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# Customer-driven entities: Identifying the needs in higher education

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Many institutions of higher education are hesitant to consider themselves as customer-driven entities. It is common to view the student as the customer but this notion is not universally accepted. This paper reviews the debate in the education and marketing literature about students as customers and reveals the difficulty in using the word customer to describe the student/university relationship. The author argues that the debate must move away from identifying the customer and focus on the university as a service provider. An emerging perspective on market orientation suggest that strategic insights may be gained when firms take into account their customers' view on the organization's level of market orientation. Even the suggestion of the term customer can arouse many emotions, preconceptions, and misconceptions. The idea that students are partners in developing and delivering quality education threatens the historic, traditional academic role of faculty as purveyor of knowledge. Nevertheless, one fact has been proven over and over again. Customer-driven organizations are effective because they are fully committed to satisfying and anticipating customer needs. The future success of colleges and universities will increasingly be determined by how they identify and satisfy their various customers. This paper accentuates the subject by initially reviewing a number of theoretical viewpoints as to why a customer perspective should be sought when assessing organizational phenomena such as market orientation. The findings showed that all the proposed relationship were significant. The result further demonstrated that service quality acts as a partial mediator where customer satisfaction was not derived completely by service quality. This paper eventually concludes by elaborating the various conclusions derived from the study.

**Keywords:** Customer-driven, higher education, students, quality, faculty, academic, organisation, Universities

## INTRODUCTION

According to David Garvin (1984), most definitions of quality were either transcendent, product based, user-based, manufacturing-based or value based. The transcendent view states that quality is something that is intuitively understood but nearly impossible to communicate. You just know it when you see it (Evans and Lindsay, 1999). The product-based view argues that quality is found in the components and attributes of a product. It implies that the higher the amounts of its characteristics, the higher its quality. The user-based says that if the customer is satisfied, the product has good quality. It is based on the presumption that quality is determined by what a customer wants. This leads to a definition of quality which is fitness for intended use or how well the product performs its intended function. According to the manufacturing-based view, if the product conforms to design specifications, it has good quality. Quality then is defined as the desirable outcome of

engineering and manufacturing practice, or conformance to specifications.

Lastly, according to the value-based perspective, if the product is perceived as providing good value for the price, it has good quality. Towards the end of the 1980s, many companies have come to embrace a more customer-driven definition of quality (Evans and Lindsay, 1999). Quality has come to be defined as meeting or exceeding customer expectations. In order to comprehend this definition, one must first understand the meanings of the term 'customer'. Most people think that the customer is the ultimate purchaser of the product or service. These people are more specifically referred to as consumers. But before a product reaches the consumer, it may first flow through a chain of many firms each of which adds some value to the product. This type of customers may be referred to as external customers. But every employee in a company also has internal customers

who receive goods or services from suppliers within the company. Thus, understanding who one's customers are and what their expectations are is key to achieving customer satisfaction. In higher education, the notion of having customers is foreign to many campuses. Even the suggestion of the term can arouse many emotions, preconceptions, and misconceptions (Canic and McCarthy, 2000; Akinyele and Akinyele 2008). Faculty and administrators alike are reluctant to call a student or anyone else a customer (Teeter and Lozier, 1993). They find the commercial flavor distracting and difficult to translate to education.

In campuses that do admit they have customers, there is usually a general agreement that businesses, government agencies, and the society at large are customers. That is not generally the case with students. Many faculty members feel threatened by the notion that students are customers of the educational process. The idea that students (customers) are partners in developing and delivering quality education (the product or service) threatens the historic, traditional academic role of faculty as purveyor of knowledge. All too often this perspective is reinforced by administrative actions that tend to put the benefits of the institution before the needs of the student body.

