

2. REVIEW OF LITERATURE

This chapter presents the review of literature around topics of the present study. A systematic presentation of literature on subject matters of higher education, the need of accreditation, perspectives on expectation and benefits of accreditation is given in the following paragraphs to build the context for the study.

2.1 Higher Education

Post – secondary education in Universities and colleges are considered as Higher Education. A distinction between an University and a college is in its size, curricular width; research engagements and degree awarding authority (BIS, 2012). Universities, in general consist of collection of schools, colleges and faculties but by and large both are established to serve more or less the similar purposes and represent higher education institution only.

Historically, higher education came up in the 12th and 13th century in Europe to provide training in the field of law, theology and medicine. University of Salerno in Italy specialized in medicine in the 9th century, University of Bologna (11th century) in law and University of Paris (12th century) in theology. (History of Higher Education, 2015).

Earlier, Universities come into existence through royal or religious initiatives. In some cases, they evolved through migration of scholars from other Universities, inspired by political events occurring in those times. During political clashes between France and England, English students left University of Paris, to establish The University of Oxford in the 12 century (Morgan, 2004). Similarly, due to John Huss's Czech national movement, the German scholars were forced to leave Prague to setup the University at Leipzig (Devine & Summerfield, 1998). In the medieval period famous institutions like Salamanca (c.1230), Prague (1348), Vienna (1365), Uppsala (1477),

Leiden (1575), and Moscow (1755) were established. Later in Italy after the unification during 1870 and in Spain and France during 1876, several Universities were nationalized by the Government and thereafter 17 more self-governing regional universities were founded. In South America, San Marcos of Lima and Mexico University were founded in 1551. (Colleges and Universities, 2016).

In United States, modern Universities came into existence in late 19th century. These universities were the result of expansion of private colleges and state tax supported institutions. Later at the beginning of 20th century these universities started playing important role in research activities. The emphasis of research was in the area of technology and science. The implementation of outcome of the research to benefit the society was the expectation of federal government from these universities. To support this various government agencies supported them by dispensing large amount of money and resources.

In the Arab States and East Asia students used to come to China for their studies and it went for several years (China's Higher Education, 2016). Some early institutions are Yuelu Academy (in 976), the Bailudong Academy (940), the Suiyang Academy (1009) and the SongYang Academy (484). The history of modern higher education in China Republic is a rather young compared to the history of higher education in the Middle East and Europe. Since the 19th century, China has created many modern universities, categorized as three eras in higher education a) Initial Phase: until 1949, b) Transitional phase: 1949-1976 and c) Modern Phase 1976 until today (Brandenburg & Zhu, 2007).

In India, the ancient education system known as the Gurukul System prevailed. These residential schools were designed to impart knowledge within a different environment and culture, in isolation from their parental shelter, to prevent worldly influences in the learning process of the learner. (Jayasankar & Satbhai). Great multi-disciplinary institutions like Takshashila, Nalanda and Vikramshila imparted quality education, through defined systems and procedures.

The modern education system in India can be attributed to the Britishers, who established schools to teach science and English. In 1857, three universities in Bombay, Calcutta and Madras and later in 1887 in Allahabad were setup (Swain, 2013). The focus of these universities was imparting education in science and liberal arts. These institutions were built on British philosophy of education, as followed in Oxford. After the independence, in last four decades there has been evident growth in higher education institutions in terms of numbers. Today India has around 750 Universities and 50,000 colleges (Events, 2016) which were 20 and 500 respectively at the time of independence in 1947 (DAAD).

2.2 Why Accreditation:

Accreditation is a process of certification of organization's competency in the specified area. It is a validation of the ability of an organization against predefined sets of criteria. It is a process where an organization certifies another organization for its excellence. This certifying organization goes through the product, services and processes of the organization seeking accreditation, and validates and certifies accordingly (Amta, 2016).

In today's competitive world, business for their sustainability and to progress they have to produce product and services of a high quality aligned with the needs and wants of their stakeholders. To offer products and services aligned to the satisfaction level of stakeholders, organizations need an internal review process & systems. To instill confidence in stakeholders of these processes and systems requires a validation and further certification from a third party (Mark Staples, 2012).

Thus, accreditation delivers a confidence in everyday life. Stakeholders have a confidence that they product we use on a daily basis are safe. There is confidence that the systems are in place (Ukas, 2016). The products and services conform to global regulations and standards, as certification services test, inspect and assess the products conformity against defined standards (UNIDO, 2016).

