TO WHAT EXTENT THE STUDENT IS A CUSTOMER

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─Abstract ─

Depending on the widespread usage of the total quality management at institutions, customer focus has begun to be used in many fields of private and public sectors. Public services, municipality services, hospitals and universities are also started to use customer focused management. Anyhow it is both open for discussion whether is it suitable to accept the patients as the customers at hospitals or is it suitable to accept the students as the customers at universities.

In spite of the complementary services like university building facilities, canteen services and computing services can be structured as customer focused, setting up a customer/student focused curriculum and examination system is still open for questioning and discussion.

In this research, the possible approaches to assess students as customers and the possible approaches to assess students as "just students" will be presented.

Key Words: *Higher education, student-as-customer, student-as-partner*

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1. INTRODUCTION

Increasing number of people is getting eager to be the student of higher education (King, 2001). There are various reasons for that, including social justice, economic and equality motives, among others. There is also passage from traditional school-to-university students attending elite universities to students attending mass higher education (Moscati, 2004). There are new type of; nontraditional students who are electronically-connected and mobile or combine their role of student with other activities such as leisure and working. There are also mature-aged students, reentering into education long after graduation. Society is a network of relations with reciprocal influences. The social experience of the university has become more and more crucial for the students' future.

Furthermore, the nontraditional students are showing a need to be supported in learning. Students especially in their first year at the university show a need to be supported with their entrance to university which introduces the relationship management into higher education.

It is suggested that there are two ways of interpreting the role of university from the view of universities that have developed through the years: One of them is German origin and the other one is Anglo-Saxon (American) origin (Moscati, 2004). In the German model emphasis was put on research and teaching and little attention was paid to students' personal development. This latter aspect was considered crucial in the American interpretation of university life. In Europe, interaction between students and academic staff has been minimal and strictly functional to the pre-determined roles of knowledge providers and receivers (Moscati, 2004).

At the same time, increasing demand for higher education in the face of decreasing government funding (White, 2007) a market driven or governmental stress on customer focus (Lomas, 2007) direct the institutions of higher education to the application of quality management. As competition for students has increased, so has the application of marketing in the field of higher education (Lomas, 2007.

The marketization of higher education services seems to push the students and the institutions on a customer-provider relation. It is generally assumed that students are the customers of the institutions of higher education.

"The notion that students should be treated as customers developed as competition among American colleges increased in the early 1990s and as scholars began proposing the application of total quality management to educational settings"(Schwartzman, 1995).

According to the quality management, determination of the "customer" shows the way the institution serves to their customers as well (Pitman,2000). In order for the institutions to manage their business effectively, it is important to clarify who is the customer and what are the needs of the customer consequently. However, higher education differs in various aspects from a typical service industry. The concept of "customer" at higher education sector becomes subsequently inexplicable. Hence this paper aims at clarifying the concept of "customer" used for students at higher education.

Higher education is realized with the involvement of various departments of the university; faculty and administrators. Therefore instead of using the word of college and university "institutions of higher education" is preferred at this paper.

2. IS HIGHER EDUCATION A SERVICE INDUSTRY?

Institutions of higher education provide kind of services. Nevertheless higher education is not at service industry completely. There are fundamental differences between the higher education and other service industries.

At service industry, everyone who pays for the service he/she gets is the customer. While at higher education there is not a unique customer to be served. Actually, customer groups (Bay and Daniel, 2001), including students, parents, government agencies, employers and society in general, are served at higher education. Each type of the customer in customer group has its own needs and role in higher education. Education institutions may not develop an effective customer focus (Sirvanci, 1996), since they have customer group rather than a specific customer. In addition, the customer in customer group is not to be named as "customer", but as "partner", because of its involvement at service. Each of the partners participates, one way or another, in development, provision, improvement and alteration of service which will be explained further in detail.

At service industry, in order to maintain or increase the market share and profit, businesses concentrate on meeting the needs of the customers. And the needs of the customers are in accordance with their wants. At higher education, whereas what the partners want is taken into consideration, the service is provided in pursuance of what they need. And the needs of the students are generally not in accordance with their wants. (Lomas, 2007) argues that in service business "the customer is always right" while in higher education setting, customer is provided with what they need rather than what they want. Since the education programs are commonly determined according to the demands of the employers and the government agents, they may not match with the wants of each one of the student.

