

Relation Between Service Quality and Customer Satisfaction : Does It Match With University Values

Agatha Septianna Sri Ratnasari¹⁾, Antonny Wijaya²⁾, Prisca Yenyati³⁾

¹⁾Department of Management, Faculty of Business and Accountancy, Unika Musi Charitas

²⁾Department of Management, Faculty of Humanity and Education, Unika Musi Charitas

³⁾Department of Management, Faculty of Science and Technology, Unika Musi Charitas

Jl. Bangau No.60, Palembang

agatha@ukmc.ac.id¹⁾, awijaya@ukmc.ac.id²⁾, prisca@ukmc.ac.id³⁾

ABSTRACT

The purpose of this research is to analyze the relationship between service quality and customer satisfaction at Musi Charitas Catholic University. The result of this study will help management to improve service quality and satisfaction among the students and hopefully, all variables will also fit and match with university values i.e. CHAMPION. 300 questionnaires were distributed to the students from 4 faculties using the convenience sampling technique, but only 214 questionnaires were available to be processed. The result shows that Service Quality 61,6% significantly has a positive impact related to customer satisfaction, and the rest of it 38,4% related to other factors.

Keywords: service quality, customer satisfaction, customer values, quality measurement

1. INTRODUCTION

Facing the globalization era, companies must continuously improve their ability to serve their customers and must have the advantage of competing better than existing competitors. To achieve its goals, the company must be able to give satisfaction to its customers. Customer satisfaction is the one important tool to capture competitive advantage. There are many ways to create customer satisfaction. Measurement of service quality is important to find out the achievement of customer satisfaction. Providing quality service is considered an essential strategy for success in today's competitive environment (A. Parasuraman, 1985; Zeithaml, Berry, & Parasuraman, 1996). They used five dimensions of service quality in their research.

The concept of service quality has been extended to a higher education context. Higher education plays an important role in the development of a country, as it promotes social, cultural, and economic development and promotes active citizenship while instilling ethical values in citizens. The quality of services will affect student satisfaction. Student satisfaction is the favorability of the students' subjective evaluation of the various outcomes they experience associated with education. Student satisfaction is being shaped continually by repeated experiences in campus life (Elliot & Shin, 2002).

Musi Charitas Catholic University was located in Palembang, South Sumatera Province, and was established in 2015. This university is one of the universities which have the vision to grow bigger and ready to compete with others. This university is the result of a merger of 3 colleges under 2 different foundations: STIE Musi, STT Musi from Musi Foundation and STIKes Perdhaki Charitas from Karya Kasih Foundation.

The university values are CHAMPION, the abbreviation from Charity which means an organization set up to provide help and raise money for those in need; Humanity which means the human race, human beings collectively; Altruism, which means the belief in or practice of disinterested and selfless concern for the well being of others; Managing Capacity refers to the actions of ensuring business maximizes its potential activities and output at all times and under all conditions, Persistent means continuing firmly or obstinately in a course of action despite difficulty or opposition; Integrity means the quality of being honest and having strong moral principles, moral uprightness; Open Minded means willing to consider new ideas, unprejudiced; and Novelty means the quality of being new, original or unusual.

The values provide a common purpose that all of the community from the campus, all employees, and all students should understand, work towards and live by. Once the organizations define and promote the values, hopefully, employees come to understand the behaviors that are expected of them that will lead to success. The result of this research is expected to continuously improve the service quality and satisfaction of the students to be successful in the future, particularly in today's highly competitive, dynamic, and complex environments, and trying to find out whether the service quality already fits and matches with the values.

2. THEORETICAL BASIS

In the era of globalization, almost every company is facing fierce competition. Rapid competition in the service industry has made many organizations concentrate on meeting their stakeholders' needs (Zammuto et al., 1996).

Customer satisfaction is a principal element in achieving the goals of an organization and is a basic standard of excellence performance by the service organization (Munusamy & Chelliah, 2011). Customers will be more satisfied with the high service quality. So the satisfaction of customers depends on the expectation of the customer about the service quality and their perception of the customers about the service quality (Sigala, 2004). Service quality and customer satisfaction are two different issues but can be highly interrelated. Quality is seen as a general attitude, while satisfaction is related to a particular transaction (Gruber et al., 2010) and relates perceived quality as an antecedent to satisfaction.

