

**EFFECTS OF SERVICE QUALITY ON ORGANIZATIONAL PERFORMANCE IN  
KENYAN UNIVERSITIES: A COMPARATIVE STUDY OF EGERTON AND  
KABARAK UNIVERSITIES NAKURU CAMPUSES, KENYA**



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# DECLARATION AND APPROVAL

## Declaration

This research project is my original work and has not been presented for a degree or diploma in this or any other institution.

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## Approval

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## DEDICATION

I dedicate this project to my loving and hardworking mother, Zilpah Cheruiyot for the effort and sacrifices she made to make sure that I get this far in spite of many odds and challenges.

## ACKNOWLEDGEMENT

This project would not have been completed with my effort alone. My most heartfelt gratitude goes to God for His provision, strength and enablement, my dear wife Faith Ngetich, my beloved daughter and son Gloria Ngetich and Roy Ngetich for the support and encouragement. My sincere gratitude goes to Egerton University for giving me an opportunity to pursue this course, my supervisors Dr. Dinah Kipkebut and Mr. Simon Kipchumba, and Mr. Henry Kombo for their expert guidance, direction and support. Their positive criticism and correction made this work what it is. I also appreciate the contribution of the respondents who participated in this research.



## ABSTRACT

In today's competitive academic environment where students have many options available to them, factors that enable educational institutions to attract and retain students should be seriously studied. Higher education institutions, which want to gain competitive edge in the future, may need to begin searching for effective and creative ways to attract, retain and foster stronger relationships with students. Service quality is considered as an important determinant of competitiveness in higher education. This quality comes from the combination of excellent learning process and public satisfaction on the service delivered. However stakeholders are asking whether the universities have compromised on service quality due to high enrolment and opening up of satellite campuses across the country. To remain competitive, Higher Education Institutions (HEIs) are required to continuously acquire, maintain, and build stronger relationships with students. This study therefore seeks to establish the effects of service quality on organizational performance in Kenyan Universities. Specifically, the study focuses on the relationship between the five dimensions of service quality namely; tangibles, reliability, responsiveness, assurance, empathy and organizational performance. The population of the study consisted of 39 management staff as follows: 18 from Kabarak University Nakuru Town Campus and 21 from Egerton University Nakuru Town Campus. The student population consisted of 2,221 students undertaking various courses at Egerton University Nakuru Town Campus College and 858 students from Kabarak University Nakuru Town Campus. Stratified random sampling was used to select 255 third and fourth year students from NTCC and 99 students from Kabarak University Nakuru Town Campus College. A five-point Likert scale research questionnaire was administered to the sampled students to provide the required data. Data was analyzed using descriptive and inferential statistics. Pearson's correlation analysis was used to examine the relationship between service quality and organizational performance. Multiple Regression analysis was used to analyse the effect of service quality on organizational performance in Kenyan universities. The results revealed that there was a relationship between tangibility, reliability, responsiveness, assurance, empathy and organizational performance. The study concluded that institutions of higher learning should focus on understanding customer's needs, perceptions and behavioural patterns of the sector and adopt customer oriented strategies that enhance service quality.

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## LIST OF ABBREVIATIONS AND ACRONYMS

CUE:	Commission of University Education
EP:	Evaluated Performance
GOK:	Government of Kenya
HEIs:	Higher Education Institutions
KABU:	Kabarak University
NTCC:	Nakuru Town Campus College
SSP:	Self Sponsored Programmes
SERVQUAL:	Service Quality
SERVPERF:	Service Performance
SPSS:	Statistical Package of Social Science
TEIs:	Tertiary Education Institutions

## INTRODUCTION

### 1.1 Background of the Study

The Kenyan Higher Education sector has, since the first introduction of self sponsored programmes in 1991, undergone significant changes. These changes have brought about a need for universities to conduct business in a different manner due to the impact of almost constantly changing environmental forces. The sector is becoming increasingly highly competitive with new private and public universities entry, continually raising customer expectations through elevated quality and service standards. With the ongoing improvement in technology in the higher education sector, service quality is becoming a primary differentiator amongst competitors. It is for this reason that organisations are constantly reviewing their strategy towards customer service as an area of business in which they can gain competitive advantage. Manning (1989) argues that all business performance begins with the customer and that world class customer service must become the central theme of every business. Superior quality must become an obsession in all activities, as this triggers a stream of benefits that results in competitive advantage and a related increase in profit for the firm.

There are a total of fifty three (53) universities in Kenya of these there are twenty two (22) public State universities, while Private universities which have been issued with charters are six (6), with certificate of registration are fourteen (14) while eleven(11) have letters of interim authority. Enrolment in the public universities in the 2010/11 academic year was 134,395 students, while private universities had 31,327 students (KNBS, 2011). The dramatic increase from 31,600 students in the academic year 1990/91 to 134,395 students in 2010/11 is due largely to the abolition of the 'A' level system of education in 1992, as a result of which entry to university now occurs after eight years of primary and four years of secondary education. Expansion has also been fuelled by the opening of the public universities to privately sponsored students under the so-called 'parallel' degree programme. Since this expansion was not accompanied by a commensurate increase in government funding, the result has been a steady decline in quality and increasingly serious questions about relevance (Ngome, 2003). Although fees from privately sponsored students have been used to expand facilities and improve staff remuneration, it is not clear whether major strides have been made in the area of service quality enhancement for competitive advantage.

The twin pressures of under-funding and expanded intakes resulted in extreme over-stretching of universities human and physical resources (Sifuna, 1998). The universities have therefore been forced to cut out some of their teaching and research programmes and reduce some essential services including transportation, communications and other benefits previously enjoyed by students and staff. While in today's competitive environment, rendering quality service is key for success, and many experts concur that the most powerful competitive tool currently reshaping marketing and business strategy is service quality little is known on its effects on organizational performance. Service quality has also been linked with increased profitability and is seen as providing an important competitive advantage by generating repeat sales, positive word of mouth feedback, customer loyalty and competitive product and service differentiation.

Customer satisfaction is an important facet for service organizations and specifically, it is highly related to service quality. Such development is highly related to the intensity of rivalries of today's business environment (Lee, and Hwan, 2005). Many organizations are putting strong emphasize on service quality due to its strategic role in enhancing competitiveness especially in the context of attracting new customers and enhancing relationships with existing customers (Ugboma, Ogwude & Nadi, 2007).

Indeed, service quality has become a key concept in a competitive corporate strategy. Zeithaml, Parasuraman and Berry (1988) identified two major payoffs of quality; quality creates true customers and it leads to efficiencies. Excellent service pays off because it creates true customers who are like annuities. They keep pumping revenues into an organization. Quality improvements lead to operational efficiencies beyond those associated with scale economies. This is because quality improvements (both in products and services) lower defects, service errors and customer complaints. Thus service quality does pay.

### **1.1.1 Service quality**

Service quality has since emerged as a pervasive strategic force and a key strategic issue on management's agenda. It is no surprise that practitioners and academics alike are keen on accurately measuring service quality in order to better understand its essential antecedents and consequences, and ultimately, establish methods for improving quality to achieve competitive advantage and build customer loyalty. Due to an increasingly competitive and dynamic educational environment, as well as numerous challenges, universities are becoming

more aware of the importance of student satisfaction (Usman, 2010; Altbach, 1998; Arambewela and Hall, 2009). Hence, Focusing on student satisfaction not only enables universities to re-engineer their organizations to adapt to student needs, but also allows them to develop a system for continuously monitoring how effectively they meet or exceed student needs (O'Neill, 2003).

### **1.1.2 Organizational performance**

The word "performance" is a noun, which means the way in which someone does his work or job, while, "company's performance" is a way of judging whether a company's results are good or bad (Collin, 1993). The Government Centre for Information Systems defines performance measurement as "a means of establishing how well a service is performing by comparing actual performance with planned targets". To measure performance, there are at least two distinctive approaches. The first approach uses a single financial indicator while the other approach uses multiple non financial indicators. Advocates of the single indicator approach support their technique on the following grounds: it's a relatively simple method of performance measurement, multiple indicators of performance, on the other hand, are difficult to design, and can lead to ranking among indicators. Advocates of multiple indicators, in support of their approach, argue that non financial measures can better supply the diagnostic function of performance measurement, and because they measure production directly, they are able to predict the direction of future cash flows more accurately (Lothian, 1987).

Thor,(1995) stated that in order to judge how well an organization is functioning, its managers must not limit their focus to just one indicator, one process, or one measure of success, but rather must utilise an entire "family" of measures. The characteristics of these family measures are that they must be: appropriate to the strategic plan and expressed in a language that is readily understood; well communicated within the organisation; consist of enough measures to ensure completeness but not so many that the organisation loses its focus; technically sound or proven; reviewed frequently or as often as is necessary; provide information on levels and trends, and, finally, be consistent with the rewards, recognition, and management style of the organisation.

Performance measures should be chosen which provide useful information for control purposes. A measure should therefore, tell us something about the ability of the company to

achieve set targets. Unfortunately, this is often not done and careless choice of measures can lead to false analysis and unsuitable action.

### **1.1.3 University Education in Kenya**

The demand for university education in Kenya has significantly increased and continues to swell. Many secondary school graduates and the working class look for opportunities to pursue university education. With the increasing numbers of students seeking places in universities, the question of quality is critical and requires urgent attention. O'Neill and Palmer (2004) hold the view that, like many service industries, higher education has tended to focus on technical dimensions. This is manifested in a plethora of statistics, indices and league tables covering such issues as student progression rates, the proportion of students receiving higher grades and the quality of teaching staff, as measured by their qualifications and research performance. Less effort has been spent in probing the functional aspects of quality that impact on students. These conditions necessitate that institutions should address the issue of quality, not only through the traditional routes of accreditation and course review, student feedback questionnaires on the quality of course delivery and teaching, but also through evaluating what students themselves consider elements in service quality.

The work of Zeithmal et al., (2009) suggests that one of the prime issues of poor performance in service organizations is failure to understand customers' expectations. Thus, institutions of higher learning are bound to fail if they do not have an accurate understanding of what customers expect of them. In addition, the growing level of competition that can be observed in many Kenyan universities requires an evaluation of factors that can fully explain which aspects of service quality largely determine students' perception of the quality of service that they receive.

Egerton University is a public university established by an Act of parliament in 1987. It receives funding from the government, but since 1990s the capitation from the government has continued to decline and the University has generated additional funds through self-sponsored programmes. This resulted in the establishment of Nakuru Town Campus to cater for self sponsored students taking Commerce, Computer Science, Health Sciences and Library Studies. Kabarak University is a private university established in 2002 to provide higher education in Business management, Theology, Computer Science and Environmental Science.

Comparison between levels of services offered in public and private universities and their effect on performance is necessary because there is an assumption that private universities provide better services as compared to public universities.

