

# THE HIGHER EDUCATION CHALLENGES THAT IMPACT SERVICE QUALITY IN LEBANESE PRIVATE UNIVERSITIES

LOS DESAFÍOS DE LA EDUCACIÓN SUPERIOR Y SU IMPACTO EN LA CALIDAD DEL SERVICIO EN LAS UNIVERSIDADES PRIVADAS DEL LÍBANO

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## Abstract

In the context of globalization, privatization and liberalization, major changes occurred in the educational environment, thus redefining the metrics of excellence for Higher Education. Fierce competition has pushed universities to gradually grant more importance to marketization of education which lead to the repositioning of Higher Education as a global commodity.

This caused a paradigm shift, where main drivers of the lucrative business sphere were adopted by universities. The educational industry is since witnessing many reforms where the center of gravity shifted from quality to quantity, therefore transforming the elite model into a mass education system. The commercialization of education contributed in watering down the academic rigor causing a conflict between administrators and academics. Such strategic misalignment impacted the quality assurance's purpose of yielding a favorable academic environment.

This paper is concerned with improving the students' learning and quality of services in the private higher education sector. Socio-Economic Approach to Management is pursued to help universities better balance between their external and internal environments. This intervention research focuses on enhancing the management and quality of services to achieve higher sustainability and performance by transforming hidden costs into added-value. The SEAM research methodology goes through the steps that compose the HORIVERT process which is composed of 2 main actions, horizontal and vertical. As a result, cohesive findings are created where a full range of qualitative, quantitative and financial information are covered whereby social, economic and financial organizational objectives become integrated with.

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Based on the intervention results, we conclude that the quality of services teaching and curriculum quality, as well as academic and career counseling services, constitute important determinants of perceived service quality and the influence of the latter construct over student satisfaction.

**Keywords:** Socio-Economic Approach to Management; Hidden Costs; Commercialization of Higher Education; Student Satisfaction.

**JEL:** I2.

## LOS DESAFÍOS DE LA EDUCACIÓN SUPERIOR Y SU IMPACTO EN LA CALIDAD DEL SERVICIO EN LAS UNIVERSIDADES PRIVADAS DEL LÍBANO

### Resumen

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En el contexto de la globalización, la privatización y la liberalización, se produjeron cambios importantes en el entorno educativo, redefiniendo así las métricas de excelencia para la educación superior. La feroz competencia ha llevado a las universidades a otorgar gradualmente más importancia a la comercialización de la educación, lo que produce la reubicación de la educación superior como un producto global.

Esto causó un cambio de paradigma, donde los principales impulsores de la esfera empresarial lucrativa fueron adoptados por las universidades. Desde entonces, la industria educativa es testigo de muchas reformas en las que el centro de gravedad cambió de calidad a cantidad, transformando así el modelo de élite en un sistema de educación masiva. La comercialización de la educación contribuyó a atenuar el rigor académico causando un conflicto entre administradores y académicos. Tal desalineación estratégica impactó en el propósito del aseguramiento de la calidad para generar un ambiente académico favorable.

Este documento se centra en el aprendizaje de los estudiantes y la calidad de los servicios en el sector de la educación superior privada. Se adopta un enfoque socioeconómico de la gestión para ayudar a las universidades a equilibrar mejor sus entornos externos e internos. Esta investigación de intervención se centra en mejorar la gestión y la calidad de los servicios para lograr una mayor sostenibilidad y rendimiento al transformar los costos ocultos en valor agregado. La metodología de investigación SEAM pasa por los pasos que componen el proceso HORIVERT, el cual se compone de dos acciones principales, horizontal y vertical. Como resultado, se crean hallazgos cohesivos donde se cubre una gama completa de información cualitativa, cuantitativa y financiera mediante la cual se integran los objetivos organizacionales sociales, económicos y financieros.

Con base en los resultados de la intervención, se concluye que la calidad de los servicios docentes y la calidad del currículo, así como los servicios de orientación académica y profesional, constituyen determinantes importantes de la calidad del servicio percibida y la influencia de este último constructo sobre la satisfacción del estudiante.

**Palabras clave:** Enfoque Socioeconómico de la Gestión; Costos Ocultos; Comercialización de la Educación Superior; Satisfacción de los Estudiantes.

**JEL:** I2.

## OS DESAFIOS DO ENSINO SUPERIOR QUE AFETAM A QUALIDADE DO SERVIÇO NAS UNIVERSIDADES PRIVADAS LIBANESAS

### Resumo

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No contexto da globalização, privatização e liberalização, ocorreram mudanças importantes no ambiente educacional, redefinindo as métricas de excelência para o ensino superior. A competição implacável levou as universidades a gradativamente dar mais importância à comercialização da educação, levando à realocação do ensino superior como um produto global.

Isso causou uma mudança de paradigma, em que os principais motores da lucrativa esfera empresarial foram adotados pelas universidades. Desde então, a indústria da educação tem testemunhado muitas reformas nas quais o centro de gravidade mudou da qualidade para a quantidade, transformando assim o modelo de elite em um sistema de educação de massa. A comercialização da educação ajudou a diminuir o rigor acadêmico, causando um conflito entre administradores e acadêmicos. Esse desalinhamento estratégico impactou o propósito de garantia da qualidade de criar um ambiente acadêmico favorável.

Este documento procura melhorar a aprendizagem dos alunos e a qualidade dos serviços no setor de ensino superior privado. Uma abordagem socioeconômica para a gestão é buscada para ajudar às universidades a melhor equilibrar seus ambientes externo e interno. Esta pesquisa de intervenção centra-se na melhoria da gestão e qualidade dos serviços para atingir uma maior sustentabilidade e desempenho, transformando despesas ocultas em valor acrescentado. A metodologia de pesquisa SEAM (por suas siglas em inglês «Socio economic approach to management»), passa pelos estágios que compõem o processo «HORIVERT», que é composto por duas ações principais, horizontais e verticais. Como resultado, descobertas coesas são criadas abrangendo uma gama completa de informações qualitativas, quantitativas e financeiras por meio das quais as metas organizacionais sociais, econômicas e financeiras são integradas.

Com base nos resultados da intervenção, conclui-se que a qualidade dos serviços de ensino e a qualidade do currículo, bem como dos serviços de orientação acadêmica e profissional, são determinantes importantes da qualidade do serviço percebida e da influência desta última construção sobre a satisfação do aluno.

**Palavras-chave:** Abordagem Socioeconômica da Gestão (SEAM); Despesas Ocultas; Comercialização do Ensino Superior; Satisfação do Aluno.

**JEL:** I2.

## LES DÉFIS DE L'ENSEIGNEMENT SUPÉRIEUR ET SON IMPACT SUR LA QUALITÉ DES SERVICES AUX UNIVERSITÉS PRIVÉES LIBANAISES

### Résumé

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Dans le contexte de la mondialisation, la privatisation et la libéralisation, de nombreux changements ont eu lieu dans le domaine de l'enseignement, redéfinissant ainsi les métriques d'excellence pour l'éducation supérieure. La concurrence féroce a mené les universités à donner graduellement plus d'importance à la commercialisation de l'éducation, ce qui renvoie donc à considérer l'éducation supérieure comme un produit global.