Service quality in the field of higher education can be defined as the difference between student expectations and perception against actual their experience. Alridge and Rowley (2001) in particular suggested that the perceived service quality of students is an antecedent to student satisfaction. Hoffman and Bateson (1997) defined SERVQUAL as an attitude that is established by a long-term assessment of overall performance. The quality of services in the education sector has been the subject of numerous studies because this matter is important for the sustainability of the education sector. Several studies have been conducted, which indicate the importance of measuring the quality of services in higher education (Quinn et al, 2009).

However, there is no consensus on the dimensions and antecedents of the quality measurement of services perceived by students (Sultan & Wong, 2012). Consequently, there is no consensus on the best way to determine and measure the quality of service (Clewes 2003). Parasuraman et al. have developed a SERVQUAL approach to finding out the satisfaction of the services. The SERVQUAL model is based on an analysis of the gap between the expectations of the customers and perceived service quality.

In this research, service quality is defined as the degree of overall excellent service that meets users' or students' expectations. Based on the SERVQUAL scale proposed by Parasuraman et al. (1988), service quality is deemed as having five dimensions—tangibles, responsiveness, reliability, assurance, and empathy.

The five dimensions of service quality were expected to have a good fit and match with university values when customer satisfaction of the students was well managed. Tangibles

matched with managing capacity, and novelty; Reliability matched with Persistent, Integrity, Open Minded; Responsiveness matched with Charity, Humanity, Altruism, Integrity, Open Minded; Assurance matched with Managing Capacity, Persistent, and Integrity; while Empathy matched with Charity, Humanity, Altruism.

There were five dimensions of service quality as mentioned below. Tangibles refer to the appearance of physical factors such as equipment, and facilities used by a service-based company as well as to the appearance of service employees. Aspects of the tangibles factor are factors like up-to-date equipment, physical facilities that are visually appealing, and visually appealing materials. However, Jingyan et al., (2010), found that only three dimensions of service quality (tangible, responsiveness, and empathy) have a significant relationship with students' satisfaction. Empathy refers to the caring and individualized attention that the firm provides to its customers. This means the organization should understand the problem of customers and results must favor customers with individual personal attention. Empathetic organizations shouldn't lose touch with customers. As such, empathetic organizations understand the needs of their customer and make their services accessible to them (Zeithaml et al., 2008). Meanwhile, assurance includes competence, courtesy, credibility, and security. This dimension involves capabilities such as delivering services with respect, politeness, and effective communication. Competence in particular refers to the knowledge and skill of an organization in delivering services. Such knowledge and way to interact with a customer should inspire confidence in an organization (Gao & Wei, 2004). Reliability can be defined as the ability to perform the service accurately and dependably. It means that the company provides a service to its customers at a time without making any errors and delivers what it promised during the time that was agreed upon. Reliability is considered the most important dimension of service quality (Zeithaml et al, 2008). However, Jingyan, et al., (2010), found that reliability and assurance have no significant relationship against student satisfaction.

The responsiveness dimension relates to the willingness of the company to assist its customers in providing them with good, quality, and fast service. It means that the employees are ready to help customers and respond to their demands as well as to notify customers when service is available.

Customer satisfaction: it is defined as the end state of a psychological process. Sapri et al., (2009) mentioned that customer satisfaction is a short-term attitude that results from the evaluation of customers of their experience with the education service received. On the other hand, Kotler and Clarke (1987) defined satisfaction as the desirable outcome of a task or job that pleases one's esteem. The results showed a significantly positive relationship between overall service quality and user satisfaction. In addition, all service dimensions have a significant impact on user satisfaction except "responsiveness" (Wang, Shieh, 2006).