Many educational institutions are very hesitant to consider themselves as customer-driven entities (Lewis and Smith, 1994; Akinyele 2007). Yet one fact has been proven over and over again. Customer-driven organizations are effective because they are fully committed to satisfying, even anticipating customer needs. The future success of colleges and universities will increasingly be determined by how they satisfy their various customers. The successful ones will be those which very clearly identify their mission and the customers they serve. Thus it is very important for colleges and universities to fully identify their different customers and their corresponding needs.

### What is a Customer?

The centrality of the customer is grounded in history and tradition. Aristotle, in his *Rhetoric*, stated that it is the hearer that determines the speech's end and object (Corts, 1992). The success of the speaker therefore depends on the audience, the recipients of the message. The Bible teaches that "You should love the Lord with all your heart, strength, and soul, and mind, and your neighbour as yourself" (Luke 10:27) and "Do unto others as you would have others do unto you" (Luke 6:31). This Biblical principle inspires us to give others the same regard we hold ourselves – a beginning point for the service-orientated individual.

The Words myth Educational Dictionary defines the term customer as follows: (a) "one who buys goods or services; shopper, patron"; or, (b) "one who must be dealt

with." In a normal commercial sense, the (a) definition is probably sufficient. It involves the concept of exchange whereby two parties are willing to trade something to their mutual benefit. The (b) definition is broader and more informal and is suitable for academia. W. Edwards Deming (1986), one of the founders of the modern quality movement, stated that the customer is "one who gets your work." Juran (1988) suggests that we "follow the product to see whom it impacts". "Anyone who is impacted is a customer". These definitions are generally applicable to all kinds of organizations, profit or non-profit, which serve internal and external customers. "Everyone of us is a customer. Everyone of us serves customers" (Corts, 1992).

There have been suggestions to use terms like stakeholder, constituent, client, guest, recipient and others in place of the word customer. However, these terms do not quite connote the same message as the word customer and tend to blur the customer identification issue. Consequently, colleges and universities may not develop an effective customer focus. Without this well-defined customer focus, quality improvement efforts can easily become diffused. To bring about much needed change and improvement in academia, it is necessary to have the right customer focus and a clear understanding of who it is we are trying to serve.

### The Customers of Higher Education

Lewis and Smith (1994) observed that "every college and university has a mission but very few fully identify who they serve". They also noted that even fewer institutions acknowledge that they serve customers. This was surprising given the fact that in order to be effective organizations must be customer-driven. Customer-oriented organizations are successful because they have a unified focus on what they do and who they serve.

The term customer can be defined as the recipient or beneficiary of the outputs of work efforts or the purchaser of products and services. It can be a person, a unit, a department, or an entire organization. Customers have wants, opinions, perceptions, and desires which are often referred to as the voice of the customer. The voice of the customer can also be defined in technical terms as the "standardized, disciplined, and cyclic approach to obtaining and prioritizing customer preferences for use in designing products and services (Foster, 2007).

In order to understand customer needs, an organization must first identify who its customers are. Often customers are classified as internal or external. Internal customers are people or units who receive goods and services from within the same organization. Their outputs provide inputs to other functions and activities within the organization. External customers are those individuals or organizations which are not part of the organization in question but are

nevertheless impacted by that organization's activities. They are the ultimate ones we are trying to satisfy with our work.

The final recipient of a product or service is commonly referred to as the end-user or just plain consumer.

