



THE INFLUENCE OF SERVICE QUALITY ON  
PARENTAL SATISFACTION: EVIDENCE FROM  
PRIVATE SCHOOLS IN SELANGOR

BY

KANESH GOPAL RAJADURAI

A thesis submitted in fulfilment of the requirement for the  
degree of Doctor of Business Administration

Kulliyah of Economics and Management Science  
International Islamic University Malaysia

NOVEMBER 2017

## **ABSTRACT**

Malaysian parents are willing to allocate a huge sum of money to send their children to private schools. With the number of private schools increasing rapidly, there is bound to be competition among these schools. In a service industry such as a school, it is thus important for managers to understand the various service features of a school that may be of importance to parents. This research examines the facets of service quality that may predominantly affect parental satisfaction of private schools in Selangor. This study is aided by the SERVQUAL service quality measurement model and demographic data is collected from Malaysian parents who acted as customers to these schools. The data is then evaluated via the Structural Equation Model to discover the service quality factors that influence the satisfaction of parents. Based on the results of the research, aspects of service quality, such as Tangibility and Responsiveness, have an impact on the satisfaction of parents. This study enables private school business owners to understand the various service quality factors that affect customers of their schools and work on methods to focus on customer retention by satisfying those needs. This research also supports the Malaysian government in its aim to comprehend the various challenges plaguing the education sector in order to enhance the quality of education.

## خلاصة البحث

إن الآباء والأمهات الماليزيين لديهم الاستعداد لتخصيص مبالغ ضخمة من النقود لإرسال أولادهم لنظام المدارس الخاصة. ومع ازدياد أعداد المدارس الخاصة بشكل سريع، فلا بد من المنافسة بين هذه المدارس. وفي قطاع خدمات مثل المدرسة، من المهم للمدراء أن يفهموا خصائص الخدمات المتنوعة للمدرسة والتي قد تكون ذات أهمية للآباء والأمهات. يختبر هذا البحث جوانب جودة الخدمة والتي قد تؤثر بشكل كبير على رضا الآباء والأمهات عن المدارس الخاصة في سلانغور. الأهداف الرئيسية لهذه الدراسة هي للإجابة عن الأسئلة الآتية: ما هي خصائص جودة الخدمة للمدارس الخاصة في سلانغور التي تؤثر على رضا الآباء والأمهات؟ هل هناك خصائص جودة خدمة معينة ذات أهمية أكثر من الأخرى في التأثير على رضا الآباء والأمهات عن المدارس الخاصة في سلانغور؟ هل يختلف رضا الآباء والأمهات عن المدارس الخاصة في سلانغور بحسب النواحي الديموغرافية للآباء والأمهات مثل المستوى التعليمي والجنس؟ تمت مساعدة الدراسة بنموذج مقياس سيرفكويل (SERVQUAL) لجودة الخدمة وستجمع المعلومات الديموغرافية من الآباء والأمهات الماليزيين الذين يمثلون زبائن هذه المدارس. ومن ثم فإن المعلومات يتم تقييمها عبر نموذج معادلة بنائي لاكتشاف عوامل جودة الخدمة التي تؤثر على رضا الآباء والأمهات. بناء على نتائج البحث، من الواضح أن جوانب جودة الخدمة، مثل الملموس والاستجابة، لديها تأثير على رضا الآباء والأمهات. لدى هذه الدراسة الأهمية التي تمكن ملاك تجارة المدارس الخاصة من فهم عوامل جودة الخدمة المختلفة التي تؤثر على زبائن مدارسهم والعمل على طرق للتركيز على الحفاظ على الزبائن بإرضاء تلك الحاجات. يدعم هذا البحث الحكومة الماليزية في هدفها لفهم التحديات المختلفة التي تصيب قطاع التعليم مع تعزيز جودة التعليم.