Initially, accreditation has been for industries and manufacturing units, but later it has included service sectors like healthcare and education into its ambit. In early 1800s, with the emergence of higher education in the world and especially in United States, there were few principles in place that determined the quality of education of an institution to differentiate one school from another. There was an emergent need to build up national standards for quality education. In United States, the government played a pivotal role in building such standards with the help of legislation and further with the support of their departments such as Ministry of Higher Education, National Higher Education Commission etc. The process of peer review of institutions by accrediting agencies developed and were adopted (Morse, 2008). Initially, the quality standards in Higher Education Institutions were confined to the regional level and subsequently spread to the national level through national accreditation organizations set up to ensure minimum standards of quality in HEIs throughout the country.

In 1918, the American Council on Education (ACE) was set up to embrace more and more schools with different academic programs. It contributed in improving the effectiveness of the accreditation process. Till 1995 there had been several changes that took place with respect to accrediting body and its recognizing agencies. Later, in 1996 the Council for Higher Education Accreditation (CHEA) came into existence. Today, CHEA works as the key authority to Department of Education and the Congress on higher education accreditation and the quality of accrediting agencies. If CHEA does not approve the methodology & standards of an accrediting agency, it is not incorporated in the Department of Education's list of recognized agencies. It also works as a source to the different stakeholders and international clients on anything associated with accreditation in the United States. There were overall concerns of quality assurance in HEIs all over the world.

To enhance the quality of Higher Education in India the government set up a National Policy in Education that advocated the formation of an independent national accreditation body and thus, the National Assessment and

Accreditation Council (NAAC) was setup in 1994. Since then NAAC has been contributing towards quality enhancement in HEIs in India.

In the above context it is intended to understand as a stakeholder the expectations of higher education institutions from accreditation and benefits realized, are discussed in the below sections.

2.3 Expectation from Accreditation

Many studies have been conducted on customer's satisfaction especially from the marketing perspective. Studies on expectations with respect to product & service industry and perceived benefits have also been carried out. People usually see what they expect to see, and what they expect to see is usually based on familiarity, previous experience, or preconditioned set (expectations). In the marketing context, people tend to perceive products/services and product/services attributes according to their own expectations. Service quality and study of gap between expectations and perceived satisfaction are also present. These studies have also addressed the perspective of various stakeholder involved in respective industries. There are studies available on the above with respect to Higher Education Institutions as well. The following paragraphs cover some of the concepts:

The competitiveness, growth, durability and success of any organization majorly depend on the service quality provided by such organization and therefore, it has a greater role in strategic planning and management agenda of any organization including education institutions (Nejati, Service Quality at University of Tehran Central Library, 2008). Performance appraisal plays a major role in assessing service quality of an education institution. It helps the education institutions to improve quality of delivery and enhance competitiveness (Nejati, M.; Bayat Nejad, F., 2007). It improves understanding of customers' expectations that lead to improve customer retention in long run (Nejati & Safaei, 2009). If gap between the customers' expectation and the perceived benefits is high, it will result into customer dissatisfaction (Sahney, Banwe, & Karunes, 2008).

In the study of two accreditation bodies – AACSB and ABET CAC it was found that both agencies had similar accreditation criteria that laid emphasis on explicit learning outcomes of students. But ABET CAC was found to be more focused towards specific expectations of students. Both AACSB and ABET CAC merely formulate a minimal set of attributes and expected the specific programs, to formulate their own sets of outcomes. Moreover, both persist that specific outcomes be based on the needs of their respective audience rather than a one size fits all. While ABET CAC is more specific in specification of minimal outcomes, AACSB is in general more specific to some of the other criteria. However, such distinctions should not abate from the fact that in both the cases, assessment, outcomes and quality improvement are of importance. (Reichgelt & Yaverbaum, 2007)

(Parasuraman, Zeithaml, & L.L.Berry, 1988) evolved the SERVQUAL model to measure the service quality of product and service industry. The model is accepted by industry and widely used by researchers. It addresses five dimensions of service quality tangibility, reliability, responsiveness, assurance and empathy.

Studies have been conducted to evaluate the students expectations and perceived quality using SERVQUAL model, the gap were identified and plan of actions and quality initiatives were proposed to minimize the existing gap between the two (Bahadori, Sadeghifar, Nejati, Hamouzadeh, & Hakimzadeh, 2011). Though, the use of SERVQUAL model which was initially made to evaluate the service quality of product and service industry applied in education institution is a matter of further discussion. The SERVQUAL model speaks about five defined parameters and fitting these parameters to evaluate quality services of education institute itself is a challenge.

