

West-Hungarian University

Faculty of Economics

Relationship Orientations
between Students and the University

**-Development and Approaches to Implementation of
a Relationship Model-**

Theses of the Dissertation

Yvonne M. Spitz

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Subject of the Dissertation

Relationship Orientations between Students and the University

-Development and Approaches to Implementation of a Relationship Model-

Supervisor of the Dissertation

Univ.-Prof. Dr. Csaba Székely DSc.

Assessor of the Dissertation

Prof. Dr. András Blaho CSc.

Dr. habil. László Vértesy PhD

Prof. Dr. Dr. Dr. habil. Bernhard F. Seyr

Content of the Dissertation

The thesis comprises a scientific treatise on the subject of relationship management between students and universities. In the context of the research work, a model on the above-mentioned subject matter was developed, the validity of which was confirmed by means of empirical testing. Alongside an exclusive understanding, the developed model also includes multifunctional areas of application for the investigation of the relationship status of a university through the investigation of self-image, public image and a related comparison for the clarification of the relationship (optimization) potential.

Aim

The dissertation is intended to investigate new knowledge in the context of economic science, in particular the interplay of universities and students as primary addressees of education of the academic institution. It is intended to open a new perspective in which universities regard their students as customers, due to which management for the designing of the relationship becomes necessary. This relationship understanding and designing is to be explored with the aid of the thesis.

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Author of the Dissertation

Yvonne Melanie Spitz, date of birth 28.06.1978 in Geldern,

Master of Arts, Bachelor of Commerce, Betriebswirt (VWA),
Marketing- und Vertriebs-Ökonom (VWA), Marketing-
Kommunikations-Ökonom (VWA)

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1 Thematic Introduction

In Western economies, relationship management has primarily made inroads in the trade and industrial sectors, but has received little attention in the university context. A consciousness of the requirement that relationship management is also of significance in the university sector has not yet been considered, or has only been considered to a marginal extent. This lack of attention can be traced back to the fact that until a few years ago, the universities had experienced a constant intake of potential students. The economic crisis encouraged the inflow, but among other things also led to the minimizing or cancellation of state subsidies and to increased difficulty in the acquisition of third party funding. The latter two effects of the crisis have remained almost unchanged. Nevertheless, the situation on the job market has relaxed, which has led to numerous school leavers who have completed the German university entry exam ('Abitur') entering the education and job market. A consequence of this is that universities must now solicit for their potential service recipients and, insofar as these have been enrolled, enter into a long-term relationship with the university. Thus, an orientation towards service recipients must take place, in order that a link to the provider is brought about; the effects of an increasing internationalization and globalization should not be neglected in this context. Accompanying the transnational possibilities for studies is a transparency of the range of services on offer: persons who are ready to study have the opportunity, also via the medium of the Internet, to find out, independently of time and space, about the range of services of various institutions and, corresponding to their preferences, to select the appropriate university from their point of view. The universities should thus all the more be willing attach importance to tying the acquired service recipient to the university.

2 Aims of the Research Work

The aim connected to the research work is the development of a model to understand the relationship between students and universities. On the basis of increasing internationalization and analogous to this, the accompanying unlimited possibilities in the choice of subject and place of study beyond national borders, a market-oriented system for the understanding of the relationship between students and universities has become necessary. In this context is essential to select real-time indicator segments, sub-segments and indicators with which the relationship between students and universities can be understood.

The understanding of the whole relationship is thus the task that is connected with this research work. The development of an indicator-based, multi-functionally applicable relationship model can be regarded as a previously unexplored area of research. Consequently, a reference needs to be generated, in order that a systematization and structuring of can be carried out in a comprehensive and combined manner.

In essence, this is intended to begin to help researchers and interested parties to appreciate the necessity and the development of an indicator-led model for the understanding of their relationship between students and the university in order to exploit possibly existing relationship (optimization) potential.

The indicators oriented to the relationship are derived from indicator segments or sub-segments. The following aims are intended to be realized with the model to be developed:

The following **core aim** constitutes the primary object of study:

- The development of an indicator-led, multifunctionally applicable model that takes into account integrative service characteristics with which the relationship between students and universities can be understood.

For the realization of the core-aim, these have been differentiated into the following **sub-aims**:

- In essence, possible, relationship-oriented indicator segments are to be investigated.
- Following successful selection, the identified segments will be broken down into sub-segments and operationalized in individual indicators (as criteria).
- Development of a multi-functional application.
- Investigation by means of empirical analysis for the testing of the validity of the model.
- Testing of the opportunities for adaptation in the higher education areas located in the east of Central Europe.
- Descriptive outline of implementation approaches.

