

## **Service Quality Strategy as the Determinant of the Growth of Private Secondary Schools in Kenya**

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**Abstract:** The aim of this journal article is to discuss the findings of the examination of the influence of service quality strategy on the growth of private secondary schools in Gilgil Sub-County, Kenya. Schools across the country are making increased use of growth-based performance measures in evaluation growth. Performance metrics that are directly tied to growth include enrollment, infrastructure, teacher population, increased subject choice, number of classrooms among others. Specifically, the study attempted to establish the influence of service quality on growth of private secondary schools. The study targeted all 125 teachers of the 11 private secondary schools in Gilgil Sub-County, Kenya. The study employed a descriptive research design where closed-ended questionnaires were used to collect data. The collected data was cleaned, coded and analyzed. The study found that service quality strategy has the most significant influence on the growth of private secondary schools ( $r = 0.585$ ). The study recommends that service quality strategy be enhanced with the involvement of all staff if has to be more e effective.

**Keywords:** Service Quality Strategy, Private Secondary Schools.

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### **INTRODUCTION**

Service marketing requires both internal marketing and interactive marketing. Internal marketing means that the service firm must invest heavily in employee quality and performance. It must effectively train and motivate its customer-contact employees and all the supporting service people to work as a team to provide customer satisfaction. In product marketing, product quality often depends little on how the product is obtained. But in services marketing, especially in high contact and professional services, service quality depends on both the service deliverer and the quality of the delivery. Effective service deliverer customer interaction is important for achieving a satisfactory service transaction. The customer judges service quality not just on technical quality but also on its functioned quality. Today, as competition and costs increase, and as productivity and quality decrease, more marketing sophistication is needed. Service companies face three major marketing tasks: they want to increase their competitive differentiation, service quality and productivity. Today's customers are becoming harder to please. They are smarter, more price conscious, more demanding, less forgiving, and many more competitors with equal or better offers approach them. The challenge is not to produce satisfied customers; several competitors can do this. The challenge is to find and produce delighted and loyal customers through well thought strategies. The study from which this article was gotten sought to establish the influence of

managing service quality as a marketing strategy on the growth of private schools in Kenya.

### **Managing Service Quality**

According to Gronroos [1], studying the factors of marketing competitiveness increasingly raises the issue of service quality, which is acquiring decisive importance in designing a competitive service product. In the customer relationship management approach, service quality is the basis for customer attraction and retention, as service quality and service delivery in modern business practices are very often the source of long-term and sustainable competitive advantage. Defining quality in service economy is more complex in comparison to tangible products, bearing in mind the complexity, and even lack of possibility to standardize a major number of services. Service quality is therefore differently defined depending on the approach and starting points, where the customer perception of services rendered, i.e. delivered, is the increasingly manifest factor. Consumers make service purchase decisions because their delivery provides them with certain benefits, satisfying their needs, demands and expectations.

According to Nitin, Deshmukh and Prem [2], it is very important in services marketing to understand the impact of quality service on profit and financial indicators of business performance. Service quality must be viewed as a strategic force, but also as the key problem of service marketing management. One must

bear in mind that service quality is a significant source of sustainable competitive advantage, as it affects the constant improvement of service performance by increasing market share and profit growth. Such a view of service quality yields an increase in financial results and achieving sustainable competitive advantage. Quality-based service marketing strategy is sustainable, as practice has shown that not all competitors can achieve the expected service quality. As a rule, service companies basing their marketing strategies on quality have a recognizable image on the service market, which competitors cannot appropriate or copy. Such a service marketing strategy therefore poses a barrier to developing competitive copycat marketing strategies.

In service business, quality may represent a significant source of competitive advantage, with the existent dilemma of which quality dimension decisively influences the achievement of superior quality. The previous period has seen more focus placed on the technical quality dimension, which is a good choice if a service provider develops advanced technical solutions unattainable by competitors. Favouring the functional quality dimension is currently convenient for the majority of service companies, as practice points to the growing tendency of enhancing interactions between service providers and consumers, resulting in increased consumer perception of received service value [3].

One of the principal ways in which a service firm can be different is by delivering services of higher quality than its competitors consistently. Like manufacturers before them, many service industries have now joined the total quality management revolution. Recent years have seen the rapid adoption of service quality standards and awards. Many service companies are finding that outstanding quality can give them a potent competitive advantage that leads to superior sales and profit performance. True, offering greater service quality results in higher costs.