## **1.2 Statement of the Problem**

The government policy to liberalize and open up university education has resulted in increased competition between public and private universities. This has led to development of various strategies aimed at attracting customers and increasing the competitiveness of higher education. While the significance of quality for a competitive position in the marketplace has been emphasized for decades (Garvin, 1984; Parasuraman et al. 1985, Deming 1986, Cronin and Taylor 1992, Gronroos 2000), the real contribution of service quality to organizational performance in higher education setting has been largely unexplored (Forker 1996) and the gap between customer perceived quality and supplier perceived quality is still to be closed. Therefore, it is important to examine whether service quality affects organizational performance. The success and sustained viability of higher education lie in their ability to become customer orientated, with related strategies for focusing the business around service quality and organizational performance. It follows that if customers are satisfied with the service provided to them, it is easier for those businesses to retain their customers and achieve competitive advantage. While most higher education institutions have addressed the issue of service quality, through the traditional routes of accreditation, course review, and student's feedback questionnaires on the quality of course delivery and teaching and ISO certification. Little is also known on the effect of service quality on organizational performance in public and private universities. This study therefore sought to address this knowledge gap by investigating the effects of service quality on organizational performance in Kenyan Universities.

## **1.3 Objectives of the Study**

The overall objective of this study is to examine the effects of service quality strategies on organizational performance in Kenyan Universities. The specific objectives of this study are to:

- i. Determine the effects of tangibility on organizational performance in public and private universities.



- ii. Determine the effects of reliability on organizational performance in public and private universities.
- iii. Determine the effects of responsiveness on organizational performance in public and private universities.
- iv. Determine the effects of assurance on organizational performance in public and private universities.
- v. Determine the effects of empathy on organizational performance in public and private universities.
- vi. Determine the combined effects of service quality strategies on organizational performance in public and private universities.

#### **1.4 Research Hypotheses**

- H<sub>01</sub>:** Tangibility has no positive effect on organizational performance in public and private universities.
- H<sub>02</sub>:** Reliability has no positive effect on organizational performance in public and private universities.
- H<sub>03</sub>:** Responsiveness has no positive effect on organizational performance in public and private universities.
- H<sub>04</sub>:** Assurance has no positive effect on organizational performance in public and private universities.
- H<sub>05</sub>:** Empathy has no positive effect on organizational performance in public and private universities.
- H<sub>06</sub>:** The combined components of service quality have no effect on organizational performance public and private.

#### **1.5 Significance of the Study**

The finding of this study will document the effects of service quality on organizational performance in Kenyan university education. It will also establish perceived levels of service quality and competitive advantage enabling the university management to put in place strategies which are customer focused and address issues which lead to improved services to customers. It will serve as a future reference for researchers interested in understanding the effects of service quality on organizational performance.

The findings and recommendations of this study will enable policy makers to increase the efficiency and effectiveness with which services are utilized for competitive advantage. Measures of service quality also represent a vehicle for holding service providers to account for the quality and quantity of services they provide to the students.

### **1.6 Assumptions of the Study**

The study assumed that higher education institutions in Kenya have implemented service quality strategies in their service delivery to customers.

### **1.7 Scope and Limitations of the Study**

The study was carried out at Egerton University Nakuru Town Campus College and Kabarak University Nakuru Town Campus in the 2012/2013 academic period. It involved students and management staff who were interviewed on the effects of service quality on organizational performance in universities.

The first limitation of this study is that the scope is confined to the higher education sector, and in particular, campuses of two universities in Nakuru. This will limit the generalization of the findings to the entire population. Secondly, self-report measures were used, which relied upon the honesty of the respondents and their emotional state at the time of filling the questionnaire. Further, some respondents were reluctant to answer questions but on explanation of the reason for the study and assurance of confidentiality they were able to respond. Thirdly, the study data was collected at one point in time, therefore the long-term effect of service quality strategies on organizational performance cannot be established. Future studies may carry out a similar research using longitudinal research design.

### **1.8 Operational Definition of Terms**

**Competitive Advantage:** is an advantage over competitors gained by offering consumers greater value, either by means of lower prices or by providing greater benefits and services that justifies a higher price (Porter, 1985).

**Performance measurement:** is defined as a process of quantifying the efficiency and effectiveness of actions (Neely et al. 1995)

**Service quality:** Bitner and Hubbert (1994) define service quality as the “consumer’s overall impression of the relative inferiority/superiority of the organization and its services”

**SERVQUAL:** is an acronym for service quality and is measurement model based on customer perception and expectations developed by Parasuraman, Zeithaml and Berry, (1985)

**SERVPERF:** is an acronym for service performance and is measurement model based on performance developed by Cronin and Taylor (1992).

**University:** is defined as any institution offering university education or any institution established or deemed to be established or declared as a university under an Act of parliament.

**Public University:** is defined as any university established and maintained by public funds

**Private University:** is defined as a university that is not established or maintained by public funds.

## CHAPTER TWO

### LITERATURE REVIEW

#### 2.1 Theoretical Background

The theoretical framework of this study is based on consumer theory and the Resource Based View. According to the consumer theory's basic assumptions, students can be regarded as individual customers that have individual preferences, wishes and needs. They do not only decide whether they want to buy a certain service, namely higher education but, also where they want to receive it. The University represents a service supplier that ideally provides reliable services and is responsive to its customers' needs. These services provided by a university extend far beyond the mere provision of academic teaching, embracing the realm of administration, personal support as well as extra-curricular activities.

Two models have been used to measure service quality namely Disconfirmation paradigm and Performance paradigm (Oliver, 1980). The disconfirmation model is build upon consumers' pre-consumption expectations and their post-consumption perception where customer satisfaction is the difference between customer's expectation about an outcome of a process before experiencing the process and the actual outcome as perceived by the customer after experiencing the process (Gronroos 1984). The performance paradigm indicates that customer' assessments of continuously provided services, may depend solely on performance, thereby suggesting that performance-based measures explain more of the variance in an overall measure of service satisfaction (Zhou, 2004). Therefore this study will use the performance based measures of service quality.

The resource based theory stems from the principle that the source of firms competitive advantage lies in their internal resources as opposed to positioning in the external environment. Competitive advantage depends on the unique resources and capabilities that a firm possesses (Barney1995). Barney (1991) further argued that to have the potential to generate competitive advantage, a firm resource must have four attributes: it must be valuable, in the sense that it exploits opportunities and or neutralizes threats in a firm's environment; it must be rare among a firm's current and potential competition; it must be imperfectly imitable; and there cannot be strategically equivalent substitute for this resource.

A Study of Kak, (2002) examined the potential of an organization's sustainable competitive advantage based on the rareness and imitability of its resources and capabilities. The less imitable a competitive advantage is, the more cost disadvantage is faced by the competitor in imitating these competencies. Thus, core competence is an important source of sustained competitive advantage for corporate success and greater is its economic return. The literature has been reviewed for the sources of core competence, role of core competence for competitive advantage, and formulation of strategy with core competence and flexibility in a more focused manner. The organizational learning, strategic flexibility, effective technology management, and people provide the important sources of core competence.

While Firdaus (2006) measured service quality in higher education institutions in Malaysia using three different measuring scales. He suggested that SERVPERF scale was better suited to higher education service setting but recommended its application in other countries with different types of tertiary institutions in order to test whether the results he obtained were general and consistent across different samples.

Similarly, Tsinidou et al., (2010) did a study on factors determining quality in higher education in Greece among Business and Economics students. The main variables or factors of importance were: academic staff, administrative service, library service, curriculum structure, location, facilities, and career prospects. He used factor analysis to come up with important factors on each of the above sub-criterion. The findings indicated that on academic staff criterion, students rated communication skills as the most important; on administrative service, clear guidelines and advice was most ranked; on library service, students wanted availability of text books and journals; on curriculum structure, students valued practical or hands on experience; on location, an important factor was cost of transportation; on facilities, students were concerned about quality classrooms and laboratories (infrastructure) while on career prospects, students were keen on perspectives for a professional career.

A survey conducted by Owlia and Aspinwall (1997) examined the views of different professional and practitioners on the quality in higher education. They concluded that customer-orientation in higher education is a generally accepted principle. They construed that from the different customers of higher education, students were given the highest rank. Thus, students' experience in a university should be a key issue of which performance indicators need to address.

## 2.2 Service Quality

Offering superior solutions for customer needs becomes a prerequisite to provide a sustainable competitive advantage for a firm, and being customer-focused is a prime imperative for a firm, whether an organization is a manufacturing or service provider (Morison and Davis, 2004). However, according to Kelley, Donnelly and Skinner, 1990 cited by Westwood and Ager, (1999) service providers must develop mechanisms in order to ensure that customers provide the required information and effort to facilitate the service encounter and outcome. Zeithaml and Bitner (2003) argue that perhaps the inhibitor to learning about customer expectations is management's and employees' fear of asking, stemming from the belief that customer expectations will be extravagant and unrealistic, and that by asking about them a company will set itself up for even loftier expectation levels.

Zeithaml (2003) explains that there is evidence to suggest that customers' main expectations of service are quite simple and basic, i.e. customers expect service organizations to do what they are supposed to do; they expect fundamentals and not fanciness; performance, not empty promises. An understanding and measurement of service quality is important because it is a concept integral to the provision of a better, more focused service, and in order to achieve this, it is necessary to capture information on customer needs, expectations and perceptions (Wisniewski, 2001b).

While service organizations attempt to use the same methods to achieve service quality as goods manufacturers, services and service quality are differentiated from goods in several ways and a variety of definitions of services have emerged over the years. Most of these definitions attempt to capture one or another characteristic without encompassing all aspects of services. Gronroos (1983) defines a service as an activity or series of activities of more or less intangible nature that normally, but not necessarily, take place in interactions between the customer and service employees and/or systems of the service provider, which are provided as solutions to customer problems.

Bitner and Hubbert (1994:72) define service quality as the "consumer's overall impression of the relative inferiority/superiority of the organization and its services". White and Abels (1995) note that services are different from goods in that goods are tangible objects, have great consistency and are produced to meet certain standards. Services are dependent on the interaction between client and service provider.

Zeithaml et.al, (1990) and Herson and Altman (1996) have adopted the user-centered approach to defining service. Zeithaml et.al, (1990, p.16) states that “the only criteria that count in evaluating service quality are defined by customers. Only customers judge quality; all other judgments are essentially irrelevant”). These same authors also define service quality as “the extent of discrepancy between customers’ expectations or desires and their perceptions” (p.16). Zeithaml et.al, (1990) also identify several key factors that shape customers’ expectations such as word of mouth communications, personal needs, past experience and external communications from service providers. In a later study Zeithaml et.al, (1996) maintains that delivering service quality is an essential strategy for success and improving service quality can increase favorable behavior intentions and decrease unfavorable intentions.