Cela a provoqué un changement de paradigme où les principaux moteurs de la sphère entrepreneuriale lucrative ont été adoptés par les universités. Depuis lors, l'industrie éducative est témoin de nombreuses réformes où le centre gravitationnel a changé de qualité en quantité, transformant ainsi le modèle d'élite en un système d'éducation massive. La commercialisation de l'éducation a contribué à atténuer la rigueur académique provoquant ainsi un conflit entre administrateurs et académiciens.

Une telle modification stratégique a eu un impact sur le besoin de renforcement de la qualité afin de générer un environnement académique favorable.

Ce document vise à améliorer l'apprentissage des étudiants et la qualité des services dans le domaine de l'enseignement supérieur privé. À la recherche d'une approche socio-économique de la gestion afin d'aider les universités à mieux équilibrer leurs environnements externes et internes. Cette recherche d'intervention se base sur l'amélioration de la gestion et la qualité des services afin d'aboutir à une meilleure durabilité et rendement en transformant les coûts cachés en valeur ajoutée. La méthodologie d'investigation SEAM comprend les étapes du processus HORIVERT qui se compose de 2 actions principales, horizontale et verticale. Les résultats montrent des découvertes de cohésion où se trouve toute une gamme complète d'information qualitative, quantitative et financière à travers laquelle s'intègrent les objectifs organisationnels sociaux, économiques et financiers.

Sur la base des résultats de l'intervention, l'on conclue que la qualité des services des enseignants et la qualité des curriculum ainsi que les services d'orientation académiques et professionnelles constituent des facteurs déterminants importants de la qualité du service perçue et l'influence de ce dernier aspect sur la satisfaction de l'étudiant.

**Mots clé:** Approche Socio-Economique de la Gestion; Coûts Cachés; Commercialisation De L'enseignement Supérieure; Satisfaction des Etudiants.

**JEL:** I2.

## 1. Introduction

Higher education institutions (HEIs) are facing many pressures in implementing effective measures and finding their way in a changing market. In the context of globalization, the evolution of the entire higher education (HE) system rendered the educational environment very competitive. As a result, universities are forced to reposition themselves to face long-term challenges of maintaining and improving high standards in order to retain existing students and attract new ones (Jurkowitsch *et al.*, 2006). Seeking to maximize student satisfaction is pivotal since it forms the cornerstone of the marketing concept and is at the center of total quality management philosophy (Qureshi *et al.*, 2010).

To remain agile in today's fast changing market and gain a competitive edge in the future, the universities should place a greater emphasis on developing strategies of success to focus more on meeting if not exceeding the needs and expectations of their stakeholders mainly students. Nevertheless, this development is being highly restricted by competitive forces and intensity between existing institutional players.

In this context, the «Entrepreneurial University» has been introduced as a result of the emergence of lax policy, thus, refurbishing the traditional concept of education. The HEIs survival became quite dependent on their ability to retain and increase the number of enrolled students by marketing themselves to the external environment. As HE systems grow and diversify, society is increasingly concerned about the quality of programmes. Universities should implement evaluation mechanisms to embed a quality culture for organizational development, thus, improving the quality of their graduates including their employment skills.

According to statistics from the «Centre de Recherche et de Développement Pédagogiques», there are 43 universities in Lebanon. Among these, the government funds the «Lebanese University» which is the only public body in the country. In view of that, 98% of HEIs in the country are currently promoted by the private sector. It is of note that 37% of the total student population is registered in the Lebanese University whilst private universities enroll 63% of all students in HE.

Due to the ensuing competition and privatization, Lebanese HEIs have been experiencing a gradual change in their management style with a strategic focus on attracting students as to retaining them. Thus, the challenges facing Lebanese Business Schools became quite similar to those faced by Lebanese companies where universities are encouraged to act as entrepreneurs (Altbach *et al.*, 2009).

Accordingly, the market orientation concept typical to the lucrative business sphere has been adopted by institutions to better deal with the challenges of the educational world (Braun and Merrien, 1999). In this context, the marketization of education not only had a damaging impact on universities, it also provided a real threat to the quality processes, thus degrading the original purpose of educational institutions. As a result of the current changes where signs of corporatization are noticed, managers had to cope with increasingly complex managerial tasks. Faced with strong financial pressures, these administrators have consequently been pushed to adopt conventional cost-cutting actions.

One of the critical challenges that educational institutions are facing in the Lebanese academic environment today, where students have many options available to them, is to offer satisfactory learning outcomes; the growing concern for quality necessitates introducing processes that ensure high productivity in delivering efficient and effective services to stakeholders. This being said, quality assurance responsibility does not fall upon the Lebanese Government; official assurance practices do not exist. Private universities are therefore characterized by a lack of governance accountability; heavy dependence on part-time instructors and master's degree holders; leniency with admission criteria and requirements; absence of certain skills and capabilities among graduates preventing them from properly meeting labor market needs; and mismatch between job roles and student specialization.

### **1.1. Problem statement**

There is no doubt that the pattern of growth and expansion coupled with affordable educational services of open admission policy brought more democratic and egalitarian concerns for equal opportunities. However, due to such policy, HEIs suffer from student «overpopulation» and «congestion» which clearly weakens quality accountability. The large number of students admitted exceeds by far the intake capacity of the university.

Such strategic orientation which revolves around attracting students rather than satisfying them lies at the core of education quality deterioration. As a result, academic follow-up,

soft skills teaching, and post-graduation assistance, employment chances, became negatively affected by declining educational standards. The original goal of education is becoming business-oriented, thus, defeating the quality assurance's purpose of yielding a favorable academic environment. The commercialization of education nowadays appears more evident and the need for using promotional tools has increased accordingly.

## 1.2. Research questions

**It is of note that the study attempts to answer the following research questions**

**RQ1:** How can quality assurance be properly delivered if the involved actors don't envisage the same goal they want to reach together through accreditation?

**RQ2:** How would SEAM intervention ensure the effective management of education and improve the service quality of private Lebanese universities to better cope with the numerous external and internal challenges?

## 1.3. Research aims and objectives

As the competition grows, HE organizations in Lebanon experience a gradual change in their management style. Therefore, it is essential for universities to constantly measure quality of education as part of global quality approach and institutional strategy. In this context, the aim of this article is to:

(1) Determine the consequences of commercialization of education on educational management (2) find out measures for effective educational management (2) improve the quality of education and services; (2) allocate substantial resources for monitoring and embedding quality, generate satisfaction and maintain current students (Nadiri *et al.*, 2009); (3) gain better insights about how to create a coherent academic environment; (4) establish appropriate programs to maintain successful relationships with students (Bowden, 2011; Hennig-Thurau *et al.*, 2001; Rojas-Mendez *et al.*, 2009); (5) identify the challenges and strategic objectives within universities to better match organizational culture and mission with accreditation standards; (6) maintain credibility in the regional and international markets. Last but not least, (7) shade the light on the strategic orientation of universities towards attracting students rather than retaining them (Zemke, 2000); (8) and show the lack of research in education industry, especially in the Middle East.

## 2. Theoretical Framework Related to Higher Education System Reforms, Commercialization of Education and Academic Learning

This section begins with an overview of the literature. A review about what the researchers have written regarding the external and internal environmental challenges that the HEIs are currently encountering will be presented.

