

STUDENTS' SATISFACTION WITH BUSINESS STUDIES AT PUBLIC FACULTY VS. PRIVATE SCHOOL IN CROATIA

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IRENA PANDŽA BAJŠ

PhD, ASSISTANT PROFESSOR
ipandza@efzg.hr

ANTONELA SAMODOL

UNIV. BACC. OEC.
asamodol@gmail.com

FOR AUTHORS:

FACULTY OF ECONOMICS AND
BUSINESS
UNIVERSITY OF ZAGREB
ZAGREB, CROATIA

ABSTRACT

Due to the rapid increase in the number of Business Schools, the question regarding overall quality of higher education and the extent to which they are threatening a well established public universities that stand for decades is imposed. Therefore, the main purpose of this paper is to determine students' satisfaction with two institutions of the same study area, business economics and management banking, insurance and finance, but different status of founder – public university and private school, both on the undergraduate and graduate level. Also, consequently, the goal is to analyse whether there are some differences in students' satisfaction between these two institutions and also examining the correlation to determine which of the elements of satisfaction (the quality of teachers, non-teaching staff, environment and organization) influence the most overall students' satisfaction.

KEY WORDS: Students, satisfaction, business studies, public faculty, private school, Croatia.

1. INTRODUCTION

Student's satisfaction is one of the most important factors to consider in order to ensure students' loyalty, as well as enrollment of students. Students are actually agents who promote its own faculty and whose word of mouth can improve faculty's reputation on the market, but also public opinion about satisfying customer's needs. The degree of student's satisfaction with faculty primarily depends on quality of teaching and curriculum.

Faculties record increase of qualified and qualitative students as a consequence of their better education, what could lead to better results when employing them, and finally, to increase of faculty's reputation (Owlia i Aspinwall, 1997). Faculty's better reputation increases the number of enrolled students, what opens the possibility of selecting capable students who would, after the end of studies, be included into highly qualified and qualitative work force. However, in order to achieve this, high level of capability of teaching staff is needed, what also includes good quality of equipment and other accompanying contents whose availability and quantity depends on the faculty's financial abilities. The increase of faculty's financial ability is possible through supports and donations which depend on the already mentioned good reputation. This is the way of closing a huge, dynamic circle of elements of faculty's quality which influences students' satisfaction and loyalty. Reverse sequence would be valid if the circle starts with

bad quality and low level of students' knowledge (Owlia i Aspinwall, 1997).

Due to sharp increase in the number of private Business Schools in Croatia, the question regarding overall quality of higher education and the extent to which they are threatening a well established public universities that stand for decades is imposed. Therefore, the main purpose of this paper is to determine students' satisfaction with two institutions of the same study area, business economics and management banking, insurance and finance, but different status of founder – public university and private school, both on the undergraduate and graduate level. Also, consequently, the goal is to analyse whether there are some differences in students' satisfaction between these two institutions and also examining the correlation to determine which of the elements of satisfaction (the quality of teachers, non-teaching staff, environment and organization) influence the most overall students' satisfaction.

2. LITERATURE REVIEW

2.1. Private and public faculties as a source of satisfaction, loyalty and students's trust

Private faculties are the ones which maximize its profits

by determining the amount of scholarship, while public faculties maximize social wealth following state's and administrative bodies' instructions (Oliveira, 2006). However, the increase of higher education institutions leads to the increase of expectations and bigger competition. So, no matter public or private faculties, they compete not only in scientific and specific areas of interest, but also in the increase of students' interest, finding teaching staff, creating resources and finally, creating a brand (Anil i Gulnur, 2013). Despite that, in some researches, students of private faculties are described as the ones who expect "value for money" and consequently act like consumers demanding more of the services provided, compared to the students from public faculties (Dean i Gibbs, 2015).

The key of private and public faculties' success is a change of students' status from "consumers" to "satisfied and loyal consumers", what is possible only by providing higher education institutions' services which satisfy students' needs and wishes in a more superior way than the other higher education institutions (Carter and Chu-May, 2016.).

In order to accomplish this, it is necessary to find the elements of satisfaction, that is, dissatisfaction, which certain institutions find the most important for retaining already mentioned high quality. Different authors explain differently the most important elements of students' satisfaction which should be continuously interrogated. Elliot and Shin claim that students' satisfaction depends on teaching staff, their support, classrooms' equipment (modern technology), but also accompanying contents outside the faculty (Eliot and Shin, 2002.).

