In this instance, they serve as customers endorsing the service quality offered by the university they represent. This paper reports the results of an exploratory survey conducted among students at one of the top five universities in South Africa, namely University of KwaZulu-Natal (UKZN). The results indicated student dissatisfaction with the service offerings. Recommendations are made which the university management can consider to closing these service quality gaps.

INTRODUCTION

Service quality if understood by a universities management can become a very important strategic tool in recruiting and retaining students. Service quality can be a competitive advantage if the level of universities' service offering is superior to that of other universities'. The concept of service quality has different meanings and this creates debate in the area of service quality research. From a strategic perspective, these variations in meanings that university stakeholders hold of service quality make it difficult for university management to incorporate quality in their strategy and corporate culture in a holistic and synergistic manner.

This paper aims to highlight how the students of the University of KwaZulu-Natal (UKZN) perceive service quality. The insights gained from this quality survey would help shed more light on how students perceive quality variables such as tangibles, reliability, responsiveness, assurance and empathy. Thereafter any gaps students identified in the above quality variables would be scrutinised and recommendations would be made by management to improve overall service quality within the university.

Objectives of the Study

- To identify management implications on a university's service quality.

- To determine UKZN students' perceptions of quality variables such as tangibles reliability, responsiveness, assurance and empathy.
- To determine students' expectations of the quality of tertiary educational services.
- To identify the size and direction of any gaps found between postgraduate and undergraduate students at the various UKZN campuses.

Conceptualising Service Quality

Service quality or "quality" is an abstract concept that is often difficult to define and quantify because it is context specific and means different things to different people. According to Bojanic (1991: 29), "Perceived service quality is the result of the consumer's comparison of expected service with perceived service." Another concept that the researcher is in agreement with is the value-based definition of service quality. Harvey and Green (1993: 13) came up with interesting concepts and went on to say that: "quality can be viewed as exceptional, as perfection (or consistency), as fitness for purpose, as value for money and as transformative." If the value-based concept was adapted by the students of the UKZN who perceived its' service quality in terms of exceptional service offerings, embodying academic excellence, high standards within its academic programmes and

research output, a well ranked academic institution with a reputable image, then the quality concept of the way students view the university would be enhanced.

According to Naidoo (2013: 61), quality dimensions within a tertiary institution refers to quality in terms of well skilled academic staff; quality of program offering and its value and relevance to the labour market; quality in terms of good facilities, equipment, lecture and recreational venues; quality in terms of good administration staff who are efficient in administration and dealing with student affairs; quality in terms of safety of the students at campus; quality in terms of research output; quality in terms of scholarships and funding facilities available to students within the campus; ranking of the university within the country; global recognition of the university and the universities commitment to international student enrolments.

Management Issues Associated With Service Quality

Various management issues are associated with service quality. The following discussion highlights management's need to develop a culture of service quality; ethics, a customer relationship management system and "Return on quality" (ROQ).

In any well-established service organization, management needs to emphasise the development of a culture of service quality from the outset. Metters et al. (2006: 196) argued that companies who regularly deliver quality services usually have a corporate culture that encourages and supports quality throughout the organisation. Beginning at the very top and moving down through the ranks to the newest employee, these companies not only "talk the talk" but also enthusiastically "walk the walk" together as a team. The same concept can be carried through to tertiary institutions. Management, together with staff at all levels should pride themselves on serving the university with confidence and approaching students and other key role players in the tertiary sector with helpfulness and integrity. In order to develop a culture of quality, management should employ the right people; educate and train their staff well; allow staff to fix anything; recognize and reward staff regularly; and lastly, be open to staff about everything.

Since managers and their respective staff are drivers of a positive quality culture, it is impor-

tant that the way in which staff perceives quality also be taken into account. Schneider and White (2004: 100) suggest that if employees perceive that they are rewarded for delivering quality services, if management devotes time, energy and resources to service quality and when employees receive the training they require to effectively deal with diverse customers, a positive service climate is more likely to prevail.

Ethics is an important management consideration that has to be integrated into the service delivery process within any service organization. Ethical misconduct can have a direct bearing on the quality of a respective service. Hoffman and Bateman (2006: 109) indicate that consumer vulnerability to ethical misconduct within the service sector can be attributed to the following sources, namely; services are characterized by few search attributes; services are often specialized and/or technical; some services suffer significant time lapses between performance and evaluation; many services are sold without guarantees and warranties; services are often provided by boundary-spanning personnel; variability in service performance is somewhat accepted; reward systems are often outcomes-based as opposed to behaviour-based; and lastly, customers are an active participant in the production process.

