A Strategic Paradigm: Linking Marketing and TQM in Higher Educational Institutions

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Chapter IX: Summary and Conclusions

An ANGEL appears at a faculty meeting and tells the dean that in return for his unselfish and exemplary behavior, the Lord will reward him with his choice of infinite wealth, wisdom, or beauty. Without hesitation, the dean selects infinite wisdom.

"Done!" the angel says and disappears in a bolt of lightning. Now all heads turn toward the dean, who sits surrounded by a faint halo of light. At length, one of his colleagues whispers, "Say something!!"

The dean looks at them and says: "I should have taken the money."

Betsy Devine and Joel Cohen in Absolute Zero Creative

I. Summary

The ultimate purpose of this thesis is to improve the market competitiveness of higher educational institutions. The thesis proposes a systematic approach to manage higher educational institution, to improve institutional performance efficiency and effectiveness and thus, education quality. The three primary issues for this thesis are:

1. What management principles will help higher educational institutions to become more competitive and successful?

2. How should these principles be systematically organized into a comprehensive model for the improvement of education quality and efficient and effective management of higher educational institutions?

3. Using the above stated comprehensive model, what market knowledge is necessary to provide the direction for institution-wide improvement?

Because the concept of customer-orientation is to satisfy customers' needs with quality product and services, and because quality management requires customer-orientation since quality is defined by market demand, it makes sense that marketing and TQM concepts are utilized systematically to ensure that the philosophies of marketing-orientation and quality-consciousness are ingrained throughout the organization. Consequently and in order to guide educational institutions toward organization-wide
improvement, a comprehensive model (the Strategic Paradigm Model) that incorporates both marketing and TQM principles is proposed.

The field research though did not provide all of the answers for the proposal model (nor was its intention), it did set the overall direction for it (which was its intention). The primary filed research objectives were two-fold: First, to find out students’ education and education-related needs, and second, to find out whether education administrators share the same perspectives with their students.

Based on the factor analyses, students identified ‘well-rounded education’ and ‘successful life’ as the most important factors for attending higher education study. They identified education quality as the primary reason for attending a particular educational institution. In addition, students perceived that education quality has seven dimensions. The most important dimensions being: education quality, career opportunity, and school reputation. Students also stated that they were the primary influence in their decision to select a certain higher educational institution, and the most helpful type of communication was the institutions’ promotional materials.

Students were overwhelmingly consistent with their answers. However, there were considerable discrepancies between education administrators’ and their students’ replies. There were also discrepancies between education administrators’ own answers. Nevertheless, education administrators did show a favorable attitude towards the utilization of marketing and TQM concepts to improve education quality and institutional performance.

In terms of the theory development, the basic functions of both profit and nonprofit organization are identical. Higher educational institutions can benefit from the same management principles adopted by profit organizations. Chapters V, VI, and VII utilize these management concepts to further develop the proposed Strategic Paradigm Model. Based on the model, the most important organization external issues are environmental audit, market environment which including competition, targeting and positioning. For organization internal issues, major issues are: internal driving forces, organization culture, organization internal strategic issues, leadership and management, performance management, organization design, evaluation and control.
II. Conclusions

One of the inherent problems to improving institution performance and education quality is the fact that higher educational institutions are not responsible for generating revenue. This system of not being made directly responsible for the organization’s ‘performance outcome’ facilitates the mentality that ‘work’ and ‘performance outcome’ are two unrelated issues, and that performance outcome is not important. In reality, the work itself merely represents a sequence of activities, whereas performance outcome measures whether or not the work activities offer a real value. When performance outcome is seen as not important, there is a real danger of defining “quality” based on work activities and not on their end result. Furthermore, with this kind of mentality, recognizing and rewarding the good performance and discouraging the poor becomes problematic. Desiring to be recognized and rewarded for one’s contribution is a part of human nature even though some cultures tend to be more low-key on giving public recognition and rewards. Ignoring or denying this desire does not improve education quality; instead, it further reinforces mediocrity and demotivates both students and faculty.

Of course, one can always argue that the government education subsidy policy needs to be changed and that only when this is changed will the mentality of higher educational institutions change. While there is a certain truth to this, the fact remains that even though all public educational institutions receive subsidy, some do perform better than others. Thus, it is not just government subsidy that determines the quality performance of an educational institution, but also the ability of education administrators to effectively manage the institution also plays an important role.

Secondly, no amount of theory will help improve education quality unless education administrators are willing to make a real commitment. A haphazardly designed quality management program will not only prevent the organization from achieving the expected results, but it will also further frustrate faculty and staff, and disappoint students. This in turn, will create a cynical environment that makes future changes even more difficult.

Thirdly, students invest their time, money, effort, and emotion into their education — all of which are part of the education costs. In order for students to make the necessary investments, the total education benefit must exceed the total education costs. Thus, education administrators must
realize that modern students are no different than any modern consumers who focus on the real delivery value of goods/services. This becomes an even more pressing issue when there is competition. Those education administrators who still hold the view that the primary benefit of a higher education is student life or facilities fail to realize that today’s students are very much aware that they themselves will eventually face competition in the job market, in promotion and raise opportunities, in fact, in life itself. Those who are better prepared will have a greater chance to lead a successful and productive life. Hence, while good student life is important, research reports (including this one) repeatedly show that for the majority of students, it is never the primary benefit of pursuing higher education, or reason for selecting a particular educational institution.

Fourthly, over the long-run, the reputation of an institution cannot be obtained by promotion only. For an educational institution to be competitive over the long-run, the most important thing is the quality of the institution offer.

Finally, in light of the discrepancies stated in the summary, it is prudent for education administrators to gain insight into their students’ education and education-related needs. Hopefully, one of the consequences of this research is that enough interest will be generated among education administrators so that they will:

• Start a systematic research to monitor students’ education and education-related needs and their level of satisfaction;

• Gain a better understanding of what attributes constitute education quality and institution reputation from their students’ perspective.

• Evaluate their own and their organization’s performance more critically in terms of fulfilling their students’ education needs;

• Devise a system to monitor and improve organization performance.