Tsinidou, Georgaiannis and Fitsilis claim that key factors of satisfaction are teaching staff, library's services, curriculum, faculty's location and infrastructure including food, appearance of the classroom, sports and the possibility of career development (Tsinidou et al. 2010.). Ravichandran i Kumar claim that standardized curriculum, quality study programmes, sympathetic administrative staff who is always willing to solve students' problems and equal treatment towards all students, are variables which affect services' total quality and students' satisfaction (Ravichandran i Kumar, 2010.).

Finally, if all the mentioned is on the satisfactory level, faculties will have loyal students. From the marketing perspective, students' loyalty should be the main goal of the most of higher education institutions due to three reasons. First of all, these are private faculties' scholarships. New students are attracted by positive word of mouth of current or former students, what would also mean influx of financial resources as a basis for faculties' future activities. Secondly, loyal students could have a positive impact on the quality of teaching through their participation and "loyal" behavior and, finally, loyal student is ready to support its faculty after graduation, whether it is about continuation of studying and getting higher status or positive word of mouth.

The biggest advantages that arise from students' loyalty are actually not limited only to studying period, but are

probably even bigger than after the end of study and getting a degree (Hening- Thureau i sur., 2002.).

2.2. The importance of higher education quality

During the internal evaluation of higher education institution's quality, it is necessary to conduct self-analysis to determine appropriateness of content and efficiency of study programmes in terms of achieving expected outcomes and also to examine the efficiency of grading by students.

Additionally, it is necessary to examine efficiency of teaching and studying according to which are assessed (Ivković, 2009.):

1. type and appropriateness of applied teaching methods
2. way in which students' participation in class is encouraged
3. quality of teaching materials
4. strategies of teachers' development due to improvement of teaching quality
5. efficiency of team work teaching
6. load of students

Apart from that, internal quality evaluation includes conducting students' surveys which are used to interrogate students' opinion regarding teaching programmes and the work of certain teachers (Ivković, 2009).

In higher education measurement of quality increases by increase of faculties' responsibility towards its participants, and each of the participants, such as students, state and professional bodies, has its attitude regarding quality in accordance with their specific needs (Annamdevula i Bellamkonda, 2016).

Results of numerous researches have shown that students in whose schools is more qualitative atmosphere have better achievements, socio-economic health, more self-respect and less incidence of problematic behavior (Tubbs i Garner, 2008). Institutions' atmosphere includes different components, for example, environment – time and space context, interactions of institutions' members (Ljubetić i Bubić, 2015), as well as their life and professional philosophy, values and attitudes (Soccorsi, 2013).

However, there are many elements of low-quality study programmes and study's organization, what could be seen through elements on which students complain, and these are: lack of praxis, surplus of theory and repetition by different teachers, lack of availability to the labour market, bad logistics, constant collision between two mandatory modules, expenses when transfer from undergraduate to graduate study, incompatibility of ECTS points, leaving students to their own potential if they want to participate in student exchange programme, bad international cooperation, etc. (Marinković, 2011).

Improvement of efficiency and quality of higher education and improvement of Croatia's educational image is possible to achieve only with already mentioned continuous evaluation of educational institutions's internal quality and interrogation of students' satisfaction, all of it due to increase of students' satisfaction and removal of previously mentioned problems to which students indicate.

3. STUDENTS' SATISFACTION RESEARCH – PUBLIC VS. PRIVATE BUSINESS SCHOOLS

3.1. Aims of research

Aims of research primarily relate to determination of students of Faculty of Economics and Business Zagreb and High Business School Libertas satisfaction level in terms of 4 observed segments: quality of teaching staff, organization of the study, environment and non-teaching staff in order to finally get the result – overall students' satisfaction on the mentioned studies. So, interrogated students are the ones within the same area of studies – business economics – with similar curriculum, but different status – Faculty of Economics and Business Zagreb is public faculty and High Business School Libertas is private school as a component of private university. This is why, in the last part of the research, a comparison of students' satisfaction on both institutions was conducted and determined whether there is a correlation between certain elements of satisfaction and overall satisfaction.

