CHAPTER II

REVIEW OF LITERATURE

Overview

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II.1 SERVICE QUALITY DIMENSIONS AND MEASUREMENT

II.1.1 Service quality Evolution

Quality culture and quality improvement are nowadays the basis of any business system and any educational system as well. However, unlike business systems which are primarily manufacturing systems, educational systems are primarily servicing systems posing a greater challenge for quality measurement and improvement. In such systems the impression of the provided service is individual and it can be said that each user may be differently impressed by the obtained service.

Service quality is the customer’s perception of the level of success or failure in meeting expectations (Zeithaml, et. al., 1990). According to the expectation-disconfirmation paradigm (Oliver, 1988), customers compare their satisfaction with a product or service with their expectations of performance. If perceived performance is greater than what was expected, positive disconfirmation results and customer satisfaction is expected to increase. Conversely, if the product or service performance is less than what was expected, negative disconfirmation occurs, with a corresponding decrease in customer satisfaction (Yi, 1990). Empirical studies confirm that disconfirmation and expectations are significant predictors of customer satisfaction.

In contrast, some scholars consider service quality to be a state of outcome of the service encounter and customer satisfaction to be a response to service quality. These researchers typically measure service quality using customer evaluations of tangibles, reliability, empathy, assurance, and responsiveness (Zeithaml, et. al., 1990). This is the basis of the service delivery gap model, whereby customer expectations and perceptions of service quality are gathered.
before and after a service experience. Consistent with the disconfirmation model, perceptions greater than expectations signal satisfactory service quality, and perceptions less than expectations indicate unsatisfactory service quality (Parasuraman et al., 1985, 1988; Zeithaml et al., 1993).

The definition of service quality in the tertiary education sector is no less elusive than that in the business world. “Service quality is like beauty—it lies in the eyes of the beholder”. In other words, it is person-dependent and has different meanings for different people (Galloway & Wearn, 1998).

Most definitions of quality when applied to services are customer-centric; however the ambiguous nature of services indicates that “the search for a universal definition of quality and a statement of law-like relationships has been unsuccessful. Despite the lack of a specific definition Sahney et al. (2004) aver that quality in higher education follows the definitions of quality in general.

II.1.2 Service Quality Outcomes

Many organizations view the delivery of service quality as a strategic intervention for increasing organizational effectiveness and gaining competitive advantage in today’s competitive environment (Parasuraman et al., 1985; Reichheld & Sasser, 1990). Research has traditionally focused on the probable outcomes of service quality, including increased profitability and market share, strength of preference for a service provider, and customer satisfaction. Initially, service quality practitioners, both business and academic, focused on defining what service quality was from the vantage point of their customers, and then developing strategies to meet their customers’ needs (Parasuraman et al., 1985). More recently, research has focused on the
practical influence of service quality on the bottom-line profitability of the organization.

The link between service quality and profitability is often difficult to quantify. Along with service quality, profitability is impacted by a number of variables including advertising, pricing, image, and efficiency (Parasuraman et al, 1985). Investing human and capital resources into service quality improvement efforts does not necessarily assure profitability, as those efforts can be directly influenced by the organization’s strategy and execution as well.

In an effort to gauge the effectiveness of an organization’s service quality initiatives, customers’ perceptions are gathered and measured. This measurement provides the information necessary for effective decision making, monitoring performance, and effectively allocating resources to enhance profitability.

II.1.3 Service Quality Measurement - SERVQUAL

Delivering quality service is considered an essential strategy for success and survival in today’s competitive environment (Zeithaml et al, 1990). Several research approaches are available to capture the quality of the service delivered, including traditional satisfaction surveys, tracking customer complaints, and market and employee surveys (Grapentine, 1998). These methods are supplemented with other approaches such as mystery shoppers, focus groups, and customer advisory panels.

Early efforts at measuring and quantifying the results of improved quality came from the private sector. Crosby (1979) defined quality as “conformance to requirements” and “doing it right the first time,” while Juran defined quality as “those product features which meet the needs of customers and thereby provide satisfaction” (Juran, 1999).

Service quality has been more challenging and elusive to measure than product quality.
In their groundbreaking research on service quality, Parasuraman et al, 1985) employed “gap analysis” to the provisioning of services. They offered a framework for measuring service quality whereby it is defined as the gap between customer expectations versus their perceptions of how the service is performed (Gupta & Chen, 1995). The goal of any service organization is to close, or narrow, the gap.

Previous research focused entirely on the desired expectations of customers (i.e. what a customer feels a service provider should provide), unintentionally skirting the importance of actual service performance to customer satisfaction. The current research supports the utilization of multi-expectation standards in service quality models (Boulding et al., 1993; Parasuraman et al, 1994; Zeithmal et al, 1993).

Parasuraman et al (1991a) tested the multi-expectation model for a variety of service organizations, including banking, credit card, repair and maintenance, and long-distance telephone services. The attitudes of customers toward these service organizations reflect the combination of individual customer’s successful and unsuccessful experiences with the organization. Parasuraman et al (1991a) found that despite the service organization measured, customers shared similar criteria in evaluating service quality. These criteria initially fell into ten key dimensions: (i) Tangibles, (ii) Reliability, (iii) Responsiveness, (iv) Competence, (v) Courtesy, (vi) Credibility, (vii) Access, (viii) Security, (ix) Communication, and (x) Understanding the customer.

Through the use of extensive factor analysis, the ten dimensions were later consolidated into five dimensions (Parasuraman et al., 1985, 1988, 1991a):

i. Tangibles: the appearance of physical facilities, equipment, personnel, and communication materials.
ii. Reliability: the ability to perform the services accurately and dependably.

iii. Responsiveness: the willingness to help customers and ability to provide prompt service.

iv. Assurance: the knowledge and courtesy of employees and their ability to convey trust and confidence.

v. Empathy: the caring, individualized attention provided to the customer.

This early exploratory research formed the foundation for the SERVQUAL instrument (Parasuraman et al, 1988). The SERVQUAL is a conceptual model that defines service quality from the customer’s vantage point, and consists of 22 similarly worded questions measuring customer expectations compared to customer perceptions of service quality (Parasuraman et al, 1985, 1988).

Parasuraman et al (1988) identified five gaps within an organization which could lead to service quality deficiencies perceived by customers:

i. Marketing Information Gap: discrepancy between customer expectations and management perceptions of customers’ service expectations.

ii. Standards Gap: discrepancy between management perceptions of customer expectations and service quality specifications.

iii. Service Performance Gap: discrepancy between service quality specifications and the service actually delivered.

iv. Communications Gap: discrepancy between communications to customers describing the service and the service actually delivered.

v. Service Quality Gap: discrepancy between customer service expectations and perceptions.
II.1.4 Service Quality Measurement - SERVPERF

SERVQUAL operationalises 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.

Most research studies do not support the five-factor structure of SERVQUAL posited by Parasuraman et al. (1988), and administering expectation items is also considered unnecessary (Carman, 1990; Parasuraman et al., 1991a, b; Babakus and Boller, 1992). Cronin and Taylor (1992) were particularly vociferous in their critiques, thus developing their own performance-based measure, dubbed SERVPERF. In fact, the SERVPERF scale is the unweighted perceptions components of SERVQUAL, which consists of 22 perception items thus excluding any consideration of expectations. In their empirical work in four industries, Cronin and Taylor (1992) found that unweighted SERVPERF measure (performance-only) performs better that any other measure of service quality, and that it has greater predictive power (ability to provide an accurate service quality score) than SERVQUAL. They argue that current performance best reflects a customer’s perception of service quality, and that expectations are not part of this concept.

Likewise, Boulding et al. (1993) reject the value of an expectations-based SERVQUAL, and concur that service quality is only influenced by perceptions. Quester et al. (1995) perform similar analysis to Cronin and Taylor in the Australian advertising industry, and their empirical
tests show that SERVPERF performs best, while SERVQUAL performs worst, although the differences are small. *Teas (1993a)*, on the other hand, discusses the conceptual and operational difficulties of using the “expectations minus performance” approach, with a particular emphasis on expectations.

