

**AN ASSESSMENT OF VALUE CO-CREATION AND DELIVERY
SYSTEMS**

IN THE HIGHER EDUCATION SECTOR OF TANZANIA:

A case of CBE, DSA/TIA & IFM

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By



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Biography

Elisante Gabriel

Elisante lectures in various Universities to Masters programmes in International Business. He teaches the following subjects to Masters Programmes; Marketing, International Marketing, Competitive strategies, Strategic Management, Consumer Behaviour and Organizational Behaviour. Before joining the PhD programme at Salford University (in 2000), Elisante was working with Pricewaterhousecoopers (Tanzania) as a senior Business Analyst. He also taught a subject called *Purchasing and Supplies* at the University of Salford in the department of Accounting, Economics and Management Sciences, in 2001. Elisante has a vast working experience in both manufacturing and service industries before joining the academic industry in 2001. He is looking forward to developing and managing changes in a competitive business environment around the world. His research area of interest is focused on creating and communicating the value for achieving a sustainable competitive advantage. He believes that co-creation of meaning and value is among the best tools in creating, sustaining and satisfying existing and prospective customers.

Elisante completed his Masters of Science degree (International Business) at the University of Salford in 1999. Prior to his Masters degree, Elisante studied other various programmes including: *Business Administration, Marketing, Accountancy, Materials Management* and *Mechanical Engineering (specialisation – Manufacturing)*. He is a member of the following professional institutions: *Chartered Institute of Marketing* (London – UK), *National Board of Accountants and Auditors* (Tanzania), *National Board for Materials Management* (Tanzania) and *Institution of Engineers Tanzania*.

Abstract

This paper will start by discussing an overview of the Higher Education Sector in Tanzania. The relevant Institutions will be mentioned indicating them being private or public. For the purpose of consistence of the discussion, three Higher Learning Institutions (HLIs) will be selected for an in-depth analysis and discussion. The contribution of customers (students) and their views will be very much taken in to account. It should be borne in mind that, always there are differing appreciations between the service users (customers) and the service providers (Managers and Technicians). For the purpose of discussion in this paper, service users will be referring to students who are the core customers of the business. The three HLIs selected for this work are: The College of Business Education (CBE), The Dar Es Salaam School of Accountancy (which is now on a transition period with a new name as Tanzania Institute of Accountancy) (DSA/TIA) and the Institute of Finance Management (IFM). After the data collection and analysis, the Chief Executive Officers with their management teams were invited to attend a brainstorming session on 12th December 2002. This facilitated the Critical ethnography approach, which has been the ultimate method of collecting the data. Participants gave very good inputs and felt owners of the work. This has been the objective of the researcher to engage the service providers in the process of analysing and understanding the real situation. After the two hours discussion in the brainstorming session, the service providers promised to make necessary improvement to the value Co-creation System (VCS) and the delivery system of the service. Models of the co-creation of value and the value chain are suggested in this paper. These models have been reviewed and acknowledged by marketing and competitive strategies ‘gurus’, Prof. Philip Kotler and Prof. Michael Porter respectively. Value should always be considered from the customer’s point of view and not the provider. The study is intended at giving a cross-section of the real situation, so it is the very true colour of the situation. It is very natural. The researcher hopes that, the findings and analysis made will build a stable foundation for all other HLIs to develop their value chain for each contributor of the Higher Education Sector related to that particular Institution. A Communicational Interaction Model (CIM) for the HE sector is developed and provided in this paper. This distinguishes the Communicational from Informational interaction.