### **2.2.1 Characteristics of Services**

In most cases, researchers maintain that services have characteristics that distinguish them from the manufactured products, or goods. One property of services is their intangibility. Services are performances rather than objects. In the sense of improving services, it is more difficult for an organization to count, measure, and inventory or verify services in advance of consumption (Parasuraman, et.al, 1991b). A second characteristic of services is their heterogeneity. Services are difficult to standardize and can vary between service organizations as personnel and procedures change. In the production process, customers often can influence the production process and their relationship with the producer. The third critical characteristic of services is the inseparability of production and consumption of services. This means that the customer is most often present when the good is produced and consumed (Martin, 1993). A fourth characteristic of services is its perishability. Unlike goods, which often have a measurable shelf life, services cannot be saved or inventoried (Garvin, 1988). If a service is not used it is lost. These characteristics underscore the need to understand and improve customer service and address quality issues.

### **2.2.2 Service Quality in Universities**

The service quality in the field of education and higher learning particularly is not only essential and important, but it is also an important parameter of educational excellence. It has been found that positive perceptions of service quality has a significant influence on student satisfaction and thus satisfied student would attract more students through word-of-mouth

communications (Alves and Raposo, 2010). The students can be motivated or inspired from both academic performance as well as the administrative efficiency of their institution.

According to Ahmed and Nawaz (2010) service quality is a key performance measure in educational excellence and is a main strategic variable for universities to create a strong perception in consumer's mind. Most of the well-established higher learning institutions focus highly on strategic issues like providing excellent customer services. It is important because by doing so they would be able to make and build good relationships with clients who are actually very important in determining their future in the industry (Malik, Danish, and Usman, 2010). Higher learning institutions are like other service based firms which is dependent on customer perception. One of the easiest yet powerful marketing strategy is through positive word of mouth. The most established service quality satisfaction analysis tool is the one developed by Parasuraman, Zeithaml, and Berry (1988), which they had identified five (5) dimensions of service quality; tangibles, reliability, assurance and empathy.

Quality is defined by the customer's impression of the service provided (Parasuraman, et al., 1988; Chang et al., (2002) propose that the assumption behind this definition is that customers form the perception of service quality according to the service performance they experience and based on past experiences of service performance. The pressures driving successful organizations toward top quality services make the measurement of service quality and its subsequent management of utmost importance. Interest in the measurement of service quality is thus understandably high. However, the problem inherent in the implementation of such a strategy has been compounded by the elusive nature of service quality construct, rendering it extremely difficult to define and measure. Although researchers have devoted a great deal of attention to service quality, there are still some unresolved issues that need to be addressed, and the most controversial one refers to the measurement instrument.

Tertiary educators are being called to account for the quality of education that they provide. While more accountability in tertiary education is probably desirable, the mechanisms for its achievement are being hotly debated. Hattie (1990) and Soutar and McNeil (1996) oppose the current system of centralized control, in which the government sets up a number of performance indicators that are linked to funding decisions. There are a number of problems in developing performance indicators in tertiary education. One such problem is that performance indicators tend to become measures of activity rather than true measures of the



quality of students' educational service (Soutar and McNeil, 1996). These performance indicators may have something to do with the provision of tertiary education, but they certainly fail to measure the quality of education provided in any comprehensive way.

An attempt to define the evaluation standard independent of any particular service context has stimulated the setting up of several methodologies. In the last decade, the emergence of diverse instruments of measurement such as SERVQUAL (Parasuraman et al., 1988), SERVPERF (Cronin & Taylor, 1992) and evaluated performance (EP) (Teas, 1993a, b) has contributed enormously to the development in the study of service quality. SERVQUAL operationalizes service quality by comparing the perceptions of the service received with expectations, while SERVPERF maintains only the perceptions of service quality. On the other hand, EP scale measures the gap between perceived performance and the ideal amount of a feature rather than the customer's expectations. Diverse studies using these scales have demonstrated the existence of difficulties resulting from the conceptual or theoretical component as much as from the empirical component. Nevertheless, many authors concur that customer assessment of continuously provided services may depend solely on performance, thereby suggesting that performance-based measure explains more of the variance in an overall measure of service quality (Oliver, 1989; Bolton & Drew, 1991a, b; Cronin & Taylor, 1992; Boulding et al., 1993; Quester et al., 1995). These findings are consistent with other research that have compared these methods in the scope of service activities, thus confirming that SERVPERF (performance only) results in more reliable estimation, and has greater convergent and discriminant validity, greater explained variance, and consequently less bias than the SERVQUAL and EP scales (Cronin & Taylor, 1992; Parasuraman et al., 1994; Quester et al., 1995).

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### 2.2.3 Service Quality Strategies

Researchers and practitioners have found that customers consider many dimensions in their assessments of service quality (Gronroos, 1984; Parasuraman et al. 1985, 1988; Lehtinen and Lehtinen, 1991). To improve quality, service providers have to identify the key determinants of service quality. A measure of service quality requirements in the higher education sector should therefore take into account the following dimensions of service quality, adapted from the original SERVQUAL model, (Oliver, 1997) which includes reliability, responsiveness, tangibles, assurance and empathy:

Reliability is concerned with the provider's ability to perform the promised service dependably and accurately. In this study reliability involves the ability to provide services at the time the organization promises to do so. It may also be concerned with the provision of service that is free of errors, and the consistency in the level of service provided by staff at different times of the day (Usman 2010).

Responsiveness is concerned with willingness and ability to provide a prompt service consistently, and the prioritizing of service requests according to their varying degrees of urgency being willing to help, or readiness of employees to help customers and to provide prompt service. This dimension emphasizes attentiveness and promptness in dealing with customer requests, questions, complaints, and problems (Baron and Harris, 2003).

The tangibles dimension is concerned with the use of equipment and technology, the appearance and dress of staff, appearance and design of the organization's forms and other material used in business transactions, and the appearance of business' physical facilities. Each of these statements will have an impact on the service quality as perceived by the customer. For instance a customer may perceive that the University is using antiquated equipment and technology, and expects the organization to be in the forefront in terms of technology and equipment used. Zeithaml and Bitner (2002) emphasized the relative dominance of intangible attributes in the make-up of the service product. Services such as teaching is classified as highly intangible, because services are performances or actions rather than objects: they cannot be seen, felt or tasted in the same way that one can sense a tangible good. Many services, including education, are also difficult for consumers to comprehend. Therefore, managers need to manage physical evidence to provide tangible cues to service quality. This concept helps frame expectations, since it is often the first physical/tangible clue that the student perceives about the educational provider.

Assurance dimension, inspiring trust and confidence, is defined as the employees' knowledge and courtesy and the ability of the firm and its employees to inspire trust and confidence. The university seeks to build trust and loyalty between its employees and individual students. This dimension is likely to be particularly important for services and customers' ability to evaluate outcomes. In the early stages of the relationship, the customer may use tangible evidence to assess the assurance dimension. Visible evidence of degrees, honours and awards and special

certifications may give a new customer confidence in a professional service provider (Zeithaml and Bitner, 2002).

Empathy dimension involves treating customers as individuals, is defined as caring, individualized attention that the firm provides to its customers. The customers need to feel understood by, and important to, firms that provide service for them while keeping their best interest at heart. Understanding is concerned with making an effort to know customers and their specific needs. It may also take into account issues of level of service provided and cost of service, and their consistency with the customers' requirements and affordability. In this study, understanding the customer is measured by the ability of the university staff to recognize each regular customer and try to determine what their specific requirements are, and the flexibility to accommodate the student's schedules (Parasuraman et al. 1985)

### **2.3 Organizational Performance**

Organizational performance comprises the actual outputs or results of an organization as measured against its intended objectives. Superior performance is associated with firms that possess customer value based organizational cultures. Customer value can be defined as 'a customer's perceived preference for and evaluation of those product attribute, attribute performances, and purposes in use situations (Woodruff, 1997, p. 142), categorizing customer value to be either a received or desired value. Received value is defined as what customers actually experience from specific product-customer interactions, and making value judgments based on this experience (Flint & Woodruff, 2001). Value judgments can often change, as incidents that draw customers to suppliers are likely to have an impact on the former judgment of the value received, be it negative or positive. However, relatively few companies consciously classify trigger events as perceived by their clientele, that drive changes in customer value and their value judgments (Flint & Woodruff 2001). Any customer value change can prompt customers to seek, maintain, or move away from their existing relationships with suppliers (Flint, Woodruff & Gardial, 2002).

The concept of value, however, is one of the most overused and misused concepts in social science and management literature (Leszinski & Marn, 1997) and is discussed in many areas of marketing, including relationship marketing, pricing, consumer behavior, total quality management, and strategy (de Chernatony, Harris, & Dall'Olmo Riley, 2000; Möller, 2006).

Slater and Narver (1994b, p. 22) stated that 'to create superior value for buyers continuously requires that a seller understands a buyer's entire value chain, not only as it is today but also as it evolves over time'. Market-oriented firms understand their customers and their changing needs. Thus, innovation processes are organized around delivering customer value. Consistent with this perspective, Tan and Smyrniotis (2003) asserted that competitive advantage should be measured in terms of customer value because customers ultimately buy the products/services. A customer value approach focuses on how people choose among competing suppliers (Gale, 1994).

Ulag and Eggert (2005) posited that value is relative to competition. Thus, delivering a better combination of intrinsic quality attributes for product/services can assist firms create competitive advantage. As customers are not homogenous, different customer segments possess disparate values within the same products. Woodruff (1997) put forward that customer value should be conceptualized as a means-end chain, with desired product attributes (first level), leading to the achievement of desired consequences in use situations (intermediate level), and fulfillment of customer goals and purposes (highest level). This author indicates that too much emphasis has been placed on product attributes, neglecting customer value delivery at higher levels of the means-end chain. Based on the above line of reasoning, it appears that gaining competitive advantage by the provision of greater value to customers can lead to superior market-based (market share, customer satisfaction) and financial-based (profits, return on investment) performance (Bharadwaj, Varadarajan, & Fahy, 1993).