3 Methodological Approach

In the same way that a standardization of academic qualifications that is to apply, among others, to geographically eastern and western regions of Central Europe was carried out, an indicator based model with which the relationship between students and universities can be understood to be developed by means of the present research work. The application of the model should thus also be possible in both eastern and western regions of Central Europe, as with the model to be developed

the internationalization requirement will also be taken into account. Alongside the pure understanding of the relationship, the possibility for the intensification of relationship on the part of the universities and the exploitation of a potential resulting from this should exist.

Table 1: Approach in the development of the model

Approach in the development of the model	
Content	Description
1. Theoretical description	Fundamental, relationship-oriented descriptions of the relevant core themes.
2. Research of theory-led and empirically verified approaches	Research and selection of theoretically derived and empirically verified approaches for the derivation of the relationship model.
3. Portrayal of the indicator segments with reference to service provision aspects and to relationship management	Investigation and selection of significant indicator segments that exhibit relevance with regard to relationship management.
4. Derivation of an applicable relationship model	Derivation of a relationship model based on an overarching concept and three cornerstones, quality management, complaints management and supplementary services .
5. Selection of the indicator-based sub-segments	Based on the indicator segments, sub-segments that map the overarching indicator segment as accurately as possible, taking service provision characteristics into account are determined.
STEPS 6-9 ARE RELATED TO THE MULTIFUNCTIONAL APPLICABILITY	
6. Selection of the criteria in the respective sub-segments and in the presentation of the best-case scenario following the SERVQUAL approach	Criteria are assigned to each sub-segment. These criteria are formulated as a 'best case scenario' in order to portray an ideal situation.
7. Development of an informative evaluation method	A points rating method is used as the basis for the evaluation approach. The points rating model includes 3 weightings on a 4 point scale. Application-specific guidelines have been used in the model in advance.
8. Investigation of a quantitative evaluation	Each criterion used as a basis receives a weighting factor as well as a points-based ration. The possibility for an individual and an (extended) aggregated evaluation exists.
9. Interpretative conclusions on the basis of a relationship profile	Integrating the evaluation, for the concluding investigation of the relationship a comparison of self and public image is carried out in order to investigate any possibly existing optimization potential.

Source: Own figure.

On the basis of the initial situation in the university-oriented education sector, the development of comprehensive indicators for the real-time understanding of the relationship of students to universities is necessary, in order not least to conform to the international orientation. The end-means relationship has been placed in the foreground here, in order to develop measures for the securing of service quality, the removal of service errors as well as accompanying measures. Indicator segments, sub-

segments and indicators are to be developed, with which the student relationships can be understood in order ultimately to remove or to minimize possibly existing shortcomings. The customer satisfaction required for this is not part of this project work, but rather is a component in the multi-functionally applicable relationship model and provides an interface for thematic justification. Following the development of the model (Table 1), this will be falsified or verified. This falsification or verification takes place by means of empirical survey in two countries located in the west of Central Europe. The result is used in order to have the model subsequently evaluated by an expert in the eastern European higher education area, with regard to whether an adaptation of the model exists here, before beginning with the outline of the implementation approaches.

4 Related Areas and Research Hypotheses

In total, four areas are affected by the survey. The areas are outlined in the following in terms of content.

Related Area I: Internationality and University Guidelines

Before the significance of the relationship between universities and students is investigated, the internationality and the university guidelines must be considered. Increasing internationalization, the opening of new markets and the transparency of the range services on offer require the inclusion of relationship orientation in the university guidelines. With the aid of the questionnaire, it will be investigated whether this relationship orientation has been included in the university guidelines. For in order to achieve long term orientation as well as esteem and guidance, the relationship orientation to the students must be included in the guidelines of the university or be communicated.

Related Area II: Orientation to the relationship to the students

In essence, the question of whether an orientation to the relationship to the student exists must be investigated. Here it is crucial that the present and future significance of the relationship to the students is investigated.

Related Area III: Need for realization

Insofar as the orientation of the relationship is to be focussed on the students, it must be investigated in what respect and to what extent approaches for the realization are necessary.