Introduction

This research work is based on the Higher Education (HE) sector of Tanzania, East Africa. Three public Institutions (CBE, DSA and IFM) were used as a segment for this research work. These Institutions have more commonalities than differences. They offer the same programmes and in some cases related ones therefore, competing in the same market. They are all based in Dar Es Salaam which is the Capital City of Tanzania. The research is intended to find out the contribution of communicative customer service in service competition in the HE sector. This work has two major objectives. Firstly, to develop a new framework for the Co-creation of Value, Value Chain, and Communicational Interaction models for the HE sector. Secondly, to suggest various strategies on improving the real situation of ‘customer delivered value’ in the HE sector of Tanzania. There is a need always to make a choice before conducting a research. The researcher chose the hermeneutic epistemic domain, which is committed to objective ontology with a subjective epistemology. This domain gives room for *interactions* with the community under research hence, a co-creation of meaning as opposed to the positivistic commitment, which takes for granted that the social world could be understood objectively from the ‘outside’. In the hermeneutic domain the *pragmatic critical realism* has been chosen as an epistemic stance. It is further developed to ‘critical ethnography’. Critical ethnography allows the researched community to give their views on the outcome of the data collected and the analysis made. Participant observation has been the main method for data collection supported by other methods such as *questionnaires*, *interviews*, and *documentary sources*. A progressive movement of the roles of the researcher (using observation as a major method) has been given in Figure 1 of this text. The researcher changed roles from:

Complete observer → *Complete Participant* → *Participant as observer*
→ *Observer as participant.*

Since this method was supported by other methods, data triangulation was used. The advantages of triangulation approach have been maximised, minimising the disadvantages.

Research Location

Tanzania has twenty-eight higher learning institutions for the moment, which are spread over nine regions. Out of the twenty-eight, fourteen are in the Dar Es Salaam City. In terms of ownership, the higher education sector, after trade liberalization is composed of both private and public owned institutions. The distribution for the moment is nineteen by nine for public and private respectively. The distribution of these institutes is shown in the Table 1.1. The Institutes will be shown in relation to their ownership; this means whether owned by the state or privately. It should be borne in mind that even in all state-owned institutions students now study under the cost-sharing scheme. This is very different from the time when students were getting full sponsorship from the Government including personal allowance, full accommodation, and travel expenses. This implies that though they are state owned (public), they operate differently from those public institutions before liberalization. Additionally, there are also students studying in public institutions but through private sponsorship (parents or employers). Therefore, ownership and sponsorship should be treated separately.

Table 1.1 Regional Distribution of Higher Learning Institutions in Tanzania

<i>REGION</i>	<i>HLIs</i>	<i>NAME OF THE INSTITUTION</i>	
DAR ES SALAAM	14	<ul style="list-style-type: none">• College of Business Education (CBE)• Dar Es Salaam School of Accountancy (DSA)• The Institute of Finance Management (IFM)• The University of Dar Es Salaam• Open University of Tanzania• University College of Lands and Architecture• Muhimbili University College of Health• Dar Es Salaam Institute of Technology• National Institute of Transport• National Social Welfare Institute• Tanzania School of Journalism➤ Waldorf College – Dar Es Salaam Campus➤ Hubert Kairuki Memorial University	

		➤ International and Medical Technology University	
MOROGORO	2	<ul style="list-style-type: none"> • Sokoine University of Agriculture • Mzumbe University 	
IRINGA	1	➤ University College of Iringa	
MWANZA	1	➤ St. Augustine University of Tanzania	
BUKOBA	1	➤ Bukoba University	
KILIMANJARO	3	<ul style="list-style-type: none"> • Co-operative College of Moshi ➤ Tumaini University ➤ Kilimanjaro Christian Medical Centre 	
DODOMA	1	• The Institute of Rural Development Planning	
UNGUJA	2	<ul style="list-style-type: none"> • Zanzibar University • College of Education Zanzibar 	
ARUSHA	3	<ul style="list-style-type: none"> • The Institute of Community Development • Institute of Accountancy Arusha ➤ Makumira University College 	
TOTAL	28		

KEY:

- **Private Institution**
- **Public Institution**

The Institutes (see Table 1.1) differ not only in terms of ownership but also in ranking. An Institute can either fall in category A, B or C. Category A contains Universities and University Colleges. Category B comprise of those Institutes, which offer undergraduate and/or postgraduate courses but not yet recognized as Universities. Category C comprise of those Institutes, which are mainly offering professional courses and undergraduate courses, with limited infrastructures and capacity to be defined under category B. Under special arrangements these institutions (of Category C) can also be allowed to offer postgraduate courses, provided that they have a distinct offering in that particular area of study. There are procedures which

are monitored by The Higher Education Accreditation Council (HEAC) of Tanzania. It is only when the prescribed conditions are fulfilled that an Institute can be recategorised to a higher position. The Institute can be recategorised to a lower position if proved to be performing below the set standards.