### **Students as Customers: The marketing and management perspective**

The term 'customer' is a central term in the quality movement known as Total Quality Management or TQM. Although, it has been argued that TQM has a limited amount to offer higher education (Hall, 1996), the movement has also been embraced by others as potentially the solution as to how to improve the quality of the services provided by higher education institutions (Williams, 1993). One of the main themes of TQM is the importance of meeting customer needs. It has been argued that universities that do not treat their students as customers entitled to an efficient and high quality service will lose out to those that do (Williams, 1993). Although the idea of treating students as customers is controversial because of the implied shift in power, applying TQM in the classroom simply means that teachers should be more open to student feedback and should measure success by how well students are learning (Turner, 1995). However, Sirvanci (1996) stresses that there are some fundamental differences between customers and students. Customers are free to purchase goods and services and businesses do not restrict sales to a select group based on personal attributes. Yet universities restrict admissions and are not open to all prospective students even if the students are willing to pay the price being asked. Customers generally pay the price for the goods and services they purchase with their own funds. Students do not necessarily pay for their higher education themselves because tuition may be subsidized by taxpayers and often completely or partially paid by parents. Customers are also not required to prove merit. However, once admitted to a university, students are continually tested and graded and those who fail are required to repeat a course and are prevented from taking more advanced courses. As Hall (1996) comments, can there be any other markets where the supplier is able to take the customer's money, engage in a long and complex interaction with them and then refuse to give them the product that they want, the degree?

It has been suggested that students are in fact the 'products' rather than the customers of the higher education industry. Students' progress through the courses required for their degrees just as raw material flows through the manufacturing process. They are raw material when they enter the institution, the product in process while attending the institution and the finished product when they graduate (Sirvanci, 1996). The customers then are potential employers and society at

large. Further difficulties arise because students participate in the education process and must also take some responsibility for quality (Hall, 1996, ). Higher education is different from other services because students have multiple roles that cannot be simplified or reduced to that of the customer. Sirvanci (1996) notes that, students are also labourers because they are expected to learn course material by writing papers and preparing for tests. Teachers then act as quality inspectors by grading students to ensure that only those who demonstrate sufficient knowledge move to the next stage of the education process.

Helms and Key (1994) also support the idea of the dual role of students in the classroom. Students are like customers because they choose institutions, pay for tuition, select programs and so on, but they are also like employees because they must be actively engaged in their jobs, be motivated to perform and performance expectations are placed on them. The teaching environment therefore runs the gamut from a near customer role in a large introductory course to a nearly employee role in a graduate research setting (Helms and Key, 1994; Akinyele 2007). Although it is generally assumed that students are the customers of the institutions that they attend the situation is clearly much more complicated. Parents, employers, professional bodies, governments and the public also have a legitimate interest in the services provided by higher education institutions. This applies particularly to polytechnics with a history of providing vocationally related training and community education opportunities (Cliff, 1994).

The question of exactly who is the customer in the higher education industry is a complicated one. Difficulty also exists with the terminology being used: the words client, stakeholder, customer, true customer, real customer are often used to convey different meanings. Not surprisingly, this difficulty has led some to note that no term is appropriate to convey the complexity of the situation and conclude that students should just continue to be referred to as students (Helms and Key 1994). However, Hall (1996) and Akinyele (2006) prefers to use the concept of a 'consumer' because the consumer, being the person who consumes the service, is much easier to identify.

### **Statement of Research Problem**

Past research has exclusively considered a market orientation as an "employee manager-perceived phenomenon" (Narver and Slater 1990). As a result, subsequent studies pertaining to a firm's market orientation generally have been based on employee self reports. However, there has been criticism to this view where the "customer- defined position" argues that the adoption of the manager employee- defined view of