## **APPROVAL PAGE**

This thesis of Kanesh Gopal Rajadurai has been approved by the following:

---

Muhammad Tahir Jan  
Supervisor

---

Rafikul Islam  
Co-Supervisor

---

Dzuljastri bin Abdul Razak  
Internal Examiner

---

Kashiff Hussain  
External Examiner

---

Osman bin Mohammad  
External Examiner

## DECLARATION

I hereby declare that this thesis is the result of my own investigations, except where otherwise stated. I also declare that it has not been previously or concurrently submitted as a whole for any other degrees at IIUM or other institutions.

Kanesh Gopal Rajadurai

Signature .....

Date .....

**INTERNATIONAL ISLAMIC UNIVERSITY MALAYSIA**

**DECLARATION OF COPYRIGHT AND AFFIRMATION OF  
FAIR USE OF UNPUBLISHED RESEARCH**

**THE INFLUENCE OF SERVICE QUALITY ON PARENTAL  
SATISFACTION: EVIDENCE FROM PRIVATE SCHOOLS IN  
SELANGOR**

I declare that the copyright holders of this thesis are jointly owned by the student  
and IIUM.

Copyright © 2017 Kanesh Gopal Rajadurai and International Islamic University Malaysia. All rights  
reserved.

No part of this unpublished research may be reproduced, stored in a retrieval system,  
or transmitted, in any form or by any means, electronic, mechanical, photocopying,  
recording or otherwise without prior written permission of the copyright holder  
except as provided below:

1. Any material contained in or derived from this unpublished research  
may be used by others in their writing with due acknowledgement.
2. IIUM or its library will have the right to make and transmit copies (print  
or electronic) for institutional and academic purposes.
3. The IIUM library will have the right to make, store in a retrieved system  
and supply copies of this unpublished research if requested by other  
universities and research libraries.

By signing this form, I acknowledged that I have read and understand the IIUM  
Intellectual Property Right and Commercialization policy.

Affirmed by Kanesh Gopal Rajadurai

.....  
Signature

.....  
Date

## **ACKNOWLEDGEMENTS**

Firstly, I would like to thank God and my parents for their unwavering support in completing this educational journey of mine. I would also like to thank my respected supervisor, Assistant Professor Dr Muhammad Tahir Jan, and my Co-supervisor, Professor Dr Rafikul Islam for their precious guidance and support in this thesis. Their advice and crucial feedback in this research is deeply appreciated and cherished.

Special thanks to the dedicated staff of the Graduate School of Management (especially Sister Hawa), IIUM, for their hard work and support in ensuring the administrative actions in this research journey is to be completed in an efficient and timely manner. Lastly, to the various schools that allowed me to carry out this research, I thank you from the bottom of my heart.

# TABLE OF CONTENTS

Abstract .....	ii
Abstract in Arabic .....	iii
Approval Page.....	iv
Declaration Page .....	v
Copyright Page.....	vi
Acknowledgements .....	vii
List of Tables .....	xi
List of Figures .....	xiii
<b>CHAPTER ONE1: INTRODUCTION .....</b>	<b>1</b>
1.1 Background of the Study .....	1
1.2 Statement of the Problem .....	6
1.3 Research Questions .....	11
1.4 Research Objectives .....	12
1.5 Significance of the Study.....	13
1.6 Organisation of the Thesis.....	15
1.7 Definitions of Terms.....	16
<b>CHAPTER TWO: LITERATURE REVIEW .....</b>	<b>17</b>
2.1 The Importance of Customer Satisfaction .....	17
2.2 Theories of Satisfaction .....	20
2.2.1 Cognitive Dissonance Theory.....	20
2.2.2 Assimilation Theory .....	21
2.2.3 The Theory of Contrast.....	21
2.2.4 The Equity Theory .....	22
2.2.5 The Expectation Disconfirmation Theory .....	22
2.2.5.1 Theoretical Background Of The Study.....	23
2.3 The Element of Service and Service Quality.....	26
2.3.1 The SERVQUAL .....	28
2.3.1.1 SERVQUAL Determinants .....	32
2.3.2 SERVQUAL and its Relationship to the Expectation Disconfirmation Theory.....	34
2.3.3 The Application of Servqual in Various Industries .....	35
2.4 Parents and Their Child’s School .....	36
2.4.1 The Aspect of School Choice .....	36
2.4.2 The Case of Parents and Private Schools Globally.....	38
2.4.3 Private Schools in Malaysia.....	40
2.5 Service Quality and its Influence on Customer Satisfaction .....	43
2.5.1 Service Quality and its Relationship With Parental Satisfaction.....	47
2.6 The Various Aspects That Satisfy Parents in Schools.....	49
2.6.1 factors in schools that satisfy parents .....	50
2.7 The Moderating Variables .....	60
2.8 Summary of Literature Findings .....	62