## 2.1. External environmental challenges

Being confronted with serious challenges and dramatic changes, the HEIs have been threatened in terms of financial stability and prospects for survival. With the (1) massification of HE, (2) markdown of governmental funding, (3) transition from elite to mass HE, (4) emergence of privatization (4) and increased globalization and competition, universities have come under increasing pressure to maximize their monetary returns in an effort to struggle, adapt and successfully sustain in such a turbulent environment (Dodd, 2014; ; Eckel and Kezar, 2006; Ferrall, 2011; Matsumori, 2013;).

### —Massification of HE: increased student participation

As HE has experienced explosive growth over the years, «international research on youth employment in general, and college graduate employment in particular, has clearly shown that highly educated people are not guaranteed better job opportunities» (Brown *et al.*, 2011; Mok and Neubauer, 2016; Robertson and Dale, 2013;).

### —Transition from elite to mass HE

HE has experienced a transformation from elite to mass form. Like any high quality service that costs more money, so is better quality education: the more you pay the better value you get. The latter highlights that demand is not merely related to quality but to affordability as well. From this prospective, those diversified demands have bifurcated the HE system into two main models:

- 1. A high quality, high cost model reserved for students who aim for an «Elite Education»:** Such an educational system targets the most qualified and ambitious students that demonstrate outstanding potentials and abilities.
- 2. A standardized, low cost model for the «Majority» where the demands are related to affordability:** Such model calls for the democratization of HE by making it accessible to all who want to participate in. However, there is somewhat a plausible concern held by many that such open admission policy, has caused lower academic standards and has decreased the average quality and the adequacy of preparation of students and university teachers, especially the newly recruited ones. The above leads us to conclude that mass HE differs from elite one not just quantitatively but qualitatively as well.

## 2.2. Commercialization of HE

Derek and Bok (2007) have stated that the commercialization brought damages to the academic standards, academic community, and academic reputation of universities. In addition, Barnett brought the same topic to light via «Entrepreneur University» underlying the erosion of values that such system has incorporated to the academic life due to its guidance by the market forces (Barnett, 2008).

### —About entrepreneurial university

In *Academic Capitalism and the New Economy*, Slaughter and Rhoades (2004) analyze the efforts of colleges and universities to develop and sell research products, educational services, and consumer goods in the private marketplace. The birth of «*Academic Capitalism*» has given common ground for «*the scientific search for truth and the economic maximization of profits*» (Münch, 2016).

### —Aspects of commercialization

Light should be shade on the two key aspects of commercialization mainly the risk they pose.

- **Commercialization as a symbolic process: repositioning HE as a global commodity**

The rise of academic consumerism in the cotemporary era has pushed the students to think of themselves as primary customers of services (Hill, 1995; Thorne and Cuthbert, 1996) rather than members of a community; administrators and faculty staff are encouraged to adopt such perception as well. In this scope, Qureshi assumed that students should be seen as «*service recipients or customers*» and seeking to maximize their satisfaction should be pivotal (Qureshi *et al.*, 2010). However, treating students as customers (Stodnick and Rogers, 2008) is not without shortcomings (Bailey, 2000; Ferris, 2002; George, 2007; Lomas, 2007). Students who view themselves as customers are likely to engage in behaviors that are not favorable to the accomplishment of academic success (Chonko *et al.*, 2002; Finney and Finney, 2010). It is so because satisfying students' expectations and desires may not always be for their best interest and the one of HEIs (Yeo, 2009).

- **Commercialization as an economic process: from institutional universities to industrial universities**

The corporate sector has discovered an enormous and ever-growing service industry in education. Hence, institutions of HE became more directly engaged in economic development needs (Cote and Cote, 1993). Accordingly, the economic advantage became the main driving force for the emergence of the privatized education that has triggered the influx of new providers, primarily private, for-profit institutions.

## 2.3. Internal challenges associated with problems of mass HE

Undoubtedly, the commercialization of education has introduced structural adjustments, organizational reshuffling, accountability shifts, reconceptualization of which education is serving and market-oriented running mechanisms.

### **—Changing rationale of HE: from academic to financial criterion**

It is of note that the above identified and converged forces, namely massification of HE, markdown of governmental funding, transition from elite to mass HE, emergence of privatization and increased globalization and competition translate into strategic marketing adaptations as a response to the tumultuous environment. The main educational rationale has been changed as a result of legitimating the shift of HE from being viewed as «*social institution*» to as an «*industry*». HEIs had no choice but to abandon their social wide missions and their professional values undertaken traditionally (Hoolbrook and Hulbert, 2002; Greenwood and Levis, 2003) to the benefit of the commercial enterprise culture. Such adaptive responses to compelling economic and market challenges helped the educational institution survive in an era of unprecedented competition but at the detriment of long-term educational legacy and institutional purpose. In view of the fact that the new managerial ways has called for entrepreneurship discipline, universities have become a key component of the global service sector (Bretton, 2003) and mostly oriented toward income generation. The measurement of success has shifted from academic to financial criteria, hence, applying pressure to treat HE as a commodity.

### **—Massification infiltrates undergraduate degree programs**

«The initiatives to evaluate HE service quality is a result of dynamic changes in the environment of HE» (Martensen, *et al.*, 2000); significantly excess demand, markdown of public financing, increased competition and favorization of general education. All these challenges have put increasing pressure on traditional universities and at the same time have created a favorable environment for transformation of HEIs from faculty-centered into market-driven organizations. From this perspective, low cost model designated for the majority came as a major result of commodification and the application of the marketing concept in HEIs; where universities has been valued based on the number of «*students customers*» they attract rather than on their core mission which is knowledge transmission. However, the process of massification is not without consequences; in fact, it has posed a variety of problems for the education HE systems that experience and support it.

### **—Introducing commercialization to internal university processes**

The biggest changes of commercialization of education occurred at two different internal levels, administrative and instructional.

### **—Process of educational system reform**

Based on the above, problems have arisen in every part of HE system: (1) in its curriculum, (2) in the forms and quality of instruction, (3) in its teaching (4) and, finally, in the character of academic standards.

## **I. Curriculum changes**

The universal system which is oriented toward professional training for big number of students has necessitated changing the curriculum. Teaching large numbers has replaced the traditional teaching methods that used to prevail in the past (Yadgar, 2007). The individual mentoring approach along with the structured curriculum intended to create educated and liberal generations no longer exists in such system. It is of note that the curriculum content and pedagogic content are very important factors that affect the process of creating an effective learning experience (Kue and Yeo, 2009); «quality of curriculum» is considered to be as a critical determinant of perceived service quality (Hill, 1995; Knight, 2002; Navaro *et al.*, 2005; Purgailis and Zaksa, 2012).

## **II. Forms of instruction changes**

It has been stated that the adopted forms of teaching in elite institutions such as tutorials and seminars are being replaced by lecture based format that the instructors tend to use when assigned to teach big classes (Bligh, 2000; Exley and Dennick, 2004). Biggs (1999) has also stated that delivering lectures in such educational context tends to be less effective. Giving the fact that such system brought different kinds of students with different academic backgrounds and abilities, most of those students will find difficulties to learn the provided materials (Laurillard, 2002).

