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Service Quality of Private Tertiary Education Institutions in the Province of Pampanga: A Gap Analysis

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Abstract: One important strategy which service organizations can adopt to achieve success and maintain competitive advantage is improvement of service quality. Education sector as part of the service industry understands the relevance of maintaining service quality to maintain market competitiveness, increase profitability, maintain market share, and establish smooth relationship with their customers. Several studies have been conducted about service quality of various sectors in the service industry, but only few have looked into the service quality of private education institutions in the Philippines. This descriptive-comparative study adopted the SERVQUAL model as it assessed and analyzed the presence of service quality gaps among private TEIs in Pampanga. It involved 1,656 third year to fifth year college students from 32 private TEIs in Pampanga who were selected using convenience sampling to accomplish the survey forms. It used frequency count, mean, SQ Gap formula, t-test paired sample test, t-test for independent groups, and ANOVA in analyzing the gathered data. Overall and notwithstanding their age, sex, cluster of courses, year level, and school category, respondents have high expectations on their schools' five service quality dimensions and perceive it as "Good" (reliability and empathy) to "Very Good" (tangibles, responsiveness, and assurance); but they have experienced dissatisfaction on it based on the presence of significant negative service quality gaps. However, since this study used convenience sampling in choosing the respondents, it could not make inferences about the student population of the private TEIs in Pampanga because of probable subjectivity. Hence, this study's results and conclusions only covered those students who took part in it. Notwithstanding the possible presence of prejudice, private schools could still get significant and valuable information from the results of this study.

Keywords: service quality; private tertiary education institutions; gap analysis; Pampanga.



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1. 1. Introduction

Service quality is one relevant issue which challenges the service industry in emerging global competition (Ghasemi, Kazemi, & Esfhani, 2012; Douglas & Connor, 2003). Private tertiary education institutions (TEIs) belong to service industry; and can be considered a business as it provide services to students for reasonable fees. Private TEIs felt the tougher competitive environment brought by globalization; thus, it became imperative for private schools to focus on service quality improvements (Mirsha, 2007; Malik, Hassan, & Iqbal, 2012).

Service quality is determined on customers' perceptions and it is achieved by meeting or exceeding their expectations (Gronroos, 2007; Shahin, 2010). Students, as primary customers of private schools, expect to receive quality service worth their parents' investments on education (Mirsha, 2007; Sallis, 2011; Abili, Thani, Mokhtarian, & Rashidi, 2011). If services experienced in schools met or exceeded expectations, service quality is acquired; however, if expectations are unmet, service quality gaps exist. The presence of service quality gaps implies students' dissatisfaction on schools' services; and can lead to students' transfer to other schools which can provide the service quality commensurate to the worth of their monies. It can also result to negative word of mouth. Worst, such can tarnish the good image of the schools and create a big dent on its financial performance.

As such, this study assessed and analyzed the presence of service quality gaps among private TEIs in Pampanga. Private schools can draw insights from the results of the study in devising necessary measures to bridge the service quality gaps and provide students satisfying quality service and learning experiences in the institutions.

Education as a service industry is placing greater emphasis on meeting the expectations of students (DeShields, Kara, & Kaynak, 2005). Also, Nadiri, Kandampully and Hussein (2009) stated that HEIs ought to recognize students' expectations and perceptions of service quality to maintain current students and attract new ones. Thus, HEIs need to evaluate its current services and adapt it to meet customers' expectations to improve its market leadership position (Çerri, 2012). Hemsley-Brown and Oplatka (2006) also stressed the relevance of adopting market-oriented principles and strategies for HEIs to gain competitive advantage. Such strategies are necessary for continuous provision of quality service and satisfaction among students and sustain competitiveness (DeShields, Kara, & Kaynak, 2005).

Accordingly, HEIs incessantly review their programs and services to ensure the provisions of quality service and quality education and meet the students' expectations on them. Part of their efforts is to seek accreditations and recognitions as quality education providers from CHED and various prestigious accrediting agencies and (Padua, 2003). However, recognitions from CHED and accrediting agencies primarily look into the management's perspectives and efforts to provide quality education to its clients; and give less consideration on the perspectives of the students who are the receivers of HEIs services. As primary recipients of the private HEIs services, it is of great importance to determine their perspectives of the service quality of the institutions where they are enrolled.

This study adopted the service quality model of Parasuraman, Berry and Zeithaml developed in 1985. It measures the gaps between the customers' expectation and perceptions on services availed. It assesses the



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tangibles, reliability, responsiveness, assurance, and empathy aspects of service quality. Managers use this model to examine challenges on service quality and formulate strategies to improve service quality and close the gaps (Ghotbabadi, Baharun, & Feiz, 2012; Çerri, 2012). Specifically, it was anchored on the service quality gap 5 of Parasuraman, Berry and Zeithaml, which pertains to the difference on customers' perceptions and expectations of the service quality dimensions (Armstrong & Kotler, 2011).

Similarly, this study was anchored on the expectancy/disconfirmation theory, which "proposes that consumers enter into a consumption experience with predetermined expectations of a product's performance. These expectations are used as benchmark against which actual performance perceptions are judged. Disconfirmation becomes central in explaining consumer satisfaction. When performance perceptions are more positive than expectation, positive disconfirmation occurs and leads to consumer satisfaction. When performance perceptions do not meet expectation, negative disconfirmation occurs and leads to dissatisfaction. If performance perception exactly matched what was expected, confirmation is said to occur" (Babin & Harris, 2014, p.289).