<b>CHAPTER THREE: RESEARCH FRAMEWORK AND METHODOLOGY ..</b>	<b>65</b>
3.1 Introduction .....	65
3.1.1 Research Philosophy .....	65
3.2 Research Design .....	67
3.2.1 The Research Questions.....	67
3.2.2 Research Objectives.....	68
3.2.3 The Hypotheses.....	69
3.3 Population and Sampling.....	70
3.4 Instrumentation of Research.....	74
3.4.1 The Questionnaire Design.....	75
3.4.1.1 Items on Demographics of the Sample.....	76
3.4.1.2 Items on Service Quality .....	76
3.4.1.3 Items on Parental Satisfaction .....	77
3.4.2 Arrangement of Items in the Questionnaire.....	78
3.5 Independent, Dependent and Moderating Variables .....	78
3.6 Validity and Reliability of the Instrument.....	80
3.6.1 Face Validity.....	80
3.6.2 Content Validity.....	81
3.7 Data Collection for Pilot Study .....	85
3.7.1 Pilot Study.....	86
3.7.1.1 Data Collection Process For Pilot Data .....	86
3.7.1.2 Reliability Of Pilot Data .....	86
3.7.1.3 The Sample Characteristics of the Pilot Data.....	89
3.8 Summary of Chapter.....	90
<b>CHAPTER FOUR: DATA ANALYSIS.....</b>	<b>91</b>
4.1 Introduction .....	91
4.2 Data Collection Process for Field Data .....	91
4.2.1 The Data Screening Process .....	92
4.2.2 Sample Size for Field Data .....	96
4.3 Data Analysis of Field Data .....	96
4.3.1 The Sample Characteristics of the Field Data .....	97
4.4 Exploratory Factor Analysis.....	98
4.4.1 efa on the service quality construct (performance only).....	99
4.4.2 efa on the parental satisfaction construct .....	101
4.5 Confirmatory Factor Analysis and Model Fit .....	104
4.5.1 Confirmatory Factor Analysis for the Service Quality Construct .	106
4.5.1.1 The Model Fit of the Service Quality Construct .....	109
4.5.2 Confirmatory Factor Analysis for the Parent Satisfaction	
Construct.....	110
4.5.2.1 The Model Fit of the Parent Satisfaction Construct .....	111
4.5.3 Hypothesized Structural Equation Model.....	112
4.5.3.1 The Model Fit of the Hypothesized Model .....	113
4.6 The Revised Structural Model.....	114
4.6.1 The Effect of the Moderating Variables on the Refined Model ...	116
4.6.1.1 The Gender Invariance .....	116
4.6.1.2 The Parent Education Level Invariance.....	120
4.7 Independent Sample T-Test.....	123
4.8 Summary of Chapter.....	128

<b>CHAPTER FIVE: DISCUSSION AND CONCLUSION.....</b>	<b>132</b>
5.1 Introduction .....	132
5.2 Discussion of Results .....	132
5.2.1 The Effect of Tangibility on Parental Satisfaction .....	135
5.2.2 The Effect Of Responsiveness On Parental Satisfaction .....	137
5.2.3 The Moderating Effect of Parental Educational Level on Parental Satisfaction .....	139
5.2.4 The Service Quality of Private Schools in Selangor.....	141
5.3 Summary of the Results.....	142
5.4 Limitations and Delimitations of the Research .....	145
5.5 Manegerial and Theoretical Contribution of This Study.....	146
5.6 Conclusion and the Future Implication of This Study.....	148
 <b>REFERENCES.....</b>	 <b>150</b>
<b>APPENDIX A: RESEARCH QUESTIONNAIRE .....</b>	<b>183</b>
<b>APPENDIX B: CONTENT VALIDITY RATIO .....</b>	<b>193</b>
<b>APPENDIX C: KURTOSIS AND SKEWNESS .....</b>	<b>197</b>
<b>APPENDIX D: COMMUNALITIES .....</b>	<b>199</b>
<b>APPENDIX E: TOTAL VARIANCE EXPLAINED (SERVICE QUALITY)...</b>	<b>200</b>
<b>APPENDIX F: TOTAL VARIANCE EXPLAINED (PARENT                 SATISFACTION).....</b>	<b>201</b>