## **III. Quality of teaching changes**

«Open access and modular courses make it most unlikely that a class of students will be sufficiently similar in background and capabilities to make lectures work as a principal teaching method» (Laurillard, 2002). Several challenges to both experienced and inexperienced instructors have been presented (Lantz, Smith and Branney, 2008): (1) maintaining students' interests and ensuring their participation; (2) coping with students' distractions and disengagement; (3) difficulties in giving personalized advice; (4) and reducing the quality of feedback provided to students are a case in point.

## **IV. Academic standards changes**

As a phenomenon caused by mass HE, variations in academic standards have occurred in different parts of the system. The current education system is graduating a mass of «generic workers» who are easily replaceable and disposable.

### **—Conflict between administrators and academics**

The existing dynamics of the faculty-administrator relationship should receive a considerable attention in view of the fact that those parties have very different vision of how their institutions should function (Blackburn and Lawrence, 1995; Peterson and White, 1992). As soon as one of the concerned parties believes the other has a lesser degree of respect

for his or her rights, problems are more likely to follow when making decisions (Coffman, 2005). Lack of harmony, uncomfortable alliance (Guffey and Ramp, 1998) and conflict of interests (Dill, 1991) have often characterized the existing nature of relationship between those groups (Leslie, 2003).

## **2.4. Accreditation system and quality assurance measurements**

Trends toward accreditation and quality assurance are related to the emergence of market orientation concept in the HE sector. As a response to massification system, institutions were pressured to pay more attention to quality issues and gain accountability and credibility in front of their stakeholders. Undoubtedly, a successful implementation of quality assurance requires the engagement of all organization's actors (Witcher, 1990; Kanji *et al.*, 1999); it should be the strategic direction for the whole university (Patrick and Lines, 2004).

## **2.5. Academic accountability and university adaptation: the architecture of academic learning organization**

For the past decade, HEI have been operating in a competitive and challenging environment that compels a continuous awareness of the quality of their outcomes and their modes of management (Johnstone, Bess and Dee, 2012). From there, universities were subjected to several forms of academic accountability aiming to improve their quality of education. The impact of these accountability policies on universities would be to qualify them as «Academic Learning Organizations»; a means to provide assurance to the community and demonstrate a continuous improvement of educational processes (Kawas, 2001). David Garvin (1993) defines «Academic Learning Organization» as «an organization skilled at creating, acquiring, and transferring knowledge, and at modifying its behavior to reflect new knowledge and insights».

## **2.6. Determinants of student perceived service**

(1) Quality of instructors, (2) quality of curriculum, (3) and academic orientation and career counseling services are among the determinants that affect delivering a quality of education and services.

### **—Quality of instructors**

Quality of teachers has gained researchers' attention in recent years, since what determines educational success is what takes place in the classrooms (Keelson *et al.*, 2011). The faculty members have a direct impact on the student perception of quality in HEIs (Rojas-Mendez *et al.*, 2009) and have a direct impact on students' behavioral intentions (Mai, 2005).

### —Quality of curriculum

The quality of the curriculum is among the most important determinants of student perceived service quality (Athiyaman, 1997; Kwek *et al.*, 2010; LeBlanc and Nguyen, 1997; Purgailis and Zaksa, 2012).

### —Academic orientation and career counseling services

Nutt (2003) contended that academic advising is vital to students' success because of the developed skills and acquired knowledge; after all, procuring an environment that provides clear and consistent information about institutional requirements encourages students to stay and complete their degrees (Tinto, 2007).

## 3. Socio-Economic Approach to Management Methodology

This study focuses on «*Qualimetrics Intervention-Research*» that involves qualitative, quantitative and financial impacts. The financial indicators represent hidden costs, which are the result of dysfunctions. Accordingly, the financial indicators are vital to management control and economics, which is designed to report to all the actors (Savall *et al.*, 2012).

It is of note that the intervention research adopts a methodology called «*Socio-Economic Approach to Management*». The latter was created by Henri Savall and ISEOR team in the late 1970's with the objective of improving the traditional management approaches (Conbere *et al.*, 2011; Conbere and Heorhiadi, 2015; Savall, 2003;). Unlike SEAM, the traditional methodologies do not use a fixed set of diagnostic approaches and methodologies. SEAM has introduced a more participative and transformative process to improve decision making and enhance the level of engagement in the changing process. This holistic approach is based on the premise that there is an interaction between «*social*» and «*economic*» factors, between behavior and structure, between the quality of functioning and the economic performance referred to as «*socio-economic principle*» (Savall *et al.*, 2008).

SEAM engages all the members in the consulting process with the aim of improving the organizational effectiveness (Savall, 2007). This methodology is based on interviews that were carried out in a private Lebanese university referred to as University X. At this stage, the researcher-intervener involves the whole system through a «*Horivert Process*». During the horizontal phase, the consultant gets in touch with the upper organizational layer that composes the leadership team; whilst at the vertical stage the information is cascaded all way down throughout the whole organization (Conbere and Heorhiadi, 2011). SEAM intervention flows two ways; it is a blend of top-down and bottom-up approaches. Top-down takes place when the leader initiates and supports the introduced change; whilst the bottom-up occurs when all participants are involved in identifying and reducing hidden costs and performance issues. Accordingly, the socio-economic approach revolves around building an environment to identify dysfunctions and associated hidden costs.

### 3.1. Field description

University X is a Private Lebanese University that was established in April 2001. Its mission is to provide accessible and affordable HE in excellence and quality of first order. University X has nine campuses at different locations around Lebanon and several campuses in Yemen, Morocco, Senegal, and Mauritania. It has five faculties: School of Arts and Sciences, School of Engineering, School of Pharmacy, School of Education and School of Business and Management. The latter is composed from six departments and offers Bachelor's and Master's degrees. University X is considered to be the biggest private university in Lebanon in terms of total student enrollment with a number reaching about 27,140. It is ranked 10<sup>th</sup> among the Nation's private universities and bases its academics on the American system.

It is of note that the Business Faculty at the remote campus under study is composed from the following organizational members:

- **Administrative Director:** Is responsible for all the administrative operations from accounting, finance, public relations to legal issues. However, his responsibility extends beyond the administrative zone to cover the academic part as well. Such overlapping is due to the lack of presence of an Academic Director at the remote campus while the show is run by both directors in the rest of the campuses. It is of note that the Academic Director is someone who is responsible for managing all aspects of his program and for advising students on academic matters; his presence within the campus is crucial. His main role is to ensure the academic progress of the Business School and implementation of the rules to avoid chaos. Maintaining and making sure that there is a discipline within the university, especially when it comes to the exams, to their distribution and presentation, falls within his competency.
- **Assistant Dean:** Is responsible to represent the Dean on campus. He acts as an intermediary between the student body and the office of the Dean. He works closely with students, taking into account their expectations and concerns. Nevertheless, his non-constant presence is creating gaps at the remote campus.
- **Business instructors:** Lead a purely academic role; they give lectures, prepare tests and assign homework noting that their number at remote campus reaches 7.
- **Students:** Are undergraduate from Business School both males and females aged between 18 and 23 years old whose number reaches 85.

As for the **Chairpersons** who are entitled to represent the academic management of their departments, oversee the research progress, provide the Dean with class schedules and monitor the academic behavior of the instructors, their constant presence at the main campus and the fact that some of them have never traveled to the remote campus to promote their major is creating dissatisfaction with counseling and orientation services from the students' end.