In 1992 (Cronin & A.Taylor, 1992)introduced the SERVPERF model. The SERVPERF model is based on performance in measurement of a service quality.

(Abdullah, 2006) introduced the new methodology to measure service quality for higher education. This new model is known as HEdPERF (Higher Education PERFormance). This model cover academic, non-academic, reputation, access, programme issue and understanding dimensions of higher education sector.

(Ho & K.Wearn, 1996) developed Higher Education TQM Model of Excellence (HETQMEX). According to them quality is always in demand in Higher Education Institutions and there Total Quality Management is always required to assess and sustain quality and the satisfaction level of various stakeholders can be achieved by implementing such systems.

(Kebriai & Roudbari, 2005) conducted a study in Zanjan University of Medical Sciences to find out gaps between the expectation and perception of students with respect to Educational Service Quality received. A modified SERVQUAL questionnaire was distributed to 386 students and in the study it was found that there is a high gap between the expectation and perception in almost all aspect of quality dimensions of educational services. The study also recommended a strategy needs to be followed to reduce these quality gaps.

(Yeo, 2008) discussed the differences and interrelation between customer perception and expectation. He also explored that how the study of these two and gaps identified helps in quality improvement. It also helps to set strategic planning of the institution.

(Razi-Ur-Rahim, 2012) has made an attempt to establish a method to forecast the service quality perceptions in a NAAC accredited B-School, measure the gap between students expectations and perceptions. In his study he tried to measure the result of service quality on students' satisfaction and reputation of the institution.

(Prasad & Jha, 2013) has made attempt to review the models being used in measuring quality in Higher Education. They put various models all together and elaborated different quality dimensions taken care by these models. By

integrating all the previous models they tried to conceptualize the new models with six dimensions that included physical aspects, reliability, competence, personal interaction, course structure and policy.

An attempt was also made by (Annamdevula & Bellamkonda, 2014) to moderate the SERVQUAL model as per the requirements of education sector which is named as HiEdQUAL. This model covers various quality dimensions focusing the students as a primary stakeholder. The study describes the method to develop a new measuring instrument of SQ (service quality) which explores other dimensions of service quality within the higher education sector.

(Reichgelt & Yaverbaum, 2007) tried to understand the interrelation between the accountability with accreditation. They tried to explore that how the accreditation made HEIs accountable to provide value for money. Further, the study was focused on accreditation and its role in ensuring quality in Higher education.

(Julian & Ofori-Dankwa, 2006) in their study tried to find out the accreditation role in strategic decision making of traditional business school. They argued that the core process of accreditation are not well fitted for the new competitive environment and therefore the existing business schools sometimes have resistance while adapting to them. They also gave some suggestions to accrediting agencies to implement them in their processes.

(Robinson, 2004) in his article advocated the need of accreditation in Distance Learning Programs. He discussed about accreditation, types of accreditation, best practices and the issues related to quality of distance education and its relation with accreditation.

(Hardin & Stocks, 1995) studied the effect of AACSB Accreditation on the recruitment of entry-level accountant and found that it does affect decision of recruiting agencies and corporate controllers.

(Harvey, 2004) have the different view about accreditation and concluded it as a shift of power from Higher Education professionals to managers and bureaucrats. He mentioned that accreditation is putting education in control rather giving flexibility. He further added that the accreditation process needed to be “acceptable” to the regulatory bodies and professional engaged in Higher Education profession.

(Boraiko, N.Zey, & Greife, 2010) have discussed about the benefits accrued by accredited programmes in Safety and Industrial Hygiene. The graduates from such accredited institutes come out with professional attributes that are well accepted by industries and are evident that such institutions are meeting the desired quality education. They further added that the staff and faculty involved in accrediting process also get benefited from such accreditation by building their competency. In essence accreditation increases the employability of student and enables faculty to enhance employability through appropriate course content, delivery mechanism and co-curricular activities pertinent to enhancing employability of students.

(G.Prasad & C.Bhar, 2010)in their study have compared the accreditation system followed by various countries, the official signatory of Washington Accord including India. The study discusses about the contribution made by National Board of Accreditation (NBA) since its inception and the shortcomings in the existing system. To make it more effective and acceptable to various stakeholders they further recommended some changes to be implemented in the existing system and policy.

(Sharma, 2013) discussed about the challenges being faced by Indian Higher Education in terms of access, equity and quality. To address these challenges, the initiatives taken by Government of India have also been discussed which includes Constitution of National Commission for Higher Education and Research (NCHER), Bill on Foreign University and off-campus centres of foreign universities, Bill on prohibition of unfair practices in unaided

institutions, proposal for differential pay scales to teachers and mandatory accreditation of institutions by NAAC.