Related Area IV: Operationalization

Insofar as positive feedback on the above-mentioned related areas is received, a real implementation of the model will seem to be probable. For a probable operationalization, an empirical survey will thus be necessary in the following. The necessity of the empirical investigation should be related here both to the overall model and to sub-segments.

Five research hypotheses have been assigned to the four above-mentioned related areas. These are to be verified or falsified by means of the empirical survey.

Research Hypothesis 1: On Internationalization and Competition Pressure

The increasing internationalization is making universities and the services offered more transparent. Both in the present and in the future the universities are being will be subjected to greater competition pressure and must focus their orientation on the service recipients and their needs in order to ensure their lasting presence on the market, so that they do not lose any market share.

Research Hypothesis 2: Students as Customers of the University

The approach according to which students are regarded as customers in further academic education exhibits an innovative character that is gaining significance in the present and will continue to do so in the future. A model for the understanding of the relationship on the basis of the present and future significance of students as customers is required.

Research Hypothesis 3: Consideration of Integrative Service Characteristics

Integrative service characteristics must be taken into account in the model; this means that quality management, complaints management and supplementary services will have to be considered in an integrated manner.

Research Hypothesis 4: Multifunctionality in Application

The model must guarantee a multifunctional application, in order that it not only understands the relationship to the students, but rather that with this an understanding and a comparison of self image and public image takes place in order to determine relationship (-optimizing) potential.

Research Hypothesis 5: Realization and Operationalization

The relationship model may correspond to the above mentioned approaches and the connected requirements. A realization and operationalization seems to be present.

An assigning of the related areas to the research hypotheses can be carried out in the following way:

Related Area I is assigned to Research Hypothesis I

Related Area II is assigned to Research Hypothesis II.

Related Area III is assigned to Research Hypothesis III and IV.

Related Area IV is assigned to Research Hypothesis V.

5 Empirical Survey

By means of the empirical survey, the above-listed research hypotheses are to be understood in as targeted a manner as possible, in order that significant results from the survey and the research hypotheses can be verified or falsified. On a critical note, however, not every (sub-) aspect could be understood in its entirety. Instead, core elements that seemed relevant to the developer of the model and author of the work were depicted and compiled. The 'from the general to the specific' approach follows the basic principle of first determining the necessity and requirement of a model of this kind, in order subsequently to further develop more concrete approaches and to tap a realization potential. The survey will take place by means of a questionnaire to be answered in writing, which will be analysed statistically on return and evaluated in like manner. The questionnaire is sent by post. In addition to the questionnaire, the delivery also contains a cover letter as well as instructions for completing the questionnaire. Each delivery will contain an addressed and post paid return envelope, so that the subject group does not incur any postage costs. The questionnaire includes a total of 189 answer rows. The prepared questions are mainly assigned to several answer areas. The answer areas can be assigned to the respective related areas as well as to the research hypotheses.

6 Representativity of the Empirical Survey

The basic population in the survey of the participating universities comes to a total of 499 universities, of which 407 of the number are universities from Germany and 92 universities from the Netherlands.

All universities involve academic institutions that are officially recognized and that award degrees for accredited courses of study. The return of the survey questionnaires took place completely anonymously. No attempt was made by the author of this work to assign the questionnaires to the corresponding universities. The survey did not serve the research of the opinions of particular universities selected in advance, but rather understanding for statistical purposes and the checking of the research hypotheses.

It could be determined exclusively from the language in which the questionnaire was sent whether the questionnaire had been sent from Germany or the Netherlands.

The sample included 155 participating universities. 123 universities from Germany and 32 from the Netherlands took part in the survey.

The following quota was determined from all of the returned consignments:

The sample has a quota of 31.06%. The sample of the participating universities from Germany is 30.22%. The sample of the participating universities from the Netherlands is 34.78%.

On the basis of the values quoted above, approximately every third university from Germany and also every third university from the Netherlands participated in the survey. If the ratio of the sample to the basic population is now put in a ratio, the survey can be regarded as representative. Due to the high

quota of responses, it can also be assumed that considerable interest in this issue exists on the part of the universities.

7 Testing of the Hypotheses on the Basis of the Empirical Survey

In connection with the completed empirical survey and the evaluation of the returned questionnaires, reference is essentially made to the research hypotheses formulated below. Here each research hypothesis is initially presented again and subsequently evaluated.