With regards to the number of conducted interviews during this study, it is of note that 20 interviews and 10 focus groups composed each from 5 students were carried so as to gather the dysfunctions which are shaped by the qualitative character of the information. In addition, 6 hidden costs interviews have been carried out at the second part of the diagnostic phase where the qualitative data have been quantified and converted to a numerical form by counting the frequency of occurrence of hidden costs.

### **3.2. Negotiation phase: a key stage for the success of the intervention-research**

Before the intervention and starting with the negotiation phase, an initial contact with the Vice-President took place by the researcher. An «*elevator pitch*» was presented to catch the leader's attention ; this came in the form of a brief persuasive speech explained in a way such that a listener could understand it in a short period of time lasting no longer than a quick elevator ride.

After presenting the main objectives of SEAM, a dialogue was initiated where the researcher has requested an approval and commitment of the Vice-President to intervene at University X. Accordingly, a letter of acceptance was signed on January 10, 2017, granting the researcher the right to conduct interviews with different organizational actors and propose socio-economic project at a later stage. Afterward, the Vice-President was asked to share his concerns and reveal the challenges that University X were facing.

### **3.3. Socio-economic diagnostic phase**

The first stage of the intervention research process «Diagnostic Phase» starts with semi-structured qualitative interviews at both vertical and horizontal phase so as to identify the main dysfunctions that threaten the organizational performance.

#### **—Horivert improvement process**

At the diagnostic phase, interviews centered on organizational dysfunctions have been conducted over a period of six months from January 2017 till July 2017. Data has been collected and used to gain a better understanding and insight into the research problem and the underlying root causes. Initially, the diagnostic tools of the SEAM approach relied heavily on interview data from all levels of the organization. The process started with face-to-face in-depth semi-structured qualitative interviews. The selected interview questions have been revolving around how to improve students' satisfaction at the remote campus branch of University X.

#### **—Intervention launch**

It is of note that the first part of the diagnostic phase was comprised of two main clusters.

**At the «horizontal level»,** the intervention covered the organization in a holistic way; general dysfunctions were tackled at all levels. Six interviews were first completed and analyzed by July 2017 with top management and executives. From President, Vice-President, Dean, 2 Academic Directors to Career Management entity.

**At the «vertical level»,** the intervention took place on a smaller scale. It focused on a specific area of University X and more specifically on the Business Faculty of a remote campus which is composed from 6 different departments: Marketing department, Management department, Finance department, Accounting department, IT department and Economics department. It involved all the categories of actors at the Business School of the remote campus: undergraduated business students, business instructors, Assistant Dean, Administrative Director in addition to some of the Top Managers. Besides the chosen faculty, some related departments were tackled as well; admission office and head of marketing and career development were a case in point. In addition to the 20 interviews, focus group interviews and a survey research instrument were conducted as an additional mean to collect qualitative data and dysfunctions. 10 focus groups of 4 to 5 students were carried out where the discussion lasted between 30 minutes to one hour.

### —Data analysis

In order to have the interview data captured more effectively, notes were taken during the conducted interviews with the consent of the participants and transcribed verbatim. Afterward, transcripts have been analyzed; fieldnote quotes reflecting the dysfunctions at University X and more concretely in the Business Faculty of the remote campus have been highlighted using a coding-categorizing technique. Accordingly, an analysis was produced bringing together these fieldnote quotes as subthemes that were in turn arranged into categories sorted by six main dysfunctions «themes» and more specifically under the six social performances (working conditions, work organization, communication coordination cooperation, time management, integrated training, and strategic implementation). The main purpose of this process was to highlight the principal dysfunctions inhibiting the quality of services.

These qualitative data have been entered into SEGESE software system, expert system software developed by ISEOR. The fieldnote quotes reflected the dysfunctions at University X and more concretely in the Business Faculty of the remote campus; then, an analysis was produced bringing together these fieldnote quotes as *key ideas*, *subthemes* and finally as *themes*. The aim is to identify and capture the types of problems in the Faculty of Business. Additionally to the dysfunctions which were shaped by the qualitative character of the information and gathered during interviews, three more directive interviews were conducted with the head of the remote campus and the accountant in order to calculate the hidden costs. A second series of three more directive interviews were carried out with the head of the remote campus and the accountant to identify information on the effects of dysfunctions where the qualitative data have been quantified and converted to a nu-

merical form by counting the frequency of occurrence of hidden costs. When compared to qualitative interviews, a hidden cost evaluation is perceived as having a more objective analysis. The latter implied that the financial language used in the evaluation of hidden costs allows top and middle managers to be better informed as to financial indicators on a daily basis. Hidden costs are defined as costs generated from the gap between expected performance and actual performance (Savall, 1979). The main purpose behind calculating the hidden costs is to upgrade the management of University X and its potential.

## 4. Findings and Discussion

### 4.1. Results

This section revolves around the statistical results generated during the diagnostic phase at University X at Lebanon. The interviews were categorized under the main categories of dysfunctions and then subsequently divided into themes, subthemes, key ideas. In order to identify the most repeated dysfunctions during the intervention, the relative frequency were recorded to identify the most repeated dysfunctions observed during the intervention.

**Table 1.** Statistical representation- frequency of horizontal and vertical dysfunctions

Nr. of Interviews and Focus Groups	Themes	Fieldnote Quotes	Relative Frequency	Key- Ideas	Sub-Themes
20 Interviews & 10 Focus Groups	Working Conditions	57	32%	35	23
	3 Cs	20	8%	11	7
	Time Management	6	4%	5	5
	Integrated Training	22	11%	13	7
	Strategic Implementation	102	45%	31	16
	<b>Total</b>		<b>207</b>	<b>100%</b>	<b>95</b>

**Source:** Own elaboration.

Too many dysfunctions were negatively affecting the quality of services because they were left untreated. Overall 207 fieldnote quotes were gathered on the six themes of dysfunction. The theme of strategic implementation (45%) constituted the greatest part of ideas expressed by the organizational actors. This revealed a gap in the quality of education which compromises the organizational development and sustainability. Accordingly, judging from the intervention's results, an area of concern related to internal challenges associated with mass system of HE was identified.

## 4.2. Internal challenges associated with problems of mass HE system

It is of note that the below table links the dysfunctions associated with mass HE system occurring at University X along with the descriptive and explicative hypotheses, themes and sub-themes.

