

## **Student Perceptions On Service Quality Of Higher Education: An Empirical Study**

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### **Abstract**

Educational literatures suggest that there is mounting pressure from customers of higher education to close the gap between their expectation of institutional performance and the actual performance (Widrick et al., 2002; Pariseau and Mc Daniel, 1997; Shank et al., 1995). Therefore, it is imperative that higher educations actively monitor the quality of their service. This study deals with measuring the service quality in higher education.

The service quality of higher education in this research is defined as the difference between perception of performance and expectation of higher education. The instrument from Shank et al. (1995) was used in this study. The questionnaires were sent to students from some big universities in Jakarta. The t test was used to analysis the data

### **Introduction**

The growth of higher education institutions is increasing in an environment that is fiercely competitive one, especially in this 'globalization era'. There are not only local competitors that have to be faced, but there are also some global competitors. On the other side, educational literatures suggest that there is mounting pressure from customers of higher education, which include students, parents, alumni, employers and legislators to close the gap between their expectation of institutional performance and the actual performance (Widrick et al., 2002; Armia dan Hakim, 1999; Handoko, 1998; Pariseau and Mc Daniel, 1997; Shank et al., 1995)

In this competitive environment, quality is one of the competitive priorities. A survey conducted by Management Centre Europe in conjunction with The American Management Association and The Japanese Management

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Association of over 3300 business executives in Europe, North America and Japan illustrates that nearly eighty percent of the respondents rated improving quality and services to the customers as the key to competitive success in the future of their companies (Shank et al., 1995). Therefore, it is imperative that higher educations actively monitor the quality of their services. We report here a study of the difference between student perception of actual performance and their expectation of higher education performance.

### **Customer Expectation Of Service**

Customer expectations are beliefs as standards or reference points against which performance is judged (Shank, et al., 1995; Berry & Parasuraman, 1997; Walker & Baker, 2000; Zeithaml and Bitner, 2002). Since customers compare their perceptions of performance with these reference points when evaluating service quality, thorough knowledge about customer expectations is critical to delivering quality service.

Some studies showed that customers hold several different types of expectations about service (Walker & Baker, 2000; Zeithaml and Bitner, 2002). The first can be termed desired service and defined as the level of service the customer hopes to receive. Desired service is blend of what the customer believes “can be” and “should be”. In general, customers hope to achieve their service desires but recognize that this is not always possible. For this reason, they hold another, lower-level expectation for the threshold of acceptable service. This lower expectation has been termed adequate service, the level service the customer will accept. Adequate service represents the “minimum tolerable expectation”, the bottom level of performance acceptable to the customer, and reflects the level of service customer believe they will get on the basis of their experience with services. This research employs the desired service.

Customer expectation is influenced by a variety of factors (Berry & Parasuraman, 1997; Zeithaml and Bitner, 2002; Shank et al., 1995), such as personal needs, implicit service promises and past experience. Personal needs which are essential to the physical or phsycological well-being of the customer are pivotal factors that shape the level of desired service. Implicit service promises are service related cues that lead to inferences about what the service should and will be like. These quality cues are dominated by price. In general, the higher the price, the more a customer will expect from the service. Past experience is the customer previous exposure to the service that is relevant to the focal service. The more years spent in a service the more expect because they

learn and know. This research examines the effect of price and past experience to expectation and service quality.

Prakash in Shank et al. (1995) documented three types of expectations : predictive, normative and comparative. Predictive expectations are defined as estimated of the anticipated performance level of the service. These estimates represent consumer-defined probabilities about what is likely to happen during an impending transaction. Normative expectations are those that refer to how a service should be performed in order for the consumer to be satisfied in a service encounter. Comparative expectations are consumer expectations of a service encounter that are based on previous experiences with similar services or brands. This research employs the normative standard of expectations.

### **Customer Perception Of Service Quality**

The definition of quality has evolved from "quality is excellence", to "quality is value", to "quality is conformance to specifications", to "quality is meeting and/ or exceeding customers' expectations" (Reeves and Bednar, 1994). The first two definitions offer little help in assessment of quality and the third is more appropriately used in assessing product quality. The latter definition has been deemed appropriate for use in the service arena (Pariseau and Mc Daniel, 1997).

Parasuraman et al. developed the SERVQUAL model to measure the service quality and validated it in tests of four different service setting (banking, credit-card processing, repair and maintenance, long-distance telephone service). The result shows that the consumer wants to have the provider meet their expectations in areas of reliability, responsiveness, assurance, empathy and tangibles (Zeithaml and Bitner, 2002; Pariseau and Mc Daniel, 1997). SERVQUAL scales have been used in variety of published studies. However, while SERVQUAL to be critiqued, SERVQUAL stands as the pre-eminent instrument for assessment and measurement of perceived service quality (Kettinger and Lee in Pariseau and Mc Daniel, 1997).