Significance of the Research

Due to the on-going structural adjustments in the HE sector and the liberalisation of the economy of Tanzania, there is a need to make a study which will result in a new sense of direction to sustain this business.

Objectives of the Study

The objectives are very much linked with the significance of the study. However, they are not the same though close to each other. The following are the objectives of which this study is geared to achieve.

- To make a contribution to the body of knowledge related to the subject matter
- To identify the core competencies of various HLIs so that they can build a competitive advantage on them.
- To establish a communicational interaction model which will link service providers, service users (students) and other contributors of the service delivery system.
- To set a base for other researchers on related research work in the future.

The Selected Segment of HLIs

This research work is intended to make a critical study on the impact of having a communicative customer service system in place. The scope of the research involved three Higher Learning Institutions (HLIs) in Tanzania. The major focus has been at the horizontal level of the service providers and the service users. For the purpose of clarity, the service providers mainly are the lecturers (facilitators) whereas the service users mainly are students. However, in the broad scope the service providers can be sub-divided in two categories, the service managers (the management team) and the

service technicians (the lecturers). The relationship between service users and providers has been observed to be sensitive in the value co-creation system. This is to say; social communication, mutual relationship, trust and co-operation between service providers and users will facilitate co-creation of value successfully. These two contributors have a role to play jointly to achieve success or failure of the service quality and delivery. Therefore, it has been very necessary to relate the two contributors because of the unique characteristic of service known as *inseparability*. For this very reason, it was not appropriate to study only the service providers' views, as the loop would have remained open. Bearing in mind the limitations and delimitations (hindering factors) of any research, the researcher could not, by any means, carry a study for all the twenty-eight institutions. He therefore made a careful selection of three institutions to make the study more in-depth and critical. The three institutions, with their respective categories, are:

- The College of Business Education (CBE) – Category C
- Dar Es Salaam School of Accountancy (DSA) - Category B
- The Institute of Finance Management (IFM)- Category B

The Bases for the Choice of the HLIs

In choosing the Institutions special consideration has been given to the similarities among these Institutions. This was intended to avoid the ambiguity of the data collection as well as analysis and interpretation. The similarities among the Institutions include the following:

- The nature of the programmes/products offered.
- The time of inception to the academic sector (each has been in business for about three decades).
- The size in terms of the number of students and other infrastructures (Average of 1000 students).
- Location: They are all located in the capital City of Dar Es Salaam.
- Type of customers: They are all focusing almost on the same market, hence they are in a direct competition.
- Government intervention: All of them are public Institutions

The College of Business Education (CBE)

The college was established following a Bilateral Agreement (BA) between the Government of Tanganyika and the Government of the Federal Republic of Germany signed on 6th September 1962. As a result of this agreement a "Business Training Institute" (BTI) was established in 1963. The short courses were conducted for the officers of the Ministry of Commerce and others. The programmes were temporarily run at a place called Ilala Boma, since there were no proper infrastructures for the purpose.

Strategic objectives

It is envisaged that the objectives and functions of the College of Business Education were and continued to be the following (Source, Prospectus CBE – 1999/2000, pp 8):

- (i) To provide facilities for the study of, and for training in, the principles, procedures and techniques of business administration.
- (ii) To conduct training programmes leading to recognised professional and sub-professional qualifications in business administration relevant to middle level managerial positions in trade and industry.
- (iii) To engage in any other educational activities which in the opinion of the Governing Body is necessary, expedient or conducive for the promotion of business education in the United Republic of Tanzania (URT).