(Mathew, 2014) tried to find out the strengths, weaknesses, opportunities and the challenges being faced by the Indian higher education system in the context of quality in Management Education. He also concluded customer/stakeholders trust as a major key factor to the dimension of quality in HEIs. He further showed the scope of possible research in the area of evaluation of expectation and benefits with respect to HEIs.

2.4 Benefits from Accreditation

(Pearson, 1979) in his study says that the accreditation of accounting programmes will benefit all aspects of the professional. He added that through the accreditation process, the quality of delivery gets enhanced that provides better educated entrants into accounting profession who work for public and private establishments. He further mentioned that the accreditation process is also similar to an audit of financial statement because both encompass information gathering, investigating and reporting.

(Hardin & Stocks, 1995) studied to collect empirical evidence on the effect of AACSB Accreditation on the Recruitments of Accountants. The study was conducted in two phases i) experiments on filed and ii) using recruiters having experience. The results of the study suggested that the accreditation does affect the decision of recruiting agencies to recruit entry level accountants.

(Robinson, 2004) discussed about various accrediting agencies locally and internationally. He specifically discussed about the Distance Education & Training Council (DETC) who accredits distance learning programmes being delivered in online mode. He talked about quality parameters assessed by DETC and how it benefits institutions in delivering quality in online distance education programmes.

(Julian & Ofori-Dankwa, 2006) concluded that the influence of accreditation on strategic decision making is significant and Business Schools get benefited from such strategic decisions in such a competitive environment where a traditional way of decision making does not work. Accreditations provide a platform to business schools to think independently in a situation where aggressive environmental scanning is required.

(Patil, 2006) tried to consolidate the achievements of NAAC after completion of its one decade of existence and revealed that the NAAC has been successful in prompting healthy competition for improved accreditation results among higher education institutions. In his study he also indicated the role & contribution of internal quality assurance cell (IQAC), whose existence is a mandatory pre-requisite for NAAC assessment, promotes continuous improvements within the institute. One of the major achievements he had mentioned that NAAC has been boosting HEIs to be pro-active in stimulating quality cultures.

(Sahay & Thakur, 2007) in their study done for Indian B-Schools explored that by adopting the process of accreditation and making it central part of the system it helps in satisfying the key stakeholders of the institution, from students to teacher to parents to industry. They further reiterate that Indian B – Schools can achieve a global excellence through accreditation process. The studies on the impact of accreditation on service quality of Higher Education Institutions have also been seen. Their study had also tried to analyze the quality aspects of Indian management education. Further, they analyzed the differentiating factors between two institutions. The researchers had also tried to explore the national and international accreditation process, and how these accreditations can contribute in achieving excellence in business schools.

(Sciglimpaglia, Medlin, Toole, & Whittenburg, 2007) conducted a survey among 42 universities with 406 participants to find out the level of knowledge faculty and other staff have about accreditation and the implication of accreditation on such schools. The results of survey shows that awareness

about potential benefits from accreditation among faculty and staff is significantly less, whereas the accreditation benefited the Universities in terms of establishing internal process for continuous improvement, attracting foreign students, receiving funds from external sources and in articulating their mission statement & follow up thereof.

(Boraiko, Carol; Zey, John N.; Greife, Alice, 2010) concluded that accreditation gives opportunity to institutions to review their academic program critically. It also gives opportunity to involve all stakeholders in the process of continuous improvement. They further added that it not only benefits the students but also the faculty members and staff involved in the process of accreditation. Specifically, while discussing about an accredited programme on Safety and Industrial Hygiene, they mentioned that the employers recognize such accredited programme and give weightage while recruiting graduates.

(Pomey, et al., 2010) tried to find out the impact of accreditation on Health Care Organization and found that it is a highly effective process to (i) accelerate a spirit of cooperation among different health care units (ii) help in establishing continuous quality improvement system; (iii) create new leadership for taking quality initiatives (iv) give staff the opportunity to develop relationships and (v) foster links between organizations and other stakeholders. The study further showed that organizations that are in 3rd cycle of accreditation process starts enjoying the maximum benefits of being accredited.

