UNDERSTANDING STUDENT/ALUMNI SATISFACTION FROM A CONSUMER'S PERSPECTIVE: THE EFFECTS OF INSTITUTIONAL PERFORMANCE AND PROGRAM OUTCOMES

David E. Hartman and Sandra L. Schmidt

The benefits of understanding and promoting student/alumni satisfaction are numerous. While this article draws on previous studies of the determinants of satisfaction in higher education, it has a different research focus. The study investigates the student/alumni satisfaction phenomenon in a consumer satisfaction framework. Results indicate that the formation of satisfaction judgments is a multidimensional process, and that the process is dependent on the degree of goal development that a student has for a particular aspect of his or her educational experience. If students have poorly formed goals for an aspect of education, they are likely to base their satisfaction judgments on institutional performance. If their goals are well formed, they are likely to base satisfaction judgments on the outcomes of the institutional performance. In general, however, student/alumni assessments of satisfaction with higher education are influenced by both the perceived quality of the service provider's performance and the perceived outcomes of that performance.

In recent years there has been an increased interest in higher education on the part of legislators, media, parents, and the general public, all of whom are demanding greater accountability from colleges and universities. Their focus has been on positive educational outcomes and their subsequent influence on students and alumni satisfaction as well as accountability to external groups. In response to these growing concerns, many colleges and universities are turning to the principles of Total Quality Management—customer satisfaction, continuous improvement, and teamwork (Mangan, 1992; Seymour, 1992). The level of interest in TQM has been evidenced by the amount of attention given to the subject by major higher education publications, such as entire issues of Change.

The authors' names are ordered alphabetically to reflect equal contributions.

Address correspondence to: David E. Hartman, Assistant Professor of Commerce, McIntire School of Commerce, University of Virginia, Charlottesville, VA 22903.
(1993) and *Educational Record* (1993). As in TQM, an important aspect of developing positive educational outcomes and accountability depends on understanding the determinants of student/alumni satisfaction (Hearn, 1985; Kotler and Fox, 1985; Pascarella and Terenzini, 1991).

One of the uses of TQM in education is applying the principle of customer satisfaction to students as the consumers of the service. Viewing students as the consumers of the educational service rather than the product, as is usually the case in higher education research, requires a sound understanding of those particular consumers. Suppliers of educational services need to know what criteria will influence students' choices, what services will help students achieve their goals, and what factors determine overall student satisfaction or dissatisfaction (Hampton, 1983; Lovelock and Weinberg, 1989; Ortinau and Anderson, 1986).

Many studies viewing students as consumers have investigated the choice process (sale of the service) as opposed to the postgraduation evaluation (Chapman, 1981; Holland, 1958; Murphy, 1981; Punj and Staelin, 1978, Vaughn, Pitlik, and Hansotia, 1977). This may be a serious oversight because several authors have indicated that the attributes used in the choice process, such as cost, location, and academic reputation, are not the same as those used in the postgraduation evaluation process (Holland, 1958; Schmidt, Debevec, and Comm, 1987; Vaughn, Pitlik, and Hansotia, 1977). Other authors have noted that students' perceptions change over the time between the choice and postgraduation, and, in fact, as students have more experience with an institution their attitudes may become less favorable (Astin, Korn, and Green, 1987; Chadwick and Ward, 1987; Struckman-Johnson and Kinsley, 1985).

The benefits of understanding and promoting student/alumni satisfaction are numerous. Satisfied alumni will help educational institutions financially, provide positive word-of-mouth communication, and supply jobs to subsequent graduates (Enis, 1977; Hampton, 1983; Schmidt, Debevec, and Comm, 1987). Additionally, the study of student satisfaction is fundamental to a better understanding of the educational process and to providing a quality education, both of which are important in light of increased accountability pressures (Hearn, 1985; Mangan, 1992).

While this paper draws on previous studies of perceived outcome assessment and satisfaction with higher education, it differs from these studies in several ways. First, this paper investigates the phenomenon of student/alumni satisfaction using a consumer satisfaction framework. Second, this paper offers a paradigm that may serve as a basis for a "standard" terminology and research process when investigating student/alumni satisfaction with higher education.

The objective of this study is to examine the relationships among the educational environment (service provider's performance), the results of the performance (perceived outcomes), and the student/alumni overall assessment of their educational experience (satisfaction). This paper begins with a discussion of the