An Empirical Study of Service Quality Analysis in Management Institutions in National Capital Region

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Abstract – In the era of 21st century and highly competitive business environment, the world has become a truly global. And the professionals in the service sector are increasingly under pressure to demonstrate their services as customer- focused and that continuous performance improvements are being delivered. As far as India is concerned, a number of technological and management institutions have been established which have made a significant contribution in producing a large reservoir of technically trained manpower. India can claim the third largest reservoir of scientific and technical manpower in the world. But it is important that along with the quantity of manpower, the emphasis must be on the quality of management education. Therefore, evaluation of the quality of education services of prevailing management education system in India is of utmost significant and efforts need to be made to nurture obsession for quality in institution offering management education. Thus, it is important to analyze and critically review the services on regular basis to identify and correct gaps between desired levels and actual levels of performances. The study has been undertaken to demonstrate the gaps for measuring students' perception-expectation regarding management education services in Haryana, India which is investigated with the research instrument SERVQUAL Model.

Keyword: Service, Quality, Servqual

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1.   INTRODUCTION

India is the fastest growing economy in the world after China. During the last few years, the growth rate of service sector has been very rapid and due to this a large number of substantial and structural changes in the way business and industries as a whole deal with consumer demand and expectation with regard to quality of services and goods being sold - this is especially evident in the education sector. Lewis, B. R. & Mitchell, V. W(1990) have explained in their article that," the service sector of education services come at the core while setting pace for the rest of the sectors." Education as a service fulfils the need for learning, & acquiring knowledge, by providing an intangible benefit in the form of increase in knowledge, aptitude, expertise & skills etc.   Procured with the help of tangible infrastructure & intangible faculty efforts. This sector is central to development as it empowers people & strengthens nations. World class management institutions gain competitive advantage and greater shares through extraordinary levels of performance and commitment in providing the kind of quality services, demanded by students cutting across national borders.

After 1991, a large no. of MNC entered in India. Domestic companies also followed to compete with MNCs. There are substantial reasons for the growth of management institutions like- opening of new industries due to shifting of agriculture workers to industrial sector Urbanization – shifting of people from rural to urban areas, opening of big markets or products, trade market, rise in export and import, gradual increase of organized retail chain thereby increasing demand of retail market, growing no. of Mergers and Acquisitions demanding large no. of professionally qualified people, entry and setting up of MNCs, Increase in banking facilities demanding more knowledgeable persons of financial management, Technological up-gradation in industries requiring operational management personnel, Increase in advertisement requiring marketing management experts.

Quality is Abstract characteristic that encompasses a variety of more or less physical attributes. Philip Crosby (1979) Quality in education cannot be measured directly but must be judgmentally assessed by considering entity attributes that are more directly perceptible. SERVQUAL is one of the most widely used instruments to measure service quality (Brown et al., 1996, in Buttle, 1996)

measures the gap between customer's expectations for excellence and their perceptions of actual service delivered. Parasuraman, Zeithaml, and Berry formulated a service-quality model that highlights the main requirements for delivering high service quality.

The following features-characterize the education industry, as a services industry (Kotler, 2002)

1. INTANGIBILITY- Education cannot be seen, touched, heard or felt, before enrolling, it has to be experienced.

2. INSEPARABILITY- There is immediate consumption of the service (education) provided.

3. VARIABILITY- The quality of service varies, depending upon who provides it and Changes in the market environment.

4. PERISHABILITY- Education provided last semester/ year cannot be stored for consumption next semester/ year.

In this study we focused on five factors that could predict the quality of the service provided by management institutions. The model identifies five types of gaps that cause unsuccessful service delivery: The instrument represents a multi-item scale used for measuring students' expectations and perceptions of service quality. It consists of 22 parallel expectation (E) and perception (P) statements on five service quality dimensions. In order to obtain view for the statement, students are required to select a response on 7 point Likert scales that range from strongly disagree to strongly agree. This then allows for the difference in scores for each dimension which has been calculated. The difference (P-E = Q) represents the measure of service quality (Q). Where Q is negative, a service gap exists. However, if Q is positive, customer expectations are being exceeded