3.2. Methodology

Empirical research was conducted using questionnaire as research instrument on the sample of 285 students. Questionnaire was formed according to researches: Kesić and Previšić (1997), Vranešević i sur. (2006) i Puška i sur. (2015), and it included 13 questions structured in 5 groups – determination of demographic and socio-economic characteristics of students, motives for study enrollment, general information about study, satisfaction with certain elements grouped into 4 categories, including quality of teaching staff, organization of study, environment and non-teaching staff and, finally, determination of overall students' satisfaction. Satisfaction with certain factors and overall satisfaction was measured with Likert's scale 1-5.

Total sample included 285 students, out of which 153 students were from Faculty of Economics and Business Zagreb, and 132 students were from High Business School Libertas. Research was conducted on each faculty separately for undergraduate and graduate study. At High Business School Libertas and undergraduate study of Faculty of Economics and Business Zagreb questionnaires were given to students who fulfilled them independently and anonymously, while students of graduate study at Faculty of Economics and Business Zagreb fulfilled the questionnaire online, but also anonymously.

3.3. Research results

Analysis of examinees characteristics shows that the biggest differences between examinees from public and private faculties arise from the way of financing the study. The biggest number of examinees from Faculty of Economics and Business Zagreb do not pay for their study (67%), while 77% of Libertas' students completely bear the expenses of studying. Also, among examinees from Faculty of Economics and Business Zagreb, almost half of them is on the last year of study (graduate study), while among examinees from Libertas the least number of students is on the last year of study (Table 1).

Table 1. Demographic and socio-economic characteristics of students from Faculty from Economics Zagreb and Libertas

	Variable	EFZG	LIBERTAS
Gender	female	69%	59%
	male	31%	41%
Year of study	first	0%	0%
	second	18%	15%
	third	14%	40%
	fourth	23%	34%
	fifth	45%	11%
Payment of study	I pay entirely	9%	77%
	I pay partially	23%	17%
	I have full scholarship	1%	6%
	I do not pay the study	67%	0%

Source: Authors

Analysis of importance of certain elements of satisfaction with the study show that students from public and private faculty agree that the most important factor of satisfaction is quality of teaching staff, then organization of the study, environment which includes library and classrooms and in the end – non-teaching staff (Table 2 i 3).

Table 2. Rank of importance of elements of satisfactions with study at the Faculty of Economics Zagreb

	1.place	2.place	3.place	4.place
quality of teaching staff	56,86%	21,57%	8,50%	13,07%
organization of study	22,88%	47,06%	22,88%	7,19%
environment (classrooms, library)	9,80%	17,65%	54,25%	18,30%
non-teaching staff (administrative staff, librarians, secretaries)	13,07%	16,34%	16,99%	53,59%

Source: Authors

Table 3. Rank of elements of satisfaction with study at High Business school Libertas

	1.place	2.place	3.place	4.place
quality of teaching staff	68,18%	20,45%	4,55%	6,82%
organization of study	21,97%	60,61%	12,88%	4,55%
environment (classrooms, library)	5,30%	9,85%	48,48%	36,36%
non-teaching staff (administrative staff, librarians, secretaries)	4,55%	9,09%	34,09%	52,27%

Source: Authors

Analysis of differences between the mark of satisfaction factors of students from Faculty of Economics Zagreb and High Business school Libertas mostly manifest in the following (Table 4):

- Teaching staff's readiness to help got 25% higher average mark on High Business school Libertas (4,38) compared to Faculty of Economics Zagreb (3,49).
- Transparency and equality of teaching staff's criteria towards students on High Business school Libertas got average mark 3,97 compared to Faculty of Economics which got average mark 3,05 or 30% lower.

- The possibility of connecting theory with praxis by involving guest lecturers got average mark 2,8, while the same element got average mark 4,00 at High Business school Libertas, which is 43% more.
- Accessibility and kindness of administrative staff on High Business school Libertas is 96% higher than on Faculty of Economics Zagreb and it can be concluded that students from Libertas show high level of satisfaction with this element (mark 4.2), while students from Faculty of Economics Zagreb are dissatisfied (2.14).
- Working hours of administration office on High Business school Libertas got average mark 3.92, while on Faculty of Economics Zagreb it got average mark 2.43 or 61% lower.
- Functionality and the look of halls on High Business school Libertas got 44% higher average mark (4.15) than average mark on Faculty of Economics Zagreb (2.88).
- Students from Faculty of Economics do not show satisfaction with compliance of curriculum with similar faculties abroad, while students on High Business school Libertas are relatively satisfied with that element (3.88).
- Students from High Business school Libertas are more satisfied with duration and concept of undergraduate and graduate study – they study on the principle 3+2 years (m=4.34); while students on Faculty of Economics Zagreb are neither satisfied nor dissatisfied (m=3.12).