3. RESEARCH METHODS

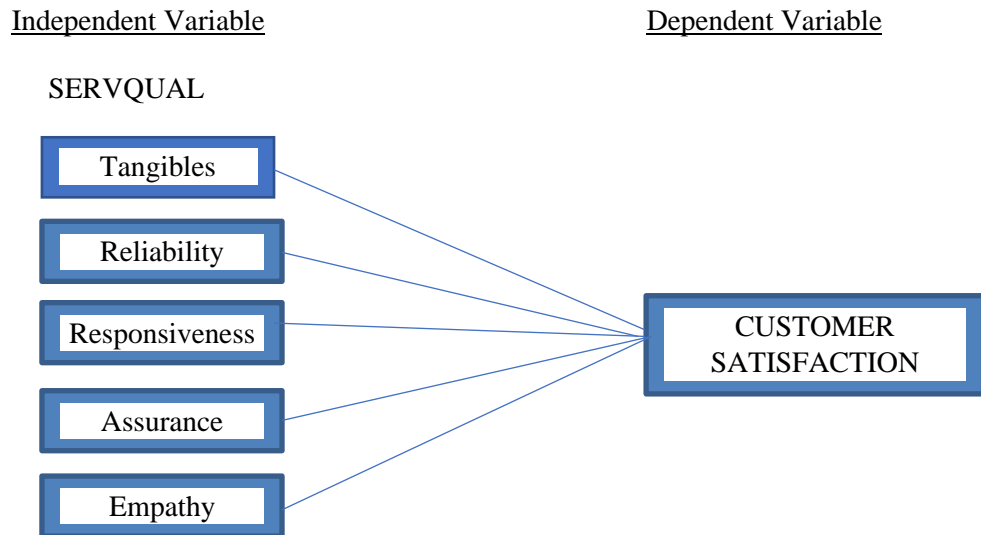
Based on the purpose of this research, the type of research used is explanatory research. The population for this research is students at Unika Musi Charitas. The respondents of the sample were taken randomly from Universities with convenience technique sampling.

Almost 300 students were contacted to fill out the questionnaire but only 214 students completed the questionnaires. The data were analyzed using SPSS version 16 program.

The research model as shown in Figure 1 consists of two parts namely: Service Quality and Customer Satisfaction. Service Quality consists of five dimensions: (1) tangible, (2) reliability, (3) responsiveness, (4) assurance, and (5) empathy. While Customer Satisfaction includes the performance of an organization's product and services compared to an expectation of a customer. The questionnaire consists of two parts: service quality and customer satisfaction.

The questionnaire for service quality contains 23 questions for the five dimensions of service quality; while for customer satisfaction consists of 5 questions. The questionnaire uses a Likert five scale that is 1 = Strongly Disagree to 5 = Strongly Agree.

Figure 1. Conceptual Framework



The main target of this study is to investigate the relationship between service quality and customer satisfaction among the students of the university. Therefore, we proposed five hypotheses for this research model as followed:

- H1: Tangible component of service quality has a positive impact on customer satisfaction;
- H2: The reliability component of service quality has a positive impact on customer satisfaction;
- H3: The responsiveness component of service quality has a positive impact on customer satisfaction;
- H4: The assurance component of service quality has a positive impact on customer satisfaction;
- H5: The empathy component of service quality has a positive impact on customer satisfaction.

Operational Variables :

Service Quality is operationally defined as the degree of overall excellence of the university that meets students' expectations.

Table 1
Dimensions of Service Quality

Dimension	Description
Tangibility	the appearance of the physical university surroundings and facilities, equipment, personnel, and the way of communication
Reliability	the degree to which the university provides the services accurately and in a dependable manner
Responsiveness	the degree to which the university is willing to help its students by supporting them with good, quality, and fast service

Assurance	means that customers feel secure with the knowledge and courtesy of university staff and their ability to portray trust and confidence among students
Empathy	The degree to which the university cares and gives individualized attention to its" students, to make the customers feel extra valued and special

Source : elaborated from literature review

Customer Satisfaction is a measure of how products and services provided by the university meet or exceed students' expectations.

4. RESULT AND DISCUSSION

A reliability test was conducted on the dependent variable i.e. customer satisfaction, and independent variables service quality factors i.e. tangibles, reliability, responsiveness, assurance, and empathy. The values of Cronbach's Alpha of the study variables are shown in table 1. As shown, the reliability coefficient of the study variables exceeded the minimum acceptable level of 0.60 (Nunnally, 1978). The results show the Cronbach's Alpha value for dependent variables, customer or student satisfaction, and the independent variable; tangibility, reliability, responsiveness, assurance, and empathy are all above 0.7 which is considered as good or reliable.

Table 2
Reliability Test

Variable	Cronbach's Alpha Value	Cronbach's Alpha Standard	Keterangan
Tangibility	0,813	0,70	Reliable
Reliability	0,808	0,70	Reliable
Responsiveness	0,841	0,70	Reliable
Assurance	0,817	0,70	Reliable
Empathy	0,814	0,70	Reliable
Customer Satisfaction	0,783	0,70	Reliable

From the above table, most of the variables have Cronbach's Alpha Standard $> 0,70$. The tangibility variable has Cronbach's Alpha 0,813, the Reliability variable has Cronbach's Alpha 0,808, Responsiveness Variable has Cronbach's Alpha 0,841, Assurance has Cronbach's Alpha 0,817, Empathy has Cronbach's Alpha 0,814, and Customer Satisfaction has Cronbach's Alpha 0,783. All variables are reliable.