## **2.4 Service Quality and Organizational Performance**

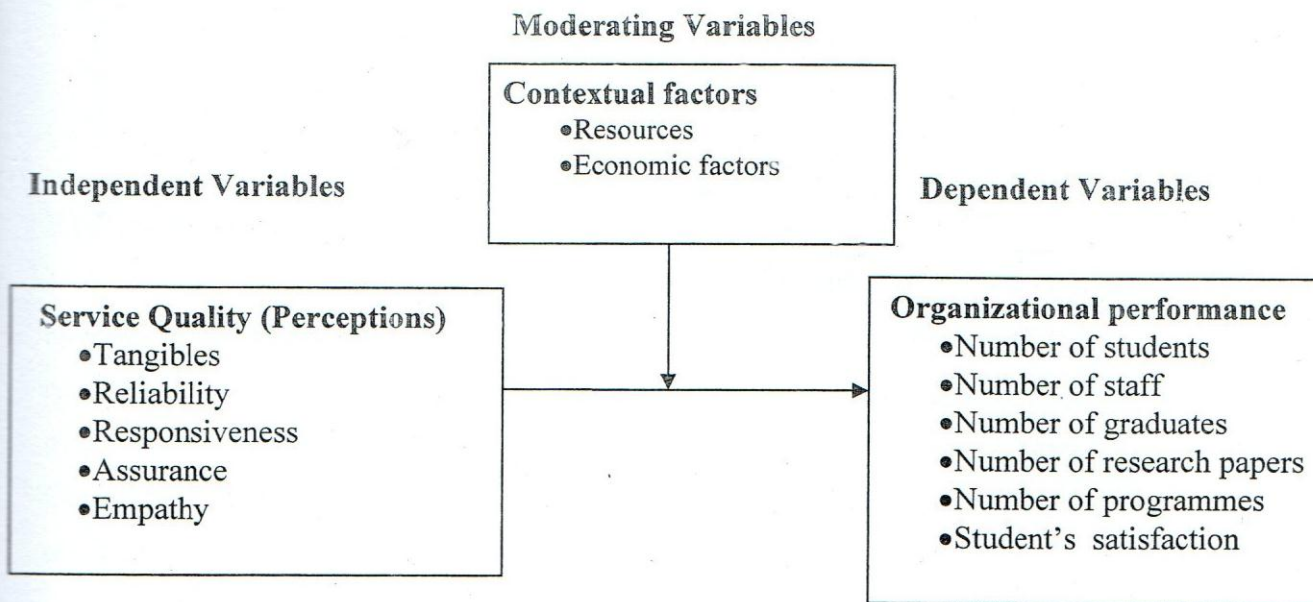
A major assumption in the service quality and firm performance literature is that quality improves firm performance. We identified three major empirical studies in the literature. The first stream was from empirical studies using the Profit Impact of Marketing Strategies (PIMS) database. Most studies found superior service quality had a positive relationship with higher return on investments (ROI) e.g., (Buzzell and Gale, 1987; Phillips, Chang, and Buzzell, 1983; Schoeffler, Buzzell, and Heany, 1974), although Wagner (1984) found inconclusive results on the relationship between quality and ROI. The second stream was from a series of studies on the American Customer Satisfaction Index (ACSI) model, which established the relationship between customer expectations, perceived quality, perceived value, customer satisfaction, customer complaints, and customer loyalty (Fornell *et al.*,

1996). For example, Ittner and Larcker (1996) reported a positive relationship between ACSI's customer variables and financial measures such as return on assets, market-to-book ratio, and price-earnings ratio. The third stream was from studies that examined perceived quality data from the EquiTrend Quality Assessment Database (EQA) of the Total Research Corporation. For example, Aaker and Jacobson (1994) found a positive relationship between stock return and perceived product quality in 34 companies traded on the U.S. Stock Exchange, which implies that quality is positively related to a firm's economic performance measures.

Most studies of organizational performance define performance as a dependent variable and seek to identify variables that produce variations in performance. Such is the stand researcher has taken. Organizational performance is driven, in part, by service quality strategies such as tangibility, reliability, responsive, assurance and empathy. Repeated findings on quality either measured by customer satisfaction or perceived quality, provide a growing body of evidence that the relationship between quality and firm performance is positive. Interestingly, research on quality predominantly used profitability rather than growth as a measure of firm performance. Little research has examined how service quality and firm performance are related to each other in higher education in Kenya.

## **2.5 Conceptual Framework**

The framework of this study examined service quality strategies as being the critical factors in improving organizational performance. This study adopted Parasuraman's SERVQUAL dimensions and SERVPERF Model for service quality measurement. The dependent variable in this study is organizational performance at Nakuru Town Campus College and Kabarak University Nakuru Town Campus. The service quality strategies constitutes the independent variables namely tangibles, reliability, responsiveness, assurance and empathy as illustrated in Figure 2.0



**Figure 2.1: The Relationship between service quality and organizational performance**

**Source:** Researcher

According to the framework in Figure 2.1., service quality perceptions are tangibles, reliability, responsiveness, assurance and empathy as perceived by the students, which is conceptualised as having an effect on organizational performance measured by the number of students, number of staff, number of graduates, research papers produced and the number of programmes. It is conceptualised that when students receive quality services they will be satisfied and will tell others resulting in increased number of students, which will also affect other outputs such as number of graduates, number of research papers and market share.

Contextual factors that are environmental factors, economic factors and resources will have an effect on the relationship between service quality and organizational performance. Environmental conditions or the totality of external factors that influence the behaviour of the institutions will affect the performance of an organization. An organization's external environment consists of competitors and other forces outside its industry that are not under direct control of the organization and its industry (Byars, Rue and Zahra 1996) The existing economic conditions in the country are also likely to affect the performance of an organization.

## CHAPTER THREE

### RESEARCH METHODOLOGY

#### 3.1 Research Design

This study adopted correlational research design to determine if there is relationship and the strength of the relationship achieve the objectives of the study. This implies that the data required for the problem was gathered once. This kind of design saved on time, effort and costs that would otherwise have been incurred in collecting data over several time periods. Correlation analysis was done to determine the relationship between service quality and organizational performance.

#### 3.2 Study Area

The study will be based at Egerton University Nakuru Town Campus College and Kabarak University Nakuru Campus both located in Nakuru Municipality Kenya.

#### 3.3 Target Population

The study involved all management staff from the public university and the private university and students taking various courses in Egerton Nakuru Town Campus College a public university public that has total population of 2,221 students and Kabarak University Town Campus a private university) which has 858 students in the 2012/2013 academic period.

#### 3.4. Sampling Design and Procedure

The study employed purposive sampling to pick the two universities, one public and one private University, in order to establish whether there were differences in service quality in each category since both campuses serve self sponsored students. Purposive sampling was also used to select the 2012/13 third and fourth year students because they understand the concepts of service quality and have experienced various types of services offered at the university. Stratified random sampling was used to select the proportion of students according to the university and year of study. The study employed census for management staff since they comprise a small number. The sample size for students was obtained using the equation developed by Yamane (1967) as shown:

$$n = \frac{N}{1 + N(e)^2}$$

Where: N = Population size take

n = sample size

e = Margin error of the study set at ±5%

Sample Size for Egerton University Nakuru Town Campus College and Kabarak University Town Campus with a total population of 3,079 students was determined as follows:

$$n = \frac{3,079}{1 + 3,079(.05)^2} = 354$$

**Table 3.0 Sampling Procedure**

	Population	Sample Proportion
Egerton University Nakuru Town campus	2,221	255
Kabarak university Nakuru Town Campus	858	99
Total	3,079	354

### 3.5 Data Collection

The study employed a survey method of data collection since it aimed at collecting opinions and views from a cross range of issues from respondents in both Universities. Secondary data was obtained from published literature. Primary data was collected using a self-administered structured questionnaire for respondents in Universities. The questionnaire items for service quality were adopted from SERVQUAL Model developed by Parasuraman et al., (1988) using a five likert scale. The question had three (3) sections as follows: Section One asked questions on student's bio-data; Section Two asked about service quality; and Section Three about Students satisfaction. A letter of authority to collect data was obtained from Dean, Faculty of Commerce to facilitate the data collection. At the onset of data collection, the respondents were consulted in order to facilitate a seamless data collection process. Time scheduled for respective visits was observed and reasons for the research explained to targeted respondents. It was ensured that the questionnaires were accurately completed during the field work. The questionnaires were numbered and coded to ensure that all the necessary information was recorded.



### 3.6 Validity and Reliability

Validity refers to the extent to which a scale or set of measures accurately represents the concept of interest (Hair *et al.*, 1998). Face and content validity were used in this study. Content validity is a measure of the degree to which data collected using a particular instrument represents the content of the concept being measured (Mugenda and Mugenda, 1999). Validity of the data collection instrument involved experts in the Faculty of Commerce for advice on the face validity, content validity of the instrument and also going through the questionnaire in relation to the set objectives and making sure that they contained all the necessary information.

Reliability is concerned with questions of stability and consistency. It is the measure of the degree to which a research instrument yields consistent results or data after repeated trials (Mugenda & Mugenda 2003). To check the reliability of the instrument, Cronbach's Alpha coefficient was computed to determine internal consistency. The reliability coefficient for service quality questionnaire was 0.927 and for organizational performance was found to be 0.793 which according to George and Mallery (2003) rule of thumb is above the threshold of 0.7 and therefore considered good. This means that the instrument was a reliable measure for this research. The Cronbach's Alpha Reliability Scores are presented in Table 3.1.

**Table 3.1 Reliability Test**

<b>Variables</b>	<b>Items</b>	<b>Alpha-Coefficient</b>
Tangibles	1-4	0.749
Reliability	5-9	0.832
Responsiveness	10-13	0.710
Assurance	14-17	0.742
Empathy	18-22	0.805
Organizational Performance		0.793
Overall Service Quality		0.927

### 3.7 Data Analysis and Presentation

Data processing was carried out through various steps which included; data editing, coding, classification, tabulation and finally presentation. The Data gathered was organized and processed using Statistical Package for Social Sciences (SPSS) version 17 to bring out the

effects of service quality on organizational performance. Both descriptive and inferential statistics were used to analyze the data. Descriptive statistics was employed to generate frequency distribution tables, graphs, pie charts and percentages of responses to summarise the data. Pearson's product moment correlation coefficient was calculated to determine the strength and direction of the relationship that exist between service quality strategies and organizational performance. To determine the effect of service quality strategies on organizational performance Multiple Regression model was developed:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + b_5X_5 + \varepsilon$$

Where Y = Organizational Performance

a = Constant

b<sub>1</sub>- b<sub>5</sub> = Regression coefficients

X<sub>1</sub> = Tangibility

X<sub>2</sub> = Reliability

X<sub>3</sub> = Responsiveness

X<sub>4</sub> = Assurance

X<sub>5</sub> = Empathy

ε = error term

The results of the analysis were presented using tables.

## CHAPTER FOUR

### RESULTS AND DISCUSSION

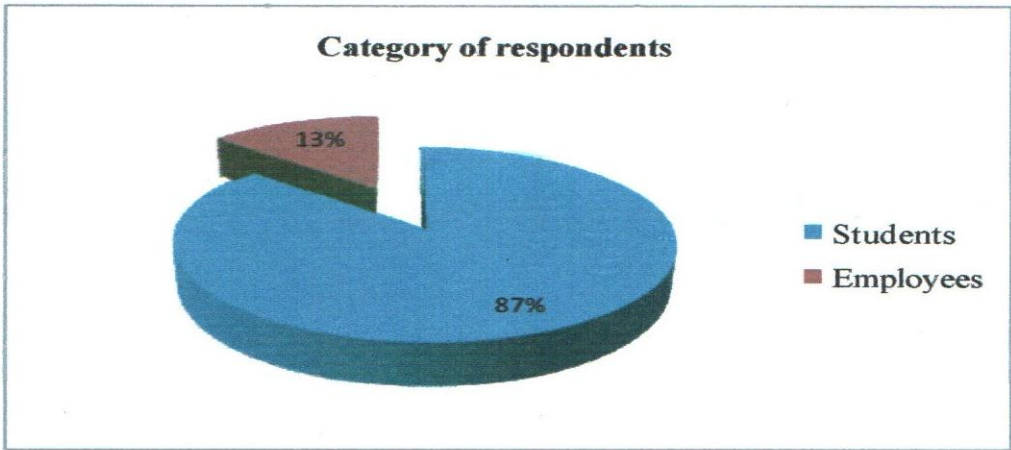
#### **4.1 Introduction**

This chapter presents the research findings and discussion of the results with reference to the specific objectives. It presents results regarding the background information of the organizations, operationalization and institutional practices and the relationship between service quality and organizational performance.