A review of service quality literature brings forward diverse arguments in relation to the advantages and disadvantages in the use of these instruments. In general, the arguments make reference to aspects related to the characteristics of these scales notably their reliability and validity. Recently, *Llusar and Zornoza (2000)* concur that SERVPERF results in more reliable estimations, greater convergent and discriminant validity, greater explained variance, and consequently less bias than the EP scale. These results are consistent with earlier research that had compared these methods in the scope of service activities (*Cronin and Taylor, 1992; Parasuraman et al., 1994*). In fact, the marketing literature appears to offer considerable support for the superiority of simple performance-based measures of service quality (*Mazis et al., 1975; Churchill and Surprenant, 1982; Carman, 1990; Bolton and Drew, 1991a, b; Boulding et al., 1993; Teas, 1993a; Quester et al., 1995*).

### II.2 QUALITY ISSUES AND PERSPECTIVES IN HIGHER EDUCATION

Higher education is currently subject to numerous changes introduced in order to enhance the quality of educational process and thus also its output. To ensure and monitor quality in higher education quality management systems are introduced.
II.2.1 Higher Education Quality: Prior to the new Millennium

One of the most commonly cited literature on defining quality in higher education is a series of reports and articles based on a three-year Quality in Higher Education project conducted in the United Kingdom (UK). The results of the UK study showed marked differences in how quality is conceptualized by various stakeholders. In particular, *Harvey and Green (1993a)* reported that although employers viewed quality primarily in terms of higher education’s capacity to provide an appropriately educated workforce, the key focus of students and staff within the institutions was on resources and learning experiences. Furthermore, government and quality assessors gave primary importance to maintaining standards and achieving efficiency.

*Harvey and Green (1993a)* developed a framework for categorizing various viewpoints on quality higher education. The five categories are as follows: (a) quality as exceptional, (b) quality as perfection or consistency, (c) quality as fitness for purpose, (d) quality as value for money, and (e) quality as transformation. Following is a description of each.

Quality as exceptional is perhaps the oldest known and most widely regarded concept of higher education quality. They described exceptionality in three ways. Firstly, exceptional can refer to an exclusive, elitist or “high class” educational institution or system. Accessibility is limited and the few that are able to engage in such a system have a certain status, a stamp of quality, automatically conferred on them. Consequently, the idea that such a person received a quality education often goes unquestioned. Secondly, exceptionality can also refer to excellence, meaning having extremely high standards which are unattainable by most. The focus in such institutions and systems is on attracting the best students and providing the best facilities and services from which quality (excellent results) then is believed to naturally flow. Such systems and institutions rely on their reputations for producing high achievers to attract more students.
and resources. Finally, exceptionality can be viewed in terms of passing a set of required standards. The institution or program is assessed against established standards for their inputs and outputs and given a seal of approval if they are found in conformity.

The second category, quality as perfection or consistency, has its origins in the manufacturing industry (Green, 1994). Instead of looking at inputs and outputs, the concept focuses directly on processes. The emphasis is on meeting predefined and measurable specifications. Effort is expended in minimizing “defects” through strict conformance to specifications. The aim is for “zero defects.” Applied to higher education this concept relates to conformance to the policies and procedures in an effort to ensure consistent quality results. Institutions that can demonstrate little or no deviation from the guidelines specified in their own operational guides or by reputable external agencies are regarded as quality institutions.

The third category, quality as fitness for purpose, is based on the idea of structure matching function. According to Harvey and Green (1993a), this concept varies depending on the stakeholder group. Students and employers have certain expectations of higher education. When these expectations are met, then the education is viewed as fit for its purpose and therefore being of quality. Institutions try to ensure fitness for their expressed mission. Governments, on the other hand, may be concerned not only with fitness for purpose, but more fundamentally with fitness of purpose, that is, the fitness of the institution’s purpose to the social and economic needs of the country. In other words, an institution might judge itself to be of quality because it is meeting the mission and goals it sets for itself and its students; however, another measure of quality for which the institution may be judged, is the extent to which that institution is helping to achieve larger, perhaps national, goals, in other words, the relevance of the institution’s goals to national objectives.
The fourth category *Harvey and Green (1993a)*, quality as value for money, also has its origins in the private sector. Public funding supports higher education to varying degrees in different countries. As fiscal constraints and demands for social programs grow, there is increased external pressure on educational institutions to be transparent and efficient in their use of public funds. Furthermore, as institutions start to rely more heavily on funding sources such as tuition, students and their parents tend to become more critical about the returns on their investments. Thus governments may regard a quality institution as one that is able to serve increasing numbers of students with stable or even declining revenues. Institutions may add financial sustainability as one aspect of a quality program and refuse to offer those that draw on resources from other areas. Parents and students may be factoring in services and amenities into their concepts of quality and ultimately into their final decision on choice of institution.

*Harvey and Green’s (1993a)* final category, quality as transformation, sets aside ideas about exceptionality, perfection, fitness and efficiency and focuses directly on the outcomes of education, specifically the graduate. Quality is seen as enhancing or empowering the participant. The idea is that true quality is determined by measuring the value added to the student/participant as a result of the educational experience. This transformation may be measured by an increase in the knowledge and skills or improvements in behaviors, values or attitudes of students. In this view, a quality institution or educational program is one that is able to transform the knowledge, skills, behaviors, values and attitudes of its students in ways that are regarded as relevant and desirable by the institution, society, students or parents.

*Harvey and Green (1993b)* found that even though stakeholders differ in their primary views on quality, there were still a number of commonalities. For example, the majority of stakeholders agreed that the following components are essential to quality: (a) adequate physical
and human resources; (b) clear aims and objectives; (c) relevant subject content; and (d) valid, fair and objective assessments. Participants in the study also mentioned providing students with transferable knowledge and skills as essential. The authors came to the conclusion that the best that can be achieved is to define, as clearly as possible, the criteria used by each interest group when judging quality.

Green (1994) noted that Quality like ‘freedom’ or ‘justice’ is an enigmatic concept. We all have an instinctive understanding of what it means but it is difficult to articulate. This has not stopped researchers, policymakers or academicians from trying to measure and improve on this concept over the years.

Kells (1995) made the observation that what leaders, governments and change agents have learnt painfully (or should have learnt) is that unless the institution is ready, unless a significant number of the formal and informal leaders are interested to accomplish high priority items on their agenda, one should not proceed with interventions.

Lim (1999) warned that many of the conditions needed to successfully support quality assurance programs are absent in the majority of universities in developing countries. While he noted that a few elite institutions do exist in more advanced developing countries, he insisted that the majority of institutions in developing countries are poorly endowed, have few academic staff with formal qualifications and have poor support services. For example, academic staff usually have only a Master’s degree (and in many rural areas, only a Bachelor’s degree) and little research training. Low salaries and poor working conditions also lead to the practice of moonlighting to supplement incomes.
As would be expected in poorly resourced institutions, library materials are usually outdated and there is inadequate access to technology. Physical space is often limited. Lim (1999) also claimed that in developing countries, the academic culture is more likely to be influenced by external politics and culture. According to the author, there is often less tolerance of faculty and student academic freedom, more resistance to evaluation of teachers and greater political interference in promotions than found in developed countries. Awareness of quality assurance principles is often lacking as well.

Despite the inevitable shortcomings, Lim (1999) advocated for developing countries to adopt quality assurance programs, pointing to the potential for quality improvement and economic development.

II.2.2 Higher Education Quality: New Millennium

The World Bank’s The Task Force on Higher Education and Society (2000) report “Higher Education in Developing Countries: Peril and Promise”, highlighted several major obstacles faced by higher education in developing countries. Among these are the absence of vision, lack of political and financial commitment, conditions of initial disadvantage, poor management of resources, and disruptions of globalization. The authors of the report claimed a link between higher education and income growth, enlightened leadership and expansion of choices for citizens; however, the links between higher education and these social and economic factors seems not to be sufficiently appreciated in developing countries.

Developing countries are characterized by severe resource constraints and highly competitive political settings. They have poor baselines to start with. According to the report a critical mass of scholars and teachers needs to be reached before higher education can thrive.
This condition is further worsened by the migration of the brightest faculty and students from developing countries to more developed ones. Given the little that they already have, the economic impact on institutions either through poor resource management or global economic declines is also more pronounced on higher education institutions in the developing world.