2.   REVIEW OF LITERATURE:

Education helps to enrich human lives, to empower people and thereby to raise human wellbeing (Stewart, 1996). Indian higher education system is not only large but also the most complex one. Prof. K.Sudha Rao (et al, 2008), in their research paper gave the background from Britisher's era of the growth of higher education, the relevant policies and structure in India. It also gives compilation of data about growth of higher educational institutes and enrollment of students. It talks about emerging private sector in education and mentions the shortage of qualified teachers. It also gives comparative study of various countries on status of academic research. It summarizes the challenges faced by the Indian education system. One of the pioneers of Management Education in India prof. Dasgupta had tried to find out answer of few questions, such as – Is there any real need for this education. Where should the courses be run and why. Who need such education? He observed that, "The success of full time management courses is linked with the type and no. of employment aspirant and appointment, both present and potential. Quality of education worldwide in general and specifically in India has suffered drastically due to the massive expansion. Gupta (2007) identified various reasons for decline in standards are lack of appropriate infrastructure, shortage of adequately qualified faculty, compromise in research activities and converting education institutions into factories. Business schools are criticized by industry for failing to produce graduates who have mastered business administration (Neelankavil 1994; O' Reilly 1994) but do not understand customer driven strategies. Research conducted by Baruch and Leeming in 1996, and by Shipper in 1999, suggest that institutions offering MBA programs, must respond to market needs and implement changes according to the need of the hour. According to Schmotter (1994), institutes that were reluctant to incorporate changes in teaching methods may have dissatisfied students.

3.   OBJECTIVES OF THE STUDY:

*   To critically examine the quality parameters of services provided by management institutions in NCR region of Haryana.

*   To know how the students actually perceive service quality of management institutions in NCR region of Haryana

*   To test whether there is any significant difference between perceptions and expectations of the management institutions in NCR region of Haryana

*   To provide suggestive measures to the management institutions in NCR region of Haryana so that their service-quality endeavours are perceived well by the patients.

3.1   Assumptions of SERVQUAL Conditions:

*   The results of the survey are accurate. The validity of the model is based around the results of empirical studies.

*   Students' needs can be documented & captured & they remain steady during the whole process.

Present study was carried out during January to July 2018 and it is focused on the students and faculty of management institutes in National Capital Region (NCR). The study includes Management

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Institutes approved by AICTE and are affiliated with Haryana State University and from Delhi University. A total of 400 students were surveyed. Convenience & Judgment sampling was used for sample selection.

3.2 Instrument Used:

This study used the SERVQUAL scale questionnaire designed by Parasuraman et al. (1988) to measure the expected and perceived quality of management institutions in NCR region of Haryana.

The questionnaire utilized to gather the data comprised of four main parts. Part I dealt with the socio-demographic characteristics of the respondents. Part II consisted of 22 items to measure students' expectations of institution services qualities in general while Part III consisted of a corresponding 22-item scale to measure the students' perceptions of the service quality actually offered by the management institutions under study. The scores for each item ranged from "1" for strongly disagree" to "7" for "strongly agree" on a seven-point Likert scale. The study findings related to gaps in students perceived service quality, and students' ranking of relative importance of SERVQUAL dimensions are presented and discussed in the following section

Internal consistency of the measure was determined using Cronbach's alpha coefficients (Cook & Beckman, 2006). The resulting coefficients were.924, 0.896, 0.803 and 0.901,.875 for expectations, perceptions, and gap sections of the SERVQUAL respectively, as shown in

Table 1: Calculation of Cronbach Value

Dimensions		Cronbach α
1. •	Tangibility 7 items	0.920
2. •	Reliability 8 items	0.897
3. •	Responsiveness 5 items	0.804
4. •	Assurance 6 items	0.902
5. •	Empathy 4 items	0.878