#### **4.2 Organizational/Respondents Profiles**

This study targeted one public and one private university located in Nakuru town, however, they have other campuses in other parts of the country. The respondents of the study consisted of university management employees, teaching and non-teaching staff and students. The researcher distributed 360 questionnaires and received 289 filled questionnaires giving a response rate of 80.3%. Mugenda and Mugenda (2003) reported that a 50% response rate is adequate, 60% good and above 70% rates as very good.

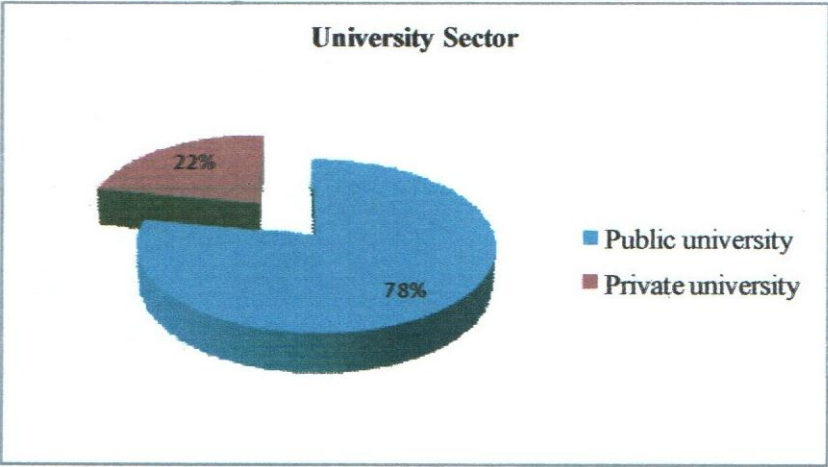
The respondents were mainly students, administrative and academic staff from public and private universities. This section presents a brief description of the demographic characteristics of sampled respondents involved in this study. Such a description is considered to be very important in providing a better understanding of the respondents included in the study and therefore provide a good foundation for detailed discussion of the results based on the stipulated objectives of the study. The demographic characteristics include category of respondents and the university as discussed Figure 4.1 and Figure 4.2



**Figure 4.1: Distribution of the respondents based on the category**

**Source:** Research data, 2013

Study findings in Figure 4.1 indicated that out of 289 respondents, 39 constituting 13% were employees while 250 comprising of 87% were students.



**Figure 4.2: Distribution of the respondents based on university sector**

**Source:** Research data

The findings show that 78% of respondents were from the public university while 22% of the respondents were from the private university.

**4.3 Operationalization of Service Quality and Organizational Performance**

To determine the effect of service quality on organizational performance, the researcher sought responses on both perceptions of service quality and organizational performance. The study sought to investigate service quality as practiced by higher education institutions in Kenya. This was indicated by the extent to which the respondents agreed with various

statements regarding service quality adopted Parasuraman's SERVQUAL dimensions and SERVPERF Model for service quality measurement which comprise of tangibility, reliability, assurance, responsiveness and empathy operationalization on a scale ranging from strongly disagrees as the lowest and strongly agree on the higher side. To determine how service quality affects performance of higher education institutions in Kenya, the researcher needed to establish the performance levels of these organizations. Performance in university education was derived from the objectives of the universities and six key indicators were identified namely; number of students, number of staff, number of graduates, number of research papers published, number of programmes and students satisfaction.

**4.4 Organizational performance**

The respondents were asked to indicate the extent to which statements on performance characterized their organization in relation to other institutions in the last three years on a 5-point Likert scale with very much decreased as the lowest and very much increased as the highest. Since the number of staff respondents was small, the scales were merged into a 3-point scale for ease of interpretation as follows: 1 = Decreased; 2 = Not changed; 3 = Increased. The results are presented in table 4.1

**Table 4.1: Results of organizational performance**

	Decreased	Not changed	Increased	Mean	Std. Deviation
The number of staff	10.3	10.3	79.5	2.692	.65510
The number of students graduating	7.7	25.6	66.7	2.590	.63734
The number of new programmes introduced	7.7	35.9	56.4	2.487	.64367
The number of research papers published	7.7	51.3	41.0	2.333	.62126
The number of students	25.6	38.5	35.9	2.103	.78790

**Source:** Research data

The analysis in Table 4.1 shows that 79.5% of the respondents perceived the number of staff had increased significantly; 66.7% agreed that the number of students graduating had increased as compared to 25.6% who believed that the number had not changed; 51.3% of the respondents did not believe that the number of research publications had changed as compared to 41% who believed that the number of publications had increased. Finally, 38.5% of the respondents believed that the number of students had not changed as compared to

35.9% who believed that the number had increased. In summary, the mean scores has shown that respondents perceived the number of staff to have increased significantly ( $M = 2.692$ ) while the increase in the number of students was marginal as shown by the low mean score ( $M = 2.103$ ). However, further analysis has shown that the ranking of the organizational performance factors differed considerably among respondents in the public and private universities.

#### 4.5. Student satisfaction at the universities

The respondents were asked to indicate their satisfaction or dissatisfaction with various aspects of the university. A five point likert scale with the levels strongly agree, agree, disagree and strongly disagree was used. The results are presented in Table 4.2

**Table 4.2: Results of Student satisfaction at the Universities**

	University	Disagree (%)	Uncertain (%)	Agree (%)	Mean	Std. Deviation
Quality of education I am receiving	Private	2.2	17.4	80.4	2.783	0.46729
	Public	16.7	15.7	67.6	2.510	0.76558
Level of knowledge of staff who teach me	Private	2.2	16.4	78.3	2.761	0.48004
	Public	9.8	18.6	71.6	2.618	0.65907
Overall quality of the campus facilities	Private	6.5	15.2	78.3	2.717	0.58359
	Public	36.8	30.4	32.8	1.961	0.83544
Professionalism of my lecturers	Private	6.5	15.2	78.3	2.717	0.58359
	Public	9.8	19.1	71.1	2.613	0.65993
Teaching ability of my lecturers	Private	6.5	21.7	71.7	2.652	0.60433
	Public	12.3	14.2	73.5	2.613	0.69625
Availability of computers & technology	Private	4.3	34.8	60.9	2.565	0.58318
	Public	54.7	22.1	20.6	1.632	0.80462
Library resources	Private	17.4	26.1	56.5	2.391	0.77397
	Public	27.5	18.1	54.4	2.270	0.86580
Chances to pursue my social interests	Private	37.0	17.4	45.7	2.087	0.91472
	Public	35.3	21.6	43.1	2.078	0.88431

**Source:** Research data

The analysis in Table 4.2 shows that the respondents from private university were most satisfied with the overall quality of education ( $M = 2.783$ ), level of knowledge of their lecturers (2.761), overall quality of the campus facilities ( $M = 2.717$ ), professionalism of their lecturers (2.717) and the teaching ability of their lecturers ( $M = 2.652$ ). On the other hand, the respondents were most dissatisfied with the library resources and chances to pursue their social interests ( $M = 2.087$ ).

While the respondents from public university were most satisfied with the level of knowledge of their staff ( $M = 2.618$ ), professionalism of their lecturers ( $M = 2.613$ ) and the teaching ability of their lecturers ( $M = 2.613$ ). On the other hand, they were most dissatisfied with the overall quality of the campus facilities ( $M = 1.961$ ) and the availability of computers and technology ( $M = 1.632$ ).

In conclusion, the analysis has shown that respondents from the public and the private university were comparatively satisfied with the quality of education, level of knowledge of their lecturers and the teaching ability of their lecturers. However, unlike respondents from the private university, respondents from the public university were most dissatisfied with the overall quality of campus facilities and availability of computers and equipments. On the other hand, respondents from the private university were most dissatisfied with chances to pursue their social interests. It is possible that since the university is Christian-based, there are many rules that guide the moral and social behaviour of the students.

## **4.6 Service Quality**

This section will present the descriptive statistics of the responses on service quality and organizational performance:

### **4.6.1 Tangibility at the university**

A five point likert scale with strongly disagree, disagree, uncertain, agree and strongly agree were used to establish respondents perceptions on tangibility in their university. Since the number of respondents was small, the scales were merged into a 3-point scale for ease of interpretation as follows: 1 = Disagree; 2 = Uncertain; 3 = Agree. The results are presented in Table 4.3

**Table 4.3: Results of tangibility at the public and private university**

	Sector	Disagree (%)	Uncertain (%)	Agree (%)	Mean	Std Dev
Staff in this University appears neat and appropriately dressed	Public	18.2	18.7	63.1	2.449	0.784
	Private	3.1	17.2	79.7	2.766	0.496
This University has visually appealing materials associated with the service	Public	39.1	26.7	34.2	1.951	0.857
	Private	6.3	18.8	75.0	2.688	0.588
This University has modern equipment and technology	Public	51.1	16.9	32.0	1.809	0.893
	Private	12.5	17.2	70.3	2.578	0.708
This university has visually appealing physical facilities	Public	53.3	19.1	27.6	1.742	0.864
	Private	9.4	18.8	71.9	2.625	0.655

As shown in table 4.3 above, the respondents gave their opinion on their agreement or disagreement in regard to statements which comprise tangibility in their institutions in the last three years. Respondents from private university had a higher mean for all the statements as compared to the respondents from the public university. In summary, the mean scores showed that the respondents from the private university were most satisfied with their university staff who “appears neat and appropriately dressed”(M = 2.766) and most dissatisfied with “modern equipments and technology” (M = 2.578). On the other hand, respondents from the public university, agreed their university staff “appears neat and appropriately dressed” (M= 2.449) while respondents did not agree that the university had “visually appealing physical facilities” (M = 1.742). This suggests that the public university can improve on tangibility by investing on visually appealing physical facilities while the private university can focus on providing modern equipment and technology.