## LIST OF TABLES

Table 1.1	Profile of the Malaysian Education System	8
Table 2.1	The Service Quality Gaps	29
Table 2.2	The Determinants of Service Quality	33
Table 2.3	The Determinants of SERVQUAL after Refining	34
Table 3.1	The Research Questions of the Study	68
Table 3.2	The Research Objectives of this Study	69
Table 3.3	The Hypotheses of Study	70
Table 3.4	The Example of the List of Schools to be Randomized by an Online Number Generator	73
Table 3.5	Examples of Demographic Items	76
Table 3.6	Examples of Service Quality Items	76
Table 3.7	The Items on Parental Satisfaction	77
Table 3.8	Examples of Items in the Questionnaire	78
Table 3.9	Item Modification after Face Validity	81
Table 3.10	CVR Ratings of Items to be Omitted from the Questionnaire	83
Table 3.11	Reliability Statistics of the Pilot Data	87
Table 3.12	Items to be Deleted	88
Table 3.13	The Items Proposed for Representing the Parental Satisfaction Construct after Refining	88
Table 3.14	Reliability Statistics of the Pilot Data after Omitting Items	89
Table 3.15	Demographical Data on the Pilot Sample	89
Table 4.1	An example of Discovering Missing Data Using SPSS	93
Table 4.2	An Example of Statistics Denoting Z-score for a Selection of items Initiating Univariate Outlier Detection	94

Table 4.3	Kurtosis and Skewness of Parental Satisfaction Items	95
Table 4.4	Demographical Data on the real Sample	97
Table 4.5	KMO and Bartlett's Test for Service Quality (Performance Only) Items	99
Table 4.6	Rotated Component Matrix (Service Quality)	100
Table 4.7	The Arrangement of the Service Quality Items in the Questionnaire that had Undergone EFA	101
Table 4.8	Initial Communalities	102
Table 4.9	KMO and Bartlett's Test for Refined Parent Satisfaction Items	102
Table 4.10	Communalities	103
Table 4.11	Component Matrix	103
Table 4.12	The Arrangement of the Parent Satisfaction Items in the Questionnaire	104
Table 4.13	The Model Factor Loadings for the Service Quality Construct	107
Table 4.14	Correlations between the Service Quality Determinants	108
Table 4.15	Model Fit Indices for the Service Quality Construct	109
Table 4.16	The Model Regression Weights for the Parent Satisfaction Construct	111
Table 4.17	Model Fit Indices of Parent Satisfaction Construct	111
Table 4.18	Regression Weights of the Hypothesized Model	113
Table 4.19	Model Fit Indices of the Hypothesized Model	114
Table 4.20	Regression Weights of the Refined Model	115
Table 4.21	Model Fit Indices of the Refined Model	115
Table 4.22	The Group Modelling (Multiple)	123
Table 4.23	Group Statistics	125
Table 4.24	Independent Samples Tests (t-test for Equality of Means)	125
Table 4.25	The Hypotheses Checking	131