However, investments usually pay off because greater customer satisfaction leads to increased customer retention and sales [4]. The key is to exceed the customer's service quality expectations. These expectations are based on past encounters and experiences, word of mouth and the firm's advertising. If perceived service of a given firm exceeds expected service, customers tend to use the service provider again. Customer retention is, perhaps, the best measure of quality and reflects the firm's ability to hang on to its customers by consistently delivering value to them.

Thus, where the manufacturer's quality target might be 'zero defects', the service provider's goal is "zero customer defections" [5]. According to Wang and Cheng [6], to meet quality targets, the service provider needs to identify the expectations of target customers

concerning service quality. Unfortunately, quality in service industries is harder to define, judge or quantify than product quality. It is hard to quantify service quality because intangibility means that there are seldom physical dimensions, like performance, functional features or maintenance cost, which can be used as benchmarks and measured. The inseparability of production and consumption means that service quality must be defined on the basis of both the process in which the service is delivered and the actual outcome experienced by the customer. Again, it is difficult to quantify standards or reference points against which service delivery process and performance outcomes are measured.

According to Chen [7], to measure service quality, the provider has to determine how customers of the service perceive quality. Studies suggest that customer assessments of service quality are the result of a comparison of what they expect with what they experience. Any mismatch between the two is a "quality gap". The service quality manager's goal is therefore to narrow the quality gap, taking into account that what is being measured is perceived quality, which is always a judgment by the customer. Hence, what the customer thinks is quality is whatever the customer says it is. To improve quality, service marketers have to identify: the key determinants of service quality (that is, the key criteria customers use to judge quality); what target customers' expectations are; and how customers rate the firm's service in relation to these criteria against what they expected.

## METHODOLOGY

The focus of this study was to assess the influence of selected marketing strategies on the growth of private secondary schools in Gilgil Sub-County, Kenya. A descriptive research design was appropriate as it enabled the researcher to generalize the findings to a large population. Kothari [5] posits that the approach enables data to be systematically collected and analyzed in order to provide a descriptive account of the variables under study. The study focused on all teachers of the private secondary schools in Gilgil Sub-County of Nakuru County.

Yamane [8] formula was used by the researcher to calculate sample sizes as:

$$n = \frac{N}{1 + Ne^2}$$

Where  $n$  – sample size,  
 $N$  – sampling population and,  
 $e$  – level of significance

Given a population of 125 and significance level of 5%, then the sample size can be calculated as:

$$n = \frac{125}{1 + (125 \times 0.05^2)} = 95.23.$$

The sample of the study constituted 95 secondary schools. respondents randomly selected from the private

**Table-1: Reliability Test**

Study Variables	Number of Test	Cronbach Alpha Values
Cost Leadership Strategy	8	0.79
Differentiation Strategy	8	0.86
Cost Strategy	8	0.78

Source: Author (2015)

From the analysis, since all the alpha values were greater than 0.70, the data collection tool was deemed to be reliable.

**RESULTS AND DISCUSSION**

**Service Quality Strategy**

The findings in this section are in line with the second study objective. The findings of the analysis on factors associated with service quality strategy as it

relates to growth of private schools are shown in Table 2.

Majority of the respondents agreed that the school had set standards for service delivery processes aimed at positioning the school ahead of competitors (3.82), that their school had consistently given awards to top performing staff as an incentive to continuously improve service quality (3.91) and that service quality was one of their strongest pillars in creating an edge over competitors and growth of their school (3.74).

**Table-2: Service Quality Strategy**

	n	Min	Max	Mean	Std. Dev.
Our school has invested resources and personnel in identifying our customer expectations	75	1	5	2.03	0.913
The school has set standards for service delivery processes aimed at positioning the school ahead of competitors	75	1	5	3.82	0.949
Our school has analyzed and documented service quality determinants which sets the tone in our marketing programs	75	1	5	2.59	0.993
There are regular assessments of customer expectations and improvements are often made based on these assessments	75	1	5	2.18	1.267
Customer complaints about service quality are addressed quickly and efficiently thereby giving the school a competitive edge	75	1	5	3.11	0.989
Despite the resulting costs, the school has consistently given service delivery a top priority	75	1	5	3.18	0.961
Our school has consistently given awards to top performing staff as an incentive to continuously improve service quality	75	1	5	3.91	0.984
Service quality is therefore one of our strongest pillars in creating an edge over our competitors and growth of our school	75	1	5	3.74	1.185