*Lemaitre (2002)* asserted that definitions of quality are never neutral. They are about balances of power, within higher education and between higher education and other social actors. A country’s history, political system, higher education traditions, current environmental conditions and the philosophies and power relations among those involved will no doubt contribute to decisions about the objects, standards, subjects and values used to define and assure quality. He noted that while globalization affects higher education in all countries, globalization is not the same in the developing world as it is in developed countries.

For instance, in Latin America the massification of enrolment is less pronounced, students do not have adequate access to technology, and their role in the knowledge economy is often seen in terms of consumers rather than producers. *Lemaitre* also asserted that “developing countries are in a much more difficult position: not only do we have to assure quality, we must develop the conditions that make quality possible”. The temptation would be for developing countries to adopt existing models from larger, more developed systems. However, *Lemaitre (2002)* warned against such adoptions.

*Newton (2002)* stressed on the size, stage of development, strategic priorities, blend of organizational politics, and even the particular vulnerabilities of a college as key considerations. He commented that academicians are active and not passive participants in the process.
Genis (2002) recommends that quality assurance systems create a balance between compliance with external (quality assurance) standards and norms and institutional (quality improvement) initiatives. This is to avoid the “game playing,” performances” and “impression management” referred to by Newton.

Pressures on higher education also have a direct impact on the nature and operation of quality assurance. Salmi (2002) identified economic globalization, the growing importance of knowledge, and the information and communication revolution as the three major challenges faced by higher education. The implication according to Salmi is that higher education will face radical changes in training needs, new forms of competition and new configurations and modes of operation for institutions. He further claimed that “the emergence of these new forms of competition is likely to change the nature of quality assurance mechanisms and criteria”.

Supportive leadership and academic structures can have a large influence on the outcomes of quality assurance activities. Welsh and Metcalf (2003) established that faculty support could be obtained if faculty perceived that (a) the primary motivation for the activities is improvement in the institution’s programs or services, instead of fulfillment of an external mandate; and that (b) they are personally involved in the quality improvement activities. Furthermore, though they found significant differences in attitudes between the faculty and academic administrators of the 168 U.S. institutions surveyed, they cautioned that the differences did not represent as sharp an ideological divide as often assumed. Welsh and Metcalf (2003) put it bluntly: “Faculty support for institutional effectiveness activities is likely to determine their fate”.

Harvey (2004) likewise pointed to the “globalization of higher education; the growth of transnational education;” and “increasing pressure for international or cross-national recognition
of qualifications” as the main reasons for the internationalization of quality assurance. Examples of this movement include the establishment of the International Network of Quality Assurance Agency for Higher Education (INQAAHE), the Bologna Declaration in Europe and the MERCOSUR process of mutual recognition in South America. In the United States, CHEA, the Council for Higher Education Accreditation, has published a proposal for an international confederation for quality review. According to Harvey, internationalization of quality could take one of three forms: (a) supranational agencies, such as CHEA, which focus solely on evaluating existing agencies within national boundaries, (b) a system of mutual recognition between national agencies such as in the case of INQAAHE; and (c) multi-national agencies such as the Centro-American Accreditation Council.

These developments are not without logistical and political problems. International agencies need to deal with challenges such as language and cultural compatibility, especially in the peer review process. Proponents for the development of a world quality register retreated under the difficulty of garnering the support of national governments who are generally in charge of quality assurance and higher education and have varying philosophical approaches to quality assurance. It is also feared that internationalization of accreditation could open the gates for greater competition between transnational universities and local institutions (Harvey, 2004).

Zemsky (2005) describes higher education quality as being calibrated in terms of endowments and expenditures per student, class sizes, faculty-student ratios, and the quality of the freshman class as measured by test scores, high-school ranks, and grade-point average. He indicates that the faculty response to the definition of quality might likely be the same, with the additional caveat that what really counts is research and scholarship-the hiring and retaining of a research-productive faculty which drives both prestige and educational quality.
Zemsky elaborates on the dimensions of service quality in higher education-inputs, market power, and the central role of research and scholarship thus, “Quality is about money and the resources money can buy, like libraries, recreational facilities, and lower faculty-to-student ratios. Quality is about credentials, those of the students as well as the faculty. And quality is about the primacy of research and scholarship” (Zemsky, 2005). However, the traditional university’s core competency lies in knowledge creation, not in educating large numbers of students at the highest quality possible given available resources. Most faculty care about educational quality less passionately than they care about knowledge creation. The definition of quality in colleges and universities, therefore, is multifaceted and diverse.

Regardless of quality’s definition in the higher education arena, it most certainly encompasses more than solely a service component. “It includes within its ambit the quality of inputs in the form of students, faculty, support staff and infrastructure; the quality of processes in the form of learning and teaching activity; and the quality of outputs in the form of the enlightened students that move out of the system” (Sahney, 2004). The array of potential services and service characteristics can include a wide range of measures, including the institution’s emphasis on teaching students well, faculty availability for student consultations, library services, class sizes, information systems, and recreational and classroom facilities. Higher education has a number of complementary and contradictory “customers.” Being mindful of the large number of stakeholders the education system serves, this study defines the service quality dimensions exclusively from the student perspective—with the student deemed the primary external customer of the educational system.

In their case studies on the effect of academic culture on the implementation of the European Foundation for Quality Management’s (EFQM) Excellence Model, Davies et al.
found individualism and the critical nature of staff to be significant barriers to implementation. Ultimately, it is the academicians on whose shoulders genuine implementation and sustainability of quality initiatives fall (Brunetto & Farr-Wharton, 2005).

Research shows that in addition to definitions of quality differing between internal and external stakeholders, disparate views on quality also can exist among members of the same stakeholder groups. For example, Telford and Masson (2005) conducted a case study to investigate quality values held by students, the teaching staff and senior management at a large business school in a major UK university. The researchers used interviews and focus groups with a sample of participants to develop a framework of quality values and then used the framework to deliver and administer questionnaires to a larger sample which included 441 students, 64 lecturing staff and 7 senior administrators. The researchers found that students, lecturers and managers attached different levels of importance to the various quality issues. Students were primarily interested in “qualification or experience that will help them in their careers” and those “activities and processes” that supported such achievements. Lecturing staff also saw vocational educational experience and support activities as important but not as important as commitment from themselves, students and the university. Managers placed high value on both vocational qualifications and commitment by lecturers but placed an even higher value than students and lecturers on what the researchers termed “the softer nature of the learning environment” such as mutual respect and effective communication between students and staff.

Osseo-Asare et al.’s (2005) study sought to identify leadership best practices for sustaining quality in UK higher education from the perspective of the EFQM excellence model. They reviewed documents and used semi-structured interviews and questionnaires to collect
perceptions from academic quality managers in 42 UK Higher education institutions. They concluded that the majority of respondents and interviewees agreed with the following: (a) “the implementation of policy, strategy, and core processes will be more successful if closely coupled with leadership;” (b) requirements are “best met if ‘policy and strategy’ are seen as an integral part of the key responsibilities of leadership for quality at all levels of the institution;” and (c) “leadership should not be separated from policy, strategy, and process ownership”.

Brunetto and Farr-Wharton (2005) proposed a model for implementation of quality initiatives that places senior managers at the center of the process. The model is based on the propositions that senior managers interact with both the internal and external environments of their institutions and that leadership and organizational culture are closely interrelated and impact the behavior of institutional actors. The proposed model looks at the impact of the level of resources accompanying policy, the external and internal accountability expectations, organizational culture and leadership. A key feature of organizational culture is the need for leaders to align work place practices with official organizational policy. According to the model, the general attitude and behavioural responses of organizational management to quality initiatives are crucial to its success as well.

Mehralizadeh et al. (2007) likewise found lack of university management and structural support to be major barriers for implementing internal evaluation in Iran. Another major barrier was the inadequacy of budget and resources for conducting self-evaluations. Therefore, leaders do not only have to be convinced of the importance of such efforts, but they also have to be able to put in place the financial and structural support needed to make the efforts successful.