Customers of service industry benefit from the service shortly after the provision. Students of higher education benefit from the academic service long after they are educated. The benefit comes off when the student begins to use its knowledge at the work.

"Higher education is a long-term investment with multiple beneficiaries. While students are the primary beneficiaries, they realize the benefits of their education later in life, and their true satisfaction can be measured only then." (Sirvanci, 1996)

Whereas the customers pay the full price of the service they get by their own funds, students pay partially the price of the service, tuition fees, via scholarships, subsidies from the government, donations or student loans. Only in case of having a student loan for tuition payment, the student will have to pay the loan back fully in a term. Students often purchase the service of higher education at well below cost (Bay and Daniel, 2001).

Service business is fully negotiable between the service provider and the customer. Without a purchase contract, which is agreed on written or verbally between the service provider and the customer, transaction does not occur. Higher education service includes negotiable and nonnegotiable parts between the institutions and the students. The supplementary services of higher education which are offered at campus, such as purchases from food services and bookstores are negotiable, whereas the course content is not negotiable (Felix and Gibbs, 2009;38).

Students face heavy financial cost and time loss when they want to change the institutions of higher education, if not possible. These students have to wait for the next semester to change the institutions of higher education. Customers may change the service provider easily.

Students could not return the higher education when they are unsatisfied. The unsatisfied customers of service industry could be paid compensation when their claim is accepted in accordance with the procedure of customer complaint.

Service performance is generally assessed by the consumers externally while the students' work is assessed by the lecturer internally.

Offered service is the product of service industry, whereas the products of higher education are at various types. The tangible product of higher education is the certificate of the student's degree, and the intangible product of higher education is learning which resides in students' minds, as the product of their relationship (Felix and Gibbs, 2009;34).

3. DOES HIGHER EDUCATION PROVIDE SERVICE?

Higher education is multifaceted; offering different kinds of provisions, serving to different type of partners and their needs, aiming at several goals, managed under various and separate institutions, among others.

As lifelong learning is stimulated with EU policy instruments, institutions of higher education try to prolong their relation with students over the lifetime. There is a wider range of higher education courses or products compared to past

few decades. As higher education become more broad-based, institutions have diversified their provision (Felix and Gibbs, 2009;33).

3.1.Higher Education Serves In Three Main Areas

Higher education serves in three main areas; education or teaching, research and service to society. As can be seen at Table 1, higher education offers different outcomes (product) to different partners under different goals at each of three areas.

Table 1 Three main areas of higher education

Category	**Education/teaching**	**Research**	**Service to society**
Product/outcome	*knowledge and certificate of degree **skilled potential workforce ***intelligent, moral, self-sufficient and problem solver citizens	Research reports and results	*Social and cultural projects or activities *Projects for solving social problems
Customer/recipient	*Students **Employers ***Society	Interest group; public and private organizations	Society
Goals	*Providing for personal and professional development **fulfilling the needs of skilled labor of public and private employers for now and future *** increasing the welfare of the society by eliminating malfunctioning proactively	*Producing suitable methods for solving a specific problem *Providing sufficient data for future researches	*leading the social and cultural development of the society

The area of education is further separated into two groups as follows in Table 2:

Table 2 Academic and nonacademic service of higher education

Category	Academic	Nonacademic
Product/Service	Education	Supplementary products; dormitories, food services, libraries, bookstores, computer labs, cultural activities, sporting etc.
Customer	Partner (student)	Customer (people at campus including students)
Goal	Providing benefit and value	Providing customer satisfaction
Price	Lower price	Full price

According to Sirvanci (1996;101), education can also be separated into service content and service delivery. While service content is not negotiable between the institution of higher education and the student, service delivery is negotiable. The customer of service delivery is the student. Service delivery includes a standard way of application of education. Education should be delivered according to an already announced standard-procedure, including suitable place, equipments, technology, materials, instructor and timing for education. The customers of service content are external to the institution, including the public and private employers and society in general, and the students are the partners of learning.

"Institutions of higher education have three fundamental freedoms: They teach what they want, to whom they want and in the way they want. Anything that treats these freedoms has been seen as undesirable" (George, 2007).