Customers judge the quality of services on the perception of the technical outcome provided and on how that outcome was delivered. Research suggests that customers do not perceived quality as a unidimensional concepts (Widrick et al.,2002; Zenithal and Bitner, 2002, Pariseau and Mc Daniel, 1997; Shank et al, 1995). Customers' assessment of quality include perceptions of multiple factors. Some researchers have found that customers consider five dimensions in their assessment of service quality :

- reliability : ability to perform the promised service
- responsiveness : willingness to help customer

- assurance : employee's knowledge and their ability to inspire trust
- empathy : caring, individualized attention given to customer
- tangibles : appearance of physical facilities, equipment, personnel and written material.

Sometimes customer will use all of the dimensions to determine service quality perception, at other time not.

The definitions of service quality vary in wording but typically revolve around whether perceived service delivery meets, exceeds or falls short of customer expectations (Shank et al., 1995, Parisian and Mc Daniel, 1997). This research employs this definition, service quality is the difference between customer perception of performance (perceived service delivery ) and customer expectation.

### **Quality In Higher Education**

Higher education possesses all the characteristics of a service industry. Educational services are intangible, heterogenous, inseparable from the person delivering it, perishable and the customer participates in the process. Thus far, studies that have been conducted in educational settings have focused on broader TQM applications rather than on specific service quality determinants. There are some notable exceptions conducted by Boulding et al. (1993), Shank et al. (1995) and Pariseau and Mc Daniel (1997) that employed a modified SERVQUAL model as a method for testing hypotheses of service expectation and perceived service quality.

Pariseau and Mc Daniel (1997) assessing service quality in schools of business. Their studies deals with the teaching-related activities. The results shows all dimensions of SERVQUAL are important in higher education. Shank et al. (1995) conducted study about students expectations deals with teaching-related activities. The results indicate that students expectations vary by university type.

The purpose of this study is to evaluate service expectations and service performance in higher education setting from the perspective of the students. Most universities have no systematic way of monitoring students expectations of educational services. Conceptually, expectation is dynamic, so universities as service provider can not give service offering based on perfectly of students expectations. As such, there is a gap between students expectations and students perception of actual performance in higher education.

**H1 : Student expectation of higher education service will be significantly different than student perception of higher educational performance.**

In general, there is fact that tuition at private universities is greater than public universities. Customer expectations are influenced by a variety of factors (Berry & Parasuraman, 1997; Zeithaml and Bitner, 2002; Shank et al., 1995). One of those factors is implicit service promises. Implicit service promises are service related cues that lead to inferences about what the service should and will be like. These quality cues are dominated by price. In general, the higher the price, the more a customer will expect from the service. The beliefs is that significant increase in price would cause increase students expectations

**H2 : Student expectation of higher education service at private universities will be significantly different from student expectation at public universities.**

Customer's level expectations depend on a number of antecedents (Zeithaml and Bitner, 2002; Shank, et al., 1995; Berry & Parasuraman, 1997; Walker & Baker, 2000). Among these determinants is past experience. So, the next hypothesis is based on the belief that a significant difference of expectations will occur as students progress from lower to upper class status.

**H3 : Student expectation of higher education service will be a significantly different as they progress from lower to upper status class**

### **Sample And Procedure**

A convenience sample from 11 universities in Jakarta participated in this study. Questionnaires were delivered to students from public and private universities. It was assumed that students from private universities would have greater expectation than students from public university. Only junior ( semester two) and senior (semester eight) students were targeted for this study. It was assumed that upper semester students would have greater familiarity and knowledge with the universities and services than the lower semester students, so their expectation would also be different.

### **Instruments**

The instrument from Shank et al. (1995) was used in this study. Shank et al. (1995) modified the original SERVQUAL developed by Parasuraman et al. (1988) to assess expectations of educational services. This instrument was purified by Shank et al. (1995) in several stages with factor analysis. The final set of 23 items loading on three factors or dimensions emerged, knowledge dimension, respect for student dimension and tangible dimension. The knowledge dimension refers not only to professors being knowledgeable about their academic disciplines, but about things such as scheduling issues, job

opportunities and extracurricular activities. The respect for student dimension represents a professor's willingness to help student as well as the caring manner in which they interact with students. Tangible aspects, such as the campus lay out and classroom facilities comprise the physical environment dimension.

The 23 items used in the final instrument were written in the form of statements reflecting student expectations and performance of excellent service quality. Students were asked to respond to each statement on a seven point scale.