#### 4.6.2 Reliability at the university

A five point likert scale showing the level of agreement with strongly agree, agree, neither agree nor disagree, strongly disagree and disagree was used to establish respondents perceptions on the reliability in their university. The results are presented in Table 4.4



**Table 4.4: Results of reliability at the public and private university**

Statement	Sector	Disagree (%)	Uncertain (%)	Agree (%)	Mean	Std Dev
Staff in this University show a sincere interest in solving student's problems	Public	48.0	17.2	34.8	1.868	0.903
	Private	9.4	28.1	62.5	2.531	0.666
This University provides its services at the time it promises to do so	Public	49.0	21.6	29.4	1.848	0.899
	Private	18.8	23.4	57.8	2.391	0.789
This University performs services right the first time	Public	46.1	23.0	30.9	1.848	0.866
	Private	21.9	28.1	50.0	2.281	0.806
Services provided by this University are free of errors	Public	56.4	23.5	20.1	1.637	0.798
	Private	28.1	23.4	48.4	2.203	0.858

**Source:** Research data

As shown in table 4.4 above, the respondents gave their opinion on their agreement or disagreement in regard to statements which comprise reliability in their institutions in the last three years. The mean scores showed that respondents from the private university perceived their university to be more reliable as compared to respondents from the public university. The statement “staff in this University show a sincere interest in solving student's problems” had the highest mean score in the private university ( $M = 2.531$ ) while the public university had a mean score of  $M = 1.868$ . On the other hand, the statement “Services provided by this University are free of errors” had the lowest mean score of  $M = 2.203$  in the private university and a mean score of  $M = 1.637$  in the public university.

#### **4.6.3 Responsiveness at the university**

A five point likert scale showing the level of agreement with strongly agree, agree, neither agree nor disagree, strongly disagree and disagree was used to establish respondents perceptions on the responsiveness in their university. The results are presented in table 4.5.

**Table 4.5: Results of responsiveness at the public and private university**

Statement	Sector	Disagree (%)	Uncertain (%)	Agree (%)	Mean	Std Dev
This university prescribes specific times when services are provided to students	Public	26.2	20.1	52.0	2.267	0.850
	Private	26.2	20.9	52.9	2.547	0.665
Staff in this University are always willing to help you	Public	33.8	21.1	42.6	2.120	0.886
	Private	33.8	20.4	45.8	2.547	0.688
Employees in this University are never too busy to respond to students' requests	Public	41.3	22.5	33.3	1.964	0.891
	Private	41.3	20.9	37.8	2.328	0.778
Employees in this University give students prompt service	Public	43.1	23.5	30.9	1.911	0.877
	Private	43.1	22.7	34.2	2.188	0.814

**Source:** Research data

As shown in the analysis in Table 4.5 above the respondents gave their opinion on their agreement or disagreement in regard to statements which comprise responsiveness in their institutions in the last three years and the mean scores for the private university was consistently higher in all the statements as compared with the mean scores for the public university. The statement ‘this university prescribes specific times when services are provided to students’ had the highest mean for the private university (M= 2.547) and M= 2.267 for the public university. On the other hand, the statement ‘Employees in this University give students prompt services’ had the lowest mean score of M= 2.188 at the private university and M= 1.911 at the public university. In conclusion, the analysis has shown that the respondents from the private university perceived their university as being more responsive as compared with respondents from the public university.

#### **4.6.4 Assurance at the university**

A five point likert scale showing the level of agreement with strongly agree, agree, neither agree nor disagree, strongly disagree and disagree was used to establish respondents perceptions on the assurance in their university. The results are presented in table 4.6.

**Table 4.6: Results of assurance at the public and private university**

Statement	Sector	Disagree (%)	Uncertain (%)	Agree (%)	Mean	Std Dev
This University is always safe to access	Public	17.3	19.6	63.1	2.458	0.773
	Private	4.7	26.6	68.8	2.641	0.574
Employees in this University have the knowledge to answer your questions	Public	22.7	25.3	52.0	2.293	0.815
	Private	7.8	26.6	65.6	2.578	0.638
Staff in this University are consistently courteous with students	Public	30.7	28.4	40.9	2.102	0.842
	Private	9.4	34.4	56.3	2.469	0.666
The behaviour of staff in this University instils confidence in the students	Public	35.1	24.4	40.4	2.053	0.870
	Private	7.8	26.6	65.6	2.578	0.638

**Source:** Research data

In Table 4.6 above, the responses for assurance shows that the mean scores for private university was consistently higher in all the statements as compared with the mean for the public university. The private university had the highest mean scores for the statement “this University is always safe to access” (M = 2.641) while the public university had a mean score of M=2.458. On the other hand, the statement “the behaviour of staff in this University instils confidence in the students” received the lowest mean score at the public university (M=2.053) at the public university while the statement ‘Staff in this University are consistently courteous with students’ had the lowest mean of M= 2.469 at the private university. In conclusion, unlike the public university, respondents from the private university indicated that they had trust and confidence in their university and employees.

#### **4.6.5 Empathy at the university**

A five point likert scale showing the level of agreement with strongly agree, agree, neither agree nor disagree, strongly disagree and disagree was used to establish respondents perceptions on the empathy in their university. The results are presented in table 4.7

**Table 4.7: Results of empathy at the public and private university**

Statement	Sector	Disagree (%)	Uncertain (%)	Agree (%)	Mean	Std Dev
This university has convenient operating hours	Public	17.8	34.7	47.6	2.298	0.753
	Private	3.1	23.4	73.4	2.703	0.525
Employees in this University give personal assistance	Public	27.6	29.8	42.7	2.151	0.826
	Private	10.9	32.8	56.3	2.453	0.688
This University provides individual attention to students	Public	38.2	25.8	36.0	1.978	0.863
	Private	17.2	28.1	54.7	2.375	0.766
Employees in this University have student's best interest at heart	Public	36.4	29.3	34.2	1.978	0.842
	Private	20.3	29.7	50.0	2.297	0.790
This University understands students specific needs	Public	43.1	24.4	32.4	1.893	0.865
	Private	23.4	25.0	51.6	2.281	0.826

**Source:** Research data

As shown in Table 4.7 above, the respondents gave their opinion on their agreement or disagreement in regard to statements which comprise empathy in their institutions in the last three years. The results showed that the mean scores for private university was consistently higher in all the statements than the mean scores for the public university. For instance, the private university had the highest mean score for the statement "This university has convenient operating hours" ( $M = 2.703$ ) as compared to the public university ( $M = 2.298$ ). On the other hand, the statement that states that "This University understands students specific needs" had the lowest mean score for the public university ( $M = 1.893$ ) and the private university ( $M = 2.281$ ). In conclusion, respondents from the private university perceived their university to be caring and providing individualized attention to its students.

In conclusion, the mean scores for the quality service dimensions were higher for respondents from the private university as compared to respondents from the public university. In particular, respondents from the public university indicated that they were most dissatisfied with the overall quality of their campus facilities, availability of computers and equipments, accuracy of services and attention given to students. On the other hand, respondents from the private university were most dissatisfied with chances to pursue their personal interests. It is possible that since the university is Christian-based, there are many rules that guide the moral and social behaviour of the students.

#### 4.6 Service Quality and Organizational Performance

The study sought to determine the effect of service quality dimensions on organizational performance in the public and private university as per Hypotheses One to Five. These hypotheses were tested using Pearson Correlation analysis which determines the strength and direction of the relationships. Bryman & Cramer (2006) reported that a correlation of 0 indicates two measures are unrelated; 0.19 and below is very weak; 0.20 to 0.39 is weak; 0.40 to 0.69 is moderate; 0.70 to 0.89 is strong; and 0.90 to 1 is very strong. Correlation analysis between tangibility, reliability, responsiveness, assurance, empathy and organizational performance was done and presented in table 4.8

**Table 4.8: Results of Pearson's Correlation analysis exploring the effect of service quality strategies on organizational performance in the public and private universities**

University sector	Variables	Tangibility	Reliability	Responsiveness	Assurance	Empathy	Organisational performance
<b>Public university</b> n = 225	Tangibility	1	.577(**)	.549(**)	.527(**)	.523(**)	.465(**)
	Reliability	.577(**)	1	.623(**)	.600(**)	.551(**)	.406(**)
	Responsiveness	.549(**)	.623(**)	1	.716(**)	.693(**)	.471(**)
	Assurance	.527(**)	.600(**)	.716(**)	1	.714(**)	.493(**)
	Empathy	.523(**)	.551(**)	.693(**)	.714(**)	1	.530(**)
	Organisational performance	.465(**)	.406(**)	.471(**)	.493(**)	.530(**)	1
<b>Private university</b> n = 64	Tangibility	1	.585(**)	.449(**)	.603(**)	.557(**)	.443(**)
	Reliability	.585(**)	1	.612(**)	.485(**)	.663(**)	.602(**)
	Responsiveness	.449(**)	.612(**)	1	.473(**)	.554(**)	.602(**)
	Assurance	.603(**)	.485(**)	.473(**)	1	.532(**)	.542(**)
	Empathy	.557(**)	.663(**)	.554(**)	.532(**)	1	.449(**)
	Organisational performance	.443(**)	.602(**)	.602(**)	.542(**)	.449(**)	1

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

Source: Field data

**H<sub>0</sub>1: Tangibility has no significant positive effect on organizational performance in the public and private universities.**

From the Table 4.8 the results reveal that there was a moderate significant positive relationship between tangibility and organizational performance in the public university ( $r = 0.465$ ,  $p < 0.01$ ) and ( $r = 0.443$ ,  $p < 0.01$ ) in the private university. H<sub>0</sub>1 which stated that tangibility had no positive effect on organizational performance in the public and private universities was rejected and the alternative hypothesis which states that there is a positive relationship between tangibility and organizational performance is accepted. This suggests that organizational performance will be high in universities that adopted tangibility practices. The results are consistent with studies by Smith and Ennew (2001) who stated that the peripheral aspects and facilities will have a direct and indirect effect on the evaluation of higher institution.

**H<sub>0</sub>2: Reliability has no significant positive effect on organizational performance in the public and private universities.**

The study sought to establish whether reliability had significant positive effects on organizational performance in the public and private universities. The results in Table 4.8 showed that there was a moderate significant positive relationship between reliability and organizational performance in the public university ( $r = 0.406$ ,  $p < 0.01$ ) and ( $r = 0.602$ ,  $p < 0.01$ ) in the private university. H<sub>0</sub>2 which stated that reliability had no positive effect on organizational performance in the public and private universities was rejected and the alternative hypothesis which stated that there was a significant positive relationship between reliability and organizational performance in the public and private universities was accepted. This suggests that organizational performance increased when the universities adopted reliability practices. The results are consistent with studies by LeBlanc and Nguyen 1997 who found that reliability affects organizational performance.

