

## Comparative Study on Service Quality in Between Private and Public University: A Literature Review

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### Abstract

In higher education, students are the main customers of universities. As such, providing quality services and satisfying students' needs as well as expectations are vital for universities to succeed from the increasing competitiveness of this industry. This research focusses on service quality in between private and public university. The results of this research indicated that almost the majority of students were satisfied with the quality of services offered at this university.

**Keywords:** *Service Quality, Student Satisfaction, Private University, Public University.*

### 1. INTRODUCTION

Higher education has become a competitive enterprise among both private and public HEIs. In view of the increasing competition in higher education industry, many private colleges and universities face the challenging problems of declining student enrolment, poor strategic marketing planning, intense competition between other private college or universities that offer the same courses and service quality found wanting. The quality of education is an important factor that is considered for attracting and retaining the students as it is a substantial investment made by their parents. In today's factors that enable educational institutions to attract and retain students should be thoroughly studied in today's competitive academic climate, where students have numerous options available to them. Higher education institutions that want to be competitive in the future may need to start looking for new and innovative ways to attract, retain, and create closer relationships with their students. As a private company, it is reliant on the market's interactions and mechanisms. As a result, the rivalry to attract as many students or "Future Customers" as feasible may intensify. To make matters worse, because it is a private organization, it is not subject to the same regulations as public institutions.

Higher education has been the focus of more recent studies on education quality service, as more universities and colleges compete for rankings and accreditation for their programmes and institutions. As a result, service quality assurance takes center stage in the quest for internationalization of educational excellence. The image of an institution is enhanced by high-quality service (Sultan & Ho, 2012). It has not been made any easier by the high degree of rivalry among private colleges that offer identical courses. A private college that offers

specialist safety courses for diploma students, for example, competes with four other colleges that offer the same courses. As a result, providing high-quality service has become a key priority for most HEIs in order to set them apart from their competitors.

## 2. LITERATURE REVIEW

### 2.1 *Service Quality*

It's significant to note here that SERVQUAL is applicable to the education sector, implying that it's appropriate for use in higher education. Several research, such as SQ in business schools (Rigotti & Pitt, 1992) and higher educational institutions, have implemented this measurement in HEI (Cuthbert, 1996; Souter and McNeil, 1996; Saaditul, Samsinar and Wong, 2000). SERVQUAL and SERVPECT models are the most widely employed in studies on students' satisfaction with higher education service, similar to study of customer satisfaction with service in other fields (Yusoff, 2015; Salinda, 2017). Parasuraman et al. proposed the SERVQUAL methodology to quantify service quality in 1985. The SERVQUAL scale is based on external viewpoints on service quality, which emphasizes the importance of customers' perceptions of service quality. This evaluation is described as the discrepancy or gap between what customers expect from the quality of one sort of service and how they rate the supplier's performance.

Once Parasuraman et al. (1985) first created their model, service quality was a multi-dimensional structure with ten elements. Parasuraman and his team narrowed down to five criteria three years later, in 1988: Reliability, Assurance, Tangibles, Empathy, and Responsiveness. It is because assessing the quality of educational services has distinct characteristics. Abdullah (2006) introduced the HEEPPERF scale (Higher Education Performance), a new and more complete scale to assess higher education service quality. The HEdPERF service quality scale has 41 criteria, 13 of which are derived from SERVPERF and 28 of which were established through a literature analysis and qualitative research (group discussion, experimental testing and working with experts). Abdullah (2006) assessed the HEdPERF criterion scale for reliability and validity, as well as exploratory and confirmatory factor analysis (CFA). In addition, Sultan and Wong (2012), conducted comparison research between HEdPERF and SERPERF in 2010, with the findings indicating that HEdPERF was more useful in assessing the quality of higher education services. Abdullah (2006) believes that HEdPERF may help higher education institutions improve service quality. Abdullah (2006) has divided five aspects of service excellence in higher education into five categories: (1) Administrative or non-academic factor; (2) Academic factor; (3) Reputation factor; (4) Access factor; (5) Training programme factor.