Research Hypothesis 1: On Internationalization and Competition Pressure

The increasing internationalization is making universities and the services offered more transparent. Both in the present and in the future the universities are being will be subjected to greater competition pressure and must focus their orientation on the service recipients and their needs in order to ensure their lasting presence on the market, so that they do not lose any market share.

Prospect of success with the integration of the survey results:

The first research hypothesis can be confirmed. This was very clear as the survey results show that high values result from the students in other countries and from the flexibility of the students, or also from the flexibility of the university staff. The transparency of the range of services offered and the strengthened market presence, which contribute to a confirmation of the research hypothesis, were also clear. In particular the 'removal of the boundaries' in the figurative sense of the 'barriers' are enabling the 'path to one Europe' today. A local operation of the university belongs to the past; a trading and presence in international markets has taken a foothold in the present and will continue to do so in the future.

The acquisition of information independently of space and time via the medium of the Internet contributed to this in particular.

Research Hypothesis 2: Students as Customers of the University

The approach according to which students are regarded as customers in further academic education exhibits an innovative character that is gaining significance in the present and will continue to do so in the future. A model for the understanding of the relationship on the basis of the present and future significance of students as customers is required.

Prospect of success with the integration of the survey results:

The second research hypothesis can be confirmed. The survey makes it clear that the approach of regarding students in academic education as customers was disconcerting in the past and is still accepted with reluctance today; nevertheless, a consciousness of the necessity to regard the students as customers with individual needs definitely exists among the respondents. In particular, efforts to secure third party funding and research funds make the significance of the students clear. It can be additionally pointed out here that the strategic orientation of the university is also affected by the (potential) relationship orientation, or is encroached upon by this, and consequently must be taken up. An integration of the relationship to students has not yet taken place, however; for approximately one third of the respondents the strategic orientation of the university was not known; they are nevertheless aware of the need this. The majority deemed the integration of the relationship to the students as necessary, in particular in the strategic orientation.

Research Hypothesis 3: Consideration of Integrative Service Characteristics

Integrative service characteristics must be taken into account in the model; this means that quality management, complaints management and supplementary services will have to be considered in an integrated manner.

Prospect of success with the integration of the survey results:

The third research hypothesis can be confirmed. Numerous questions and control questions relate to the integrative service provision characteristics, consisting of quality management, complaints management and the complementary provision of services that must find integrative application in a possible model development. Constantly high values were achieved in the case of all of the survey approaches; thus, the consideration of integrative service provision characteristics is required in the development of a model for the understanding of relationships.

Research Hypothesis 4: Multifunctionality in Application

The model must guarantee a multifunctional application, in order that it not only understands the relationship to the students, but rather that with this an understanding and a comparison of self image and public image takes place in order to determine relationship (-optimizing) potential.

Prospect of success with the integration of the survey results:

The fourth research hypothesis can be confirmed. Here it was determined that in particular the optimization potential that is becoming clear, which results from the comparison of self image (compiled via the staff and officials of the university) and public image (compiled via the students of the university), should be an essential approach that the model enables. Consequently, in the application-oriented model and the

understanding, both a self-image and a public image are needed.

Research Hypothesis 5: Realization and Operationalization

The relationship model may correspond to the above mentioned approaches and the connected requirements. A realization and operationalization seems to be present.

Prospect of success with the integration of the survey results:

On the basis of the results cited above, it can be assumed that a model that is based on indicators, takes integrative service-provision characteristics into account and is multifunctionally applicable, can conform to the above-mentioned approaches or the connected requirements.

8 Adaptation Validity of the Results in the Higher Education Area Located in the East of Central Europe

With regard to possibilities for adaptation, a survey of an expert was used. The expert was Prof. Dr. Cs. Székely as Dean of the Faculty of Economics at the West-Hungarian University to Sopron. The model was presented to the expert; in addition, the expert was consulted with regard to the model orientation, the benefit components, the implementation and application possibility and finally the adaptation possibilities of the model. The survey in the area of the *model orientation* revealed that a comprehensive management tool has to cover both perspectives, which can be guaranteed through the understanding of the self-image and public image. In the category of the *benefit* components, it was determined that the expectation that the relationship model should provide from the point of view of experts is oriented to the whole range of issues of relationship management and not only individual actions are focussed on and analysed. An essential benefit

orientation would thus be a comprehensive relationship analysis for the planning of further relationship (-intensification) activities. The implementation possibilities showed that from the point of view of experts, the model seems to be suitable for use in universities; this would thus represent a further development of already existing (theoretical) management approaches. In addition, it was emphasized that in the case of an implementation, no technical processes of change will be needed, as the conditions for the implementation are already present. In the category of application possibilities, it emerged from the interview that following an implementation in relation to the university-internal model application comparisons should be possible. In relation to this, it subsequently emerged for the adaptation possibilities of the model that the expert is in favour of an adaptation of the model in the university procedures in all approaches and designs.