Dar Es Salaam School of Accountancy / Tanzania Institute of Accountancy

The school was established as a department of the Ministry of Finance under a special directive of the Ministry. The school started operating from 1st January 1974, to conducting both short and long courses for lower and middle level Government accounting employees so as to make them effective in their jobs and so improve performance. A new name, Tanzania Institute of Accountancy (TIA), came in existence in July 2002, but was officially announced in November 2002. This name came as a result of the former Dar Es Salaam School of Accountancy (DSA), being transformed to an Executive Agency. However, as for the moment, curricula, objectives and other settings are still as they were for DSA. Let us consider the establishment of DSA, since it is the one, which has been in existence for the time of

data collection and analysis for this research. Possibly, the outcome of this research work could be one of the timed opportunities for TIA to improve whatever DSA missed out in terms of communicative customer service. For the purpose of this research work the old name (DSA) will be used unless there is a need to address the future prospects of DSA.

Strategic objectives

- (a) To offer courses for lower, middle and higher professional levels in accountancy, materials management and any other business related courses leading to awards of the institute.
- (b) To provide consultancy services and short courses in various disciplines.
- (c) To conduct research on areas of national and international interests.
- (d) To conduct training to candidates for external examinations conducted by various professional boards.
- (e) To produce manuals and other publications in connection with the activities of the institute.

The Institute of Finance Management (IFM)

IFM was established in 1972 by Act number 3 of Parliament to offer courses at both the undergraduate and postgraduate levels, undertake research and provide consultancy services in finance and related subjects. It has established an international reputation for the quality of its course. It has attracted students (customers) from various parts of the country and abroad. At present it is still a parastatal institution under the Ministry of Finance. It is looking to transform itself to a University in the near future.

Mission & Objectives

IFM is driven by the following mission: *'To excel as a centre and leader in training, research and consultancy, in Tanzania, in business and finance related disciplines'*.

To realise this mission the following are the objectives of IFM:

- (i) Improve the quality of teaching through proper staff recruitment, development and retention and adequate supply of teaching aids.

- (ii) Qualitative improvement of existing programmes to make them more professional, putting into consideration clients needs both at local and international levels.
- (iii) Expansion of existing programs through increased enrolment and introduction of new programs.
- (iv) Diversification into new areas, like international Trade.
- (v) Development of the Institute's potential for self-reliance in order to sustain its operations within the planned period.
- (vi) To convert the Institute to a full-fledged University

Mission statement: *'We aim to achieve excellence in every thing we undertake, and we aim to help students do the same'.*

Stakeholders of HE Sector and Their Expectations

There is always confusion between the stakeholders and shareholders. At this juncture we need to be clear that all shareholders are stakeholders but the reverse is not automatic. In this research some of the stakeholders also will be discussed as contributors. Contributors will directly or indirectly be connected to the service delivery system. The model for the Value Co-creation System has been sent to Prof. Philip Kotler for review. He replied by appreciating the relevance of the model to HE sector. He also suggested the name for 'service seekers' to be changed to 'students' while the 'technicians' to be called lecturers (teachers). He gave this comment in order to make the model more communicative for those who will adopt it. It was also sent to Professor Michael Porter who admitted, through his research associate, that they did not consider the components of this sector when developing the Porter's value chain model.

Service Managers

These play a key role of designing the service and service delivery system. In some cases, especially privately owned institutions, they are answerable to the shareholders. The core expectation of this group is to satisfy their customers and get recognition. They always wish to make themselves stronger than their competitors. These contributors form the first half of the service providers.

Lecturers (Service technicians)

These are at the service encounter with the students (service seekers). They play a key role of communicating the quality of the service to customers. Their key expectation is 'handsome' remuneration.