### 2.2 *Student Satisfaction*

Students' satisfaction as a short-term attitude based on an assessment of their educational experiences. It is the result and outcome of an educational system and is a positive antecedent of student loyalty (Salinda, et al., 2017). According to Sultan, P., and Wong, H. Y. (2012). as students' disposition based on subjective evaluations of educational outcomes and experiences. As a result, according to Carey, et al (2002), student satisfaction can be described as a function of experiences and perceived performance about educational service over the study period. Taking everything into account, student satisfaction can be defined as a short-term attitude resulting from a study evaluation.

Student satisfaction is a multifaceted process which is affected by different of factors. According to Walker-Marshall and Hudson (1999), the most impactful element on student happiness is the grade point average (GPA). Personal and institutional elements were recognized by Marzo-Navarro et al. (2005), Appleton-Knapp and Krentler (2006), as

two types of impacts on students' satisfaction in higher education. Personal factors include age, gender, job, preferred learning method, and the student's GPA, whereas institutional influences include instruction quality, promptness of instructor feedback, clarity of expectation, and teaching style. Quality of lecturers, quality of physical facilities, and effective use of technology were highlighted as major determinants of student satisfaction by Wilkins and Balakrishnan (2013.)

### *2.3 Service Quality in Private University*

Private universities were founded to meet the growing demand for tertiary education in existing fields of study as well as alternative fields of study that provide higher quality than public universities. However, the claim that private universities provide better quality than public universities is debatable (James & Benjamin, 1998; Tilak, 1991). According to Yahya Ibrahim in Tang (2012) states that 'The private higher education has evolved more rapidly than the public system and it may be considered as supplementing and complementing to the public universities (Prashalini et al., 2016). This is evident from the study by Middlehurst and Woodfield (2004) which shows that even though there is a strong demand of higher education in Malaysia but the demand could not be met by the local universities.

### *2.4 Service Quality in Public University*

Political authorities and bureaucratic institutions have had the biggest influence over the public sector (Caemmerer & Dewar, 2013). As a result, it is less concerned with serving the needs of its clients. According to Kadir et al. (2000), the Malaysian public sector has placed less emphasis on issues of service quality. Nonetheless, an exploratory study on the Malaysian sector undertaken by Agus et al. (2007) demonstrates the value of enhancing customer service quality. This is very relevant for all the public universities that have become less reliant on public funding since their corporatization in 1998. In addition to focusing on teaching and research, these institutions have adopted the service culture which is practiced by the private entities to remain competitive (Terpstra & Hanoree, 2009)

The public universities are autonomous and funded by the government whereas private universities are funded by non-government organizations and private bodies. According to Romero and Rey (2004), public universities are associated with higher quality than private universities since they are able to attract the brightest students. Raemah and Rosli (2011), academic staff at public universities are more commitment to service quality than those at private universities. However private universities are giving competition to public universities. In fact, it is wise to state that both institutions; private and public go hand in hand and are simultaneously growing at this point.

## **3. CONCLUSION AND RECOMMENDATION**

Service quality has a substantial positive association with student satisfaction, according to Azlee, et al. (2008). As a result, it verifies what previous literature wants to suggest here, namely that enhancing service quality can potentially improve student happiness, which is a priority for private higher education institutions because they must compete to attract students to study there. It's vital to note that, according to the regression analysis, two aspects of service quality, empathy and assurance, are the most important factors in explaining student happiness. Whatever steps are taken to promote empathy and service quality assurance, students will be able to give a more accurate assessment of their satisfaction. Based on the results from the study, from Prashalini et al. (2016), it was discovered that there were few variations between public and private universities, since student respondents provided nearly identical remarks or preferences for both higher education institutions. The findings show that lecturers' abilities, in

both public and private universities, appear to be a less essential criterion for determining quality.

As a result, this study concludes suggested to make a comparative study to investigate whether there are any differences in service quality and student satisfaction between public higher institutions and private higher institutions. Take accessibility to the data gathering into consideration as well, because most institutions have been hesitant to provide excellent collaboration. A thorough preparation for an unforeseen event is required so that the researcher is prepared to face and control the situation. For this study is also suggested to make a comparative study to investigate whether there are any differences in service quality and student satisfaction between public higher institutions and private higher institutions.

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