The International Institute for Educational Planning (IIEP, 2007) highlighted several major world-wide trends in higher education systems. “Growing social demand and expansion
of systems” are at the top of that list. World-wide, higher education enrolment increased from 69.4 million in 1998/1999 to 138 million in 2004/2005. Enrolment in China alone almost quadrupled during the same time period. In an effort to meet this growing demand, alternative types of institutions and new forms of delivery have developed.

Another important trend is the increase in the “privatization of higher education” (IIEP, 2007). Even in countries with a long history of public higher education, private providers are increasingly seen as a viable and attractive alternative. Additionally, public institutions are beginning to take on many privatization features in an attempt to augment revenues. The IIEP (2007) credited this increased acceptance of private providers and privatization with the fact that although enrollment continues to increase, in many cases, there is no corresponding increase in the financial capacity or willingness of governments to fund higher education.

The question of whether higher education is a public or private good has long been debated; however, the financial returns for persons who complete higher education cannot be denied. According to the IIEP (2007), this fact has led to a trend where higher education is increasingly regarded as a private good. The result is a shifting of the cost of higher education from the public purse to students and their families. Private providers have capitalized on this trend. They now compete with traditional providers for students who are interested in particular professional training to boost their income or access new job markets. Moreover, these new types of students do not mind paying for these services out of their own pockets.

“Deregulation and governments’ demand for value for money” is an additional trend cited by the IIEP (2007). Governments are redefining the nature of public authorities and as a consequence, previously state-controlled institutions find themselves in an era of increased decision-making power and control over their operations. Even so, self-regulation and
autonomy are not given without some conditions. Governments have simultaneously increased their demand for institutions to be more accountable. Accountability usually translates into requirements that institutions measure their efficiency in using resources and their effectiveness in meeting the needs of the local economy.

There are, of course, several other social and economic trends that currently impact higher education world-wide. According to the IIEP (2007), these include “a shift to the market and consumer demand for market transparency” and “globalization”. The collective result of all these trends is a higher education sector that is more competitive and more willing to see students as customers. These customers are now demanding access to educational services of high standards and qualifications that will provide them with access to global job markets.

Reisberg’s (2007) multi-case study in Argentina, a country which adopted a large-scale quality assurance scheme modeled off foreign criteria, is instructive. Reisberg conducted interviews with 30 senior administrators, deans and professors at three Argentinean universities that had undergone the self-study process and found a number of fundamental problems in the transfer of the quality assurance scheme into the Argentinean higher education system. Specifically, she noted that “when the self-studies use international criteria to measure institutional performance, local problems may not get the attention that they merit while less relevant issues become priorities”.

In Argentina, an extensive evaluation program was implemented all at once without the benefit of experience or consensus. Whether the rapid implementation was the result of pressure from The World Bank or simply poor planning is impossible to know. The system outlined in the new law mimicked elements of quality assurance schemes in practice elsewhere. No
allowance was made for national or institutional culture or for the lack of familiarity with this kind of program (Reisberg, 2007).

II.3 PERSPECTIVES AND QUALITY ISSUES IN MANAGEMENT EDUCATION

II.3.1 Perspectives on Management Education Institutions

II.3.1.1 Popularity: Master of Business Administration (Pillay and Dugar, 2009), as a course, facilitates learning of theoretical concepts for practical applications through methodologies like case studies, simulations, operational workouts, live projects, management thesis, internship programs, etc. In a nutshell, it is all about sound decision making in business dynamics. The course is becoming popular globally because of increasing utility of the MBA programs across industries, business sectors and economies.

II.3.1.2 Orientation Models: There are four orientations (Steinwascher and Rajagopal, 2009) of Multicultural educational models. The traditional orientation has an orthodox view of the world from a local perspective. Academic staff and student community belongs to the same society. The goals of academic programs are related to benefit the local society.

The integrative orientation assumes that Management education institutions understand the cultural differences of their members, in meaning, language and customs. Academic staff and / or student community belongs to different cultures. The goals of academic programs are related to benefit the local society.
The expansive orientation has an orthodox view of the world from a local perspective. Academic staff and/or student community belongs to different cultures. The goals of academic programs are related to benefit the local society.

The global orientation assumes that Management education institutions understand the cultural differences of their members, in meaning, language and customs. Academic staff and/or student community belongs to different cultures. The goals of academic programs are related to benefit the local society, and the societies of their members.

An academic program is effective when it calls the participation of people from different cultures to diffuse and integrate among them their values and meanings in a cohesive multicultural community.

II.3.1.3 Customers: Griffin (1996), defined a customer as anyone who pays money to acquire an organization’s products or services. Stanton, Etzel, and Walker (1994) suggested that customer is the individual or organization that actually makes a purchase decision, while a consumer is the individual or organizational unit that uses or consumes a product. In education students are customers who come to contact with service providers of an educational institution for the purpose of acquiring goods or services.

Hill (1995) mentioned that as a primary customer of higher education services, the student should focus on expectations. Waugh (2002), however, suggested that viewing students as customers created some tensions in universities by making universities seem to be too aligned with businesses. Some researchers also view academic faculty as customers of university administration. Pitman (2000) examined the extent to which university staff perceived students and academicians as customers in Australia.
Although the primary participant in the service of education is the student, there is also a strong underlying assumption that the ‘customer’ of education includes industry, parents, Government, and even society as a whole.

**II.3.1.4 Government Committees:** In the past, several committees (MHRD, 2011) appointed in India like the Nanda Committee 1981, the Kurien Committee 1992, the Ishwar Dayal Committee 1995, and the Management Education Review Committee 2003 recommended efforts to promote a strong research culture in management institutions. However, rapid progress has not been achieved in this regard. Academicians need to examine research frameworks to assess their relevancy in the face of the revolutionary changes now taking place. Academics must work to prepare students to be successful in the twenty-first century business reality.

**II.3.1.5 Strategies for Change:** Every Management education institutions (*Business India, 2003*) is expanding their infrastructure, increasing batch sizes, introducing new executive management programmes, part time MBAs and pushing ahead with more international tie ups for both faculty and students. They are encouraging faculty to publish books and papers, bringing out quality journals of management, adding more technology and computers to their campuses and seriously preparing for a foray in e-learning.

Most of the Management education institutions are taking a hard look at their course offerings, pedagogy, credit hours, both total number and content of their electives and of course scouring around to get specialist faculty to teach state of the art courses. The course offering is certainly global-scale but content and delivery are found wanting in Indian campuses. Complacency is giving place to competitive spirit, albeit slowly as the top Management
education institutions girdle up to meet the unknown competition from within through quality paradigm.

The massive growth of Business Schools in India has brought in its wake some serious problems. The most important problem seems to be shortage of faculty. The shortage of 5000 business faculty felt in India seems to be far more serious considering the huge growth of business schools in the last twenty-thirty years. Unfortunately, the supply side did not catch up with the need, resulting in a huge gap. This shortage is mostly met by visiting or adjunct faculty, retirees from industry or managers who break their careers in between to enter into an academic career.

Most of them are MBAs with considerable industrial experience. Therefore, they bring to the classroom the real flavour of business and industry. The only fault out is that in the faculty list the number with Ph.D. qualification will not be more than 40 percent. As a consequence, the research thrust is somewhat weak in most Indian Management education institutions, except the leading ones. The Govt. the Universities and some of the leading Business Schools are all trying to deal with this issue by producing more and more management Ph. D.s or Ph. D.s in related disciplines like Economics, Psychology, and Operations Research etc. But we still haven’t succeeded in this battle against shortage.

**II.3.1.6 Global Perspective:** The year 2004 marked the milestone (Raman, 2008) in Indian Management education institutions when the first tentative steps were taken by the Indian Management education institutions community to actually found campuses overseas. XLRI, Symbiosis, SP Jain and ICFAI set up their campuses overseas - the first three at Knowledge Village Dubai and the latter at Sri Lanka.
Unfortunately not all schools could be on such growth path. In fact the percentage of schools thinking global, sprucing up their act and investing heavily into their future is quite minuscule. The Indian corporate and academic leadership do not think that no more than 10 per cent of around 1000 odd schools working in the country would qualify for any recruitments from them. The Indian MBA is caught in an uncanny web of seemingly plentiful number of schools, large number of seats, outwardly impressive infrastructure resources, a matching high performance at the placements, equally impressive range of international schools staying rooted in India.