market orientation is one-sided and myopic in that it ignores the vital role of customers in terms of value recognition (Webb et al. 2000). They emphasize that it is the customers'—as opposed to the sellers'—perceptions of the level to which a firm is market oriented that will be the critical measure of business performance. This argument extends from Deshpande et al. (1993) assertion that the evaluation of a firm's extent of customer orientation (market orientation) should also come from customers, and not just the managers of the firm itself. In the case of higher education programs, the issue becomes more pertinent where academic programs in HEI are charged to be out of the sync with the reality. As a matter of fact, Drucker (1954) has commented the issue for over five decades ago where he argues that marketing is not a specialized activity, but rather the whole business seen from the customer's point of view. As such, it seems not only intuitively logical but also necessary to view market orientation from customer vantage. Drawing from the above argument, an emerging perspective (e.g. Steinman et al., 2000; Webb et al. 2000) suggests that beneficial strategic insights may also be gained when firms take into account their customers' view on the organization's level of market orientation. In other words, when the customers perceive the firm is market-oriented and offers considerable value to them, only then the organization can be described as market-oriented. This would subsequently lead to customer satisfaction as a result of the organization being market oriented. Apparently, the proposed relationship between market orientation and customer satisfaction will be more appealing when both constructs are measured from a customer vantage. While the explication of the market orientation and customer satisfaction relationship may appear somewhat tautological, with the exception of an exploratory study by Webb et al. (2000), there is no empirical study on the relationship. As such, an empirical validation on its proposed linkage deserves explicit consideration considering the importance of the issue in today's complex and increasingly competitive nature of services. Hence, the current study adds to the existing literature in several ways. First, the customer-defined market orientation construct modified in this study would validate the market orientation instrument initially developed from the employee-perceived view and developed economies bias (Hooley et al. 2000).

### **Internal Customers – Academic**

The following can be identified as major internal customers of higher education on the academic side and their corresponding needs.

- **Students.** They are usually considered to be the most important internal customers of higher education. Students usually enter school with the desire to acquire skills, to gain knowledge and to learn about the world

around them. They need to develop the confidence and drive to pursue their dreams and desires. They also need to experience joy in learning both within the classroom as well as within the whole school environment (Byrnes, Cornesky, and Byrnes, 1994). Within the academic environment, students are unique in the sense that they assume different roles each of which has a different implication for improving the process of learning.

*Raw material.* This view suggests that we must understand students' backgrounds, attitudes and differences in academic preparation. This does not imply that students are passive recipients of the learning process. On the contrary, this view helps us to be more understanding of students and to be more sensitive especially to the differences in their preparation for the higher learning process.

*Work in process.* Once students are admitted, they go through a sequence of courses required for their degree. They are tested and graded at the end of each course and throughout the course of their academic programs.

*Products:* This view helps us to focus on the end result of the students' educational process and identify the relevant skills and information that they will have upon completing the process of a course. This product view does not suggest that students are passive recipients or outcomes of the learning process or methods. Rather this view aids us to match course content and activity with the desired educational outcomes.

*Co-workers:* This view compels us to look at the course being taught as a collaborative undertaking and to solicit student input when designing and redesigning course requirements and processes.

*Customers:* Students are appropriately viewed as customers in the sense that they are beneficiaries with needs that should be satisfied. This view does not imply that they are the ultimate arbiters of quality in the commercial sense. We recognize that many of them, when they enter college, do not have a good understanding of what is best for their professional preparation. However, students are well-equipped to evaluate an educational delivery system, although they may not be qualified to give input as to its content.

The status of students within the academic program is somewhat unique. Their ability to interact with the rest of the system further complicates the relationship that exists between them and their professors. When it comes to the delivery of knowledge, professors are the suppliers and students are the receivers-customers. But students are also expected to learn the material presented by their professors, do assignments, complete projects, and prepare for tests. In this part of the academic process, students function as co-workers or co-labourers.

Thus, no one should be surprised if students are quite happy when classes are cancelled or dismissed early. When it comes to this part, students do not behave like

typical customers. Their co-worker role outweighs their customer role. We need to recognize that

role tensions may occasionally arise from the fact that students assume different roles in the academic subsystem of higher education.

While students may be considered the primary customers for the delivery of course material, they may not be treated the same for the content of the course. Deming (1993) argues against the practice of conducting exit surveys to obtain feedback from new graduates to restructure course content. How could a student know what to teach? His or

her ideas may be worth listening to 10 to 15 years from now. As a matter of fact, the ultimate outcome of a student's education is not known until many years later (Rinehart, 1993).