The institutions of higher education determine the course contents by taking the demands of partners into account whereas they are finalized by the professional view of the academic staff. The academic staff does not want to share its freedom with the students (George, 2007;971) under the shadow of the customer-centered serving. The students of higher education are selected according to the acceptance standards. Only the eligible students could attend to the courses. The lectures are given according to the teaching procedure of the institution itself.

At service business, the service provider's core concern is to understand the need of the customer, and to satisfy the customer. While at higher education, the institutions should balance the needs of the partners which are conflicting to each other from time to time. Furthermore, the goals of service industry could be determined by the provider more easily compared to higher education where different goals are to be determined for each of the partners. Therefore it is even more difficult to manage resource allocation for realizing these different goals under the pressure of decreasing government funding.

3.2. Higher Education In Different Perspectives

Depending on the multifaceted nature of higher education and its different qualifications as compared to a regular business at service industry, there appears a variety of confronting perspectives in interpreting higher education service:

- Higher education provides service and becomes a business
- Higher education does not exactly provide service and never becomes a business
- Higher education provides service which is one of a kind and partially becomes a business

3.2.1. Higher education provides service and becomes a business

At this suggestion, in spite of the differences of higher education and a typical service industry, it is accepted that higher education is not a manufacturing, but a service entity on its own. In addition, higher education should be improved by benchmarking with the service industry, as an ever-increasing competition forces to do so. Furthermore, trends in higher education draw it near to the customer-oriented service industry. Students want to be involved in the decision making process of higher education more than ever depending on social or market forces.

Wherever higher education student fees have been introduced, be it Australia, Canada, the USA or New Zealand, there has been a notable increase in litigation cases where universities are taken to court by failing students (Felix and Gibbs, 2009;35).

In some countries like UK (Lomas, 2007) and Australia, government's agencies and universities' senior management team emphasize the need to consider students as customers, whereas it is not supported by academic staff (Scott, 1999 and Pitman, 2000). The UK government place in mechanisms for assessment to drive up the quality of education and provide sufficient information about the universities that will help students to decide on properly. Government makes reforms at higher education to develop universities into business-like organizations (Lomas, 2007). However, some academicians are worried that customer-orientation could lead to knowledge being regarded as a commodity. Quantity instead of quality could become the focus.

3.2.2. Higher education does not exactly provide service and never becomes a business

At the second suggestion, depending on the diverse differences between the higher education and a typical service industry higher education is totally separated from the service industry. Institutions choose to enter, regulate and

control the relationships with students which do not look like an ordinary commercial purchase contract. Therefore higher education is not to be compared to and improved by the developments at service sector. Otherwise higher education may turn into a profit oriented company at the sake of society's unmet needs.

3.2.3. Higher education provides service which is one of a kind and partially becomes a business

At the last suggestion, with the acceptance of the differences between higher education and a typical service sector, it is still believed that higher education is to be taken as a service provider. Since higher education provides service at the nonacademic part of its service and does not provide service like a business firm at the academic part, higher education is not separated from a regular service industry totally.

Pitman (2000) argues that there is a consensus about the relationships between the student and the institutions of higher education are in some way special to higher education, and unlike to other service industries. Nevertheless the issue is still under a big discussion. If higher education is taken as a service provider, in one way or another, market forces might leave no choice but to manage higher education as business. Lomas (2007) prefers to take higher education as learning communities instead of businesses. If higher education is wanted to be kept nonprofit-oriented, but benefit- oriented instead for the sake of the society, its own manner of work should better be protected legally, under the condition that continuous improvements or dynamic management of higher education is not interrupted. Government agencies should introduce mechanisms for higher education which push the management of higher education forward to improve in relation management, as described in more detail in conclusion. Therefore the institutions of higher education are to be taken as managing relationships between the partners rather than providing service.

4. STUDENT CONCEPT OF HIGHER EDUCATION

Students study at the institutions of higher education for a variety of reasons, including a desire to gain qualifications, pursue their interest, prepare for the world of work, prepare for academic and research careers in higher education, among others (Felix and Gibbs, 2009;39).

The numbers, socio-economic status, cultural background, experiences, needs and aspirations of students have changed greatly with the shift to a mass higher education system (Lomas, 2007).

Students have different roles in different aspects of higher education.

4.1. Student in different roles

Mintzberg (1996) have argued that students wear four distinct hats, each characterizing a significant relationship with the institutions; they wear "client" hat when they enroll and get advice, they wear "customer" hat and look for customer satisfaction when their learning needs are not adequately met, they wear "citizen" hat when they share their lives at campus with others, and they wear "subject" hat when they face some punishments like paying late library fines and re-writing for unsatisfactory work.