The benefits from accreditation through surveys have also been noticed. Particularly, these findings identify what the benefits are and how they provide a valuable resource. The fact that is highlighted by the findings is that accreditation surveying exposes professionals who undertake it as a secondary professional activity to a broad range of practical experiences and insights into the day-to-day operation of health care in different facilities. These experiences provide a rich source of benefits for surveyors and for the

organizations in which they are regularly employed. It is also suggested that this aspect of surveying is not well understood thereby suggesting that the full range of associated benefits remain relatively untapped. (Lancaster, Greenfield, & David, 2010)

(Hedrick, Henson, Krieg, & Wassell, 2010) in an interesting study explored the differences between productivity and salaries of faculty in AACSB accredited business schools and without AACSB accreditation business school. Empirical evidence showed that there is an impact of AACSB accreditation on productivity and salaries. They found that faculty members in accredited schools are paid more, publish more & teach less than faculty members at non-accredited schools. It was applicable to faculty members who have similar qualifications and experiences.

(Alkheniza & Shaw, 2011) in their study had evaluated the impact of accredited programs on the quality of healthcare services being provided. To see its impact, 46 article were reviewed. Majority of literature says that accreditation programs had significantly improved the process of services and facilities being provided by the health care sector. It also explored that accreditation has also improved the clinical outcomes of such organizations.

(Sinha & K.S.Subramanian, 2013) in their study highlight existing fundamental concerns of the accreditation process and important issues that need to be assimilated to generate understanding about the future of accreditation. This study discussed how accreditation has taken an important concern to Indian government to take forward the excellence in higher education. Making accreditation mandatory shows the shift of focus to future face of accreditation and made it important to various stakeholders, who are to be benefited by this.

(Conchada & Tiongco, 2015) reviewed all accrediting processes followed by accrediting agencies in a country. They have also reviewed the role of these agencies where it is revealed that accreditation helps in nurturing academic freedom and motivates institutions to strive for betterment. The study also

revealed that at institution and government level, it helps in building policy on internal quality assurance system and higher education as a whole.

(Jisha, 2015) conducted a study to find out the role of NAAC accreditation in one of the Indian University. The study is an attempt to address the issue of some apprehensions among people on the undesirable influence on acceptance of market tactics of quality practice to education. Through the study, it has been revealed that the academic teaching learning environment of campuses changed significantly with accreditation.

(Mane, 2015) through his study attempted to find out the differences between NAAC and NBA accreditation, where it is revealed that more or less both the agencies follow similar processes from self-study report to peer review assessment except a few things that total number of criterion & sub-criterion and mapping of rubrics which only NBA follows. Both the accreditation benefits institutions one way or the other. NBA focuses on programmatic assessment, whereas NAAC focuses on institution as a whole.

(Kawaledar, 2015) in her research article categorically indicates the various benefits accrued by different stakeholders from NAAC accreditation. These stakeholders include institutions, employers, faculty, students, alumni, public and country as a whole. She further added that NAAC works as a catalyst for international accreditation and to sustain in competitive global environment. Since inception of NAAC the significant changes have been noticed in academic and non-academic activities of the institutions, therefore, has a positive impact on Indian Higher Education Sector.

(Shroff, 2016) took ten years of HEIs data available with National Assessment and Accreditation Council (NAAC) and analyzed the factors which helps to endure education as a foremost stake for constant growth and improvement of social welfare. She also analyzed the best practices being followed by higher educational institutions. Based on the assessment the study highlights the quality concerns to sustain the best practices for retaining better rating grades in the future assessment by NAAC.

(Aithal, Shailashree, & Kumar, 2016) through their research paper tried to analyze the NAAC criterion using recently developed ABCD analyzing framework. The outcome of analysis supports the use of Advantages, Benefits, Constraints and Disadvantages (ABCD) analyzing technique to a higher education system performance evaluation. The study identified the issues where NAAC benefited the institutions issues related to organization, faculty performance, student support and progression, social/environmental/community engagement, governance, leadership and innovation. The study also recommends that in future NAAC accreditation may become standard from the viewpoint of academic administration and governance in higher educational.

(Verm, 2016) tried in her study to understand the state of research in higher education institutions by reviewing the academic literature available. The research indicates that despite the importance given to Quality Assurance System in HEIs, the issue of quality research and the issue of research outcome in terms of numbers still does not exist. The study also provides the justification for robust quality assurance systems for higher education as an element in improving global interfaces, and recommends HEIs to have effective quality assurance systems in place. The study further indicates the various benefits being accrued by HEIs through NAAC and NBA, the accrediting bodies involved in India.

2.5 Theoretical framework of the study

The literature reveals that the customer satisfaction is derived from expectations and perceptions that the customer carries in their mind while consuming a good/service. The present study elaborates all the concepts that contributed to development of theory of customer satisfaction; particularly the role of expectations and benefits in theorization of customer satisfaction.