## Results

In order to address the research objectives and test hypotheses, data analysis was conducted in two stages. First, descriptive statistics are presented, then the four hypotheses are tested and discussed.

## Descriptive Statistics

The mean expectation scores, mean perception of performance score, and the resulting gap score between student expectation and perception of performance for the 23 items are shown in table 1.

**Table 1**  
**Comparison Of Student Expectations And Students Perceptions Of Higher Education**

DIMENSIONS AND ITEMS OF SERVQUAL	Expectation	Perception	Quality
RESPECT FOR STUDENTS	5.8260	5.2144	0.6116
Students receive prompt service from professors	6.0769	5.3782	0.6987
Professors are always willing to help students	5.9893	5.2991	0.6902
Students dealings with professors are pleasant	5.8632	5.3120	0.5512
Professors are polite to students	5.8910	5.4423	0.4487
Professors never talk down to students	5.8697	5.2991	0.5706
When students have problem, professors are sympathetic and reassuring	5.4615	4.9038	0.5577
Professors have favorable attitudes toward the students	5.9103	5.3120	0.5983
Students are able to contact professors with no difficulty	5.7286	5.0021	0.7265
Students not have to cut through a lot of red tape to talk to their professors	5.6432	4.9808	0.6624

PROFESSORS' KNOWLEDGE	5.5214	5.0310	0.4904
Professors are knowledgeable about academic programs and requirements	5.8483	5.2655	0.5828
Professors help student schedule classes	5.2585	4.7735	0.485
Professors are knowledgeable about academic policies and procedures	5.7265	5.3248	0.4017
Professors are knowledgeable about job opportunities	5.8269	5.2030	0.6239
Professors are knowledgeable about extracurricular activities that affect their students	5.1795	4.6581	0.5214
Professors listen to student's academic concerns	5.2949	4.7906	0.5043
Professor discuss with student about their academic progress	5.6859	5.0705	0.6154
Professor help student in developing academic skills	5.8355	5.1731	0.6624
UNIVERSITY PHYSICAL ENVIRONMENT	6.1118	5.3113	0.8005
Campus facilities are in well lit	6.2137	5.3825	0.8312
Campus facilities are safe	6.2291	5.4274	0.8017
Classroom facilities are modern and comfortable	6.2671	5.4701	0.797
Classroom equipment (i.e., audio/visual aids, such as overhead projectors and VCRs) are modern	6.1197	5.2906	0.8291
Classrooms are visually appealing	5.8184	4.9893	0.8291
Materials associated with class are visually appealing	6.0363	5.3077	0.7286

It is interesting to note that student expectations is higher, in general, than student perception of higher education performance. Mean scores for the perceived quality were found for each of the 23 items by finding the difference score (perception minus expectation), and then calculating the mean score for each of the three dimensions. The results indicate that in general, the service quality of higher education is negative. In other word, universities as educational provider are not delivering service quality in the view of their students. In Hypothesis testing we will find out whether student perception and their expectation differ significantly.

**Hypothesis Testing**

T- test was conducted to test the first hypothesis (see table 2). As predicted, a significant difference emerged between students expectation and students perception of performance. Table 2 shows that all item of student expectation of educational service quality are differ significantly with student perceptions of educational performance. Student expectation is higher than student perception of performance ( $t = -12.658$ ,  $sig. = 0.000$ ). Student expectation is higher than student perception for the professors' knowledge dimension ( $t = -3.564$ ,  $sig. = 0.000$ ). Student expectation is higher than students perceptions for the respect for student dimension ( $t = 12.060$ ,  $sig. = 0.000$ ). Student expectation is higher than student perception for the university physical environment dimension ( $t = -11.787$ ,  $sig. = 0.000$ ).

Table 2

**T- Test Of Student Expectations And Students Perceptions Of Higher Education**

DIMENSIONS AND ITEMS OF SERVQUAL	Expectation	Perception	Sig.
RESPECT FOR STUDENTS	5.8260	5.2144	0.000
Students receive prompt service from professors	6.0769	5.3782	0.000
Professors always are willing to help students	5.9893	5.2991	0.000
Students dealings with professors are pleasant	5.8632	5.3120	0.000
Professors are polite to students	5.8910	5.4423	0.000
Professors never talk down to students	5.8697	5.2991	0.000
When students have problem, professors are sympathetic and reassuring	5.4615	4.9038	0.000
Professors have favorable attitudes toward the students	5.9103	5.3120	0.000
Students are able to contact professors with no difficulty	5.7286	5.0021	0.000
Students not have to cut through a lot of red tape to talk to their professors	5.6432	4.9808	0.000
PROFESSORS' KNOWLEDGE	5.5214	5.0310	0.000