**H<sub>0</sub>3: Responsiveness has no significant positive effect on organizational performance in the public and private universities.**

The study sought to establish whether responsiveness had significant positive effects on organizational performance in the public and private universities. From table 4.8 the results reveal that there was a moderate significant positive relationship between reliability and organizational performance in the public university ( $r = 0.471$ ,  $p < 0.01$ ) and ( $r = 0.602$ ,

$p < 0.01$ ) in the private university.  $H_{03}$  which stated that responsiveness had no positive effect on organizational performance in the public and private universities was rejected and the alternative hypothesis which stated that there was a significant positive relationship between responsiveness and organizational performance was accepted. This suggests that universities that adopted responsive practices achieved higher levels of organizational performance. The results are consistent with studies by Mahiah 2006 who found that responsiveness affects performance.

**$H_{04}$ : Assurance has no significant positive effect on organizational performance in the public and private universities.**

The study sought to establish whether assurance had significant positive effect on organizational performance in the public and private universities. The results in Table 4.8 reveal that there is significant moderate positive relationship between assurance and organizational performance in the public university ( $r = 0.493$ ,  $p < 0.01$ ) and ( $r = 0.542$ ,  $p < 0.01$ ) in the private university.  $H_{04}$  which stated that assurance had no positive effect on organizational performance in the public and private universities was rejected and the alternative hypothesis which stated that assurance has a significant positive relationship with organizational performance is accepted. This shows that universities that have adopted assurance practices had high levels of organizational performance. This finding is supported by Perisau and McDaniel (1997) who found that knowledge, courtesy and ability to inspire trust and confidence enhanced performance.

**$H_{05}$ : Empathy has no significant positive effect on organizational performance in the public and private universities.**

The study sought to establish whether empathy had significant positive effect on organizational performance in the public and private universities. The results in Table 4.8 reveal that there was a significant moderate positive relationship between empathy and organizational performance in the public university ( $r = 0.530$ ,  $p < 0.01$ ) and ( $r = 0.449$ ,  $p < 0.01$ ) for the private university.  $H_{05}$  which stated that empathy has no significant positive effect on organizational performance in the public and private universities was rejected and the alternative hypothesis which stated that there is a positive relationship between empathy and organizational performance was accepted. This shows that universities that had adopted assurance practices had high levels of organizational performance. This finding is consistent

with O'Neill and Palmer (2004) study which found that student satisfaction with their college experience was high due to formal and informal contact with their lecturers.

#### 4.7 Effect of Service Quality on Organizational Performance

The study sought to determine the combined effect of service quality on organizational performance the public and private universities. To determine the combined effects of service quality on organizational performance of universities in Kenya, multiple regression analysis for public and private universities was used to address this objective.

**H<sub>06</sub>: The combined components of service quality have no significant positive effect on organizational performance in the public and private universities.**

In order to determine whether there were any significant sector differences in the effect of service quality on organisational performance, separate multiple regression analysis were carried out for the public and the private university.

**Table 4.9: Results of multiple regression in the public university**

Variables	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	9.337	.886		10.533	0.000
Tangibility	.330	.113	.209	2.920	0.004
Reliability	.019	.091	.016	.209	0.834
Responsiveness	.092	.136	.060	.676	0.500
Assurance	.215	.143	.135	1.505	0.134
Empathy	.349	.109	.274	3.202	0.002

a Dependent Variable: Organisational performance

#### Model Summary

Model	R	R Square	Adjusted R Square	F (ANOVA)	Sign.
1	.586(a)	.343	.328	22.907	0.000

a Predictors: (Constant), Empathy, Tangibility, Reliability, Responsiveness, Assurance

Source: Field data

The results of the multiple regression analysis indicated that only two out of the five service quality dimensions accounted for 34.3% ( $R^2 = 0.343$ ) of the variance in organizational performance in the public university. The beta coefficients show that tangibility ( $\beta = 0.209$ ,



$p = 0.004$ ) and empathy ( $\beta = 0.274, p = 0.002$ ) made the strongest individual contribution in explaining organizational performance while reliability contributed the least variance ( $\beta = 0.016, p = 0.834$ ). This suggests that the most important service quality dimensions that influenced organisational performance in the public university were tangibility and empathy. This means that universities that have modern equipments and technology, have appealing physical facilities, have staff who are neat and appropriately dressed, who inspire confidence and trust in the students are likely to positively influence organizational performance.

From the full regression model the following regression equation is expressed as:

$$Y = 9.337 + 0.330X_1 + 0.019X_2 + 0.092X_3 + 0.215X_4 + 0.349X_5$$

**Table 4.10: Results of multiple regression in the private universities**

Variables	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	7.074	2.272		3.114	.003
Tangibility	-.044	.264	-.021	-.165	.870
Reliability	.381	.156	.345	2.444	.018
Responsiveness	.559	.217	.317	2.571	.013
Assurance	.539	.230	.291	2.347	.022
Empathy	-.123	.170	-.098	-.725	.472

a Dependent Variable: Organisational performance

Source: Field data

#### Model Summary

Model	R	R Square	Adjusted R Square	F (ANOVA)	Sign.
1	.709(b)	.502	.459	11.708	0.000

b Predictors: (Constant), Empathy, Assurance, Responsiveness, Tangibility, Reliability

The results of the multiple regression analysis indicated that only three out of the five service quality dimensions accounted for 50.2% ( $R^2 = 0.502$ ) of the variance in organizational performance in the private university. The beta coefficients show that reliability ( $\beta = 0.345, p = 0.018$ ), responsiveness ( $\beta = 0.317, p = 0.013$ ) and assurance ( $\beta = 0.291, p = 0.022$ ) made the strongest individual contribution in explaining organizational performance while tangibility contributed the least variance ( $\beta = -0.21, p = 0.870$ ). This suggests that the most important service quality dimensions that influenced organisational performance in the private university were reliability, responsiveness and assurance. This means that universities

that provide services promptly and free of errors, are attentive to their customers and prompt in dealing with their requests and complaints, and which inspire the trust and confidence in the customers are likely to positively influence organizational performance.

From the full regression model the following regression equation is expressed as:

$$Y = 7.074 + -.044X_1 + 0.381X_2 + 0.559X_3 + 0.539X_4 + -.123X_5$$

Thus the hypothesis that states that the combined effect of service quality strategies does not have a significant effect on organizational performance in the public and private universities is rejected and the alternative hypothesis that states that the combined effect of service quality strategies have a significant effect on organizational performance in the public and private universities is accepted.

In conclusion, the results of the multiple regression analyses showed that the service quality strategies had stronger influence on organisational performance in the private university ( $R^2 = 0.502$ ) and in the public university ( $R^2 = 0.343$ ).

#### **4.8 Findings on open Ended Questions**

This section sought to establish the aspects which the respondents were most satisfied with and least satisfied with in their university experience.

##### **Factors most satisfied with in the private university**

Spiritual aspects of the university	41.2%
Library services	23.5%
Lectures	14.7%
Other aspects	20.6%

##### **Factors least satisfied with in the private university**

Social life	35.1%
I.C.T facilities	35.1%
Other aspects	29.7%

**Factors most satisfied with in the public university**

Lectures	60.8%
Library services	25%
Other aspects	14.2%

**Factors least satisfied with in the public university**

Processing of transcripts	60.16%
I.C.T facilities	16.2%
Other aspects	31.7%

This section sought to establish the aspects which the respondents were most satisfied with and least satisfied with in their university experience. In the private university 41.18% of the respondents stated that they were most satisfied with spiritual aspects of the university followed by library services at 23.53%, lectures at 14.7% while other aspects accounted for 20.58%. In the aspects they were least satisfied with the respondents listed social life and I.C.T facilities at 35.13% each while other aspects accounted for 29.73%.

In the public university the respondents were most satisfied with lectures at 60.76%, followed by library services at 25% and other aspects accounted for 14.24%. Respondents were least satisfied with processing of transcripts at 60.16%, followed by I.C.T facilities at 16.2% and other aspects accounted for 31.7%.

### SUMMARY, CONCLUSIONS AND RECOMMENATIONS

#### 5.0 Introduction

This chapter covers the summary of the findings based on specific objectives as well as the conclusions of the study. Recommendations for practice and for further research are also presented here.

#### 5.1 Summary of Findings

Service quality and performance in Universities still remains an area of interest to education policy makers, strategists, practitioners and other stakeholders in general. The main aim of this study was to establish the effect of service quality strategies on organizational performance in Kenyan universities. Discussed below are the findings of the effect of service quality on organizational performance.

The study found that tangibility had a significant positive correlation with organizational performance. This means that organizational performance increases when the universities focus on modernizing their equipments and technology, when their staff are neat and appropriately dressed and when the physical facilities are appealing.

The results also reveal that there was a significant positive relationship between reliability and organizational performance. This suggests that organizational performance increases when university employees show interest in solving student's problems; provide services at the promised time and when these services are accurate and free from errors.

The results established that there was a significant positive relationship between responsiveness and organizational performance. This shows that organizational performance increases when university employees are attentive and prompt in dealing with students' requests, questions, complaints, and problems.

The correlation analysis has shown that assurance had a significant, positive effect on organizational performance. This suggests that organizational performance increases when students have confidence and trust in the employees, believe that employees are knowledgeable in answering students queries and that the university is safe to access.

The correlation analysis has also shown that empathy had significant, positive effect on organizational performance. This suggests that organizational performance increases when university employees are caring, treat students as individuals and understand students' specific needs.

The results of the multiple regression analyses showed that the service quality strategies had stronger influence on organisational performance in the private university ( $R^2 = 0.502$ ) and in the public university ( $R^2 = 0.343$ ). The results showed that among the five dimensions of service quality strategies, reliability, responsiveness and assurance were the most important predictors of organizational performance in the private university. On the other hand, tangibility and empathy were the most important predictors of organizational performance in the public university. This suggests that universities that treat students with care, understand students specific needs, have modern equipments and technology, appealing physical facilities, have staff who are neat and appropriately dressed, who inspire confidence and trust in the students are likely to positively influence organizational performance.

## **5.2 Conclusion of the study**

From the findings, there was a significant positive relationship between service quality dimensions and organizational performance in public and private universities. Further, the descriptive statistics showed that the mean scores for service quality dimensions and organizational dimensions were higher among respondents from the private university as compared to respondents at the public university.

## **5.3 Recommendations**

### **5.3.1 Recommendations for Practitioners**

The managers and practitioners of the higher education institutions should pay attention in developing their educational service quality strategies in the light of the increasing competition. They should comply with all the necessities, standards and requirements of service quality needed by their students. Especially the facilities being offered and most importantly the empathy of the administrative staff is a significant factor in service quality perception. The nobleness of the staff i.e. their communication with students and their actions should be empathetic. Further the reliability of the infrastructure is also a very important

preference of the students. Thus in order to improve organizational performance, the facilitation with the dimensions of perceived service quality strategies should be the top priority of a university.

### **5.3.2 Suggestions for Further Research**

The study focused on the effects of service quality on organizational performance in university education in Kenya. The study acknowledged that service quality affects organizational performance to a certain degree; however, only 37.7% variation in organizational performance is explained by service quality. This indicates that there are other factors which influence organizational performance. These may include economic factors and environmental factors. Introduction of one or more of these factors can provide base for further research. This study documented the effects of service quality strategies on organizational performance in campuses of one public and one private university. In this respect, it is recommended that a study of the effects of service quality on organizational performance should be done in all universities in Kenya. A study in the entire sector would provide further insights into service quality.