2. Methodology

This study employed the descriptive-comparative research design. It sought the participation of 1,656 third year to fifth year college students from 32 private schools in Pampanga who were selected through convenience sampling. Questionnaire served as the main instrument of the study in gathering the necessary data. It comprised of two parts – first part on respondents' profile and the second part on the modified SERVQUAL instrument, which contained 37 statements about the respondents' levels of perception and

expectation on the tangibles, reliability, responsiveness, assurance, and empathy dimensions of service quality. The said instrument was modified to fit in the school setting. It included distinct statements which pertain to the professors and office staff. A pretest survey of the modified instrument was conducted among 30 graduating students of one university in March 2016. This study used Cronbach Alpha analysis to test the reliability of the instrument. The Cronbach alpha values were: 0.837 for tangibles, 0.883 for reliability, 0.875 for responsiveness, 0.837 for assurance, and 0.878 for empathy, which were all above 0.70 (Nunnally, 1988 in Firdaus, 2006).

In addition, this study used frequency count, mean, SQ Gap formula, t-test paired sample test, t-test, and ANOVA in analyzing the data. However, since this study used convenience sampling in selecting the respondents, it could not make inferences about the student population of Pampanga private TEIs because of probable biases (Riley, 2012; Chaturvedi, n.d.). Hence, this study's results and conclusions only covered those students who took part in it. Notwithstanding the possible presence of prejudice, private schools management could find the results of this study relevant and informative.

3. Results and Discussion

The respondents have declared high expectations on their schools' tangibles (3.94), reliability (3.88), responsiveness (3.97), assurance (4.00), and empathy (3.91) aspects based on its respective mean ratings. These denote that they have set high importance on said aspects for them to have satisfying experiences in schools.

Apparently, they have varied views on the service quality dimensions of their schools. They believe their schools' tangibles, responsiveness, and assurance dimensions are



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worthy of “Very Good” ratings (3.59, 3.53, and 3.61), while its reliability and empathy only deserved “Good” scores (3.37 and 3.44).

Unfortunately, they hold feelings of dissatisfaction on their schools’ service quality as the five dimensions reflected negative service quality gaps (tangibles -.354, reliability -.517, responsiveness -.446, assurance -.398, and empathy -.467). Based on the results, they have high dissatisfaction on reliability and minimal dissatisfaction on tangibles as these earned the widest and smallest mean gaps. These suggest that their schools have failed to meet their expectations on its service quality. Likewise, the observed negative service quality gaps are very significant based on five service quality dimensions’ p-values (.000) < .05 alpha. This study’s results conformed to the work of Rasli, Shekarchizadesh, and Iqbal (2012) wherein they discovered the presence of negative gaps on the five service quality dimensions of Malaysian universities.

Grouped according to age, cluster of courses, and year level, the respondents’ identified service quality gaps of their schools are significantly different as its particular p-values < .05 alpha. This study’s findings on year level’s significant difference on their schools’ service quality gaps are similar to Ong’s (2013) findings. He learned that first and third year students in Singapore have significant difference on the service quality gaps of the education institutions in Singapore.

In addition, male and female respondents have significant difference on the identified service quality gap of their schools’ tangibles aspect as its p-value < .05 alpha. Conversely, the identified service quality gaps of their schools’ reliability, responsiveness, assurance, and empathy are statistically equal as its respective p-values > .05 alpha. This result partially support Ong’s (2013) findings that the identified service quality gaps of male

and female students in Australia, Malaysia, and Singapore do not greatly differ.

Likewise, sectarian and non-sectarian respondents have relatively similar identified service quality gaps of their schools’ tangibles, responsiveness, and empathy aspects based on its specific p-values > .05 alpha; but they have significant difference on the identified service quality gaps of their schools’ reliability and assurance aspect as its individual p-values < .05 alpha.

4. Conclusions

As a whole, the respondents have high expectations on their TEIs’ tangibles, reliability, responsiveness, assurance, and empathy dimensions. They have evaluated the said dimensions as “Good” (reliability and empathy) and “Very Good” (tangibles, responsiveness, and assurance). However, private TEIs’ efforts to provide quality service among respondents are not enough as it failed to let them experience their expectations on it. Thus, negative service quality gaps or feelings of dissatisfaction on the five service quality dimensions are prevalent among respondents’ private TEIs in Pampanga. These prove that respondents are wanting better and more improvements on their institutions’ service quality.

In addition, statistical results have proven the significant differences between respondents’ perceptions and expectations on their schools’ service quality dimension. Dissatisfactions on service quality dimensions are more prominent on reliability, responsiveness, and empathy, as these hold the top three negative mean gaps. Nevertheless, assurance and tangibles should not be disregarded as these also have significant mean gaps.



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As such, TEIs must periodically review its current improvement programs and/or formulate new ones which focus on further enhancement of the service quality based on the viewpoints of the students in order to endure the tougher competitive environment which surround the education sector. Likewise, TEIs have to reorient its personnel particularly office staff and provide them trainings to further improve its service quality especially on the reliability, responsiveness, and empathy aspects.

As this study used convenience sampling, inferences drawn from its sample cannot be generalized to the student population of Pampanga's private TEIs (Riley, 2012; Chaturvedi, n.d.). As such, future researchers can do this study again but they have to use probability sampling methods to maintain the objectivity so they can make generalization of their studies' results and conclusions. Similarly, a replication of this study is necessary to validate if the respondents' perceptions on TEIs service quality have changed over time, as this study measured the respondents' perceptions on the services received at the time it was conducted. Moreover, future researchers can do comparative study on the service quality of private and public TEIs. They can also include other variables which were not covered in this study and can use other instruments which measure service quality.

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