

# **The Service Quality Level of Higher Educational Organizations: An Institutional Strengthening Based View**

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## **ABSTRACT**

The development of education aims to improve the quality of educational services in order to escalate the satisfaction of every users of educational services, particularly the students in particular and the educational outcome in general. In doing so, the improvement of the quality of the educational services providers, e.g. higher education, must be carried out properly by both the government and private organizations. However, this study finds in the literature, that there is less studies in explaining the service quality inside higher educational institutions with the approach of institutional strengthening especially in disclosing the influence of institutional strengthening on service quality of higher educational institutions, particularly, the institutions from developing countries. As such, the objective of this study is constructed through the emphasis on the role of institutional strengthening on the quality and of public educational service, especially the higher educational public institutions. This study applies quantitative method and has 107 samples, which are from the higher educational institutions' responses on questionnaires. Using the simple random sampling, eventually, this study obtains 93 returned questionnaires that are resilient to be tested statistically further. As theoretical implication, this study finds that institutional strengthening plays a significant role on service quality development. This study also recommends a constructive guideline for business owners, especially SMEs to enhance their marketing strategy as for the managerial contribution.

*Keywords: institutional strengthening, service quality, institutional relationship, public administration, institutional priority, higher education.*

## **1. INTRODUCTION**

The study of Tolofari [1] explains that the services of educational play a critical role in order to develop and/or improve the human resources and eventually the success of educational services may bring a positive impact, e.g. a better quality of educational services outcome such as a highly competitive, well-managed, skillful human resources either for national and/or global job markets [2, 3]. Likewise, in Indonesia, especially in South Sulawesi province, the development of national education aims to improve the quality of educational services in order to escalate the satisfaction of every users of educational services, particularly the students [4]. In doing so, the improvement of the quality of the educational services providers, e.g. higher education, must be carried out properly by both the government and private organizations [5]. Based on the annual report of the 9<sup>th</sup> region of Indonesian higher education service institute, which covers South, Southeast, and West Sulawesi province, this study finds that the educational service of higher education institutions has increased in several circumstances. For example, in 2020, there has been an increasing trend on (a) quality; and (b) innovation of higher education institutions academic service from 20% to 25.27% [6].

However, the literature does not include in-detail the role of several indicators, especially the institutional strengthening, in influencing the quality development of the educational service in South Sulawesi. In addition, the study of Anwarudin and Maryani [7] denotes that the role

of institutional strengthening is considered to be vital for every organization, given that institutional strengthening is one of the crucial tools for organization in adjusting, reforming, as well as, modifying the vital policies, rules, procedures, work mechanism, and so on that eventually brings the organization becomes well-organized and well-managed in terms of skills, knowledge, as well as, character development of every organization member, which may later bring a better and/or well-improved quality and innovation public educational service, especially in the context of higher education institution. Hence, as the literature indicates that there is a lack in the body of knowledge in explaining the role institutional strengthening on service quality in Makassar region, this study the aims to conduct a research, which emphasizes the role of institutional strengthening on the quality and innovation of public educational service, especially the higher education public institutions.

### 1.1 The Policy Quality in Public Administration Perspective

Literature explains that there are two important stages within the quality evolution in the public sector, namely: (a) a quality in the sense of respect of procedures; and (b) a quality in the sense of customer satisfaction [2, 8-11]. Later, the quality in public sector, especially inside the higher education public institutions, is focused on the policy perspective, especially the important three factors in policy quality, which the quality of policy, which highlights the policy making, policy design, and policy implementation [12]. The policy quality then eventually affects the entire public organization in offering product and/or service for the people [13-15]. The policy quality can be measured through several features, which are: the first is the direct evidence of the policy, the second is the reliability of the policy, the third is the responsiveness of the policy, and the fourth is the assurance of the policy [7]. According to Sabatier and Mazmanian [15], if the applied policy is always in the continuous evaluation, the organization then is on the right track to improve its applied policy. The continuous evaluation includes the review and examination on: (a) systematic monitoring on applied policy; (b) planning and managing the potential change on applied policy; and (c) the target or objective of applied policy, which has been set previously [16, 17].