## LIST OF FIGURES

Figure 2.1	The Expectation Disconfirmation Theory	25
Figure 2.2	Service Quality Gaps	30
Figure 2.3	Research Framework	63
Figure 3.1	Independent and Dependent variables	79
Figure 3.2	The Equation to Calculate Content Validity Ratio (CVR)	82
Figure 3.3	The Set of Questions	82
Figure 3.4	An Example of the Research Content Validity form	83
Figure 3.5	The Minimum Cut-off Values for the CVR	84
Figure 4.1	The CFA Model Fit for the Service Quality Construct	106
Figure 4.2	The CFA Model Fit for the Parent Satisfaction Construct	110
Figure 4.3	The Diagram Using AMOS Graphics (Version 21) to Denote the Hypothesized Model	112
Figure 4.4	The Revised Structural Model	114
Figure 4.5	The Baseline Unconstrained Model for Males	117
Figure 4.6	The Baseline Unconstrained Model for Females	118
Figure 4.7	The Constrained Model of Males	119
Figure 4.8	The Constrained Model of Females	119
Figure 4.9	The Unconstrained Model of the Non-Graduate Education Level of Parents	121
Figure 4.10	The Unconstrained Model of the Graduate Education Level of Parents	121
Figure 4.11	The Constrained Model of the Non Graduate Education Level of Parents	122
Figure 4.12	The Constrained Model of the Graduate Education Level of Parents	122

Figure 4.13	The Hypothesized Proposed Model	129
Figure 4.14	The Revised Model	130
Figure 5.1	The Initial Hypothesised Model	133
Figure 5.2	The Final Revised Model of the Study	134
Figure 5.3	The Constrained Model of the Non-Graduate Education Level of Parents	139
Figure 5.4	The Constrained Model of the Graduate Education Level of Parents	140

# **CHAPTER ONE**

## **INTRODUCTION**

### **1.1 BACKGROUND OF THE STUDY**

This study identifies and examines issues concerning Malaysian parental satisfaction towards service quality attributes of private schools in Selangor, Malaysia. In the past few years, the Malaysian education sector has been subjected to renewed critical analysis leading to increased parental expectations of their children's educational outcomes (Malaysia Education Blueprint, 2013 - 2025). Satisfying the needs of parents is a vital task of school management. The literature has found that parent satisfaction is a key dimension for a school's success (Bauch & Goa, 2000; Poterfield, 2003; Conyers, 2000; Griffith, 2000). Further, the quality of a school could be increased when more energies are invested towards enhancing parent satisfaction (Salisbury et al., 1997). The fact of the matter is that schools have to hold parent satisfaction in high regard as parents are their core clients and will only express loyalty behaviour if their expectations are satisfied (Bhote, 1996; Salisbury et al., 1997; Scheuing, 1995).

It is critical for businesses to consider the environmental factors that may affect their business. For schools, parents' satisfaction with its service quality is essential for sustaining a good business. In school-based institutions, the parental units act as the legal representatives of the customers (students) (Demirkol, 2013), and it is important to know what parents think of the school's quality (Bauch & Goa, 2000). Satisfaction of parents with their child's school is an important directive in measuring the school's effectiveness and the areas that may need improvement (Friedman et al., 2006).

School choice is often the result of educational factors or non-educational aspects (Schneider & Buckley, 2002). An influx of Malaysian parents are enrolling their children into private schools as their household wages seem to be elevated in recent times, as well as perceiving private schools to be of superior quality (Malaysia Education Blueprint, 2013 – 2025; Nuh, 2015). Parents whom frequently communicate with their children about their school and are more involved are more likely to consider private schools, and parents who felt that the level of collaboration between teachers and parents was not sufficient were also more likely to consider private schools (Goldring & Phillips, 2008). Parents may assume and claim that parent involvement and parent communication are more easily facilitated and valued in private schools (Goldring & Phillips, 2008). As service providers, private schools need the feedback of parents to improve their competitive standing. Research has shown that the school choice predictor is often based on the satisfaction of the parent with the school service quality provided (Ham et al., 2003). Research has found that service quality does indeed affect the satisfaction of a customer (Woodside et al., 1989; Spreng & MacKoy, 1996).

Thus, understanding the service quality factors that influence parental satisfaction may be relevant to private schools in Malaysia (Malaysian Education Blueprint, 2013-2025). The Malaysian government has already contributed an estimated 22% of the total federal budget on education, and this has caused an increase in school enrolment across the country (Malaysia National Education for All Review Report, 2015).