Students (Service seekers)

These are the key customers of the business without whom there is no business. Their major expectation is to learn comfortably. They expect to acquire knowledge, which in turn can reposition them in knowledge base and knowledge competition. Since they are coming for advanced learning they expect mature handling. Some of them are fresh from schools but others are officers working in various organisations. In some cases the more mature students are of a similar age to that of the parents of some of the lecturers. Consequently, they expect to be handled with due respect.

Supporting Staff

Like lecturers, these employees are more concerned with remuneration. A few of them might be more concerned with the satisfaction of the external customers but the majority are motivated by their salary package.

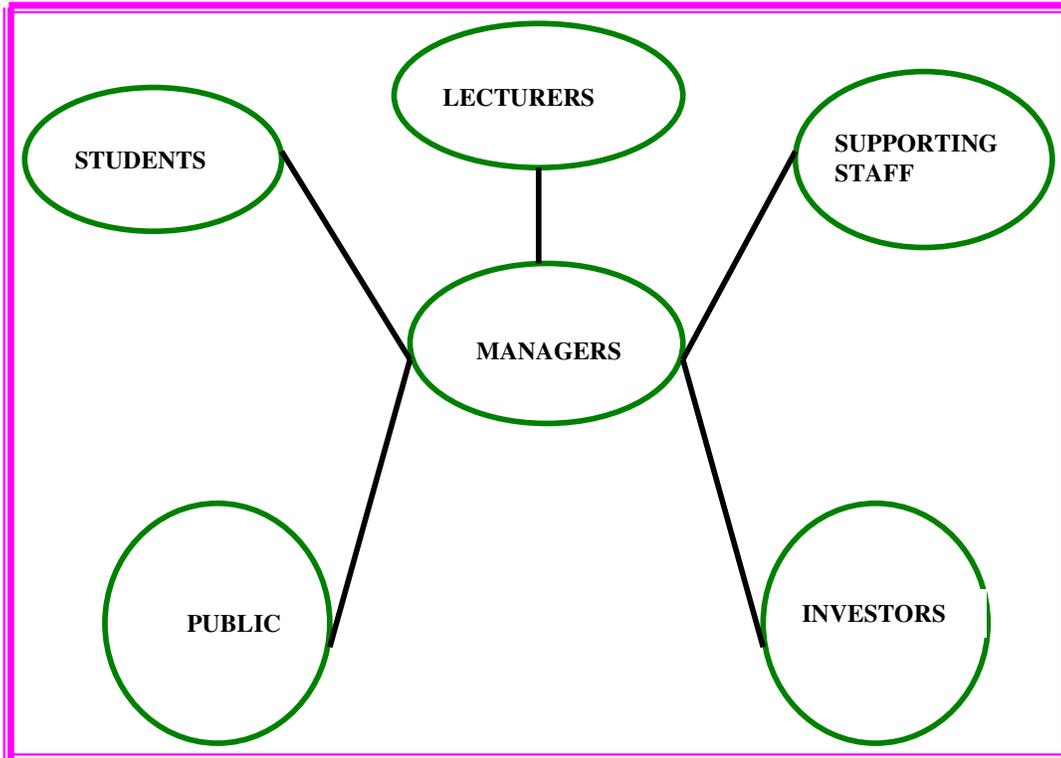
Public

The public, including the Government, expect to get experts to solve problems of related subject matters from the graduates from various HLIs. So, they expect solutions.

Shareholders (Investors)

These are the people or organisations, which have invested in this business expecting a handsome return on investment (ROI). This is normally in terms of dividends, especially in the privately owned institutions. They may expect to offer a better service but this does not come first in the list of priorities. In the case of public owned institutions the shareholder is the Government on behalf of the public. In this case the quality of the service is the priority. This gives the public owned institutions a competitive advantage in brand equity.