- Faculty. Teachers are entrusted with the solemn responsibility of preparing the students of this nation for the future. They deserve recognition and respect for what they do and less blame for what the system does or fails to do. Teachers need continued professional growth opportunities and the tools and autonomy to accomplish their tasks and experience joy in work. Such opportunities will greatly enhance their self esteem and allow them to have pride in their work. Also, professors teaching particular classes require that students have adequate background in the prerequisite courses. Perhaps one of the most pressing needs of teachers today would be adequate compensation for their work besides recognition and respect.

- Programs or departments. The academic subsystem, as part of the larger system of higher education, consists of its own sets of input resources, the transformation process, and outputs.

Its resources include, but are not limited to, students, faculty, staff, library, computing and laboratory facilities, and other facilities. The transformation process consists of activities done to disseminate knowledge, to conduct research, and to provide community service. It is in the transformation process where interactions among the input resources occur. Thus, the need for cooperation and collaboration between programs or departments in the performance of the various tasks. Effective communication and information exchange is also necessary within the academic subsystem and between the academic system and the administrative subsystem. The outputs of the academic process are educated people, research and publications, and service to the community. Programs or departments also need to be engaged in the never-ending process of quality improvement.

### **Internal Customers – Administrative**

The following can be identified as major internal cus-

tomers of higher education on the administrative side and their corresponding needs.

- Students. They are clearly the primary internal customers for many facilities in the campus.

For instance, students pay for the use of many facilities such as dormitories, food services, bookstores, libraries, gymnasiums, security services, and others. These facilities help to attract better students, provide a more satisfactory campus climate and support the academic programs of the institution. In the nonacademic setting, students should be treated as typical customers by providing them services when they request for them, and answering their queries when they ask for assistance.

- Faculty. Teachers benefit from the use of certain facilities in the campus like the bookstore, the library, the computer store, the postal office, the health club, the swimming pool and other campus facilities. Also, they benefit from services offered by other departments like the Human Resources office, the transportation department, the administrative offices, and others. Teachers expect that they be treated as typical customers by providing them services which are requested and by answering their queries promptly and accurately.

- Non-teaching staff. The needs of the non-teaching staff are to a great extent similar to those of the faculty. They seek continuous personal growth, security, and joy in work. They need to be kept informed and involved and shown how they are part of the bigger system of higher education. The institution must help them develop and realize their potential in pursuing their quality and performance objectives. They should be considered as assets to be developed rather than expenses to be controlled.

- Administrators. Like the faculty, administrators expect improved professional status, proper recognition for their work, and reasonable compensation for their efforts. To perform their job more effectively, they need support and feedback from all constituents of the educational system in providing constructive solutions to common problems faced by the institution.

- Units, departments or divisions. The needs are similar to those of programs or departments in the academic subsystem. Units, departments or divisions within the administrative subsystem must work as a team together and in conjunction with the programs and departments in the academic subsystem. Barriers between them should be broken down to allow for effective communication and information exchange. They must be engaged in the never-ending process of quality improvement.

### **External Customers – Direct**

The direct external customers of higher education include future employers of the students, other colleges and universities that students attend to further their education,

and suppliers from which the college or university receives students, goods, or services.

- **Employers.** It is fairly reasonable to say that service and manufacturing industries and other non-profit organizations are the largest direct volume customers of higher education

(Rinehart, 1993). Employers expect colleges and universities to produce well-qualified and trained graduates who could work efficiently and effectively in the jobs for which they have been hired. They need workers who have communication and problem-solving skills and are willing and able to learn their specific jobs quickly and effectively.

- **Other colleges/universities.** Colleges and universities which admit students from other higher educational institutions require that these students possess enough knowledge, skills and preparation to take up further or higher studies. In other words, they want students who are capable of advanced learning and research.

- **Suppliers.** Suppliers include those from whom a college or university receives students,

goods, or services. Examples are high schools or academies as well as those organizations that supply goods and/or services to the college or university. Suppliers need feedback from the recipients of the goods and services that they provide in order to be able to improve the quality of their production processes. They also seek to build a long-term relationship with colleges and universities based on loyalty and trust.