Professors are knowledgeable about academic programs and requirements	5.8483	5.2655	0.000
Professors help student schedule classes	5.2585	4.7735	0.000
Professors are knowledgeable about academic policies and procedures	5.7265	5.3248	0.000
Professors are knowledgeable about job opportunities	5.8269	5.2030	0.000
Professors are knowledgeable about extracurricular activities that affect their students	5.1795	4.6581	0.000
Professors listen to student's academic concerns	5.2949	4.7906	0.000
Professor discuss with student about their academic progress	5.6859	5.0705	0.000
Professor help student in developing academic skills	5.8355	5.1731	0.000
UNIVERSITY PHYSICAL ENVIRONMENT	6.1118	5.3113	0.000
Campus facilities are in well lit	6.2137	5.3825	0.000
Campus facilities are safe	6.2291	5.4274	0.000
Classroom facilities are modern and comfortable	6.2671	5.4701	0.000
Classroom equipment (i.e., audio/visual aids, such as overhead projectors and VCRs) are modern	6.1197	5.2906	0.000
Classrooms are visually appealing	5.8184	4.9893	0.000
Materials associated with class are visually appealing	6.0363	5.3077	0.000

The result of t- tests (table 2) confirms significant differences between expectation and perception of service performance. These results suggest that universities should undertake significant efforts in their service education.

T- test was also conducted to test the second hypothesis (see table 3). As predicted, a significant difference emerged between student expectations at private universities and students expectations at public university. Student expectations at private universities is higher than student expectation at public university ( $t=-3,359$ , sig.=0,001). Students expectation at private universities is higher than student expectation at public university for the professors' knowledge dimension ( $t=-3,951$ , sig.=0,000 ). Student expectation at private universities is higher than student expectation at public university for respect for students dimension ( $t= -3,061$ , sig.=0,002 ). However, for the University physical environment dimension, student expectation at private universities is

not different with students expectations at public university ( $t = -1,515$ ,  $\text{sig.} = 0,130$ ).

**Table 3**  
**T- test of Student Expectations at Private Universities and at Public University**

VARIABLE, DIMENSIONS AND ITEMS OF SERVQUAL	At Private U	At Public U	P Value
HIGHER EDUCATION EXPECTATIONS	5.8761	5.5393	0.001
RESPECT FOR STUDENTS	5.8840	5.5608	0.002
PROFESSORS' KNOWLEDGE	5.5990	5.1667	0.000
UNIVERSITY PHYSICAL ENVIRONMENT	56.1476	5.9484	0.130

T- test were conducted to test the third hypothesis (see table 4). Contrasted with the hypothesis, there is no significant difference emerged between students expectations at lower status class and students expectation at higher status class ( $t = 0.273$ ,  $\text{sig.} = 0.785$ ).

**Table 4**  
**T- test of Student Expectations at Lower Semester and at Higher Semester**

VARIABLE, DIMENSIONS AND ITEMS OF SERVQUAL	At Lower S	At Higher S	P Value
HIGHER EDUCATION EXPECTATIONS	5.8271	5.8057	0.785
RESPECT FOR STUDENTS	5.8344	5.8187	0.848
PROFESSORS' KNOWLEDGE	5.5883	5.4630	0.143
UNIVERSITY PHYSICAL ENVIRONMENT	6.0894	6.1313	0.890

### **Implication**

The result of this study suggests several implications for universities' ability to provide excellent educational quality to their students. Firstly, our findings show that universities fail to meet service quality expectations. The students' mean difference scores for the three dimensions for determining service quality were examined. This difference is significant, so the universities should to increase awareness of the items which students find quality is

deficient. The universities must assure that professors should give respect for students and play role as a source as information related to the coursework and the university in general, such as job opportunities, academic policies, extracurricular activities and academic programs. Campuses should also make every effort to maintain and/or enhance their physical environment because students do expect their campus and classroom facilities are safe, modern and comfortable. Secondly, private universities should pay more attention to deliver better service quality to their students since the expectations are higher than students from public universities.

### **Limitations And Future Research**

It is important to note that the findings could not be generalized because the sample used come from students of economics faculty at private and public universities in Jakarta. This could limit the findings. Further research employing other geographic areas (outside Jakarta), other kinds of higher education institutions (polytechnic, diploma or institute) and majors, instead of economics, could address this limitation usefully. Additional research could involve examining a broader spectrum of service expectation, for example adequate service to enrich understanding of student expectation of higher education service.

Finally, this research concerns only with teaching-related and physical environment factors in the universities. In the future, researchers could explore other factors that shape the service quality of higher education, such as administrative and support services.

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