The studies suggest that expectations work as a comparative standard to evaluate the performance of the service delivery as perceived by the customer (Boulding & Kalra, 1993), (Pierre-Yves & Phillipe, 2002), (Halstead,

Hartman, & Schmidt, 1999), (Oliver & DeSarbo, 1988), (Limaye, 2000), (Boothe, 1990), (Tse & Wilton, 1998).

Theoretical framework of the study from the expectations perspective is given in following section:

2.5.1 Expectations

Customer expectations are pre-trial opinion and beliefs about a service or product (Olson & Dover, 1976). It is formed with the help of different sources of information, which may be word of mouth, prior exposure to service and competitive services, expert opinion, publicity and advertisement (Zeithamal, Parasuraman, & Berry, 1990).

(Miller, 1977) acknowledge four types of expectations i.e. 'ideal', 'expected', 'minimum tolerable' and 'desired'. In other words, "ideal is "what performance can be"; the 'expected' as "what performance will be"; the 'minimum tolerable' as "what performance must be"; and the 'desired' as "what performance should be". Accordingly the satisfaction process categorizes different types of expectations in buying and consuming situations and in each of these cases the end results are different.

(Oliver, R.L., 1980) hypothesized the concept of predictive expectations (predictions about a product's performance) as something existing at pre-purchase level. The judgement of consumer on satisfaction or dissatisfaction results from the process of confirming or disconfirming prior expectations. The expectancy-disconfirmation model was the key in the early research of customer satisfaction (Cardozo, 1965), (Olson, J.C.; Dover, P., 1976), (LaTour & Peat, 1979), (Oliver, R.L., 1980), and (Bearden & Teel, 1983).

(Westbrook & Newman, 1978) and (Bearden & Teel, 1983) in their study see the expectations as the initial perception of occurrences of an event, whereas (Tse & Wilton, 1998), (Oliver, R.L., 1980) and (Oliver, R.L., 1981) see expectation as both an estimate of the occurrences of the event and an

assessment of feel good and feel bad factors about an event. Hence, expectation is both real and intuitive.

In all of the above all studies ‘expectation’ was considered as a key construct in the concept of customer satisfaction irrespective of the case of pre-purchase or post purchase scenario. Another construct that plays a key role in customer satisfaction is perception.

2.5.2 Perceptions

“Perception is a process by which an individual or organisation receives, chooses and understands stimuli to form a meaningful and logical image of the world” (Schiffman, Bednall, Cowley, O’Cass, & Kanuk, 2001). In the literature of customer satisfaction and service quality, perception is defined as the consumer’s assessment of the service performance. The perceived quality construct introduced by Parasuraman et al (1988) with its SERVQUAL instrument, is defined as the variance between perceptions and expectations.

(Boulding, W.; Kalra, K., 1993), in their proposed service quality process model, theorize customers’ perception of each of the proportions of service quality as a collective construct. This means that customer perceptions are not only influenced by expectations from services but also by the frequency of the service used. They also conclude that it is significant to understand type of expectations of consumer in order to cope perception of service quality and satisfaction from consuming it.

(Sue, 2001) in her study of student perceptions of learning outcomes declares that the span of experience with a scholastic service can influence student perceptions. There may be customers who enter and encounter with different expectations, would have different perceptions of the service, even if all of them experienced an identical service. The study indicates that, as anyone starts perceiving reality; the expectation gets changed with the lapse of time.

(Jandt, 1995), says, perception is unique to individuals and it includes three processes of selection, organization and interpretation. It has also been studied

that perceptions differ due to cultural background (Limaye, 2000), different genders (Ndhlovu & Senguder, 2002); (Lin, Chiu, & Hsieh, 2001) and physical environment of the service settings (Wakefield & Blodgett, 1999).

The above studies indicate how perceptions are formed and how are they critical to any service sector, as it also enables them to formulate strategies to manage customer perceptions of service performance.

2.5.3 Various theories of Customer Satisfaction

The core of the satisfaction process, is the comparison of what was expected with the product or service performance and what is perceived. A number of theoretical approaches have been utilized to explain the relationship between disconfirmation and satisfaction.

Consistency theories suggest that when the expectation and performance do not match, the consumer will feel some degree of tension that leads to dissatisfaction. In order to reveal this dissatisfaction consumer will make some adjustments either in expectations or in the perceptions of the product's actual performance

2.5.3.1 Assimilation Theory

This theory is based upon Festinger's (1957) dissonance theory, which says that the customer make some kind of cognitive comparison between expectations about the product/services and perceived product/service performance (Peyton, Pitts, & Kamery, 2003).