If ethical misconduct occurs at the university, this would affect its' image and reputation. If the image and reputation of the university is in disrepute, this would affect the way students and other key role-players within the tertiary sector perceive service quality at that university. Naidoo (2013: 46) argues that the reputation and image of a university is thus an important service quality variable that makes a university unique and worth working or studying at, and under no circumstances should its integrity be compromised. In a study conducted in Australia by Arambewela and Hall (2008: 134), high international image and prestige of a university is an attraction to postgraduate students as it is expected that such image and prestige would open up better career opportunities for them. Gaining international image and prestige as an educational institution is a long and an arduous process requiring a commitment to excellence in the delivery of education, and quality research output.

Apart from its students and employees, it is important to note that a university is an organi-

zation that needs to identify and build strategically important stakeholder relationships. According to Naidoo (2013: 46), these relationships should be built on honesty, trust and integrity. These three factors relate directly to the image and reputation of a university.

Brink and Berndt (2004: 136) argue that it is crucial for an organization to understand the values and expectations of each stakeholder group in order to determine their willingness either to help or hinder the organization in striving to achieve its vision. Positive matching of the needs and objectives of the stakeholders and the organization is therefore required for a lasting relationship. The value provided to a customer is not created by the organization alone but requires a contribution from other stakeholders as well.

Developing a customer relationship management system that can track complaints and provide an indication of the quality perceptions of customers is another important management consideration that can impact on the quality of the service. If the organization has a good customer relationship management strategy in place, the relevant department can collect data on customers that can help management identify problems in the delivery process; loyalty; repeat purchases; satisfaction; and complaints and compliments received.

According to Kasper et al. (2006: 199-200), complaints are an important source of information. The number and nature of complaints provide an indication of the quality perceptions of customers. If the registration and analysis of complaints are performed properly, the service provider can determine which aspects of the service do not meet customer expectations and adjust them. It can also determine which aspects of quality management should be the focus in forthcoming months.

It is important to note, however, that not all dissatisfied customers will register a complaint. Dissatisfied customers sometimes discontinue the service. On the other hand, customers who are happy with their service do not necessarily send written compliments to the service provider. A good customer relationship management system should use appropriate technology to gather current information on its customers. A blog should be set up where customers can log in their complaints, queries and suggestions.

Return on Quality (ROQ) is another important managerial concern associated with service quality. The management of a service organization invest a lot of time and money in getting the service quality equation right. Kasper et al. (2006: 201-202) advise that the consistency of the service quality theme throughout the literature, indicates practitioner interest and the pursuit of quality service which will ultimately result in happy and loyal customers. These customers in return, will spend more and broadcast the reputation of an institution far and wide through word of mouth and this process will be repeated constantly. In the case of tertiary institutions, management invest large amounts in developing quality service experiences. This is done to make students and stakeholders happy and in so doing ensure the continued loyalty of students each year as well as continued donor sponsorships and contributions.

Since people within the organization drive quality, a performance management system is a valuable management tool that can be used to improve quality performance and enhance productivity within an organization. Performance evaluation at university level should focus on themes such as individual development; management training; human resources planning; standards of performance; career progression; opinion surveys; fair treatment; and if possible, profit-sharing. UKZN has launched a performance management system to help the institution streamline quality issues relating to staff and the delivery of high quality services within the university.

After an in-depth literary discussion on service quality the researcher would take the next step in highlighting the methodology employed in the study undertaken.

RESEARCH METHODOLOGY

A structured questionnaire was administered to a sample of 380 students at all five campuses of the UKZN namely, Edgewood campus, Nelson Mandela Medical School campus, Howard campus, Pietermaritzburg (PMB) campus and Westville campus.

According to Cavana et al. (2001: 278), for a student population of 40000 the sample size would be 380 student respondents for this study undertaken. The sample size was calculated using Krejcie and Morgan (1970) tables on sample size for a given population.

The students were randomly chosen to take part in the survey and convenience sampling technique was applied in the study. A response rate of 100 percent was achieved.

The questionnaire was developed using the SERVQUAL instrument designed by Parasuraman et al. (1985) and adapted to the tertiary education sector. The questionnaire was designed using closed ended questions. A 5 point LIKERT scale was used in the design of the questionnaire because, Hair et al. (2008: 155) argued that the LIKERT scale is best for research design that is used in self-administered surveys, personal interviews or online surveys.

RESULTS

The means, standard deviations, minimum and maximum scores for the service quality dimensions for the student respondents are shown in Table 1.

In terms of perceptions of the service quality dimensions, the mean scores were ranked from highest to lowest and reveal the following: assurance (m=3.7802) indicating that students perceived the University at a high level as offering knowledge and courtesy by university staff and their ability to inspire trust and confidence in the students; followed by tangibles (m=3.6000) whereby students perceived the University as having a pleasant learning environment and excellent facilities; empathy (3.2479) indicating that students perceived the University as showing empathy; students perceived the university as being slightly responsive (m=3.1289); and lastly students perceived the university as having a moderate level of reliability (m=3.1268). According to Sharabi (2013: 317) a study carried out by

Halil et al. (2009) on student satisfaction level from administrative units indicated that the tangibility dimension had a high effect on the perception of service quality.