The various types of non-governmental schools in Malaysia (IPS Malaysia, Ministry of Education) are stated below:

1. Private Primary Schools
2. Private Primary Religious Schools



3. Private Secondary Schools
4. Private Secondary Religious Schools
5. Private Secondary Chinese Schools
6. Private Schools for the Special Needs
7. International Schools
8. Expatriate schools

Research has shown that many schools measure parental satisfaction as it measures the quality of the academic and learning skills provided to students, allowing for the discovery of these measurements and to help improve the schools (Brown et al., 1992). It is also noted that satisfaction of parents is created when the expectations of parents are addressed positively (Olson, 1999). There have been various studies on the parental satisfaction factors prevalent in schools. In the past, Tuck (1995) discovered that some factors induce parent's satisfaction such as the quality of the staff, the school climate, academic programs, social development and extracurricular activities, as well as parental involvement.

Friedman et al. (2007, p.278) cited an array of scholars that narrowed down a variety of factors corresponding to satisfaction of parents, stating "Past research has shown that school communication, parent involvement, academic achievement, curriculum, school environment, school safety, staff quality, transportation are related to overall parent satisfaction". Bear et al. (2000) state that priority should be given to training school teachers as they impact the student relationship by providing a positive and compassionate environment, which will increase parent satisfaction. Comer (2007) added to the importance of a school and argued that a good school must ensure that the student has a positive environment that enables him/her to learn in a conducive manner as well as improve in his/her development.

Apart from academic factors, it was also noticed that non-academic factors such as school safety play a pivotal part in creating school satisfaction (Hausman & Goldring, 2000). In a multicultural environment such as Malaysia, notably Selangor, it is practical that a study is done on parent satisfaction towards private schools, as studies have shown that parents of different ethnic backgrounds tend to have different factors that make them satisfied with their child's school (Friedman et al., 2006). All of these further add to the reasons to why it would be beneficial for private schools in Malaysia if the satisfaction of parents were examined as it allows for an emphasis on customer importance.

As parents act as the legal proxy to students in a private school (Demirkol, 2013), it is thus important to measure parent satisfactions in private schools, as upholding the expectation levels of the parents with a school is pivotal in developing their satisfaction towards the school (Olson, 1999). Parents who are not content with their child's school will leave the current school and invest in another school elsewhere (Falbo et al., 2003). In a managerial perspective, according to several studies, 78% of consumers have cancelled a transaction process or withdrawn from a planned purchase due to a weak service experience (2011 Global Customer Service Barometer). Research has also found that 81% of companies with strong capabilities and competencies for delivering customer experience excellence is outperforming their competition (Customer Experience Maturity Monitor, 2009). Since parents are major stakeholders of private schools, it is important that their interactions with the school are satisfactory. Bitner et al. (1990) stated that interaction that customers undergo with the representatives of the firm in a service industry would act as the actual service element that is presented to the customer. Hence, it is important that the firm representatives that cater to the customers be trained in a proper manner. Bitner et al. (1990) went on to

state that a front-line employee who is not equipped with the skills to interact with the customer will ultimately lead to dissatisfied customers.

Quality is the sum of the attributes of a product or service that has the capacity to satisfy demands of a consumer (Kotler et al., 2002). This paper examines school service quality attributes that satisfy parents via the SERVQUAL model. Parasuraman et al. (1985, 1988) in analysing determinants of service quality developed a popularly used instrument called the SERVQUAL to measure the magnitude of service quality in a firm. The SERVQUAL construct is widely known as a measurement instrument to measure the performance-expectations gap that is based on the five service quality determinants that were emphasised by Parasuraman et al. (1988).

Parasuraman et al. (1985,1988) asserted that service quality determinants and understandings stem from the Expectations Disconfirmation Theory proposed by Oliver (1980). The Expectations Disconfirmation Theory tends to measure post-purchase satisfactions that occur among the customers when the purchasing of a product or service takes place. It states that the satisfaction component in a customer takes place as a function of determinants such as the expectation of the product/service, the perceived performance of the product/service and the disconfirmation of beliefs. Scholars such as Ekinci, Dawes, & Massey (2008) agree that the satisfaction of a customer is acknowledged and explained by the Expectancy-Disconfirmation Theory.