### 1.2 Institutional Strengthening

Based on the public administration perspective, the institutional strengthening theory from the study of Helmke and Levitsky [18] and Winter [19], suggest that the institution essentially plays a vital role as a stepping stone unit for formulating, implementing, and evaluating a policy that is primarily based on organization's objective, which is designed to be achieved further. Within the context of policy, the institutional is considered as one of vital units in government's public administration, that plays an important role in carrying out a formulation, implementation, and evaluation of various programs of public administration. Subsequently, according to Winter [19], the efficient and effective institutional strengthening, that has been implemented to support various applied priority programs, however, tend to deal with a change. The change can be from, for example, the dynamic of OPD's capability in creating a proper public administration management that is based on the three patterns of institutional need, namely: (1) institutional relationships; (2) institutional priorities; and (3) institutional actions [7, 18, 19].

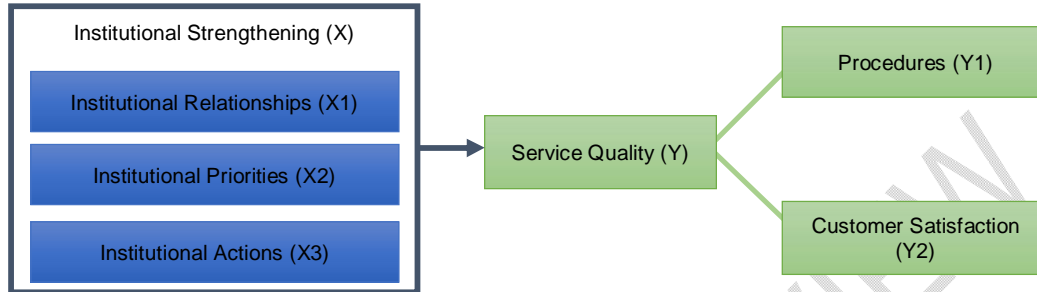
### 1.3 Research Hypothesis

**Table 1. Research Hypotheses**

Hypothesis	Detail
H1	Institutional relationships affect the quality of educational services.
H2	Institutional priorities affect the quality of educational services.
H3	Institutional actions affect the quality of educational services.
H4	Institutional strengthening simultaneously affects the service quality.

(Data Produced, 2023)

**Fig. 1. Research Framework**



(Data Produced, 2023)

As shown in Figure 1, this study initially explores the role independent variable, which is the institutional strengthening (X) that has 3 indicators, namely: institutional relationships (X1); institutional priorities (X2); and institutional actions (X3), on the service quality level simultaneously. Moreover, this study then aims to discover the role of all institutional strengthening (X) indicators partially on the service quality (Y) dimensions, which are: the procedures of service quality (Y1) and the customer satisfaction of service quality (Y2).

## 2. MATERIAL AND METHODS

This study applies quantitative method, as such, a distribution of questionnaires is conducted that is aimed for the unit analysis of this study, which is, the higher educational institution that is located in Makassar, Indonesia. In order to explore the role of independent variable on dependent variable of this study, an analysis of descriptive is applied, which is suggested by Sekaran and Bougie [20], through the application of (1) validity-reliability test; (2) hypothesis test or partial effect test; and (3) simultaneous test or F-test. Moreover, this study has 107 samples, which are from the higher educational institutions' responses on questionnaires. Using the simple random sampling, eventually, this study obtains 93 returned questionnaires over 107 distributed, as such, this study is then supported to analyze such 93 returned questionnaires that are resilient to be tested statistically further.

## 3. RESULT AND DISCUSSION

### 3.1 The Test of Validity and Reliability

As recommended by the study of Sekaran and Bougie [20], the r-count score is an instrument to express whether a variable is valid or not, and if the score of r-count is higher than r-table, it can be concluded that the variable is valid, and if the score of r-count is lower than r-table, it can be said that the variable is invalid. Moreover, according to the findings of this study's validity test, which are shown in the Table 2, all of the variables have positive r-count scores, and each variable's and indicator's r-count score is higher than r-table. As such, all variables in this study are valid and are supported statistically to be tested for further analysis.