The ranking of the variations in responses from the highest to the lowest showed the following for perceptions: responsiveness (SD= 1.05590); reliability (SD=0.98153); empathy (SD= 0.96368); tangibles (SD=0.74739); and assurance (SD=.73658).

Whilst the highest variation was recorded for the responsiveness quality dimension, the minimum and maximum scores indicate that for all the dimensions some subjects strongly disagreed that these service quality dimensions were present; others strongly agreed (Max=5.00) for all quality dimension variables.

Regarding expectations, the mean scores ranked from highest to lowest indicated the following: students expected the university to offer more assurance that the university staff would offer knowledge and courtesy together with an ability to inspire trust and confidence in the students during the service encounter (m=4.6300); they expected the university to offer a more attractive learning environment and better campus facilities (m=4.3881); they expected the university to be more responsive (m=4.3783); they expected the university to be more empathetic (m=4.2821); and lastly they expected the university to be more reliable (m=4.2637).

The ranking of the variations in responses from the highest to the lowest showed the following for expectations: reliability (SD=0.77128); empathy (SD=0.73466); responsiveness (SD= 0.71901); assurance (SD=0.58950); and tangibles (SD=.54348).

Table 1: Descriptive statistics on student dimensions

	N	Minimum	Maximum	Mean	Std. deviation
Tangibles expectation	380	2.33	5.00	4.3881	0.54348
Reliability expectation	380	1.40	5.00	4.2637	0.77128
Responsiveness expectation	380	1.00	5.00	4.3783	0.71901
Empathy expectation	380	1.60	5.00	4.2821	0.73466
Assurance expectation	380	2.13	5.00	4.6300	0.58950
Tangibles perception	380	1.00	5.00	3.6000	0.74739
Reliability perception	380	1.00	5.00	3.1268	0.98153
Responsiveness perception	380	1.00	5.00	3.1289	1.05590
Empathy perception	380	1.00	5.00	3.2479	0.96368
Assurance perception	380	1.47	5.00	3.7802	0.73658

Source: Naidoo 2013:145

Whilst the highest variation was recorded for the reliability dimension, the minimum and maximum scores indicated that for all the dimensions some subjects strongly disagreed that these service quality dimensions were present; others strongly agreed (Max=5.00) that all quality dimensions were present.

Table 2 indicates the Gap scores for the undergraduate and postgraduate students at the university's five campuses.

The results indicate that there is a statistically significant difference in the reliability Gap score between undergraduate and post-graduate students (z = -2.386; p < 0.05). The reliability Gap scores for undergraduate students were higher. This indicated that undergraduate students had greater expectations for the university to be more reliable. This could be due to postgraduate students having a better understanding of the University processes and services. Therefore they had lower expectations than undergraduate students on the Universities ability to deliver a promised service dependably. The results both concur and contradict - the literature. According to a study by Tan and Kek (2004: 18-22) students from the faculty of engineering at two universities in Singapore (named as University A and university B), indicated that compared to the undergraduates, the graduate students at the University A perceived a higher level of service quality. For University B, the opposite was found to be the case (that is, graduate students of the University B recorded a lower service quality compared to undergraduate students).

DISCUSSION

The largest gap score was in the Reliability quality dimension. A similar study done on university students had a similar outcome. A study conducted by Foropon et al. (2013: 112) indicated that executive education participants placed greater emphasis on both reliability and assurance dimensions rather than on the three other service quality dimensions (responsiveness, tangibles, empathy). Second, the weighted Servqual scores allocated to service quality dimensions indicate that the top areas needing improvement are, in order of priority, reliability, responsiveness, and empathy. Participants indicated clearly a large gap score in terms of reliability.

To close the reliability quality gap, the UKZN management should develop systems and procedures that standardise service production to ensure that the core services are delivered as reliably and consistently as possible. Having a system in place to do this is good but university administration staff should be trained in efficiently implementing these systems. Boshoff (2014: 360) argued that service organisations are required to invest in both the development of staff as well as the infrastructure and technology required to successfully build relationships. This investment can be financial or in training of staff, but both are necessary to ensure that staff are able to deliver excellent services.

Before management commit to any marketing communication made to students they should ensure that the promises made in these marketing communication brochures and on-line information about the university programs on the website are realistic and achievable. Bhattacharajee (2010: 347) indicates that due to the intangible nature of a service, the customer has difficulty believing in the promise. What can reenforce his faith is consistent service delivery as promised by the service provider.