**Table 2.** Non-quality generated by mass HE system creating a dysfunctional academic progression at university X

Descriptive Hypothesis	Explicative Hypothesis	Theme	Sub-Theme
<p>Within the traditional fields, the surrounding universities have a higher caliber in standards.</p> <p>University X is not taking enough initiative to pull potential companies and reinforce its network in the corporate world.</p> <p>Lack of job opportunities and adaptation of curriculum design to current market needs were spotted.</p>	<ul style="list-style-type: none"> <li>- The quality of students is being overridden by the application of quantitative methods.</li> <li>- The remote campus does not have strong business network.</li> <li>- The open door policy and the financial aid are being offered at the expense of the employability.</li> </ul>	Strategic implementation	Strategic orientation
<p>Students' feeling of academic security is being affected. Furthermore, their needs are not being taken into consideration.</p>	<ul style="list-style-type: none"> <li>- Student complaints and concerns are not taken into consideration.</li> <li>- Dissatisfaction with counseling and orientation services.</li> <li>- Lack of clear communication line between students and program developers.</li> </ul>	Strategic implementation	Lack of satisfaction survey
<p>University X's culture requires instructors to follow specific standards and sometimes originality and creativity in teaching within the classroom settings are minimized. Such excessive continuous administrative monitoring creates a dysfunctional academic progression.</p>	<ul style="list-style-type: none"> <li>- Education is being commercialized. Instructors are overloaded with administrative requirements at the cost of education quality service.</li> </ul>	Strategic implementation	Strategic Orientation
<p>Some remote campus instructors are recruited based on their availability rather than their competencies. Hence, the quality of teaching is being affected.</p>	<p>Road conditions and the existence of the remote campus in a politically delicate and non-privileged area are the major reasons behind pushing away highly qualified instructors.</p>	Working conditions	Physical conditions of work

**Source:** Own elaboration.

Whilst Table 2 links the dysfunctions associated with mass HE system occurring at University X along with the descriptive and explicative hypotheses, themes and sub-themes; Table 3 represents the main key ideas and fieldnote quotes generated during the diagnostic phase.

**Table 3.** Representation of main key ideas and fieldnote quotes

Key Idea	Fieldnote Quote
Strategy adaptation to the environment evolution	The remote campus should build a stronger business network.
Means of strategic implementation	Our university cannot compete with well-established ones.
Information system	We need to come up with student satisfaction survey.
Lack of communication-coordination-cooperation between program developers and students	There is no clear communication line between students and program developers.
Inaccurate or poorly perceived strategic orientation	Education is being violated; it is becoming business-oriented.
Strategic orientation	The school's mission is to make the HE affordable and accessible to all, but we would like sometimes to save the quality of students.
Disturbed atmosphere on the number of students per class.	<ul style="list-style-type: none"> <li>- There should be a cap on the number of students per class at University X.</li> <li>- The school curriculum needs to be continuously revised and kept up-to-date with international standards.</li> </ul>
Poorly perceived strategic orientation	Instructors' recruitment process needs to be more efficient and less biased; a better screening process should be established.
Inaccurate or poorly perceived strategic orientation	The quality of students is being overridden by the application of quantitative methods.

**Source:** Own elaboration.

#### **Table 4. Divergence Table**

The Divergence Table echoed the importance of strengthening the cohesion between different actors to provide students with better quality of services. A closer alignment between school's mission and the accreditation standards for Business School should be established to better respond to students' satisfaction.

**Table 4 (Section A).** Divergence Table

THEME	Work Organization	
Sub-Themes	Divergences	
	Administrative staff	Academic Staff
Strategic Misalignment between Administrators and Academics	The administrators look to enlarge class sizes because it is more efficient financially	The academic staff believe that a cap on the number of students should be established to deliver quality of teaching

**Source:** Own elaboration.

### Literature review supporting Table 4 (Section A)

As things started to change with the emergence of mass HE, major modifications occurred at the area of «*internal governance*». As a result, universities became more reliant on using marketing tactics to promote their educational services (Gibbs and Murphy, 2009), and deliver these in a customer-oriented way. Accordingly, decreasing quality has been witnessed due to inadequate models of teaching process evaluation, inadequate application of existing quality control mechanism, and favorization of general education and commercialization (Gajić, 2010, pp. 44-46). In view of that, the acceptance of low standard students has decreased the prestige of institutions in the public opinion causing a conflict between the advocates struggling for traditional academic duties and their counterparts.

**Table 4 (Section B).** Divergence Table

THEME	Integrated Training	
Sub-Themes	Divergences	
	Top Managers	Middle Managers
Training-Job Adjustment	The Vice-President established a clear chain of command which cancelled the direct communication with the 6 chairmen of Business Faculty	The requirements of chairmen related to students' orientation were not always being taken into consideration due to a lack of direct communication with the Vice-President

**Source:** Own elaboration.

### Literature review supporting Table 4 (Section B)

Campus leaders need to cooperate with each other to foster a culture where opposing viewpoints are accepted, where conflicts are managed, and where employees and students can freely express their different opinions (Coffman, 2005). It is of note that the

institutional fabric is to blame since some campuses are by nature more collegial than others. A solid team not only brings varying perspectives into the mix but also reinforces mutual respect and trust.

**Table 4 (Section C).** Divergence Table

Sub-Themes	Divergences	
	Top Managers	Students
Strategic Orientation	The school's mission is to make HE affordable and accessible to all, at the expense of the quality of services	Students are being dissatisfied with the provided services in term of career and counseling services

**Source:** Own elaboration.

### Literature review supporting Table 4 (Section C)

Hawthorne and Young (2010) have demonstrated as well that satisfaction with faculty support significantly impacts overall satisfaction with the university environment; this, in turn, contributes to student intentions to stay and complete a bachelor's, masters, or doctoral degree. Providing detailed information and assisting prospective and current students with early and optimum guidance in the orientation period will probably reduce changes of programs and study dropouts at universities. As a result, making a deliberate and a well-founded education pathway choice is more likely to be ensured from the students' end.

**Table 4 (Section D).** Divergence Table

Sub-Themes	Divergences	
	Administrators	Instructors
Personnel Management	Seniority is being neglected by executives for financial objectives. Egalitarian method that does not distinguish the competence of professionals or beginners are being applied	Instructors are being demotivated due to underpayment, neglect of seniority, lack of career advancement and empowerment which is affecting the quality of teaching

**Source:** Own elaboration.

### Literature extracts supporting Table 4 (Section D)

The literature has been calling for nurturing a climate that fosters relationships marked by joint effort, bridged activities and mutual respect between faculty and administrators.

However, the consideration of those aspects which are the constituents of the quality of shared governance is quite challenging. Given the differences in the ways they pursue their goals, achieving harmony and collaboration between administrators and academics has been often difficult to reach (Birnbaum, 1988; Borland, 2003; Minor, 2004; Weingartner, 1996; Welsh and Metcalf, 2003).

### 4.3. Hidden costs calculation

The quality of services has not only been viewed from the context of visible costs but also from that of hidden costs. The term 'hidden cost' is used when the cost does not appear on the organization budget or balance statement (Savall and Zardet, 2008). The analysis of hidden costs is directly related to the dysfunctions and every dysfunction corresponds to a financial value (Savall, 2008). The existing gap between students' expectations and University X's service provision is leading to strategic misalignment which only contributes in increasing the dysfunctions faced by this educational organization. According to the diagnosis undergone at the remote campus, University X spawned a level of hidden costs which amounted to \$1,841,200 per year (see Table 5). The main purpose of calculating the latter amount was to highlight the principal dysfunctions inhibiting the quality of services – these include academic follow-up, post-graduation assistance, soft skills teaching, and administration support – on one hand and to assist the HEI in creating an image of the possible savings that could help the organization's development on the other. It is of note that the most significant hidden costs pertained to non-quality and direct productivity gaps.