### **External Customers – Indirect**

The indirect external customers of higher education include governmental bodies, the communities served, accrediting agencies, alumni, and donors.

- **Government.** Federal tax policies affect higher education in terms of research support and financial support for students attending colleges and universities. As a condition for federal spending and tax support, the legislative and executive agencies of the government impose a variety of rules and mandates on both institutions and students. The impact of the federal government on higher education is substantial, diverse, and constantly changing (Gladieux and King, 1999).

The state governments are a major source of funding for their respective state institutions.

Thus they have a legitimate interest in the responsiveness of higher education to major societal needs. While institutional autonomy is important, there is a need for a constructive relationship between the college/university and the state. Higher education needs to recognize that it has a stake, if not responsibility, to engage with state political leaders regarding the nature of their relationship. This includes defining those societal goals toward which the college or university should direct its energies and shaping the policies which govern such

relationship (McGuinness, 1999).

- **Community.** The support of the community is crucial to the success of the operation of higher education. Community outreach and programs strengthen overall institutional effectiveness in preparing tomorrow's student for lifelong involvement (Behringer and Kreisky, 2004). It has been found that university support for student and faculty opportunities to volunteer and perform community service leads to enhanced civic responsibility. Besides providing volunteer services, colleges and universities are expected by their communities to contribute to the development of a competent workforce, the training of leaders and followers, and the nurture of politically active and civic minded citizens.

- **Donors.** The process of asking for gifts begins by informing potential donors of the social need being met by the organization, involving them in the work of that organization and then inviting them to invest financially in that work (Payton et al, 1991). The donor usually offers something of value to the organization for a variety of reasons, without expecting any material or monetary return. Of course, donors expect that they be informed about the legitimacy of the need and be given appropriate acknowledgement for making a donation.

The college/university can acknowledge the gift by recognizing donors for their support of a worthy cause, by helping them feel that they made a difference in the resolution of a problem and by giving them a sense of ownership in a program that serves the public good.

- **Alumni.** In many ways, the college or university connects with the society at large through its alumni. The real success of its programs is often judged by how well its alumni represent its values in their everyday lives and in their lines of work. One way this connection can be strengthened is through programs which bring alumni to the campus in a participatory way. It is also a known fact that alumni are a significant source of financial gifts for the institution.

- **Accrediting agencies.** Accreditation provides public notification that an institution or

program meets standards of quality stipulated by the accrediting agency. It also reflects the fact that to be recognized by the accrediting agency, the institution or program is committed to self-study and external review by one's peers in seeking not only to meet standards but to continuously seek ways in which to enhance the quality of education and training provided.

Accrediting agencies expect accreditation-seeking institutions to comply with their established criteria and standards.

### **RESEARCH METHODOLOGY**

The participants of this study consisted of students from Ajayi Crowder University, Oyo, Nigeria. Out of the total population of 1266 students, 300 questionnaires were

**Table 1.** Pattern matrix illustrating correlations and Cronbach's alpha for the specific construct

No	Constructs	1	2	3	4	5	No of items	Alpha
1.	Market orientation	1.0					14	.89
2.	Managerial attitude towards change	.281**	1.0				2	.56
3.	Group culture	.354**	.085	1.0			5	.82
4.	Service quality	.285**	.176*	.305**	1.0		11	.87
5.	Satisfaction	.315	.256**	.327**	.331**	1.0	1	

Source: Field Survey, 2009.

\*\* Correlation is significant at 0.01 level (2- tailed). \* Significant at 0.05 level (2-tailed). N= 211

randomly distributed at their respective hostels. The clean return questionnaires were 211 yielding a response rate of 70%. Potential non-response bias was assessed based on Armstrong and Overton (1999) suggestions. No significant differences were found between the early and late respondents on any of the key variables, reducing concerns about non-response bias. The survey instrument adopted in this research is adopted from previous studies with modifications done on the market orientation scale to reflect the customer perspective. In establishing the scale development and validation procedure, the suggestions of Churchill (1997) were followed. Exploratory factor analysis was implemented to summarize the interrelationships of variables and for the purpose of reducing the number of items representing the variables. The final items for the respective constructs were as in [table 1](#).