Table 4. Comparison of elements of satisfaction of students from Faculty of Economics Zagreb and High Business school Libertas

Elements of satisfaction with the study	EFZG – (mean)	Visoka poslovna škola Libertas (mean)	Difference between Libertas vs EFZG
Teaching staff's readiness to help	3,49	4,38	+0,89
Availability and speed of teaching staff's response via electronica media	3,09	4,18	+1,09
Teaching staff's use of Power Point presentation and audio-visual content	3,85	4,26	+0,41
Clear defining of syllabus at the beginning of the academic year	3,75	4,34	+0,59
Transparency and equality of teaching staff's criteria toward students	3,05	3,97	+0,94
The possibility of linking theory with praxis through participation of guest lecturers	2,8	4,00	+1,20
Administration office working hours	2,43	3,92	+1,49
Accessibility and kindness of administrative staff	2,14	4,2	+2,06
Accessibility and kindness of librarians	2,72	4,1	+1,34
Halls equipment with new technology	2,88	4,06	+1,18
Functionality and the appearance of classrooms	2,88	4,15	+1,27
Functionality of library	4,2	4,41	+0,21
Availability of mandatory literature in library	3,29	3,75	+0,46
Availability of elective modules that you prefer	3,35	3,56	+0,21
Compatibility of curriculum with similar faculties abroad	2,77	3,81	+1,04
The number of available exam dates during year	3,78	4,3	+0,52
Duration and concept of undergraduate and graduate study on this faculty	3,12	4,34	+1,22

Source: Authors

Analysis of overall satisfaction of students from Faculty of Economics Zagreb shows that students are neither dissatisfied nor satisfied, while there is much higher level of overall satisfaction with the study by students from High Business School Libertas (Table 5). The highest mark on the Faculty of Economics Zagreb and High Business School Libertas is given to the criteria "recommendation of the study to future students", what is very important, taking into consideration previously mentioned information about enrollment which indicated the significant importance of

former students' experiences – word of mouth. However, the difference is in favor of High Business School Libertas for 27%. The lowest average mark at Faculty of Economics Zagreb and Libertas is given to criteria "entirely fulfilled expectations" - 3,09 at Faculty of Economics Zagreb and 4,03 at Libertas – what would mean that students from Faculty of Economics Zagreb are for 30% less satisfied than students from Libertas regarding the fulfillment of their expectations before the enrollment.

Table 5. Comparison of overall satisfaction with the study – students from Faculty of Economics Zagreb and High Business School Libertas

Overall satisfaction with the study	EFZG – (mean)	Visoka poslovna škola Libertas (mean)	Difference between Libertas vs EFZG
Study on this faculty completely fulfilled my expectations.	3,09	4,03	+0,94
I am completely satisfied with the study on this faculty.	3,15	4,21	+1,06
I am satisfied with the curriculum and teaching staff.	3,2	4,24	+1,04
I would recommend study on this faculty to future students.	3,46	4,39	+0,93
I think that I would easily find a job after graduation.	3,11	4,06	+0,95

Source: Authors

To determine strength of relationship between certain factors of satisfaction (teaching staff, non-teaching staff, environment and appearance of faculties' rooms, organization of study) with the overall students' satisfaction, Spearman's correlation coefficient was used. Correlation analysis consists of application of procedures in order to determine indicators of strength of statistical relationship between elements (Šošić, 2004. pp. 414). In this paper Spearman's correlation coefficient was used due to ordinal variables. Rankings were assigned to vectors with the results of overall satisfaction and elements of satisfaction and based on these rankings, a correlation coefficient was calculated. Spearman's correlation coefficient of rank is used to measure degree and direction of relationship between elements presented by pairs of rank-variables. If in each pair ranks are equal, their differences are zero, and coefficient is 1. This is the case of complete (perfect) positive correlation of rank. When the order of modality of one rank-variable is reverse from the order of second variable in the pair, coefficient will equal -1, so correlation of rank is complete and of negative direction (Šošić, 2004., pp 424.).