In the past Management education institutions were simply offering an international experience (Porter, 2010) and this did the trick. Business schools have started to look beyond their borders by recruiting abroad and setting up satellite campuses. The top B-schools are now differentiating themselves by offering personal coaching, humanities courses, and condensed formats that allow students to complete their MBAs in half the time. Many international programs are small and they can deliver a personalized experience. The goal now is to produce graduates adept at navigating a multicultural business environment. Nonetheless, given the high cost of recruiting abroad and their small size, international programs are still challenged when it comes to attracting top recruiters.

The globalization process (Iniguez de Onzono and Carmona, 2007) acts as a catalyst for the driving forces of change operating in the institutional contexts of business schools, namely: (a) the structure of MBA programs; (b) sources of income; (c) market concentration; (d) profile of customers; and (e) distribution channels.

International education (Sliwa and Grandy, 2006) in the medium of English about Business is the driving force of cultural globalisation. In recent years, the Western world has
experienced a shift in recruiting efforts toward China to spur growth in management education programmes. Chinese students enact a passion for Western business studies, a passion driven by an acceptance of such standards. The students display an awareness of the rankings of universities and this informs the decisions they, their parents and future employers make.

Some of the programmes like Master of Business Administration, Master of International Business comprise 90 percent Asian and only 10 percent European students. As a result of growth in enrolment by Chinese students alone, the overall growth in the programmes has tripled over the past few years. Many of the students and staff interviewed reveal that Chinese students do not integrate with the local ones. As we see it, for many of the Chinese students their apparent international English degree is merely a degree taught in English for Chinese students.

This study has come up with a few questions: (a) what are the expectations of faculty, international students, and national students in regards to course content and cultural experiences? (b) in what cultural, political and economic experiences are these expectations grounded? (c) How can we attempt to align these expectations in delivering higher education?

As part of their internationalization strategies, Management education institutions (Blasco, 2009) worldwide have sought to add a cultural dimension to teaching by adding courses on culture in various guises. This study strongly suggested that integrating a cultural dimension is not just a matter of adding courses on culture. It is worrying that International Business program graduates emerge having gained a sense that culture is complex and important but still mystified about how to approach cultural analysis of concrete business problems in practice. The findings indicate that International Business programs must work harder to ensure conceptual integration among courses, so that students learn to see business as a cultured and culturing activity rather than as an embarrassing add-on to business.
II.3.1.7 Industry Collaborations: Industry-Management education institutions collaborations (Philip, 2008) are mostly seen in the following levels: (i) Summer internships for students, (ii) Top or senior managers participating in the Governance of the Management education institutions, (iii) Visiting faculty from industry, (iv) Team teaching – a business manager and one or two academics together, (v) Management education institutions offering training and consultancy for industry, (vi) Industry sponsoring mid-level executives to Executive MBA programmes of the Business Schools, (vii) Industry instituting academic chairs, and (viii) Financial assistance to the building up of the Management education institutions itself.

II.3.1.8 Research on Management education: The performance of 20 Indian Management education institutions (Debnath and Shankar, 2009) was analysed utilising data envelopment analysis (DEA), separating their profitability and marketability. The technique allows one to identify those management institutions which are able to utilize their resources in a most efficient way such that the overall goals of the organization are satisfied and total outcome maximized. If a management institution means to be effective in developing professionals who are going to be competent leaders and managers, then it would be useful to know the performance of the management institutes. However, measuring the performance of management institutes has received very little attention.

Efficiency can be measured by using the inputs and outputs which are intangible in nature. Many institutes are being able to charge a high fee for their management programme. However they are not able to maintain their status and rank in the various rankings. An efficient institute will be able to use all its resources in an optimum way to produce the maximum output.
A research focused institution will need different competencies in faculties as compared to those in a teaching focused and student centred institute. Thus study showed that faculties in Management education institutions consider learning opportunities, working environment, incentives, and recognition as important factors for them.

II.3.1.9 Faculty: Management education institutions need to understand faculty (Agarwal, 2010) as talent and construct talent management strategies considering relative importance of various factors similar to the practices in corporate. Effective talent management strategies should be made in line with the learning and development of faculties aligned with institution vision.

Extended faculty could apply to business schools, where huge numbers might include alumni such as local business leaders, who with suitable oversight and training by core faculty could help with team projects and experiential learning.

II.3.1.10 Program Curriculum: The more forward-looking schools (Cornuel, 2007) are already beginning to implement changes to their curricula, their marketing strategies, their alliances and partnerships. They have realized that in the future, the business education market will become increasingly competitive. More providers, new methods, creative strategies, global opportunities will provide a varied choice to students across the world.

The ability to adapt classroom curriculum (Krell, 2010) and discussions to help students understand and learn from breaking business developments requires a unique culture. Administrators need to make this approach a priority. Professors need to collaborate with each other on how (and why) new content can and should complement existing curriculum.
A casual look at the curriculum (Goorha and Mohan, 2010) of several Management education institutions confirms that the core subjects typically include some combination of managerial economics, financial management, marketing, accounting, empirical analysis, public policy, operations management, negotiation, ethics, and technology management. However, exactly which subset of these a student receives and in what measure depends on the school he or she attends and the choices he or she then makes on optional subjects.

Management education institutions student is a hybrid learner. B-school students learn by reflecting on a concept and making observations. They abstractly conceptualize the concept by drawing on such reflections. They then try to apply the concept through experimentation.

Management education institutions curriculum must facilitate the retention of theory and concepts through the demonstration of relevance in applied settings. Global managers require certain soft skills, such as cultural sensitivity, the awareness of local customs, and fluency in a second or third language, has led to an interesting philosophical division among business schools. Providing courses that cover these skills usually comes at the expense of traditional, and often more rigorous subjects. A divide now exists on whether a Management education institutions places emphasis on doing business in an increasingly networked global village or emphasis on traditional rigour.

II.3.1.11 Identity: Identity work (Beech, 2006) is defined as the processes of “forming, repairing, maintaining, strengthening or revising the constructions that are productive of a sense of coherence and distinctiveness”. When faced with changeful situations, such identity work can be heightened as people seek to develop positions, impose them on others and / or resist the constructions of others.
The vast majority of courses are projected as being concerned with “general management”. General and strategic management are still significant parts of the course. From an identity perspective there are some significant elements that are very common. First most courses offer the ability to form “life-long networks” which will help in career. Second, they offer the ability to “personalise the MBA”. Students are allowed to choose some electives, but in some cases it also means that they will do an internship with “personalised coaching”. Third, they all also focus on “analysis plus”. This means that the way students will be transformed is not by learning the functional and analytical elements of business management, but by learning “soft skills”.

II.3.1.12 Pedagogy: Conventional teaching (Gibb, 1996) approaches comprise (a) major focus on content, (b) dominated by teacher, (c) expert hands-down knowledge, (d) emphasis upon ‘know what’, (e) participants passively receiving knowledge, (f) sessions heavily programmed, (g) learning objectives imposed, (h) mistakes looked down upon, (i) emphasis upon theory and (j) subject / functional focus. On the other hand, enterprising teaching comprises (i) Major focus on process delivery, (ii) ownership of learning by participant, (iii) teacher as fellow learner / facilitator, (iv) emphasis upon ‘know how’ and ‘know who’, (v) participants generating knowledge, (vi) sessions flexible and responsive to needs, (vii) learning objectives negotiated, (viii) mistakes to be learned from, (ix) emphasis upon practice and (x) problem / multidisciplinary focus.
II.3.1.13 Case Studies: A case study method of teaching holds a distinct position and huge significance in business education. It is also an extremely popular way of teaching management concepts because of the value it brings. Basically, a case is an interactive method of teaching business principles through an analysis of real-life business situations. Moreover, it involves students more and presents an opportunity to present the intricacies of cross-functional business problems.

Case studies stimulate class discussion, allow students to think innovatively and virtually create the complex and competitive business environment in the boundaries of a classroom. A good case almost puts the student in the position of a real world manager, facing challenges to make a decision and prepare a plan of action.