Correlation analysis is done to see a relationship between all variables. There is a significant relationship between Service Quality and Customer Satisfaction. The correlation matrix shows that all variables of tangibles, reliability, responsiveness, assurance, and empathy correlate with the dependent variable, customer satisfaction.

The relationship between tangibles, reliability, assurance, and empathy with customer satisfaction is positive and strong, while responsiveness, the relationship with customer satisfaction is positive and weak. The resulting correlation matrix is shown in Table 3 on the next table :

Table 3
Correlation Matrix

		Customer satisfaction	Tangibles	Reliability	Responsiveness	Assurance	Empathy
Customer satisfaction	Pearson Correlation	1	.661**	.614**	.382**	.604**	.566**
	Sig. (2-tailed)		.000	.000	.000	.000	.000
	N	214	214	214	214	214	214
Tangibles	Pearson Correlation	.661**	1	.524**	.339**	.400**	.550**
	Sig. (2-tailed)	.000		.000	.000	.000	.000
	N	214	214	214	214	214	214
Reliability	Pearson Correlation	.614**	.524**	1	.518**	.476**	.561**
	Sig. (2-tailed)	.000	.000		.000	.000	.000
	N	214	214	214	214	214	214
Responsiveness	Pearson Correlation	.382**	.339**	.518**	1	.390**	.478**
	Sig. (2-tailed)	.000	.000	.000		.000	.000
	N	214	214	214	214	214	214
Assurance	Pearson Correlation	.604**	.400**	.476**	.390**	1	.545**
	Sig. (2-tailed)	.000	.000	.000	.000		.000
	N	214	214	214	214	214	214
Empathy	Pearson Correlation	.566**	.550**	.561**	.478**	.545**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	214	214	214	214	214	214

** . Correlation is significant at the 0.01 level (2-tailed).

From the table above, the five hypotheses were derived and presented in the table 4 below.

Table 4
The result of the Hypotheses

Hypotheses	Results
H1: Tangible component of service quality has a positive impact on customer satisfaction	Supported
H2: The reliability component of service quality has a positive impact on customer satisfaction	Supported
H3: The responsiveness component of service quality has a positive impact on customer satisfaction	weakly supported
H4: The assurance component of service quality has a positive impact on customer satisfaction	Supported
H5: The empathy component of service quality has a positive impact on customer satisfaction	Supported

The above table shows the result of the hypotheses that most of the hypotheses supported. Tangible, Reliability, Assurance, and Empathy were well supported. All of the variables have a positive impact on customer satisfaction. Only the Responsiveness variable result have weakly supported.

Table 5

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.785 ^a	.616	.607	1.82581

a. * Predictors: (Constant), Tangible, Reliability, Responsiveness, Assurance, Empathy

b. Dependent Variable: Customer Satisfaction

Table 5 shows the variation in the dependent variable due to the independent variable. The value of the adjusted R square was 0.616 which showed that 61.6% of the variation in customer satisfaction was explained by all independent variables. While the rest of 38.4% were influenced by other variables that are not included in this model.

5. CONCLUSION

The results of this research show that the tangibles, reliability, responsiveness, assurance, and empathy variables have a positive effect on customer satisfaction. This study also shows that the aspects of tangibles, the appearance of the physical university surroundings and facilities, equipment, the aspects related to buildings, such as office building, comfort, and cleanliness of the building, and other aspects such as reliability, the degree to which the university provides the services accurately and in a dependable manner has the strongest relationship with customer or students satisfaction. It means that students are concerned with tangible.

The other aspects such as reliability and assurance also show a strong relationship with students' satisfaction. The aspects of empathy have a moderate relationship with student satisfaction. Meanwhile, the results show the aspects of responsiveness, the degree to which the university is willing to help its students by supporting them with good, quality, and fast service. It means that the employees and educators or lecturers are ready to help the students and respond to their demands as well as to notify customers when service is available has a weak relationship with student satisfaction. These results supported Wang and Shieh's research in Chang Jung Christian University (CJCU) Library (2006). The results showed a significantly positive relationship between overall service quality and user satisfaction.

In addition, all service dimensions have a significant impact on user satisfaction except "responsiveness". Therefore, Unika Musi Charitas needs to improve this aspect of responsiveness. Most of the aspects of Service Quality fit with the university's values, but in term of better improvement, the management of the university need to remind continuously the community regarding the implementation of CHAMPION, especially Charity, Humanity, Altruism, and Open Minded.

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