

# CHAPTER I

## INTRODUCTION

### 1.1 Background

In accordance with DIKTI and KEMENDIKBUD RI decree (Number 25/DIKTI/Kep/2014) about general guidelines in educational system for new students, Higher Learning Institutions are trying to attract more new students to stay in residential and employing various strategies to maintain them. New students need psychological and social readiness to be able quickly adapt to college life and in particular learning system (DIKTI, 2014).

Andalas University located in Padang, West Sumatera Regions of Indonesia, provides a low-cost, attractive, safe, and convenient living quarters for undergraduate students. Andalas University obligated new students with BIDIKMISI Grants (National Scholarship) to stay in residential college (dormitory) and advises other new students (especially students come from outside West Sumatera) to live in dormitory ([www.unand.ac.id](http://www.unand.ac.id)). To achieve a good educational system in national education, Andalas University should examine and understand how students receive a well services and best physical environment of higher institution of learning.

Student residential college is a supervised living-learning accommodation consisting of shared residential amenities and facilities for the community of residents, which is constructed on-or off campus, and owned or rented by higher institution of learning. It provides low-cost chargeable rooms, and administered to accommodate the undergraduate students. (Musa et all, 2015). It is increasingly recognized that achieving sustainability in higher education should be placed as a prioritized agenda globally. Sustainability in higher education cover education, research, community outreach activities. One of significant aspects in sustainability of higher education is the residential satisfaction of universities dormitories. ([www.moe.gov.cn](http://www.moe.gov.cn))

Service quality is one of the factors that can lead to customer satisfaction (Kasper, Helsdingen, and Gabbott's, 2006). It can be used as a strategy for achieving the residential college satisfaction. Service quality is among factors that determine customer satisfaction and customer satisfaction can lead to customer loyalty (Kasper et al., 2006). Satisfaction from service quality is frequently evaluated in terms of functional quality and technical quality (Gronroos, 2007). Regularly, customers do not have lot information about the technical phases of a service; therefore, functional quality becomes the main aspect from which to form perceptions of quality of service. Service quality may be described as customer perception of how well a service assembles or go over's their expectation. Service quality can be determined in terms of customer expectation, customer perception, customer attitude and customer satisfaction.

There was three kinds of quality assessments of services based on perspective consumers ( Parasuraman , et.al 1985 ). First , the quality of services was assessed as good or positive when perception of services in conformity with expectation consumers. Second , the quality of services is considered ideal if perception of services exceeds expectations consumers. Third , the quality of services considered less good if perception of services worse than consumer expectation . Providing excellent customer satisfaction and high service quality is the significant matter and challenge meeting the current service industry (Hung, 2003). Customer satisfaction and service quality have been for this latest year's important topic both for the researches. Many studies talked about the relationship between service quality and customer satisfaction. Hence, literature for this current attempt was shown in Table

**Table 1.1** Studies on Service Quality and Customer Satisfaction

References	Key Findings
Parasuraman, Zeithaml, dan Berry (1994)	Revealed in their analyses that customer satisfaction is likely to achieve a greater level of statistical significance when both service quality and customer satisfaction have a significant effect on repurchase intentions
Najib et al. (2011)	Students are satisfied with the student housing facilities. Overall satisfaction is positively related to loyalty behaviours.
Bashir, Sarki, and Samidi (2012)	Service quality is manifested by reliability, responsiveness, assurance, empathy and tangibles
Amole (2009)	Factors contributing to satisfaction consist of the social qualities (e.g., social densities, the kitchenette, bathroom and storage facilities) and some demographic characteristics of the students. Hall configuration is a predictor of satisfaction
Hanaysha (2012)	To improve the level of students' satisfaction requires universities to focus on all the dimensions of service quality. Furthermore, to ensure high quality service provided at all time requires them to conduct continuous service quality assessment
Fen and Lian (2016)	Notably, this study provides evidence by the literature and satisfaction emerged as a stronger predictor of repatronage intentions in the restaurant settings. Customer satisfaction and service quality are also very crucial for marketing planning since it influences customers' intention to repatronage the restaurant in future.
Chow et al. (2015)	The study that referred using Service Quality model and tested the conceptual model of service quality based on five service quality dimensions of the student residential in China. Consequently, the result indicated the important link between service quality and student satisfaction. Interaction and physical environment quality were more important predictors of the quality of restaurant service.