The Expectancy-Disconfirmation Theory states that when the service or product has a lower performance measure than its expectations, thus a negative disconfirmation occurs, and subsequently, a positive disconfirmation occurs when the service or product has a higher performance measure compared to the expectations. The expectations act as a benchmark for comparing quality. This theory was also suggested by Churchill & Surprenant (1982), stating that satisfaction is influenced by the disconfirmation process

of a customer. This research will use the Expectations Disconfirmation Theory as its theoretical background. Parasuraman et al. (1988) stated that the gap arising from the expectation and perception process would efficiently describe the service quality construct (Kulašin & Santos, 2005). This study advances the existing research and utilises the SERVQUAL model to better understand parents' satisfaction in relation to determinants of service quality in a private school setting in Selangor.

## **1.2 STATEMENT OF THE PROBLEM**

Malaysian parents are highly selective when it comes to their child's educational needs and are willing to pay a large amount of money to achieve that. Sources from The Malay Mail Online showed that one of the highest fees for the final year in a private high school, Year 13, costs RM98,839 at the Mont' Kiara International School (MKIS) for the 2013/2014 academic year (Chi, 2014). These figures show that Malaysian parents are willing to go the extra mile for private education. With more than a hundred (Malaysia Education Blueprint, 2013 - 2025) private schools currently set up in Malaysia, there is bound to be competition among the schools to be the top private school in Malaysia. Having a surge in demand for private schools in Malaysia will lead to each private school wanting to differentiate themselves. As the market will be competitive with the influx of private schools, firms in a competitive environment look at external factors such as the satisfaction of customers with the firm's service quality, as compared to the internal aspects of a company such as production (Gronroos, 1992).

The UNESCO World Education Report mentioned that one of the education sector's most complex tasks in Malaysia was to address the challenges that burden its growth to improve quality education beyond the year 2015 (Malaysia National Education for All Review Report, 2015). The report went on to state that the Malaysian

government had already allocated 22% of the total federal budget to education, indicating a strong commitment to the education sector, and showing that the government is interested in increasing the quality of education in Malaysia (Malaysia National Education for All Review Report, 2015). With this, the Ministry of Education (Malaysia Education Blueprint, 2013 - 2025) has stated that it appreciates the feedback from parents on methods that may collectively improve school progress.

The Ministry of Education also noted that important school matters such as curriculum reforms that are being carried out are often facilitated by various factors, such as public feedback and social factors, implying that these are crucial factors to be considered (Malaysia; World data on education, 2010/11). According to the Malaysian Educational Blueprint 2013-2025, in the year 2011, Malaysia had achieved near universal enrolment at the primary level at 94%, and the percentage of students who dropped out of primary school had been significantly reduced (from 3% in 1989 to just 0.2% in 2011). Enrolment rates at the lower secondary level (Form 1 to 3) had risen to 87%. The greatest improvement was undoubtedly at upper secondary level (Form 4 to 5, ages 16 to 17), where enrolment rates had almost doubled, from 45% in the 1980s to 78% in 2011. These enrolment rates are higher when factoring in enrollment in private schools (Refer Table 1): 96% at primary, 91% at lower secondary, and 82% at upper secondary level showing that there is a significant number of parents engaging in private schools instead of public schools.

Table 1.1 Profile of the Malaysian Education System  
(Retrieved from the Malaysian Education Blueprint 2013-2025)

	Preschool	Primary	Secondary
Total Enrolment <sup>1</sup>	77%	96%	86%
<u>Public System</u>			
Enrolment	42%	94%	83% <sup>2</sup>
No. of Students	0.43 Mn	2.86 Mn	2.22 Mn <sup>2</sup>
No. of Schools	15,627 <sup>3</sup>	7,714	2,218

1. Includes enrolment into **private schools**.

2. Excludes enrolment in post-secondary education.

3. Public preschools refer to preschools operated by the Ministry of Education, KEMAS, and the National Unity Department.