## Findings

The results of the hypotheses testing using regression analysis showed that all the proposed relationships were significant.

### Developing a customer focus in higher education

It is important for an organization to clearly identify its current and potential customers because failure to identify them correctly results in wasted efforts and even failure in the entire quality initiative (Sirvanci, 1996). It is highly desirable that different groups within higher education come to a common consensus as to who their true customers are. In order for the total quality philosophy to have a lasting impact on change and quality improvement in higher education, it is important that educational institutions have the right customer focus model.

We need to remember that while students can be considered customers of higher education, they differ from your typical business customers in a number of ways. For example, colleges and universities often admit students selectively based on certain academic standards

and requirements. Businesses usually do not do that. In fact, they do not ordinarily prevent prospective customers from purchasing their products and services. Also, in higher education, students often do not totally pay for the full cost of their tuition and fees. These expenses are sometimes covered by payments from parents, state subsidies, scholarships and student loans. In business, customers generally pay for their purchases with their own funds. Another difference is that once students are admitted they are continually tested and graded to determine how well they have learned their lessons. They must maintain their good academic standing in order to be able to take more advanced courses and complete their programs of study. Businesses do not do that to their customers.

Identifying the customers of higher education is important in order to know how to proceed in establishing a feedback mechanism. Establishing a feedback mechanism is accomplished through a systematic, factual collection of data from customers so that we truly know whether or not the job is done right. The data that is collected should be used responsibly, that is, to resolve problems; otherwise, there is no valid reason for collecting it. The information gathered should be used solely for purposes of continuous improvement within an environment of trust. This takes courage since it signals that one is serious about not doing business as usual.

*The great enemy of courage is not cowardice, but conformity. The vast majority of people yield to the pressures of conformity because it is safe. It is unconventional to set your sights high, to climb out of ruts. That takes courage.* (Noe, 1986).

An institution committed to customer satisfaction and continuous improvement will need to work with students, faculty and staff and other customers to understand their current expectations and also to anticipate their requirements in the future. It is extremely important for the college or university to establish trust within the entire organization where frank and open discussions are allowed, where opinions are respected, and where participants are empowered to take corrective action on poor processes and to express their true feelings about the tasks, processes, and systems that are out of control and requires urgent attention and solution.

Educational institutions that truly believe in the quality of their services make strong commitments to their customers. They address the principal concerns of customers, eliminate conditions that might weaken their trust and confidence and communicate clearly and simply to them. Building good customer relationships depends on the quality of customer-contact personnel. This begins with the recruitment process and the selection of employees who show the ability and desire to develop good customer relationships. These customer-contact employees must understand the products and services well enough to answer any question, develop good listening and problem recovery skills, and feel able to handle problems. Their actions are guided by a common vision, that is, a clear understanding of what actions they may or should take.

Educational institutions may need to establish service standards and communicate these standards to all customer-contact personnel. These standards must continually be reinforced. Colleges and universities should implement a process for tracking adherence to the standards and provide feedback to employees to improve their performance. But despite all efforts to satisfy customers, every institution experiences unhappy customers. Customer-contact personnel must be trained to deal with angry customers, to listen carefully to determine the customer's feelings and understand the complaint, and to make every effort to resolve the problem quickly. Information collected from the complaint resolution process should be used to continually improve service processes.

Customer satisfaction is probably the most important element in managing quality in higher education. It is often used synonymously with quality which focuses on meeting and exceeding customer expectations (Sirvanci, 1996). Bergquist (1995) listed four sets of criteria by which quality could be defined and assessed to increase customer satisfaction. These criteria are described as follows:

- **Input criteria.** These criteria focus on the nature and level of resources available to the

institution like the characteristics of incoming students, credentials of faculty, size of library, structure and availability of physical facilities, and the amount of financial reserves. For many years, the input criteria have been the most commonly identified measures of quality.