The University management must understand students changing and varying needs and wants through having up to date market research being conducted on its students on a regular basis. This would help in managing the students

Table 2: Mann-Whitney test statistics between undergraduate and postgraduate students

	Mann-Whitney U	Z	p
Tangibles GAP score (P-E)	8926.500	-0.192	0.848
Reliability GAP score (P-E)	7263.500	-2.386	0.017*
Responsiveness GAP score (P-E)	8166.500	-1.196	0.232
Empathy GAP score (P-E)	8707.000	-0.482	0.630
Assurance GAP score (P-E)	8316.500	-0.996	0.319
Overall GAP score (P-E)	8172.500	-1.185	0.236

Source: Naidoo 2013: 182

expectations towards the reliability aspect of the university's' service offerings made to students. Machado (2014: 139) suggests that the easiest way to find out if your customers' expectations are being satisfied is to ask them. Naidoo (2015: 59) adds that by having surveys of this nature conducted at the university, management can have valuable information on staff and student perceptions at its disposal. This information can be used when drawing up service delivery strategies to improve the quality of tertiary education services to both staff and students within the tertiary institution.

CONCLUSION

The study revealed that students at UKZN have very negative perceptions towards the five quality dimensions, of reliability, empathy, assurance, responsiveness and tangibles. The gap scores for the postgraduate and undergraduate students at UKZN indicated that students were dissatisfied with the level of service offerings offered to them by the university. The university has to take an active interest in closing these quality gaps.

More time and money should be ploughed into staff training so that staff can provide better quality services to its students. By conducting quality surveys management can take an active role in identifying factors that impact on quality and steer its staff towards providing better services to students.

RECOMMENDATIONS

UKZN management must develop strategies and related policies that tie in with managerial issues associated with service quality, as this is a very crucial strategic initiative that can guide the university towards its' continued future sustainability. The following recommendations are as follows:

Emphasize the Development of a Culture of Service Quality

Starting at the very top and moving down through the ranks to the newest employee, the university should be actively engaged with its staff at all levels to develop and encourage a culture of service quality. Management and staff at all levels should pride themselves on serving the university with pride and confidence and approaching students and other key role players in the tertiary education sector with helpfulness and integrity. In order to develop a culture of quality service, management should hire the right people, educate and train their staff well, recognize and reward staff regularly and be transparent with both staff and students about what is happening at the University. Within the university, all staff from executive management, deans, directors, academic leaders to administrative staff and the universities security and cleaners, all have a role to play in the quality process. A dirty floor may lead to accidents that can lead to a student or staff being injured on the university; a badly answered telephone can lead to a lost university sponsorship. Quality is everybody's business and everybody should enhance their quality and customer care skills. Even if they never meet an external customer they are all part of the internal customer value chain.

Integrate Ethics into the Service Delivery Process

The researcher strongly argues that any ethical misconduct would affect the image and reputation of the university, which would compromise the service quality perceived by the public. Therefore ethics in relation to academic plagiarism, honesty in conducting university business with various stakeholders, conflicts of interest, discrimination on the grounds of age, gender or race, bribery and corruption, whistle-blowing, corporate governance issues, handling of student and staff disciplinary hearings and intelligence gathering must be properly managed within the UKZN. The university has opened a new website on whist-blowing where staff and students can report unethical behaviour taking place within the university.

Identify and Build Strategically Important Stakeholder Relationships

The university's stakeholders include students, staff, donors etc. The UKZN should foster relationships with all its stakeholders built on honesty, trust and integrity. In the long term, this would accrue substantial benefits in terms of continued student patronage, staff loyalty and increased or continued donor funding.

Developing a Customer Relationship Management System

A good customer relationship management strategy/system can collect data on students and staff that can help management identify problems in the delivery process, loyalty, student/staff satisfaction, complaints, disputes or grievances and compliments received.

Manage the University's Return on Quality (RoQ)

The UKZN management has invested a great deal of time and money in getting the service quality equation right. This is aimed at ensuring that students, staff and other stakeholders are happy and, in so doing, ensuring continued student patronage; staff loyalty, and donor sponsorships and contributions.

Proper Implementation of the Performance Management System

The Performance Management System is a valuable management tool that can be used to improve the quality of performance and enhance productivity at the UKZN. Performance evaluation at university level should focus on common themes such as individual development, management training, human resources planning, standards of performance, career progression, opinion surveys, fair treatment and, if possible, performance bonuses. The UKZN has launched a Performance Management System to streamline quality issues relating to staff. If this system is implemented correctly it can promote staff loyalty and enhance their performance within the university.

LIMITATIONS

A major limitation of the study was that due to the use of convenience sampling technique the results of the study cannot be generalized to other universities. However, the results of the study provided crucial information to UKZN's management as it brought to light the universities quality gaps.

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