Several researchers considered customer's perception in relationship to their expectations. For instance, it is observed by Parasuraman et al (1988) that services are perceived by customers in terms of their expected service quality. Consequently, if the service quality perceived highly by a customer, then service-provider is likely to favor their retaining chance, regardless of the fact that whether or not she/he was satisfied with the earlier used experience.

Higher education is attentive pressure to improve value in its activities (Heck & Johnsrud, 2010). The present rules to increase educational value using attempt on continuous development, concentrating on stakeholder profits, and increasing students' satisfaction. Based on the description above, it said that the satisfaction of student residential is closely related to the correlation between the expectations and the perception of the service quality in Andalas University dormitory. One strategy that can be done to maintain the service quality is to evaluate the quality of services with the aim to determine whether there is a



difference or not between the quality of service that students expect with the quality of service received.

According to residential management, the enrollment of residential students has increased gradually in Andalas University. In 2016, capacity of residential student is 1686 students, but only 1081 students can stay at dormitory because some rooms in bad condition (Residential Management Andalas University, 2017). Whereas, Andalas University will realize World Class University in 2018. So that it is important to improve the quality standard of service in residential student in Andalas Universities by evaluating the facilities in residential students or measuring user experience of residential colleges. User experience refers to different areas of relationship with user including experience with continuing business relationship, experience with the quality of service experience with the performance ratio of service and experience because a service meet user's expectation. (Anderson, 2013).

The most significant part of problem solving is to understand the whole structure of user requirements and needs. The needs of user must be examined independently. Similarly in facilities management, full user's complaint must be recorded accordingly into an integrated maintenance schedule which is transparent, reliable, and dependable. Service providers in facilities management should be proactive in finding out the user's need and wants, and the most important aspect in achieving that goal is through communication. Bashr said that user's need should be fully incorporated into the design and development of products and services, especially in student's residential colleges. In this occasion the user's need means student's residential need. There are a lot of problems or complaints on water problems, leaky rooms, bathrooms, cleanliness and inadequate facilities in residential college. Number of complaints from student residential currently shown in **Table 1.2**

**Table 1.2** Number of Residential Student Complaints in 2016

Dormitory	Number of Complaints
Hijau	21
Orens	49
Menpera	52
Roesma-M Shaff	31
RPX	19

Based on the results of the suggestion box in every building Andalas Dormitory, it can be seen that complaints from student residential college quite a lot. In addition, there are 20% of last year student's residential leave the dormitory (check out) before the time of contract runs out (management dormitory Andalas University, 2017). The facts on Table 1.2 indicated that there are many student residential who are not satisfied with the service provided. The complaints should be addressed to residential management by taking solving problem. So that, student residential will feel satisfied with the service and support provided by management.

As identified by (Citrawan, 2013) that a customer who is experiencing dissatisfaction is likely to change his buying behavior by looking for alternatives to other brands in subsequent consumption to increase his satisfaction. It can be happen to student residential college who dissatisfied with service quality in Andalas Dormitory will find the alternative residential. Student residential college satisfaction always changing from time to time. Student residential expectation of a service will never be the same. Measurement of student residential satisfaction marked by minimum of complaints and improving product or service position to attracting potential customers.

Service Improvement is a very important factor, if the service is not supported with the right service then the result will be dissatisfied. Therefore improving the quality of dormitory service is needed to satisfy the residential students. In measuring student's perceptions of service quality in student dormitory of Andalas University required the right measurement instrument. The author uses the SERVQUAL instrument created by Parasuraman, Zeithml, and Berry. SERVQUAL is a method used to measure services based on how customer perceptions and customer expectations of services were provided to students at the Andalas University dormitory.