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## APPENDIX 1: QUESTIONNAIRE

### A SURVEY OF STUDENTS' PERCEPTIONS AS A MEASURE OF SERVICE QUALITY

**PART I  
SECTION A  
QUESTIONNAIRE**

*Tick √ the selected answer in the provided box*

1. Gender:      Male                        Female
2. What is your Age?:      \_\_\_\_\_ Years
3. Year of Study:      Three                        Four
4. Name of your university:.....

**SECTION B: PERCEPTIONS ON SERVICE QUALITY STRATEGIES**

Please honestly indicate the extent to which you agree or disagree with the following statements by circling an answer for each item using this scale: **1=Strongly Disagree (SD); 2= Disagree (D); 3=Neither Agree nor Disagree (N); 4=Agree (A); 5=Strongly Agree (SA)**

		SD	D	N	A	SA
1	This University has modern equipment and technology.	1	2	3	4	5
2	This university has visually appealing physical facilities	1	2	3	4	5
3	Staff in this University appears neat and appropriately dressed	1	2	3	4	5
4	This University has visually appealing materials associated with the service	1	2	3	4	5
5	This University provides its services at the time it promises to do so.	1	2	3	4	5
6	Staff in this University show a sincere interest in solving student's problems	1	2	3	4	5
7	This University performs services right the first time	1	2	3	4	5
8	This University provides its services at the time it promises to do so.	1	2	3	4	5
9	Services provided by this University are free of errors	1	2	3	4	5
10	This university prescribes specific times when services are provided to students	1	2	3	4	5

11	Employees in this University give students prompt service.	1	2	3	4	5
12	Staff in this University are always willing to help you	1	2	3	4	5
13	Employees in this University are never too busy to respond to students' requests	1	2	3	4	5
14	The behavior of staff in this University instills confidence in the students.	1	2	3	4	5
15	This University is always safe to access	1	2	3	4	5
16	Staff in this University are consistently courteous with students.	1	2	3	4	5
17	Employees in this University have the knowledge to answer your questions.	1	2	3	4	5
18	This University provides individual attention to students.	1	2	3	4	5
19	This university has convenient operating hours.					
20	Employees in this University give personal assistance.	1	2	3	4	5
21	Employees in this University have student's best interest at heart.	1	2	3	4	5
22	This University understands students specific needs	1	2	3	4	5

## SECTION C :STUDENTS' SATISFACTION

We are interested to learn more about students' satisfaction with their university experience

1.Please describe what aspect of this university have you been most satisfied with?.....

2.Please describe what aspects of this university have you been least satisfied with?.....

Listed below are several aspects of students' university experience. Please honestly rate your level of dissatisfaction-satisfaction by circling an answer for each item:

**1=Very Dissatisfied (VD); 2= Dissatisfied (D); 3=Neither Satisfied or Dissatisfied (N); 4=Satisfied (S); 5=Very Satisfied (VS)**

		VD	D	N	S	VS
My satisfaction with.....						
1	Library resources	1	2	3	4	5
2	Professionalism of my lecturers	1	2	3	4	5
3	Level of knowledge of staff who teach me	1	2	3	4	5
4	Availability of computers & technology	1	2	3	4	5
5	Quality of education I am receiving	1	2	3	4	5
6	Chances to pursue my social interests	1	2	3	4	5
7	Teaching ability of my lecturers	1	2	3	4	5
8	Overall quality of the campus facilities	1	2	3	4	5



## PART II

### A SURVEY OF MANAGEMENT'S PERCEPTIONS ON ORGANIZATIONAL PERFORMANCE

#### SECTION A: BACKGROUND INFORMATION

Name of the University.....

Title/Designation of Respondent.....

Gender: Male  Female

Number of years worked in the University.....

Age.....

#### SECTION B: ORGANIZATIONAL PERFORMANCE

Please evaluate the performance of your institution over the previous three years relative to your competitors by indicating the extent of changes in the following statements by circling an answer for each item using this scale:

**1=Very Much Decreased; 2= Decreased; 3=Not Changed; 4=Increased;**

**5=Very Much Increased**

Organizational performance .....		VMD	D	NC	I	VMI
1	The number of students	1	2	3	4	5
2	The number of staff	1	2	3	4	5
3	The number of students graduating	1	2	3	4	5
4	The number of research papers published	1	2	3	4	5
5	The number of new programmes introduced	1	2	3	4	5

### SECTION C: PERCEPTIONS ON SERVICE QUALITY STRATEGIES

Please honestly indicate the extent to which you agree or disagree with the following statements by circling an answer for each item using this scale: 1=Strongly Disagree (SD); 2= Disagree (D); 3=Neither Agree nor Disagree (N); 4=Agree(A); 5=Strongly Agree(SA)

		SD	D	N	A	SA
1	This University has modern equipment and technology.	1	2	3	4	5
2	This university has visually appealing physical facilities	1	2	3	4	5
3	Staff in this University appears neat and appropriately dressed	1	2	3	4	5
4	This University has visually appealing materials associated with the service	1	2	3	4	5
5	This University provides its services at the time it promises to do so.	1	2	3	4	5
6	Staff in this University show a sincere interest in solving student's problems	1	2	3	4	5
7	This University performs services right the first time	1	2	3	4	5
8	This University provides its services at the time it promises to do so.	1	2	3	4	5
9	Services provided by this University are free of errors	1	2	3	4	5
10	This university prescribes specific times when services are provided to students	1	2	3	4	5
11	Employees in this University give students prompt service.	1	2	3	4	5
12	Staff in this University are always willing to help you	1	2	3	4	5
13	Employees in this University are never too busy to respond to students' requests	1	2	3	4	5
14	The behavior of staff in this University instills confidence in the students.	1	2	3	4	5
15	This University is always safe to access	1	2	3	4	5
16	Staff in this University are consistently courteous with students.	1	2	3	4	5
17	Employees in this University have the knowledge to answer your questions.	1	2	3	4	5
18	This University provides individual attention to students.	1	2	3	4	5
19	This university has convenient operating hours.					
20	Employees in this University give personal assistance.	1	2	3	4	5
21	Employees in this University have student's best interest at heart.	1	2	3	4	5
22	This University understands students specific needs	1	2	3	4	5

Vincent Kipngetich  
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NAKURU.  
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Dear Sir/Madam,

I am a post graduate student at Egerton University. In partial fulfilment of the requirements for the conferment of the Masters of Business Management degree, I am conducting a research titled **“The Effect of Service Quality on Organizational Performance in Kenyan Universities: A Comparative Study of Egerton and Kabarak Universities Nakuru Town Campuses”**

I wish to request you to kindly assist in providing the required information, by filling the questionnaire provided, as your views are considered important to this study.

Please note that any information given will be treated with utmost confidentiality and will only be used for the purposes of this study.

Thank you.

**Vincent Kipngetich**  
**(Researcher)**

### APPENDIX 3: OPERATIONALIZATION OF VARIABLES

INDEPENDENT VARIABLES	DEPENDENT VARIABLE
<p><b>Service Quality Dimensions</b></p> <p><b>Tangibles</b></p> <ol style="list-style-type: none"> <li>1. Modern equipment and technology</li> <li>2. Visually appealing physical facilities (premises)</li> <li>3. Well dressed and neat-appearing personnel</li> <li>4. Visually appealing materials associated with the service</li> </ol> <p><b>Reliability</b></p> <ol style="list-style-type: none"> <li>5. Providing services at the time it promises to do so</li> <li>6. Showing sincere interest in solving problems</li> <li>7. Performing the service right the first time</li> <li>8. Providing service at the time promised</li> <li>9. Providing services free of errors</li> </ol> <p><b>Responsiveness</b></p> <ol style="list-style-type: none"> <li>10. Specific times for provision of service are prescribed to students</li> <li>11. Employees providing prompt service</li> <li>12. Staff willingness to help students</li> <li>13. Employees are never too busy to respond to students' requests</li> </ol> <p><b>Assurance</b></p> <ol style="list-style-type: none"> <li>14. Confidence instilling behaviour</li> <li>15. Safety in accessing the University</li> <li>16. Being consistently courteous</li> <li>17. Having the knowledge to answer questions</li> </ol> <p><b>Empathy</b></p> <ol style="list-style-type: none"> <li>18. Giving students individualised attention</li> <li>19. Having convenient operating hours</li> <li>20. Giving students personal attention</li> <li>21. Having students best interests at heart</li> <li>22. Understanding students specific needs</li> </ol>	<p><b>Organizational performance</b></p> <ol style="list-style-type: none"> <li>1. Number of students</li> <li>2. Number of staff with PhDs</li> <li>3. Number of graduates</li> <li>4. Number of research papers</li> <li>5. Number of new programmes</li> <li>6. Customer satisfaction</li> </ol>

**APPENDIX 4: UNIVERSITY STUDENT'S ENROLMENT IN KENYA**

**PUBLIC UNIVERSITIES  
2007/08 - 2012/2013**

Fields	Number					
	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13*
Undergraduates	85,351	89,404	108,528	134,395	141,764	170,417
Postgraduates	6,789	6,920	7,054	8,735	16,153	24,417
Other, i.e. Diploma, etc.	4,967	4,324	7,118	7,796	5,904	6,856
<b>Total</b>	<b>97,107</b>	<b>100,648</b>	<b>122,700</b>	<b>150,926</b>	<b>163,821</b>	<b>201,690</b>

\*\*Enrolment includes regular and parallel degree programmes in the 7 public universities

**PRIVATE UNIVERSITIES  
Student enrolment, 2007/08 - 2012/2013**

Private Accredited	Number					
	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13*
Daystar University	3,906	4,103	3,793	5,915	4,049	5,431
Baraton University	2,712	2,849	2,019	3,149	2,155	2,344
Catholic University	3,256	3,420	2,019	3,149	2,155	3,647
U.S.I.U.	3,407	3,579	4,590	7,158	4,899	5,206
Scott	245	257	131	204	140	255
Theological College						
Agha Khan University	567	596	179	279	191	503
Strathmore University	1,818	1,910	2,341	3,651	2,499	5,811
Kabarak University	786	826	1,126	1,756	1,202	1,215
Nazarene University	1,469	1,543	1,285	2,004	1,372	1,932
Methodist University	2,198	2,309	2,426	3,783	2,589	11,203
Kiriri Women University	768	806	180	281	192	124
of Sc.Tech						
<b>TOTAL</b>	<b>21,132</b>	<b>22,198</b>	<b>20,089</b>	<b>31,327</b>	<b>21,443</b>	<b>37,672</b>

\* Provisional

Source: KNBS, 2011

**EULIB**