**Table 5.** Overview of hidden costs by indicator and component

	Overtime	Non-Production	Non-Creation of Potential	TOTAL
<b>Absenteeism</b>		\$167,000		<b>\$167,000</b>
<b>Non- Quality</b>	\$43,700	\$920,000	\$690,000	<b>\$1,653,700</b>
<b>Direct Productivity Gap</b>	\$7,500	\$27,000		<b>\$34,500</b>
<b>TOTAL</b>	\$51,200	\$1,100,000	\$690,000	<b>\$1,841,200</b>

**Source:** Own elaboration.

The result of the SEAM diagnosis and more specifically, the convergences and specificities of opinions shows a lack of aligned vision among the organizational actors; such a misalignment in goals and perspectives have only contributed in increasing the dysfunctions faced by this educational organization. From here, the specificities columns list the problems affecting the student's satisfaction.

**Table 5.1.** Sample of results related to the evaluation of hidden costs as to Non-Quality at University X

Observed Dysfunction Cost	Reason for Dysfunction	Frequency	Detailed Calculation	Non-Creation of Potential	Total
Attracting students through financial aid is a hidden cost in itself. It is to note that it is being granted to compensate the dysfunctions resulted from lack of providing the students with proper employability opportunities. With the several growth of the number of students, the hidden costs are growing as well in term of the blocks being built ( <b>Non-Quality</b> ).	The quality of students is being overridden by the application of quantitative methods ( <b>Strategic Implementation</b> ).	Frequency of building a new building (1 building every 2 years)	The cost of one building equals to \$850,000. It is of note that the construction of buildings at the remote campus took place over the following years: 1. 1st one in 2013-2014; 2nd one in 2014-2015; 3rd one in 2017-2018. Based on the above, we can conclude that 3 buildings have been constructed over a period of 6 years and one building every 2 years (6 years/ 3 buildings) as average. As a result, \$425,000 annual cost is being incurred on University's end.	425,000.00	\$425,000.00

**Source:** Own elaboration.

### Financial analysis (See Table 5.1)

The above table demonstrates the hidden costs linked to the non-quality:

- The highest cost related to non-quality rate's effect was on non-creation of potential. The quality of students was overridden by the application of quantitative methods (Strategic Implementation). Attracting students through financial aid was a hidden cost in itself. It is of note that it was granted to compensate the dysfunctions resulted from lack of providing the students with proper employability opportunities. With the annual growth of the number of students, the hidden costs grew as well in term of the blocks built. The poor quality of students' engendered loss in earnings equal to \$425,000.

#### 4.4. Mirror effect and expert opinion

The feedback on the results of the diagnostic phase has been shared with the managers and instructors across two different sessions: Mirror effect session and Expert opinion session.

It is of note that the «*Mirror-Effect*» is an oral genuine presentation of the company's dysfunctions which aims to create a cultural shock or a new level of company awareness to take action. Accordingly, two mirror effect sessions took place for the presentation of results. The first session was discussed with the top managers whilst the second one took place with the head of the remote campus along with the team members composed of instructors.

As a result, the findings allowed the company to determine the malfunctioning of the organization functioning as compared with the targeted strategic objectives. The mirror effect showcased the dysfunctions and highlighted the improvements that the enterprise needs to go through. At this stage, the workers and managers presented the dysfunctions in a different way. Having said that, the mirror effect demonstrated convergent and divergent views about the existing problems brought into light; leading to the coexistence of a multiplicity of point of views at the detriment of a consensus.

Afterward, a report called «*Expert Opinion*» has been presented by the intervener and submitted to the steering committee and the groups of both horizontal and vertical levels of University X. This document has been developed as the last point to wrap up the diagnostic phase. It included a highly condensed synthesis of the diagnostic based on material from interviews, hidden cost evaluation, and management tools. Consequently, two subdivisions were designed: «*Hierarchy of Mirror Effects*» which consists in selecting and arranging key ideas according to their perspective importance and «*Unvoiced Comments/ Intimate Convictions*» which reflects that expression of none said during the interviews.

#### **4.5. Project elaboration**

Following the mirror effect and the expert opinion presentations, the project elaboration has been proposed involving the formulation of suggested projects. Accordingly, four focus groups sessions were spread over a period of four months. The top managers have piloted the project and encouraged key strategic decisions.

It is of note that meetings were organized on a monthly basis where major constraints and objectives were brought into light. Each group of related quotes have been combined and categorized under a «key idea», as a first step. The following step included consolidating the correlated key ideas into «pivotal ideas». The latter were established as a foundation for improvement actions in order to achieve the organizational objectives. The focus group mission was to develop cooperative solutions under the supervision of the remote campus head; three suggested projects were formulated as a result.

An economic balance for the suggested projects was developed, where costs of implementing the proposed solutions have been weighted to decide whether it ends with profit earnings or profits depletion. The objective of the socio-economic project was to reduce the identified dysfunctions and their resulting hidden costs that the remote campus was facing during the diagnostic phase so as to come-up with creation of potential.

#### **4.6. Suggested projects as to the improvement of quality of services**

The suggested projects were formulated by the members of the Business Faculty Board comprised of the Vice-President, Dean, Assistant Dean, the two Academic Directors, the Administrative Director of the remote campus and the 6 Chairmen.

The aim was to reduce the identified dysfunctions and the generated hidden costs so as to come-up with creation of potential (Buono and Savall, 2007; Conbere and Heorhiadi, 2014). The implementation of the suggested solutions would have resulted in the below strategic organizational improvements.

##### **Suggested project Nr. 1: attracting more qualified instructors and retaining highly qualified ones**

Providing instructors with better financial incentives, promising career advancement, and reduced physical exertion would significantly improve quality of teaching.

Instructors should be rewarded for their work seniority and performance to retain highly qualified educators and attract better qualified ones. A qualified and a well-trained educator plays a pivotal role in students' academic success and maintains high quality educational standards. Purgailis and Zaksa (2012) have stated that the most important factors in the study course evaluation are related to the quality of human resource, skills and positive attitude of the academic staffs. According to Brown and Shevlin, instructors' qualifications contribute significantly to the students' overall learning experience (Brown, 2004; Shevlin *et al.*, 2000).

Rewarding instructors could allow the remote campus to save at least one third of the hidden costs recorded at \$11,633.66 related to absenteeism. By providing employees with better incentives, the remote campus could end-up saving at least one third of hidden costs estimated at \$76,534.98.

##### **Suggested project Nr. 2: providing students with better counseling and orientation services**

With the increasing diversity of students attending university, there has been a growing interest in one-to-one relationship between student and advisor. Perceiving and treating students as partners is fundamental to enhance their experience from enrollment to graduation (Kotler and Fox, 1995). Advising staff performance is considered to be a core service and one of the most important factors that impact students' satisfaction and optimize their overall experience (Campbell and Nutt, 2008; Hemwall and Trachte, 2003; Light, 2001; Propp and Rhodes, 2006).

Satisfaction with faculty support significantly impacts overall satisfaction with the university environment; this, in turn, contributes to student intentions to stay and complete a

bachelor's, masters', or doctoral degree. To enhance the counseling and orientation services at the remote campus, the following has been recommended: conducting training workshops on campus to instructors, visiting the remote campus on a semester basis from the 6 Chairpersons' end to better assist and orient the students and the full-presence of the Assistant Dean on a single campus.

The implementation of the following actions would have enhanced the follow-up on students' needs, assured better coordinated efforts between the campuses, improved the communication-coordination-cooperation between program developers and students, and, finally, would have provided a better quality of teaching.