Analysis of correlation coefficient for Faculty of Economics Zagreb shows that availability and speed of teaching staff's response via electronic media, transparency and equal criteria of teaching staff toward students, are completely positively correlated with the fulfillment of students' expectations and the overall satisfaction with the study (correlation coefficient $r = 1,00$). Correlation coefficient $r = 0,90$ shows that teaching staff's readiness to help,

compatibility of curriculum with similar faculties abroad, look and modern technology equipment in classrooms, are firmly positively correlated with the fulfillment of students' expectations and the overall satisfaction with the study. For variables administration office working hours ($r = 0,20$), availability of administrative staff ($r = 0,15$), availability of exam dates ($r = 0,20$) and appearance of library, it could be concluded that they are not correlated with fulfillment of students' expectations and overall satisfaction with the study since correlation coefficients are lower than 0,25.

Analysis of correlation coefficients for High Business School Libertas shows that transparency and equal teaching staff's criteria toward students, look and modern technology equipment in classrooms, as well as availability of exam dates during the year, are completely positively correlated with fulfillment of students' expectations and overall satisfaction with the study (correlation coefficient 1,00). Correlation coefficient $r = 0,90$ shows that teaching staff's readiness to help, availability and speed of teaching staff's response via electronic media, the use of audio-visual contents, clear defining of syllabus, possibility of connecting theory with praxis through participation of guest lecturers and compatibility of program with similar faculties abroad, are firmly positively correlated with fulfillment of students' expectations and overall satisfaction with the study. Analysis of correlation coefficient for Libertas shows that all of the analyzed factors have significant impact on the fulfillment of expectations and overall students' satisfaction since all coefficients are higher than 0,70.

4. CONCLUSION

Due to the rapid increase in the number of Business Schools in the Republic of Croatia, the question regarding overall quality of higher education and the extent to which they are threatening a well established public universities that stand for decades is imposed. It is considered that private schools in Croatia do not provide high level of quality of education and that the level of knowledge, as well as quality of education of students who graduate from public faculties, is significantly higher. On the other hand, since students and their level of satisfaction with the study are important factor of loyalty and spreading positive or negative experiences, it is important to research how satisfied are students from public, but also private faculties. According to that, in this paper two high education institutions within similar

It can be concluded that private Business School Libertas is better in all these segments of satisfaction and overall satisfaction than public Faculty of Economics and Business Zagreb. Regarding satisfaction with certain elements of the study – quality of teaching staff, non-teaching staff, environment and organization of the study, students from Faculty of Economics and Business Zagreb show dissatisfaction or neutral attitude, except for one element (decoration and functionality of library) with which students are satisfied, while students from High Business School Libertas show higher level of satisfaction. Analysis of overall satisfaction with the study shows that students from Faculty of Economics and Business are “neither satisfied nor dissatisfied”, while students from Libertas show higher level of satisfaction. This is not strange since, looking only at the quality of teaching staff which students ranked as the most important element that affects

their satisfaction, the highest mark at Faculty of Economics is actually lower than the lowest mark at Libertas.

Availability and the speed teaching staff's response via electronic media, as well as transparency and equal criteria of teaching staff towards students, are the most important factors which affect fulfillment of students' expectations and their satisfaction with the study at the EFZG, which means that Faculty of Economics and Business Zagreb should work on improving these factors, but also other aspects of teaching staff's quality as the most important element that affects students' satisfaction. The problem that arises is non-teaching staff or, more precisely, administration office working hours and unavailability and unkindness of its employees, because of which students emphasize that they would not recommend Faculty of Economics and Business to future students. Regarding High Business School Libertas, it is concluded that overall students' satisfaction is, beside teaching staff and modern technology in halls, mostly affected by availability of elective modules. This area is a space for Business School's improvement since students, except for mandatory modules, want to develop their knowledges and capabilities in specific areas of economics.

Limitations of research arise from the fact that only one institution from public and one from private sector of high education institutions have been analyzed and that future researches should include more public and private institutions. Also, the results of this study do not include all relevant student characteristics on the basis of which important socio-demographic differences can be identified, which may affect previous expectations and study satisfaction.

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