Source: Primary data

4. ANALYSIS AND INTERPRETATIONS:

Table 2: Demographic Characteristics of Respondents:

Demographic Characteristic	University A		University B		Combined Sample	
	Frequency	Percent	Frequency	Percent	Frequency	Percent
Sample Size	200	50.0	200	50.0	**400**	**100.0**
Gender						
Male	100	50.0	100	50.0	**200**	**50.0**
Female	100	50.0	100	50.0	**200**	**50.0**
Age						
Below 21	10	5.0	15	7.5	**25**	**6.0**
21 – 23	110	55.0	115	57.5	**225**	**56.20**
23-25	80	40.0	70	35.0	**150**	**37.5**

Source: Primary data

The population of this study was based on students of management institutions. Respondents were female (50%), in the 21 to 30 age range (56.20%), 23 to 25 years were (37.5%). The demographic characteristics of respondents, overall and within samples, are summarized in Table 2:

Table 3: Descriptive Statistics for Input Variables:

	Sample Size	Average Scores of Input Variables				
		P	E	P-E	TSQ	Satisfaction
Delhi region	200	4.80	6.27	-1.47	5.46	5.44
NCR region HR	200	4.01	6.62	-2.61	4.06	4.12
Combined Sample	400	4.41	6.44	-2.03	4.76	4.78

Source: Primary data

Note: P stands for perceptions; E stands for expectations; P-E stands for Gap scores; and TSQ stands for total service quality. Table 5 shows the average scores for the input variables.

As shown in Table 3, expectations scores are consistently higher than perceptions score across all the three data sets under study (6.27 against 4.80 for Delhi Management institutions; 6.62 against 4.01 for management institutions of NCR region Haryana; and 6.44 against 4.41 for the Combined Sample). As a consequence, the gap scores for all groups were negative (-1.47, -2.61 and -2.03 for Delhi, NCR region Haryana, and the Combined Sample, respectively). This implies that services delivered by management institutions from both do not meet students' expectations, suggesting that there is room for progress across all dimensions of service quality. The possible factors behind the negative gap scores might include: inadequate resources, rapid increases in the number of students compared to available resources, and a lack of students orientation among management and employees of

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management institutions in NCR region. The negative gaps demonstrate students' unhappiness of services delivered by the institutions. This could potentially lead to negative word-of-mouth commendations which in turn, would impact significantly on student enrolments and available funding (Hoe, 2005). Hence, it is necessary that institutions from both use students' opinions to improve their performance in order to meet and exceed students' expectations. The periodic assessment of the inconsistencies or gap between students' expectations and perceptions of service quality will give insights into areas that require more attention, and provide useful inputs to management for improving the quality of services as perceived by students.

In addition, the study findings have shown that, the average expectations and perceptions scores vary between the institutions from both regions. In particular, expectations scores were 6.27 and 6.62 Management institutions from Delhi region and NCR region Haryana, respectively. On the other hand, the perceptions scores were 4.80 and 4.01 for Delhi region and NCR region Haryana, respectively, as evidenced in Table 3. This might be due to the differences in terms of the size and age between the two region based management institutions. Since one region institutions are national capital, are comparatively older and already improved while the other region institutions are newly established, this fact may have a substantial effect on the students' expectations and perceptions about the quality delivered by their management institutions. Mazzarol (1988) reported variances in the delivery of services and student satisfaction among management institutions from both regions, depending on their size, capacity, and students' orientation.