**Table 2. The Validity Test Results**

Variables	r-table	r-count
X1	0.338	0.551
X2	0.338	0.427
X3	0.338	0.692

Y1	0.338	0.914
Y2	0.338	0.538

(Data Produced, 2023)

Additionally, Table 3 below displays the reliability test results of this study. According to Table 3, every variable in this study is reliable because each one's reliability test results demonstrate that it has a Cronbach's Alpha score that is higher than 0.60, given that based on the rule of thumb from the study of Sekaran and Bougie [20], the variable is reliable if its Cronbach's Alpha score is higher than 0.60. For instance, variable X in Table 3 has a Cronbach's Alpha value of 0.735 and variable Y is 0.790. As such, this study implies that all of this study's variables are suitable with the criteria of further statistical analysis.

**Table 3. The Reliability Test Results**

Variable	Dimension	C. Alpha
Institutional Strengthening (X)	Institutional Relationships	0.735
	Institutional Priorities	
	Institutional Actions	
Service Quality (Y)	Procedures	0.790
	Customer Satisfaction	

(Data Produced, 2023)

### 3.2 Hypothesis Test

In this study, the partial effects of institutional relationships, institutional priorities, and institutional actions on service quality are scrutinized in order to disclose if there is significant/insignificant relationship between 3 indicators of institutional strengthening and service quality. The results of the T-test are displayed in Table 4 below.

**Table 4. The T-Test Results Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Std. Coefs.	T	Sig.
	B	Std. Error	Beta		
(Constant)	28.351	7.85		3.61	.000
Ins. Relationships	.447	.009	.503	4.97	.015
Ins. Priorities	.239	.063	.416	3.79	.038
Ins. Actions	.511	.085	.622	6.01	.000

a. Dependent Variable: Service Quality

(Data Produced, 2023)

According to Haeruddin, Natsir [13], if the significance score of a variable is lower than 0.05, the research hypothesis is accepted, i.e. H1 is accepted and H0 is rejected, *vice versa*. As shown in Table 4, eventually, the results of hypothesis test show that institutional relationships (X1) has 0.015 significance score, and hence, this study recommends that the institutional relationships play significant role positively on service quality due to the significance score of institutional relationships is lower than 0.05. As such, H1 is accepted and H0 is rejected.

Moreover, the results in Table 4 also show that the significance score of institutional priorities (X2) is 0.038, in other words, such score is lower than 0.05, and consequently, this study

recommends that H2 is accepted. Likewise, for the institutional actions, the result in table 4 shows that H3 is accepted due to the significancy score of institutional actions (X3) is lower than 0.05.

**Table 5. The Institutional Strengthening on Procedures**

Institutional Relationships	Institutional Priorities	Institutional Actions
• Procedures	(1) Service procedural policy (2) Service time policy (3) Service legal policy (4) Service transparency policy	(1) Determining the service procedural structure, e.g. product knowledge of service officer. (2) The improvement on service time procedures, e.g. less waiting time for student in related service requirements. (3) The integration of legal in the service system, e.g. fraud in service. (4) The enhancement of transparency on service, e.g. clear service information for students.

(Data Produced, 2023)

**Table 6. The Institutional Strengthening on Customer Satisfaction**

Institutional Relationships	Institutional Priorities	Institutional Actions
• Customer Satisfaction	(1) Customer satisfaction orientation policy	(1) The focus on the customer's expectations fulfilment, e.g. the evaluation on product quality and price. (2) The enhancement of affective commitments for the customers. (3) The improvement of service responsiveness. (4) The advancement of service availability, reliability, and assurance.

(Data Produced, 2023)

Based on Table 4, the formulation is generated by this study, namely:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3$$

$$Y = 28.351 + 0.447X_1 + 0.239X_2 + 0.511X_3$$

In line with the formula above, this study then recommends that:

- The constant score is 28.351 and this illustrates that if there is only one variable, which is institutional strengthening with its 3 indicators (institutional relationships, priorities, and actions), then the Beta unstandardized coefficients score of service quality is 28.351.
- As this study finds that the b1 score in the formula is 0.351, as such, this study suggests that if there is an increasing score on institutional relationships for 1 level, then the score of service quality also increases for 0.447, assumed that X2 and X3 are constant.
- As this study discovers that the score of b2 is 0.239 in the formula, this study therefore recommends, assumed that X1 and X3 are constant, that the score of service quality increases for 0.239 if there is an increasing score on institutional priorities for 1 level.
- As this study finds that the b3 score in the formula is 0.511, as such, this study suggests that if there is an increasing score on institutional relationships for 1 level,

then the score of service quality also increases for 0.511, assumed that X1 and X2 are constant.