II.3.1.14 Students: Students are often tempted (Sadler-Smith and Burke, 2009) to over-rely on Web-based data searches yielding huge volumes of data. Lack of discernment, limited experience, self-induced time pressures, and anxiety can lead to students having difficulty in knowing when to stop hoarding discrete pieces of information. They may not know how to effectively “cut through” it. Instead, students need to be able to sense patterns and recognize when to stop and take a broad view, when to act, and when to start synthesizing and moulding their experiences to formulate decisions and solve problems.

Intuitions are affectively charged judgments arising through rapid, non-conscious, and holistic associations. These holistic associations are based on experiences that are linked together unconsciously to form a pattern, the significance of which is manifested in conscious awareness as a “gut feeling.”
Students may need to be warned of particular decision-making biases during classroom discussion to refine their intuitive skills. For example, students can become more aware of critical assumptions they are making in decision scenarios with the use of specific tools. Cognitive maps can reveal presumed associations and open up assumptions to visual display and much-needed scrutiny. Students should also be forewarned of recency bias; people often invoke items from recent memory and allot them undue weighting in their decision making.

Business students must be able to respond to ambiguous decision scenarios and realize the potential benefits of incorporating their intuitive judgments at certain points—ultimately, they need to understand the decision-making dynamic, which at times is precise and rigid and at other times is fluid and spontaneous.

Experiential pedagogies (Govekar and Rishi, 2007) have been hailing service learning as a means of linking formal classroom instruction with real-world learning that occurs beyond the classroom and involves the community. Service learning affects major areas such as theory-to-real-world linkage, ability to change with the environment, and capacity to foster innovation. These areas prepare students for future careers. But there are costs in adopting service learning to address the needs of today’s students.

The study in academic dishonesty (McCabe et al., 2006) revealed that cheating among graduate business students is higher than cheating among non-business graduate students. Graduate business students’ self-reports of cheating were higher than those reported by other graduate students. The fact that more than half of such graduate business students admitted to some form of cheating within the previous year suggests that business schools have a significant problem that should be addressed.
Observed peer behaviour was the most important of the influences studied for all of the graduate students—more influential than deterrence-based factors such as the perceived certainty of being reported and the perceived severity of penalties and more influential than perceived understanding/acceptance of academic integrity policies.

Individual faculty should consider using strategies that reduce students’ perception that other students are cheating. Although creating multiple versions of exams represents significantly more work for the faculty member, it sends a message that the professor cares about integrity in the classroom and it makes cheating more difficult, if not impossible, thus contributing to a perception that students are not cheating.

II.3.1.15 Soft-skills: Many things need to be revisited (Bharathan, 2005) in the programmes that are being taught in business schools if we want to take into account the things we learn from the chaos we are in. But little of it has to do with management techniques. It is more a matter of bringing soft skills more to the fore and emphasising which things are relevant in managing and running a company or an institution that cannot be worked out on a computer. It is desirable that in the rethinking process that will take place in the business school world creative thinking will dominate and that the “soft” side of business will not be caught and taught in rigid formats but with adequate room for cultural differences and personal convictions.

II.3.1.16 Career Placements: Given that the mission of Management education institutions (Abraham and Karns, 2009) is to prepare their students for employment after graduation, researchers should wonder why there were such significant discrepancies between the competencies businesses valued and those business-school curricula emphasized.
One possible explanation may be that there is a basic difference in focus between respondents in a business and those in a business school when they are asked to respond to a survey listing the importance of specific managerial competencies. In addition, business schools may be placing undue emphasis on current high-interest topics, such as strategic integration, entrepreneurship, or global management, at the expense of more common managerial competencies such as leadership, oral communication, and quantitative skills that businesses see as necessary to ensure that the business school graduate would be successful in a managerial position.

It was found that attitudes towards the potential employer significantly affected the application intentions of the students. This implied that a favourable impression of the company and high regards for the company (constituent items of ‘attitudes’ dimension of brand equity) are important predictors of students’ intentions and thus job seeking behaviour.

The students are more interested in applying for organisations which would give them challenging assignments and enough empowerment to take on strategic responsibilities early on in one’s career. Perceptions about ‘learning and advancement’ and ‘social and cultural factors’ is not significant as predictors of application intentions. Prior work experience moderates the relationship between employer brand equity and application intentions only on the ‘responsibility and empowerment.’

**II.3.1.17 Gender Imbalance:** Globalisation drivers (Tanner et al., 2009) and their mixed effects on women have been discussed. The study examined current trends on women’s uptake of graduate and executive education programs in the world’s top 100 business schools and explored the extent to which these business schools promote female studentship and career advancement.
The study’s main findings were that female graduate students averaged 30% in the sample business schools, a figure not achieved by a majority of the elite schools, including some of the highest ranked. Only 10% of these business schools reported figures of 40% and above, or have a specialist centre for developing women business leaders. Also, only a third of the schools offered women-focused programs or executive education courses (including tailored or flexitime ones). A higher percentage, however, reported offering fellowships, scholarships or bursaries to prospective female students, and having affiliations with pro-women external organizations and networks that typically facilitate career-promoting on-campus events and activities. Good practices were observed among business schools from the USA, UK and Spain, Canada, France, and Australia, China, Switzerland, The Netherlands, and South Africa.

**II.3.1.18 Practical Orientation:** The general criticism *(Thompson, 2008)* of MBA education is that most schools have drifted too far into theory and have relatively little relevance for practice. The real issues are found in the changing nature of business itself. It's more global, more technology dependent, and less hierarchical. Knowledge-based industries are overtaking older, more basic industries and the pace of change is quickening.

Closing gaps in Management education institutions depends on that school's strategy, challenges, constraints, and skill sets. Rebalancing from the current focus on "knowing" or analytical knowledge to more of "doing" (skills) and "being" (a sense of purpose and identity) must occur. Business schools need to think innovatively about how best to use the resources available to them. Also there are many exciting opportunities to engage alumni in the learning process.
II.3.1.19 Projects: Start-up costs are significant, and finding potential clients takes time, energy, and resources. Clients’ wants may not match what students need to learn. Establishing the project, maintaining records, coaching student teams, and providing continual constructive feedback take time and energy. Monitoring board meeting schedules and student attendance can require several days of telephone tag for faculty committed to teaching other courses, until one learns to help students self-monitor. Student comments in teaching evaluations that pertain to client issues can seem unfair at times, and untenured faculty in particular should consider potential impact on student evaluations. A poorly executed service project could risk positive social capital that the university has in its surrounding community. Finally, there are the direct costs such as those of transportation, printing, and postage.

II.3.1.20 New Millennium: The following factors (Friga et al., 2003) will be particularly important in 21st century Management education: (a) capacity, (b) convenience, (c) geographic reach, and (d) brand. Convenience refers to the increased need for timely business education at a reasonable cost. This implies a shift from “just-in-case” to “just-in-time” and “just-for-me”. Brand will continue to be important, perhaps even more so, as competition increases, product offerings become more like commodities, and business schools seek differentiation and avoid quality erosion. Brand power has increased in the modern age of resources and media communications. It can be established much more quickly and can have significant impact on customer selection - especially in new technological arenas.

Geographic reach relates to the need to serve clients all around the world without necessarily requiring students to travel to the home campus. The traditional business school strategy amounted to controlling capacity, in the belief that exclusivity aids in developing
reputation. Given the estimated increases in demand on a global basis and the technology advancements to better serve them, business schools will need to rethink their teacher-to-student ratios, which could increase dramatically. This could lead to higher volume capabilities without increases in the faculty cost structure.

There is increasing need for business schools to keep pace with the changing business environment. This has led to an increased recognition of the value of flexibility in the business school curriculum. Education, after all, is an investment in human capital.