The results in Table 3 also show that Delhi region management institutions which recorded higher average scores on perceived service quality (4.80), indicate higher average scores as well for students satisfaction and recommendations (5.44 and 6.20, respectively), while NCR region Haryana based management institutions recorded lower average scores on perceived service quality (4.01), provide lower average scores as well for students' satisfaction and recommendations (4.12 and 4.26, respectively). This implies that there exists a direct relationship between perceived service quality and students' satisfaction, as well as recommend intentions in management education. Thus, the provision of better service quality would increase student satisfaction and create positive recommend intentions. For instance, Boulding et al. (1993) showed that students with higher perceptions of a university are more likely to recommend it to others, and contribute money to it in the future.

Table 4: Relative Importance of SERVQUAL Dimensions

Dimension	Mean Number of Points Allocated Out of 100					
	NCR, Delhi		NCR, Haryana		Combined Sample	
	Mean	Rank	Mean	Rank	Mean	Rank
Tangibles	22.40	2	23.18	2	23.04	2
Reliability	32.06	1	31.73	1	31.45	1
Responsiveness	10.21	5	11.29	5	10.32	5
Assurance	19.08	3	21.03	3	21.40	3
Empathy	16.25	4	12.77	4	13.79	4
Total	100		100		100	

As shown in Table 4, the distribution pattern is virtually identical across all the two samples, suggesting that the relative importance of five SERVQUAL dimensions is stable across sets. For all the two data sets, Reliability dimension received the highest scores, followed, in descending order, by Tangibles, Assurance, Empathy and Responsiveness. These results suggest that Reliability is the most important dimension in an evaluation of service quality in higher education in India. This means that the ability to provide the guaranteed service on time, accurately and dependably has the highest impact on students' perceived service quality. In other words, service quality, as perceived by students, will increase significantly if Reliability dimension is improved. These results are consistent with those reported by Tsoukatos (2007), Stergiopoulou (2004) and Parasuraman et al. (1988, 1991), who established that Reliability is the most important dimension. These scholars maintain that meeting students expectations is largely achieved through Reliability. However, the results differ with those reported by Pariseau and McDaniel (1997), who found that students from a private U.S. business school ranked Responsiveness as the second most important dimension with Tangibles last. The fact that Tangibles was ranked second most important criteria in this study indicates their crucial role in the developing countries like India. This dimension might have been taken for granted in developed countries (Manjunatha & Shivalingaiah, 2004).

The implication is that understanding students' preferences along service quality dimensions reveal their priorities and addressing the same would reduce the gaps in service quality. Thus, the greatest improvement in service quality would be achieved through service reliability. Therefore, management of higher education institutions in India should improve reliability by ensuring that services are delivered on time, accurately, and as promised. Palmer (2011) maintains that channelling quality efforts and resources to the most important dimension has the greatest impact on perceived service quality and students satisfaction. Furthermore, the findings of the measurement of the relative importance of five

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SERVQUAL dimensions demonstrate that students from NCR are able to make the necessary distinctions among the dimensions of service quality.

5. CONCLUSION AND RECOMMENDATIONS:

The study findings provide evidence that Indian management institutions do not perform as per students' expectations. Students of management institutions in Haryana have given moderate to weak rating on most dimensions except for Infrastructure, which has come out as strength for institutes across the NCR region Haryana. Negative gap scores for both region based management institutions suggest that there is room for up- gradations across all dimensions of service quality. However, since Reliability dimension was ranked, by students, as the most important dimension of service quality, followed (in descending order) by: Tangibles, Assurance, Empathy, and Responsiveness, service quality improvement in Indian management institutions should be arranged in this order: Reliability, Tangibles, Assurance, Empathy, and Responsiveness. This means that Indian management institutions should provide promised services on time, dependably, and accurately, and should manage students' expectations by not raising them with false or unrealistic promises. They should also be equipped with appealing physical facilities, equipment, personnel, and communication materials. There were some limitations of the study as it has focused on the students' and faculty perception of service quality but has not taken into consideration the perception of other stakeholders like parents and recruiters. Moreover, the study also didn't include institutions not approved by AICTE and was limited to cover only Two – Year full time MBA programme as it has not included diplomas, MBA through distance education, executive MBA etc.

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