As managers of a private school in Malaysia, it is important to ensure customer retention as competition is rife (IPS Malaysia, Ministry of Education), adding to the fact that customer satisfaction does effect customer retention positively (Reichheld & Sasser, 1990). The study of parental satisfaction is among the main aims of the Ministry of Education to allow for a much more transparent conduct of school performances and to engage with parents on student achievement as well as areas of improvement in current schools (Malaysia Education Blueprint, 2013 - 2025).

As many would claim that private school parents may be more satisfied with their private school of choice when compared to public schools, there is little explanation of the aspects of private schools that these parents desire (Rhinesmith et al., 2016). This further establishes a reason that parental satisfaction with their child's school is important in the private sector. The service that is provided by a private school has to be of high quality as the parents, who act as legal proxies of the students (Demirkol, 2013), will evaluate the service provided in a private school and this post-

purchase evaluation process will lead to the satisfaction or dissatisfaction of the parents (Kotler & Armstrong, 2012).

There have been almost no empirical studies on parental satisfaction with private schools in Malaysia, let alone parent satisfaction with service attributes of a school within Selangor. This research hopes to reduce the gap and demonstrate the relationship between service quality determinants of the school and its influence on parent satisfaction. Evaluating the quality of service provided by a school is important as high-quality levels of an organisation can lead to elevated levels of consumer satisfaction (Kotler & Keller, 2009). Concurrently, organisations agree that service quality has strategic implications and strengths to establish a strong relationship with current consumers and has the capabilities to attract new consumers (Ugboma et al., 2007). Kotler et al. (2000) agreed that consumer satisfaction is influenced by how the product or service quality may meet or exceed consumer satisfaction, and Jamal and Naser (2003) state that service quality is a predictor of customer satisfaction. However, it is not known if the service quality of a private school in Malaysia would lead to the customers to be satisfied with the school.

To measure the service quality in a school within Selangor, the SERVQUAL model will be applied to the private school setting. Parasuraman et al. (1988) stated that the SERVQUAL measurement model is a versatile model to measure service quality across various organisations, whereby its framework can be adapted to suit any particular institution, including private schools. The model is also unique as its acclaimed for its diagnostic capacity to discriminate the various service quality shortcomings in industry, allowing for a prompt interference by the administrators if there seem to be any defects in the service quality of an organisation (Jain & Gupta, 2004).

The SERVQUAL model has been used to measure the service quality in various industries such as the tourism industry (Nowacki, 2005), the healthcare industry (Babakus & Mangold, 1992), the food and beverages industry (Lee & Hing, 1995), the banking industry (Lee & Hwan, 2005), and even the higher education industry (Lupo, 2013). However, very few studies applied it to the private school setting, especially in an ethnically diverse country like Malaysia. To date, there is limited empirical evidence showing the factors that satisfy the parents whose children go to private schools in Malaysia.

This study supports the Malaysian government's objective to comprehend the various challenges that impede the enhancement of quality education in Malaysia (Malaysian Education Blueprint, 2013-2025). Salisbury et al. (1997) stated that satisfying parental needs could increase the quality of schools and benefit school administrators. In the education sector, service quality is often examined in the higher education sector (Voss et al., 2007; Chahal & Devi, 2013; Clewes, 2003), but very little emphasis is directed on examining the service quality in schools and its impact on parent satisfaction. This study will examine school service quality and its relationship with parental satisfaction in private schools in Malaysia.

When a parent makes a choice in selecting the school for their child, this is meant to improve the educational experience of the child and suit their specific needs. Thus it is important that the choice made by the parents must be satisfactory to the parent (Teske, 2005). Data from the Department of Statistics Malaysia show that the number of tertiary educated Malaysians have increased over the years (Labour Force Survey Report, 2014). It is evident that families who are well educated seem to command a higher salary and these parents will save money for their children's education, having a higher likelihood to opt for their child to be sent to private schools (Goldhaber, 1996).