II.3.1.21 Crossroads: Lagace (2010) felt that Management education institutions are at a crossroads and will have to take a hard look at their value propositions. To remain relevant, business schools will have to rethink many of their most cherished assumptions. Also prospective applicants were being discouraged by many employers from going to full-time MBA programs, that part-time MBA, executive MBA, and other masters programs were seen as attractive substitutes, and that the students who came were not as engaged with the academic curriculum. Some schools had already launched change programs that incorporated flexible curriculums, courses in creative or integrative thinking, or experiential learning and project work. A few schools were cutting-edge in one or more of these areas. Other schools felt that the business school community as a whole had a long way to go. So while there was a uniform degree of acceptance of opportunities and needs, the extent to which they were being met revealed disparity. MBA graduates increasingly need to be more effective: they need to have a global mind set, for example, develop leadership skills of self-awareness and self-reflection; and develop an understanding of the roles and responsibilities of business, and the limitations of models and markets.
Critics have simultaneously accused the Management education institutions of (a) doing irrelevant research; (b) being too market-driven and pandering to the ratings; (c) failing to ask important questions; (d) pursuing curricular fads; (e) “climbing down” course content; and (f) focussing more on specialist, analytical rather than professional managerial skills (Howard, 2007). Earlier research had identified three broad categories of performance, namely, (i) financial performance; (ii) operational performance; and (iii) organisational effectiveness.

The environment of Management education institutions is characterized by their complexity and uncertainty. It may not be possible to provide a straightforward remedy to resolve the problems caused by the ever-changing environments of Management education institutions. On the other hand, the uncertainty is high and the threats and challenges are influential. The best combination of measures to cope with such changing demands would involve: (a) an entrepreneurial mindset, consisting of an open mind to anticipate as well as reacting with flexibility to the challenges posed by the driving forces of change; and (b) an emphasis on diversity.

Management educators (Birnik and Billsberry, 2008) and researchers must confront challenges, or else Management education institutions are doomed to a future where faculty’s isolation and students’ self-interest gets ever worse. In an age obsessed with the academic pursuit of rigour and an increasing interest in relevance, the time has come to revert back and reintroduce the notion of righteousness as a legitimate and worthwhile motive for human behaviour. Management scholars need to become much more careful regarding the implicit ideological assumptions in their theories. The goal is to promote a business school agenda that is simultaneously rigorous, relevant, and righteous.
Management education institutions (*Pfeffer and Fong, 2004*) are struggling with several pressing challenges and competitive threats. All is not well in the Management education institutions world. Management education institutions are simply following in the same path by promulgating a value proposition emphasizing career enhancement and following a strategy of imitation. Management education institutions must try adopting an approach that maintains more of a professional ethos.

They should not sell business education primarily as a way to make more money. If they can break free of their past and to some extent their intellectual traditions to pursue this different path, Management education institutions may potentially avoid at most of the problems and issues confronting them.

**II.3.1.22 Reputation:** Several factors (*Argenti, 2000*) can lead to a stronger reputation for individual business schools, but none are more important than the following: (a) Association with a reputable university, (b) A high-quality faculty, (c) High-quality students, (d) a strong image in the corporate sector, (e) Strong alumni with high affiliation and (f) Survey rankings. The value to an individual school of a strong reputation would mean that they can: (i) Charge a premium price, (ii) Pay less to suppliers, (iii) Entice the best recruits and faculty, (iv) Enjoy lower churn rates among employees, (v) Have fewer crises and (vi) Get the benefit of the doubt by constituents.

**II.3.1.23 Media Rankings:** Management education institutions’ dysfunctional competitive responses (*DeAngelo et al., 2005*) to the media rankings induce a major disconnect between what they teach students and what they themselves actually do, which include:
(a) They teach students to manage for the long term but managing the institution for the short term by failing to invest sufficient resources in the knowledge creation.

(b) They teach students to search for sustainable competitive advantage but destroy own competitive advantage by hasty incorporation of any trendy idea.

(c) They teach students the advantages of flexible organizations with teams but offer rigid programs.

(d) They teach students to “just say no” to earnings management but manipulate the data reported to the media.

(e) They teach students the ethical principle of substance over form but engage in a variety of cosmetic academic and extra-curricular transformations.

(f) They teach students that corporations must be sensitive to their employees’ work balance concerns but allow the academic environment to degenerate.

(g) They teach students that strategic planning is an important self-reflective exercise but allow own institutional objectives to be dictated by the media and popular opinion.

II.3.1.24 Demand Management: Managing a Management education institution (D’Cruz and Soberman, 2009) is challenging at the best of times but when a recession hits especially one of the gravity we are currently experiencing, the task becomes almost impossible. Not only does the mix of demand swing massively from executive training to degree-based programmes but fund-raising requires magician-like skills.

The potential paths that business schools need to pursue if they want to continue to build the basis for a profitable business and make the business less susceptible to swings in the general economy are: (a) add tangible benefits to executive programs (licensing and the assessment of
standards for people who attend certain programmes, (b) make intangible benefits tangible: measurement, feedback and greater involvement of business school in before and after measures, (c) Fully exploit technological advances to provide benefits of extended programmes, and (d) Cost cutting for clients (try to remove those aspects of the programmes that are not entirely necessary but deliver the same value).

II.3.1.25 Future Managers: MBAs need to understand how to work "through" people, how to motivate and inspire. That takes skill and practice. MBAs need to understand what it means to be a general manager in a global world and the differences in institutions, norms, cultures, and legal frameworks.

II.3.1.26 Service Knowledge: Corporate leaders (Bitner, and Brown, 2006) do not have a background in services and while they appreciate the complexity of the problems they are facing, they are often ill-equipped to solve them. In addition to formal degree programs, there is an emerging need among experienced executives and managers for services knowledge. Management education institutions must persevere in this journey within services science to advance knowledge and develop valuable trans-disciplinary services management solutions for the complex global economy.

II.3.1.27 Moving to a Wisdom Era: From a practical wisdom approach (Roca, 2008), some of the main purposes of business schools should be (a) to assist students to discern the moral implications of a particular situation; (b) to help them to critically evaluate what they hear; and (c) to question the moral acceptability of their decisions. Management education institutions will
have to provide the students and future managers with a critical and undefined structure of thinking. This would encourage them to evaluate and to reflect for themselves in complex real organizational situations.

The introduction of the exercise of practical wisdom in management courses in general helps students improve the ‘goodness’ of their decision-making. By thinking critically about their decisions, they will be prepared to make decisions consistent with their virtues, values and principles. The exercise of practical wisdom can guide students to an awareness of the moral and social implications of their decisions.

II.3.1.28 Research and Publishing: Management education institutions (Taylor and Stanton, 2009) at doctoral granting institutions have always placed a priority on their faculty publishing in high quality, peer reviewed academic journals. Business schools at balanced, non-doctoral schools have, in the past, focused primarily on teaching, with a balanced emphasis on research and service. But, today’s business school faculties, even in balanced non-doctoral schools, are under greater pressure to produce publishable research in order to maintain their academic qualifications.

This study examined the perceived impact of research and publishing on teaching effectiveness. Results revealed that faculty in non-doctoral granting business colleges say that their research activities actually make them better teachers. Faculty also perceived that their research enhances the educational experience of their students. Most faculty who participated in the study acknowledged that their students were unaware of their research and that publishing in prestigious publications did not contribute to teaching excellence.
More importantly, the majority of faculty in this study did not use published research when preparing materials for class. Faculty also sent conflicting messages about their personal perceptions of research. While the majority said that teaching and research are mutually supportive activities, a large number also noted that their teaching obligations interfered with their research agenda.

II.3.1.29 Competitive edge: Every institution of higher education (Right Now, 2008) is different. Each one has its own structure, programs, policies, culture, and strategies. However, there are certain common principles that determine the quality of a constituent’s experience with any institution. The attributes of a great constituent experience are essentially constant and measurable, regardless of the particular characteristics of the institution. These attributes include the ability to get consistently fast, accurate answers to questions; service that is polite and highly personalized; being supported with timely, relevant notifications and reminders; and the ability to use whichever communication channel is most convenient at any given time.