Providing better counseling and orientation services would have enabled the remote campus to save at least one third of hidden costs related to non-quality of teaching, loss in attracting prospective students and lack of students' analyses.

### **Suggested project Nr. 3: creating a coherent environment with all the academic and structural facilities**

For internal steering purposes, educational institutions should be set-up Quality assurance mechanisms. Accordingly, the following should be implemented:

(1) Increasing the quality of students by initiating a screening process:

This would enable University X to come-up with better perceived strategic orientation and ensure an outcome of education rather than commercialization. Students would be provided with proper counseling and orientation services, an internship program, an education that would better fit the requirements of the accreditation and better job opportunities.

(2) Creating a sustainable network connection with corporate institutions:

University X should organize open days during the summer period at the outdoor remote campus to promote internship programs and job opportunities for students; 15 companies should present themselves. The schedule should follow the normal working hours from 9h00 till 16h00 for two consecutive days, once per year; kiosks should be available at the campus.

(3) Providing career counseling services:

To better prepare the students for job interviews. The development of students should not be limited to the acquisition of theoretical knowledge; it should be extended to the acquisition of soft and managerial skills. Universities should actively assist their students in shaping their future professional orientation. Educational institutions have the responsibility to demonstrate their successful preparation of students for the corporate world and future careers.

#### (4) Establishing an alumni association:

Tracking graduates' employment and follow-up on the employers' feedback regarding graduate students in the market should be initiated so as to compare how the educational program objectives meet the employment trends; a follow-up is supposed to be conducted on the percentage of employment on graduation and 6 months after graduation.

### 4.7. Discussion

A big percentage of universities are being «tuition-driven», a strategy of reducing costs per student based on increasing the acceptance rate of new applicants where the quality is being overridden by the quantity. As the result of lowering tuition fees, administrators are looking to enlarge class sizes because it is more efficient financially. Consequently, the philosophy of active learning requiring that the number of students within the classroom settings does not exceed thirty students is not being applied anymore; teaching standards are being lowered. The question that can be raised here is: where do administrative people and academics meet?

We can depict a distinction between the academic standards – those aspects concerned with, student numbers - and administration standards. Thus, how does the school's overall strategy fit the accreditation? Positive involvement is not being applied; the cohesion should be strengthened. Moreover, there is a disproportionate increase in the number of students relatively to the existing number of instructors which can but have negative repercussions on the quality of education. In addition, instructor's Satisfaction from human point of view is missing. In view of the fact that commodification systems tend to be lean, this likely means using less qualified and experienced instructors. The real purpose of education is being defeated and the latter is becoming business-oriented or focused. The commercialization of education has nowadays become more evident and the need for using promotional tools has increased accordingly.

As a result of the lower tuition fees, enrollment standards have regressed. The lax policy that gives any student who has completed high school the opportunity to pursue HE where no minimum requirements for admission exist, lies at the core of students' quality deterioration.

This being said, the employability is being negatively affected by declining standards in student recruitment, quality assurance fulfillment, and university branding strategies. Hence, the existence of strong institutional connections with the corporate world is essential. A structured and effective relationship with the professional world is seen as a necessary service to students individually and to society collectively.

The educational institution should provide an education corresponding to the requirements of the accreditation on one hand and it must provide practical skills for managerial career on the other hand. An adequate balance between academic quality and managerial relevance should be one of the fundamental principles of education.

## 5. General Conclusion

### 5.1. Contribution of study

The majority of studies concerning educational quality have been formed from an ethno-centric U.S. perspective; whilst the Middle East, and more specifically Lebanon — where data on perceived service quality and student satisfaction are scarce — has largely been neglected from such researches (Hayan Dib, Mokhles Alnazer, 2013).

Service quality in HE is a relatively new concept (Sultan and Wrong, 2010) when compared to research done in the commercial sector (Parasuraman *et al.*, 1998; Zeithmal, 1998; Gronroos, 2001). As a result of increased competition, new modes of management have changed the HEIs operation, while there is a need for new steering methods for universities to be accountable for their actions. The contribution of this study resides in the following:

- Measuring the quality of services from various stakeholders' points of views: The focus was not limited to students' perceptions; it involved academic and administrative staff as well.
- Introducing structural changes through looking for the untapped potential and creating processes that promote a culture of integral quality.
- Showing the importance of strengthening the cohesion between organizational actors to better meet the accreditation requirements and elevate the universities' image.
- Highlighting the existing discrepancy between strategy formulation and implementation.
- Demonstrating that teaching and curriculum quality, as well as academic and career counseling services, constitute important determinants of perceived service quality and the influence of the latter construct over student satisfaction.
- Developing a strategy for retaining the existing students rather than only attracting them.
- Giving insights for HEI managers on various managerial strategies and substantial resources to be allocated so as to develop quality improvement programs (Nadiri *et al.*, 2009).

## 5.2. Limitations

**Traditional Management Practices:** The development of socio-economic theory of organizations came to treat the organizations infected with the metaphoric virus TFW that hinders the organizational processes, hence, affecting the collaboration, decision-making processes and value-added tasks. However, the transformation of change was met with resistance even in the face of a dynamic environment. It is so because the organizational culture of University X is characterized by formalities and bureaucracy associated with centralized decision making.

**Cultural Limitations:** Student satisfaction and service quality are still considered till nowadays to be a new variable in the education field. Introducing a shift in paradigm is needed in order to grant this topic its appropriate significance.

**Time Limitations:** The time allocated to our study to investigate problems and to evaluate changes was limited.

## 5.3. Conclusion

The growth of mass HE has created a number of problems mostly related to governance and management on one hand, with challenging conditions for teaching the new types of students characterized by diversified backgrounds, capacities and academic talents on the other. A gradual change in the Lebanese HEI management style has been witnessed. Adopting cost cutting measures by administrators has often reduced the quality of services and created a conflict with academics. Based on the aforementioned, it is crucial for HEIs to take into account the ethical implications of their marketing efforts (Gibbs and Murphy, 2009). Universities found themselves facing many pressures in implementing effective measures and giving a considerable attention to quality as a distinctive feature for better institutional ranking. Excellence in the quality of services and administrative processes became essential in the Lebanese environment.

In this context, introducing SEAM is relevant since it can work in any environment. As a matter of fact, the changing nature of the HE sector along with the challenges impacting this industry make the need for leadership and managerial skills more important than ever. Furthermore, the SEAM culture would yield favorable conditions for the realization of an alignment between academic and administrative standards, thus creating a better academic environment to ensure a sustainable organizational development.

The cohesion among organizational actors has to be strengthened to better meet the accreditation requirements. Universities should embed managerial practices that highlight the importance of meeting students' expectations. HE experience is seen as a crucial element in measuring students' satisfaction with their learning journey (Byrne and Flood, 2003; Grace *et al.*, 2012; Griffin *et al.*, 2003; Ramsden, 1991; Yin *et al.*, 2014).

In today's world of intense competition, the key to sustainable competitive advantage lies in delivering high quality services that will in turn result in satisfied students. The importance of satisfaction resides in its being considered to be the main driver of retention, loyalty, new applicants' attraction at lower marketing costs, as well as positive word-of-mouth communication (Arambewela and Hall, 2009).

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