Many accrediting agencies have used input measures to measure quality like the quality of entering students, number of books in the library, quality of graduate degrees held by faculty, number of square feet of classroom space, student-faculty ratio, and others. Many people believe that if you put good things together, something good will come out of it. This concept of education is often associated with traditional high-status institutions.

- **Output criteria.** These criteria stress the nature and extent of institutional products, characteristics of graduat-

ing students, success of alumni, research and scholarly publications, and public service. They build on the assumption that institutions of higher education are accountable to society for what they produce. In recent times, the reputation and quality of educational institutions are increasingly being determined on the basis of their demonstrated outcomes.

- **Value-added criteria.** These criteria zero in on the differences that an institution has made in the growth of all of its members: intellectual, moral, social, vocational, physical, and spiritual. Considering these criteria, an institution would be judged by "the extent to which it is effective in developing the talents of its students from whatever level they are at when entering" (Bergquist, 1995).

- **Process-oriented criteria.** These criteria include the level and manner of participation of all appropriate constituencies (or customers/stakeholders) in the educational, administrative, and governance processes of the institution, including the defining and assessing of quality. Based on these criteria "it is not what we do or what we accomplish that makes for quality; rather it is the way in which we do what we do and how we decide what to do that differentiate a high-quality education" (Bergquist, 1995).

There is no single, all-encompassing definition of quality that meets the needs of all customers in higher education. Quality therefore should not be considered as a unitary concept but a multiple one. Green (1994) suggested that "the best that can be achieved is to define as clearly as possible the criteria that each stakeholder uses when judging quality, and for these competing views to be taken into account when assessments of quality are undertaken." Bergquist (1995) proposed that a comprehensive and useful definition of quality in higher education must include all four sets of criteria described above: input, output, value-added, and process-oriented. These four sets of criteria must be considered equally important in developing a modern definition of quality for education. Based on these criteria, quality then can be defined as the extent to which an institution successfully directs adequate and appropriate resources to the accomplishment of its mission-related outcomes and that its programs make a significant and positive difference in the lives of people associated with it and that these programs are created, conducted, and modified in line with the mission and values of the institution.

Developing and maintaining a customer focus in higher education requires effective leadership. After all, leadership 'is the use of non-coercive influence to shape the group or organization's goals, motivate behavior toward the achievement of those goals, and help define group or organization culture' (Griffin, 2003). Leaders are part of a system and they are affected by the system in which they work. They perform tasks that are essential for others to accomplish their purpose, which in this case, is quality improvement and customer satisfaction. As quality



quality increases, so will the pride-in-workmanship. The end result will be that a new institutional culture will emerge, one in which working becomes fun.

## CONCLUSION

Despite attempts to substitute other words for the term customer in higher education, it appears that they cannot truly capture the true essence of the term. Every one of us in academia serves customers. Every one of us is a customer. However, it is important to understand that differences exist between higher education and other service industries. In the academic subsystem, students assume various roles including that of a customer. Due to the nature of these multiple academic roles they cannot simply be reduced to being a typical customer. But in the administrative subsystem, students are clearly the primary internal customers of the college or the university.

Moreover, it is clear that, besides students, higher education serves a broad range of customers whose needs and expectations ought to be met or exceeded. To be effective, therefore, colleges and universities must be fully committed to satisfying and anticipating the needs of these various customers. Being a market oriented company warrants that the firm delivers a quality service in compliance with the needs or requirements of customers. Consequently, this would lead to satisfied customers based from the quality services rendered. Hence, based on the evidenced relationships, our findings illustrate that management may be able to influence customer service and service quality by adopting and implementing a market- oriented culture.

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