- The student- as- customer
- The student –as- client
- The student- as- laborer
- Student- as- partner

4.1.1. The student- as- customer

Students are the purchasers and therefore the customers of some of the campus facilities which are provided at price. Students have to pay the full price of the service in order to benefit. The standards of the service are determined by the service provider, but the service provider aims at satisfying customers.

4.1.2. The student –as- client

Students are the clients of the campus facilities such as administrative services, computer laboratories and libraries. Students could use these services as free of charge, by showing their student ID. Students should obey the rules set up by the institutions of higher education.

4.1.3. The student- as- laborer

Students are the laborers of education. Students have responsibilities as well as rights and these involve their duties to their lecturers, fellow students and themselves. Students participate in education as laborers by doing projects and term papers and preparing for tests.

4.1.4. Student- as- partner

Students are the partners of higher education. Both partners (Bay and Harold, 2001); the students and the lecturers bring important knowledge, skills and perspectives to the relationship. The performance of higher education is affected

from the performance of students' participation. Students are also named as "learning workers" (Editorial, 2000).

Students have different roles in different aspects of higher education. They are customers of nonacademic services while they are partners of academic services.

As Scott (1999) suggest, insisting on a single definition, does not cover the students' educational experience. There is no single role that can be attached to students in higher education (Sirvanci, 1996;102).

Table 3The Nonacademic Service Provider and Student-as-a-customer/Subject Relation

The student	**The Nonacademic Service Provider**			
Demand its nonacademic needs	Goals of the nonacademic service provider	Determines the standards of service	Process of service	outcome
	Customer satisfaction Make profit or apply the requisites	Customer relation	Customer relation	Could be assessed just after the provision of the service Customer satisfaction profit or application of the requisites

Table 4 The Academic Service Provider and Student-as-a-partner Relation

The student		**The Academic Service Provider**					
The Student demands its academic needs	→	Goals of the academic service	→	Determines the standards of service	→	Process of service	→ outcome
Needs of the partners		Meeting the needs of the partners in balance		Principles of partner-relationships management		Managing partner-relationships	Could be assessed long after the provision of the service Benefit to the partners application of the requisites

Table 5 Student-as-a-customer versus student-as-a-partner

Student-as-a-partner	**Student-as-a-customer**
Active partner of education Both student and the lecturer participate in education	Passive consumer, receiver
Institutions of higher education select the students with required qualification.	Service provider does not restrict the purchase of the customers.
Students do not pay the entire cost of the education. Tuition fees are subsidized in full or partially by parents, government and private scholarships, tax payers, donors and student loan givers.	Customers purchase with their own funds
Students are regularly assessed, and the failed students could not move to the next stage of education	Customers' eligibility is not assessed.

5. CONCLUSION

Students at higher education have various roles in learning process, the education process is different from other service industries, and the role of students could not be simplified to the customer.

Students should take responsibility for learning. Learning is a direct result of the student's efforts, not a service to be purchased. University is not selling a commodity called learning but rather providing the students with an environment in which to learn (Groccia, 1997).

Nevertheless, universities are not seen as the most powerful organizations in society (Felix and Gibbs, 2009;36). Universities have changed significantly in the last 30 years and students are no longer content to just ask, "What should I do?" and no longer afraid to ask, "What can I get?"(Lomas, 2007;43).

Institutions of higher education themselves are to learn from outside world. Institutions of higher education should develop means of continuous improvement.

- Needs of the students should be considered
- Needs of the other partners (parents, employers, government agencies, society) should be considered
- Partnership relation, that is systematic, staged and dynamic, should be developed with the partners.
- TQM principles should be applied in nonacademic part of services and the service providers should be kept updated with the requirements of TQM.
- Criteria and metrics for student satisfaction after graduation should be developed, applied periodically, reported openly and used in improvement works.
- Academic part of higher education should be accredited in order to ensure at least a standard level of education or overreach the standard by a dynamic enhancement.
- Goals of the institutions of higher education should be determined clearly and the resources should be used effectively for reaching at those goals.
- In order to reach at the potential students, in accordance with the institutions' goals, marketing instruments might be applied.

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