Table 5 and 6 are explained in detail in the conclusion and recommendation section.

### 3.3 Simultaneous Test

This study applies the simultaneous test or F-test for exploring and determining the level of significance of institutional strengthening simultaneously on service quality. The following Table 7 demonstrates the result of simultaneous test of this study.

**Table 7. The Simultaneous Test Results**  
ANOVA<sup>a</sup>

	Model	Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	812.373	3	2700.791	25.065	.000 <sup>b</sup>
	Residual	972.335	90	10.804		
	Total	1784.708	93			

a. Dependent Variable: Service Quality

b. Predictors: (Constant), Institutional Strengthening  
(Data Produced, 2023)

As recommended by Mustafa, Akbar [11], if the results of F-test show that if the score of significant is not more than or equal to 0.05, then independent variables significantly and affects simultaneously the dependent variables. This study then implies that H4 is accepted and H0 is rejected because based on Table 7 of this study, the results show that the significance level score of institutional strengthening is 0.000 i.e. such score is lower than 0.05.

## 4. CONCLUSION AND RECOMMENDATION

### 4.1. Conclusion

In line with the results that are found in this study, this study then concludes that institutional strengthening has a significant role in influencing the service quality, especially in the higher educational institutions contexts in Makassar, Indonesia. Furthermore, this study indicates that the role of institutional relationships on service procedures, as shown in Table 5, plays significant part, especially in planning, organizing, actuating, and controlling the service procedure quality, for example: a service procedural policy, which is an institutional priority, that is conducted through several actions, namely: the determination of the service procedural structure, the improvement on service time procedures, the integration of legal in the service system, and the enhancement of transparency on service. The explanations above are also similar with the prior studies, such as from the study of Browne, Kaldenberg [16] that shows that institutional strengthening is vital for the development of the level of service quality, especially the improvement on the institutional strengthening policy in encouraging the willingness of customer to recommend the college and the educational experience to others.

Moreover, this study finds that the service quality through the customer satisfaction is also influenced by 3 institutional strengthening's indicators. As shown in Table 6, the service quality, especially the customer satisfaction dimension, is subjective on institutional relationships, especially the policy of customer satisfaction orientation of higher educational institutions in Makassar. This can be seen in the focus of higher educational institutions on the customer's expectations fulfilment, e.g. the evaluation on product quality and price, the

enhancement of affective commitments for the customers, the improvement of service responsiveness, and the advancement of service availability, reliability, and assurance. The indications above are also similar with the previous study of Bahua, Arsyad [17], that discloses that the empowerment of peasant communities by strengthening institutional can be performed well based on the potential and capability of the farmers in satisfying and assuring the customer.

## 4.2. Recommendation

The recommendation of this study is explained below:

- a) Institutional strengthening is one of the most important and crucial elements to uphold as well as improve the level of service quality for organization, including higher educational institutions in Makassar.
- b) Based on the recommendation above, this study is highly supported to fulfil the lack of body of the literature, and suggest the theoretical contribution that the role of institutional strengthening on service quality inside higher educational institutions in Makassar is crucial. As such, based on the findings of this study, this study recommends theoretically that it is important for the higher educational institutions, especially in Makassar, to improve, develop, and/or enhance the institutional strengthening that later brings a positive impact on the level of their service quality.
- c) Likewise, for the managerial contribution, the findings of this study are considered to become a handful guideline for the higher educational institution, a business owner, or even the government in order to plan, organize, actuate, evaluate, and control the strategical policy in improving the whole institution structure as well as the service quality for the people, that eventually later bring a positive impact on all parties, especially the prospective benefits of income and/or image for higher educational institutions.

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