SERVQUAL used to perform a gap analysis of existing service attributes. Gap analysis is done on the service attribute that has been categorized into 5 dimensions namely reliability, responsiveness, assurance, empathy, and tangible. Furthermore, will be conducting the assessment by involving student's residential to find out how the quality of services provided by the residential management in Andalas University whether it is as expected (satisfied) or not.

The next step is using the Importance-Performance Analysis (IPA) method. IPA method served to determine which attributes are still in poor performance and which attribute should be maintained. Eventually, it can be determined the proposed improvement from important attributes with bad performance. The improvements will be able to improve the quality of service with the result that according to what is expected that can impact on student satisfaction of service system.

Therefore, this researcher will give a comprehensive analysis of the quality of student dormitory services which will directly affect the satisfaction of students' residential in Andalas University Dormitory. This information will enable residential management to give alternatives solution about complaints, improve their services quality dimension and to offer better on-campus housing in the near future. According to the problems, researchers interested in researching about "Service Quality of Andalas University Dormitory Based on Student's Perspective".

## 1.2 Problem Formulation

Universities need to know how students perceive about the services they offered so that they can improve on them. Kasper et al (2006) suggests that service quality is one of the factors that can effects customer satisfaction. Naik et. Al (2010) stated that the measurement of service quality can be measured by looking at 5 dimensions of tangible, reliability, empathy, responsiveness and assurance. Measurement of customer according to Kotler et. al (2016) identify 4 methods : complaints and suggestions system, ghost shopping, lost customer



analysis and customer satisfaction survey. Currently, the measurement of student residential satisfaction in Andalas University using complaints and suggestion system by utilizing the suggestion box, but it is often not utilized and students residential prefer to submit complaints verbally. So based on the introduction, the problem formulation on this research is how to measure student's satisfaction on residential college (Andalas University Dormitory) of services quality receive. So that the research questions are :

- 1) How the gap between student's perceptions and expectations of service quality in Andalas University Dormitory?
- 2) Which service attributes are priorities to improve the service quality on Andalas University dormitory and satisfy student's residential?

### 1.3 Objectives of Research

The objectives of this research is to formulate the factors effected by the student's satisfaction with the service quality in Andalas University Dormitory. The objectives are:

- 1) To analyze the gap between student's perception and expectation on the service quality in Andalas University Dormitory.
- 2) To evaluate the improvement priority service based on students perception to improve the service quality in Andalas University Dormitory and improve students' residential satisfaction as well.

### 1.4 Research Scope

The scope of this research is:

1. The respondents of this research will be Andalas University bachelor degree first year student who lived in dormitory currently.

## 1.5 Outline of Report

This final project proposal contained

### **CHAPTER I INTRODUCTION**

Introducing the subject to be discussed. The Chapter contains of backgrounds, problems formulation, purposes, scopes and outlines of the final project report.

Moreover, it lays the basis for the rest of discussion that follows.

### **CHAPTER II LITERATURE REVIEW**

The literature review provides an overview and justification to the necessary and makes this subject as basic research in finding answers to questions that arise.

The chapter defines the related terms about the research such as, satisfaction theory, residential satisfaction, factor affecting housing or residential satisfaction, university dormitory, service quality, the gaps model of service quality, conceptual service quality model of dormitory, relationship between service quality and customer satisfaction, customer satisfaction with service quality model, service quality, customer satisfaction model, and Important-Performance Analysis (IPA).

### **CHAPTER III RESEARCH METHODOLOGY**

The third chapter discusses the research framework and methodology. Discussions focus on the conceptual framework and research methodology used in this study.

### **CHAPTER IV RESULTS AND DISCUSSIONS**

Result and discussion contains calculation and analysis of the respondent's characteristics, the level of service performance of Andalas University dormitory by assessing the level of conformity, gap P-E, and also



determine the priority of service improvement by using Importance-Performance Analysis (IPA).

## **CHAPTER V CONCLUSIONS**

This chapter contains of conclusions and recommendations for further research.