II.3.2 Quality Issues in Management Education Institutions

II.3.2.1 Accreditation: Accreditation (Wilson, 2007) establishes important criteria to be met by programs but in the end it is the output of the program that determines its quality. There have been three pillars in any educational program that have consistently been recognized as exceptional. (a) faculty; (b) curriculum; and (c) students. Student quality has remained the “silent pillar” in the quality equation. It was found that for MBA graduates three factors drive satisfaction: (i) fellow students; (ii) curriculum; and (iii) faculty.
II.3.2.2 Perceived quality: The perceived quality is defined as the ones’ justification about the excellence of a product or service (Zammuto et al. 1996). According to Dyson et al., 1996 the service quality is so called the better and standardized output delivered by a service. The service quality in the educational sector particularly in the higher educational institutions is the fundamental aspect of educational excellence. According to Alridge and Rowley (2001) when students perceive the institution’s quality and standardized learning environment facilitated with intellectual faculty, appropriate facilities of learning and infrastructure, their interest in their organization will explicitly be retained. The students are motivated from the academic as well as the administrative efficiency of their institution. Spooreen et al. (2007) posited a view that the organizational harmony, teachers’ intellectual ability, professional development, transparency in students’ evaluation, feedback and training are the important features that mentally develop the students. The maintenance of other essentials of quality service in education i.e. well managed and updated libraries, security systems, medical facilities, class decoration and facilitation with multimedia and sitting arrangements along with administrative staff’s cooperation play a vital role in educational support and development (Dick and Basu, 1994). According to Soutar and McNeil (1996) both academic and administrative issues of an institution are extremely important in determining the performance of students, development of organizational image and quality assurance. Elliot and Shin (2002) found that the highly significant variables in the model that appear to directly impact on overall customer satisfaction with university performance were: (i) Excellence of instruction in major, (ii) Able to get desired classes, (iii) Knowledgeable advisor, (iv) Knowledgeable faculty, (v) Overall quality of instruction, (vi) Tuition paid is a worthwhile investment, (vii) Approachable advisor, (viii) Safe and secure campus, (ix) Clear and reasonable
requirements for major, (x) Availability of advisor, (xi) Adequate computer labs, (xii) Fair and unbiased faculty, and (xiii) Access to information

Where the students also get motivated from the reliability of the facilities they are provided with, as higher the quality they perceive the higher will be their attraction and affiliation (Keller, 1993).

The availability of other academic facilities like intellectual faculty, advisors, carrier counselling department are the features that an institution needs for its students’ better performance and satisfaction (Bolton and Drew, 1991). The services quality is mostly recognized by the cooperation of the administrative staff well as the faculty staff with the students. Majority of the students get de-motivated if they found that the staff is not compassionate and kind. According to Hasan et al. (2008) for quality assurance an institution must train its staff members in a way that it may create a sense of facilitation by means of coordination, cooperation, compassion and empathy (Jacoby and Chestnut, 1978).

II.3.2.3 SERVQUAL: It is also interesting to note the application of SERVQUAL to education, for example, to business schools (Rigotti and Pitt, 1992) and higher educational institutions (Ford et al., 1993; McElwee and Redman, 1993). The extent to which students perceive the level of service performance meets their expectations reflects the quality of service (Zammuto et al., 1996). It was found that perceived poor service quality will ultimately affect funding and viability in the university sector by reducing the popularity of the institution and thus the number and standard of applicants, but that the effect is indirect and relatively slow. Nonetheless, dissatisfaction expressed by the direct users of the service, students, will have an effect. Student dissatisfaction, if on a sufficient scale, will result in reduced applications in subsequent years as
the reputation for poor quality increases, even though existing students are likely to be constrained to remain.

The earlier researches on service quality in higher education emphasized academic more than administration, concentrating on effective course delivery mechanisms and the quality of courses and teaching (Athyaman, 1997; Bourner, 1998; Cheng and Tam, 1997; McElwee and Redman, 1993; Palihawadana, 1996; Soutar and McNeil, 1996; Varey, 1993; Yorke, 1992). The measurement of service quality of courses and programmes often rely on research instruments (e.g. student feedback questionnaires) devised by representatives of the higher education institutions. Kamal and Ramzi (2002), however, attempted to measure student perception of registration and academic advising across different faculties and other administrative services to assure positive quality service that complements the academic.

There are many reasons for focusing the administrative service quality in a university (Anderson, 1995): The first exposure of the student to the university is through the admission and registrar’s services so providing high quality service to students contributes to the positive assessment of the university. Compared with the academic units, the administrative departments of the university, such as the registration office, financial office or library, are more likely to be a replication of the bureaucratic units of governmental or public institutions (Salem, 1969).

**II.3.2.4 Academic Integrity:** A ten-step model for academic integrity was proposed by Caldwell (2010) and comprised (i) articulation of a clear purpose and mission, (ii) orientation and training of faculty, (iii) Explanation and clarification of current policies, (iv) implementation of a realistic process for addressing violations, (v) attainment of student ownership, (vi) empowerment of students in education and enforcement, (vii) maintenance of dialogue with stakeholders,
(viii) refinement of the ethics curriculum, (ix) monitored enforcement and documentation of results, and (x) evaluation of outcomes and communication of results.

II.3.2.5 Quality Operationalization: Management education institutions are subject to vagaries of market forces (Shahaida et al., 2009) such as stiff competition, demanding students, and the corporate world. World Trade Organization and General Agreement on Trade in Services are also influencing factors. If a Management education institution wants to build a long-term future, consistent improvement of quality is essential. Quality has to be operationalised in various parameters like quality in inputs (faculty and infrastructure), quality in processes, (active learning time), quality in outputs, (tests and gradation scores) and quality in outcomes (gainful employment). Innovative colleges, universities and private enterprises are positioning themselves to take market shares from those Management education institutions that fail to respond to customer needs.

II.3.2.6 Benchmarking: Benchmarking (Bharathan and Deshmukh, 2005) for quality in management education comprises (a) enabling students to be employable, and (b) moving the institution from academic mode to corporate mode. The agenda should be (i) to identify the Industry expectations of the skill sets required of the students in general, so as to make them more competent and employable, (ii) to identify the areas of Total Quality Management in management education, (iii) to identify the changes required of teachers of the management education skills required for Students.
II.4 RESEARCH GAPS

Management education degrees especially MBA were touted to be the quickest way to corporate success with high salaries and status. While the hype about such programs grew, so were the criticisms about the functioning and quality of institutions churning out future managers, especially affiliated institutions. Literature has focused mainly on issues like infrastructure, faculty, placements, and foreign tie-ups. Some publication houses brought out “ranking” reports but these were not in-depth studies backed by credible evidence. There existed a need for a holistic evaluation of service quality by taking the major players, namely, students, faculty and administrators into account and ascertaining their perceptions. This was more required than just focusing on placements and salaries.

It has become more and more imperative to focus on service quality to deliver satisfaction and delight. Service quality is a focused evaluation that reflects the customer's perception of specific dimensions of service. It is an assessment of how well a delivered service conforms to the client's expectations. This research aims at assessing the service quality of management education affiliated institutions at Salem.

Literature has been repeatedly highlighting the following issues faced by Management education institutions, albeit in different studies. The major issues were found to be: Focus on individual brilliance rather than teamwork; Curriculum focuses on functional area view rather than organizational view; Less focus on application of knowledge and skills; Inability to customize learning to meet specific situations and problems; Less focus on strategic development;
Negligible exposure to case studies; Not encouraging candidates with prior work experience to apply; Summer and final projects done merely as a formality; Limited vision (not focusing beyond curriculum); Less importance for value-added courses; Not much efforts for fostering industry relevant skills; Not much autonomy especially within university-affiliated system; Most faculty do not have adequate corporate exposure / experience; Inadequate institution-industry interactions; Non-utilization of alumni’s services; Not involving industry while designing curricula; Insufficient mentoring by corporate; Negligible teaching by global faculty.

From the literature it seems that no one variable can be singled out as predictor, but rather that they may have a moderating effect or have an impact in combination with other variables. Most research studies have taken into account only few variables at a time.

This study alleviates those gaps by:

a. Covering major stakeholders of Management education institutions comprising administrators, faculty and students.

b. Investigating various categories of variables impacting Management education institutions’ service quality and testing a conceptual model.

c. Assessing the overall perception of Students and Faculty about level of service quality of Management education institutions.

d. Ascertaining the perception of Administrator about the Management education scenario.

e. Recommending strategies to improve the service quality of Management education institutions.