Further, majority of the respondents disagreed that the school had invested resources and personnel in identifying customer expectations (2.03) and that there were regular assessments of customer expectations and improvements were often made based on these assessments (2.18). The respondents were however unsure as to whether their school had analyzed and documented service quality determinants which sets the tone for marketing programs (2.59), whether customer complaints about service quality were addressed quickly and efficiently thereby giving the school a competitive edge (3.11) or whether despite the resulting costs, the school had consistently given service delivery a top priority (3.18). The researcher therefore deduced

that service quality strategy has some influence on the growth of private secondary schools.

**Service Quality Strategy and Growth of Private Schools**

The respondents' ratings in the statements related to service quality strategy were cumulated to obtain a composite score on service quality strategy. The total scores were then used to compute the Pearson's Correlation Coefficient to establish whether there was a relationship between service quality strategy and growth of private secondary schools. The findings of the correlation analysis were as shown in Table 3.

**Table-3: Service Quality Strategy and Growth of Private Schools**

		Growth of Private Schools	Service Quality Strategy
<b>Growth of Private Schools</b>	Pearson's(r)	1	.585**
	P-Value		.02
	N	75	75
<b>Service Quality Strategy</b>	Pearson's(r)	.585**	1
	P-Value	.02	
	N	75	75

\*. Correlation is significant at the 0.05 level (2-tailed).

There was a fairly strong positive relationship between service quality strategy and growth of private secondary schools ( $r = 0.585$ ). The fairly strong positive relationship implies that growth of private secondary schools is greatly influenced by the service quality strategies employed by the schools. Based on these findings, the null hypothesis that stated that there is no relationship between service quality strategy and growth of private secondary schools was rejected and it was concluded that service quality strategy had significant influence on the growth of private secondary schools.

#### Growth of Private Secondary Schools

The findings in this section involved the measurement of the dependent variable. The study established that in the past four years the student enrollment in the schools had increased by 12%, the staff population had increased by 3.9%, the number of student defections or those who left the school voluntarily had decreased by 3.1%, the tuition fee charged by the schools had increased by 11.8% and that the total number of classrooms had grown by 2.7%. The study attributed this trend to the increased demand for quality education, higher enrollment in primary schools arising from the free primary education program which has had a cumulative effect to enrollment in secondary schools and the high cost of living experienced in all the sectors of the economy. The study therefore deduced that in the past four years there was some growth in the private schools.

#### THE FINDINGS SUMMARY

In this chapter the findings of the study are summarized and conclusions are drawn from the summary. The conclusions enable the researcher to put across a number of key recommendations. The summary, conclusions and recommendations are in line with both the study variables and objectives of the study. The researcher summarized the research findings in the order of study objectives. The aim of summarizing was so as to enable the researcher to come up with key findings from which conclusions would be drawn. The study established that most schools had set standards for service delivery processes aimed at positioning the school ahead of competitors, had consistently given awards to top performing staff as an

incentive to continuously improve service quality and had made service quality one of their strongest pillars in creating an edge over competitors and growth of their school. The schools however had not invested resources and personnel in identifying customer expectations and did not have regular assessments of customer expectations and improvements.

#### CONCLUSIONS

Based on the findings of the study, the researcher has drawn several conclusions which are presented in this section following the order of the objectives of the study. It was concluded that since service quality strategy has the most influence in the growth of private secondary schools, the schools should set standards for service delivery processes aimed at positioning the school ahead of competitors, should attempt to always give awards to top performing staff as an incentive to continuously improve service quality and should make service quality one of their strongest pillars in creating an edge over competitors and growth of their school.

#### RECOMMENDATIONS

After drawing inferences in line with the study objectives, the researcher has proposed pertinent recommendations. The recommendations are based on the inferences drawn from the correlation analysis and conclusions drawn. It is recommended that service quality strategies be enhanced in the schools since it plays the most critical role in the growth of schools. Such strategies must be introduced in line with the welfare of the teachers and those of the students. Further, the schools should set standards for service delivery processes aimed at positioning the school ahead of competitors and attempt to always give awards to top performing staff as an incentive to continuously improve service quality

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