According to (Anderson, 1973) consumer seeks to avoid dissonance by adjusting perception about the given product/service to bring it more closely to its expectations. Consumer can also reduce tension resulting from discrepancies between expectation and product/service performance either by distorting expectations so that they coincide with perceived product performance or by raising the level of satisfaction by minimizing the relative importance of disconfirmation experience (Olson & Dover, 1979).

2.5.3.2 Contrast Theory

According to (Hovland, Harvey, & Sherif, 1957) and (Dawes, Singer, & Lemons, 1972) contrast theory is the tendency to magnify the discrepancy between one's own attitudes and attitudes represented by opinion statements. Whereas the contrast theory represents alternate view that consumer post usage evaluation leads to the results in opposite prediction for the effects of expectations on satisfaction in contrast to assimilation theory (Cardozo, 1965).

According to the contract theory, any discrepancy of experience from expectations will exaggerate in the direction of discrepancy. If the firm raises the expectation by any means and then the customers experience is slightly less than promise made by the product or service, it would be rejected as totally unsatisfactory. While the converse holds true i.e. under promising and over delivering will cause positive disconfirmation which then will be exaggerated by the customer (Terry & Vavra, 1997).

2.5.3.3 Assimilation-Contrast Theory

Assimilation – contrast theory was introduced by Anderson (1973) in the context of post – exposure product performance (Sherif and Hovland, 1961), based on discussion of assimilation and contrast effect.

The theory of assimilation – contrast reveals that if the performance is within the customer's range of expectations even though it may fall short of expectation, the discrepancies will be disregarded, assimilation will operate and the performance will be deemed acceptable. If the performance falls within the range of rejection, contrast will prevail and the difference will be exaggerated, the product or service will be unacceptable (Terry & Vavra, 1997).

To summarize, this theory suggests that satisfaction is the function of the magnitude of discrepancies between expected and perceived performance.

2.5.3.4 Disconfirmation Theory

Researchers have consensus on expectation as a comparative standard for customer satisfaction but, differences with regard to the conceptual definitions of expectations as a construct are also available. A comparative standard refers customers to evaluate product or service performance to form a judgement on disconfirmation and satisfaction (Halstead, Hartman, & Schmidt, 1999).

Disconfirmation theory suggests that the satisfaction is related to the size and the direction of disconfirmation experienced as a result of comparing service performance against expectations (Ekinici & Sirakaya, 2004) .

Szymanski and Henard found in their study that the disconfirmation paradigm is the best predictor of the customer satisfaction. (Ekinici & Sirakaya, 2004) state that the satisfaction is the guest fulfilment response, it is a judgement that a product or service feature, or the product or service itself, provided a pleasurable level of consumption-related fulfilment, including the level of under or over fulfilment. The theory is explained in figure below:

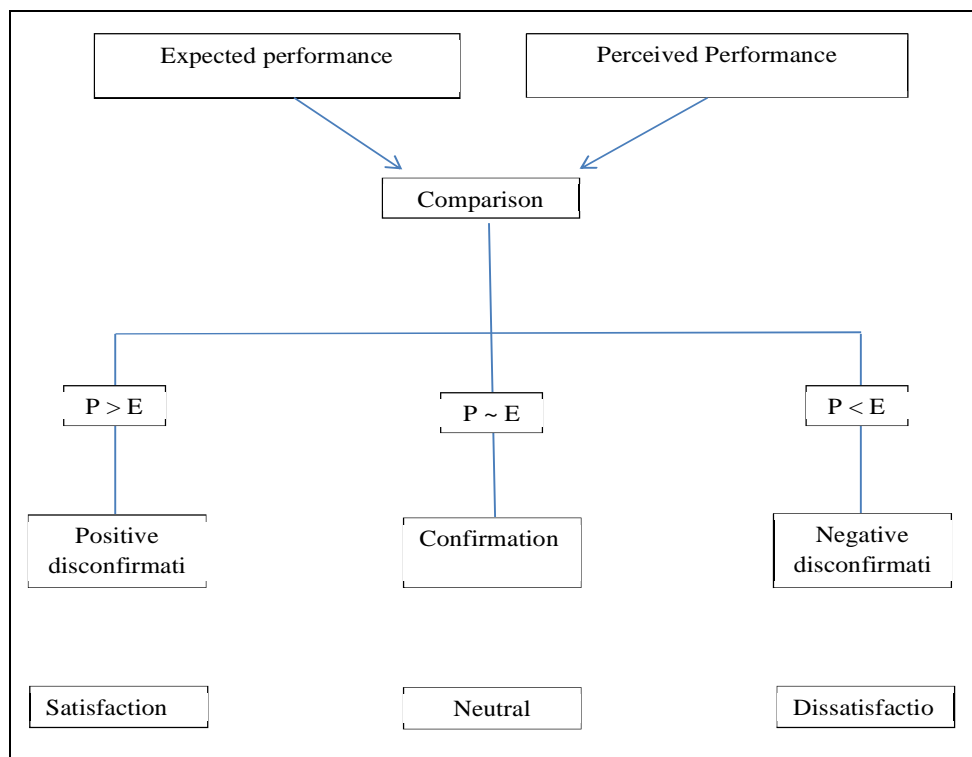


Fig 2.1 Disconfirmation Theory Model

The present study adopts the Disconfirmation Theory Model such that the gap between the HEIs' expectations from NAAC accreditation and benefits received from NAAC accreditation (which is the perceived performance of HEIs) will define the level of satisfaction among HEIs. The relationship between the expected performance and perceived performance can be represented as under. The research objectives of the present study are aligned with the disconfirmation theory of customer satisfaction. It proceeds to -

- Evaluate the expectations that NAAC accredited HEIs had prior to proceeding for NAAC accreditation process. $\rightarrow E$
- Evaluate the benefits that NAAC accredited HEIs have accrued from the NAAC accreditation process. $\rightarrow P$
- Evaluate the extent and nature of association between expectations and benefits that HEIs have realized through NAAC accreditation process. ($P \sim E, P > E, P < E$)
- Assess and evaluate if there are gaps in expectations and benefits among HEIs while going for NAAC accreditation process. (if $P \sim E \rightarrow$ Confirmation, if $P > E \rightarrow$ Satisfaction & if $P < E \rightarrow$ Dissatisfaction).

The above is presented in the figure below:

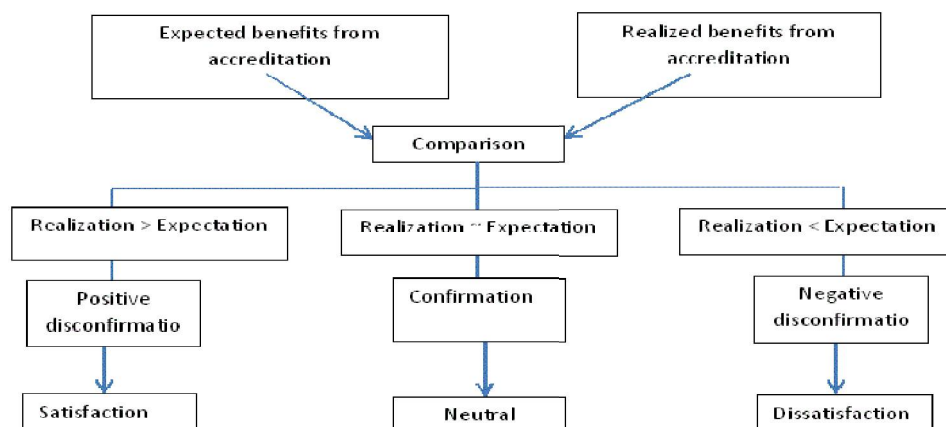


Fig 2.2 Disconfirmation Theory Model w.r.t. Accreditation

The literature review provides us the following gaps:

2.6 Research Gap

All the above studies have discussed service quality, customer satisfaction, stakeholders' expectation and perception, gap between these two, different quality service models used in different industries including higher education. They have also dealt with benefits accrued from accreditation by different stakeholders of HEIs. What is missing is the expectation of HEIs as a stakeholder and the perceived benefits from accreditation specifically in context of NAAC accreditation process against the benefits that NAAC claims from the accreditation process.

2.7 Research Problem

The research gaps, therefore, lead us to the following research problems:

- To identify the expectations and benefits from NAAC accreditation among HEIs.
- To measure the gap between expectations and benefits from NAAC accreditation among HEIs.

2.8 Significance and contribution of the study

The study will evaluate the gap between the expectations of Indian Higher Education Institutions with the perceived benefits they have derived from NAAC accreditation vis a vis the benefits that NAAC claims that HEIs in India would derive from the accreditation process. The results of the study will help NAAC to review its processes and systems to make it a better fit with the expectations of HEIs or recommend prospective HEIs to go for NAAC if the gap outcome is positive.

The next chapter describes the research questions and objectives in detail.