9 Benefit of the Research Project for the Area of Economic Sciences

The age of the excessive intake of young people that are prepared to study and willing to learn and who aspire to a university place has come to an end, with few exceptions in universities in large cities. Numerous secondary school graduates who have completed the university entrance exam are entering the job market in order to earn their own money following their previous school careers and thus to secure their livelihoods. There thus exists the possibility of later studies, mainly in the evening, despite professional activity. Similarly, there are currently many possibilities for dual education, that is to say, that employers enable the school leavers to engage in part time studies in combination with professional training. The number of people who are interested in full-time university studies is constantly falling. The falling numbers of interested parties, in combination with constantly decreasing

financial subsidies on the part of the state and in favour of the universities are necessitating a 'soliciting for students' and, analogously to this, the long-term linking of the students to the institution. A model would thus enable approaches for the strategic orientation of a relationship based on partnership.

10 Summary and Conclusion

For the purposes of a summary, it can be emphasized in the context of relationship management that is important to analyse all customer relationships and to select those that suggest profitable approaches for the university. With respect to a relationship orientation, relationship management is often characterized by individual approaches or phases being implemented in practice. However, a holistic relationship management approach has been neglected up to now; in the university sector in particular, this issue has received scant attention. This marginal attention in the academic education sector gave rise to the model-specific structure and to an empirical testing on the basis of scientific knowledge. The indicator based and multifunctionally applicable relationship model is a management-based approach that is intended to enable academic institutions to understand the relationship to the recipients of services in order to survive on the international market, and to be able to retain and to possibly extend market share. The relationship and corresponding design of the relationship to the service recipients is well-known from the world of business. Corresponding models, primarily based on customer clubs and customer cards have stood the test of time, but are not used in the academic education sector. Innovative approaches, however, only become clear in the development of a model for the understanding of the relationship between students and the university, in particular with the integration of service-provision oriented components such as quality management, complaints management and supplementary services. The

approach of understanding the relationship between students and the university requires a 'new thinking' on the part of providers of academic education. In the context of the empirical survey in particular, there was a confirmation of the need for a relationship model. The confirmation induced the author to examine the previously developed theoretical model with regard to a practical suitability and a possibility for adaptation in the higher education area located in the east of Central Europe. The 'determination of the relationship status', related to the university itself, is similarly innovative.

This gave rise to the **conclusion** that the developed model thus does not exclusively serve the understanding of the model but equally the critical evaluation of the university in the design of university-specific relationship management. The strategic problem has its basis - following the evaluated survey questionnaires - in the missing congruence between institutional guiding principles and lacking student-specific management. Up to now, steering mechanisms have been based primarily on the 'total number of students' instead of 'individual students'. The relationship model thus provides the frame of reference for a relationship orientation. The integrative character is clear through the double function of the model.¹ In the final analysis, self and public image can be compared with one another so that the relationship status of the university can be determined.

The integrative characteristics relate here to the service provision orientation with the components quality management, complaints management and supplementary

¹ The double model function and the integrative character mean that students are able to carry out an evaluation; this serves the determination of the public image in respect of the relationship status; analogously, this evaluation can also be carried out by staff of the university; this serves the determination of the self-image in respect of the relationship status.

services. A universally valid 'checklist' for the determination of the ideal situation of the respective model components has been consciously omitted. The background is the diversity and primary orientation as well as a weighting of the components. The university that applies the model should thus be given room to manoeuvre for possible main areas of focus in order to implement its ideas. The results of the evaluation of the experiment provide a practice-oriented configuration. Through the developed model, the relationship between students and university has been comprehensively outlined and understood in a multifaceted manner. The model thus provided the first starting points for regarding students as 'partners' in the orientation of a 'strategically existent and fundamental relationship and not as a short term phenomenon for the sole duration of study. In addition, it can be emphasized that in relation to their experience (from their professional lives, from the practical studying phases) students as demanders of services or service recipients can make a(n) (essential) contribution to the (effectiveness-) and efficiency enhancement of university-specific provision of services.