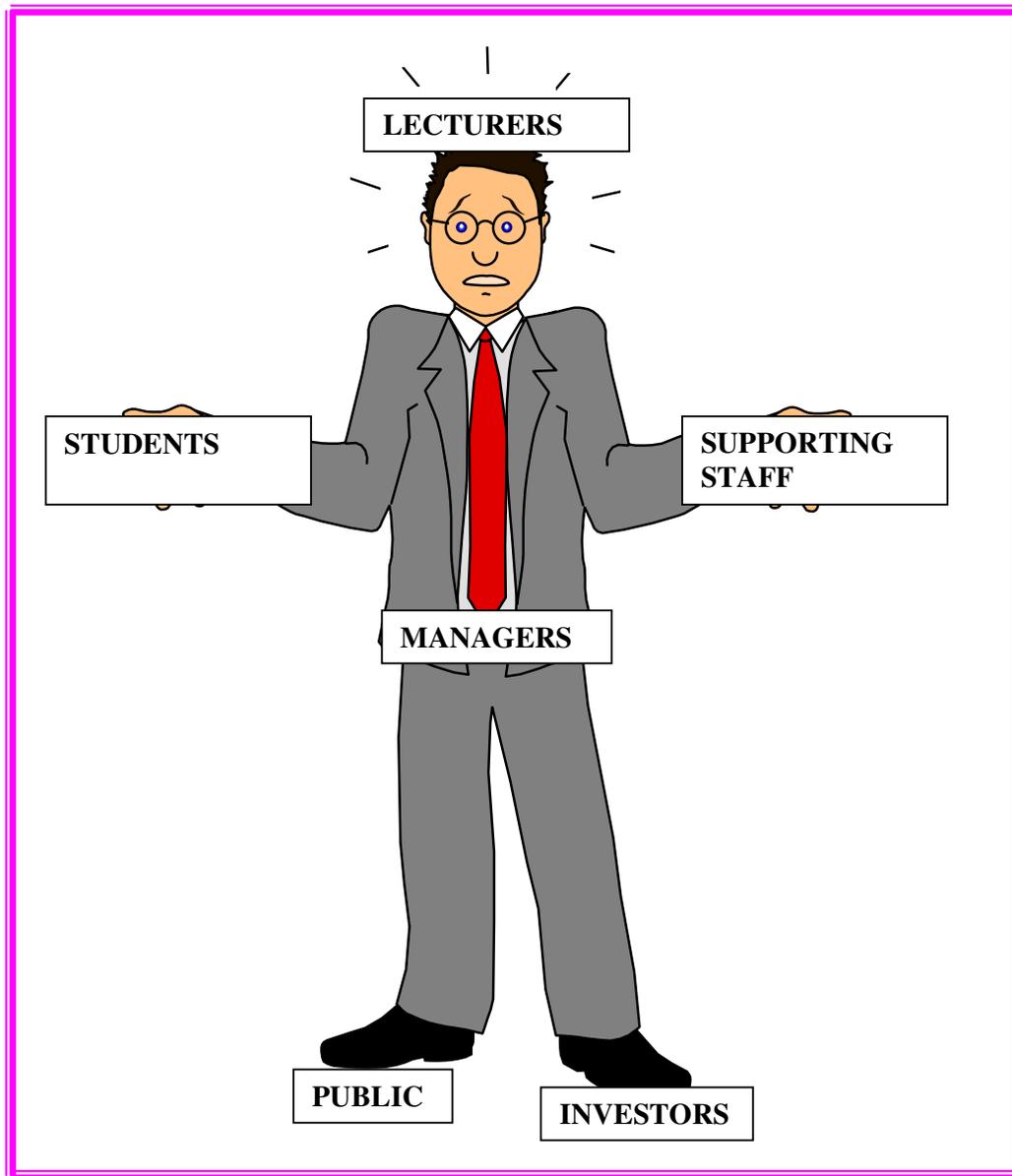
Figure 1.4(a) Stakeholders of HLIs (SKELETON MODEL, System Approach)



SOURCE: Gabriel, E. (2003b)

The model in Figure 1.4a, which the researcher has named ‘skeleton’, depicts a human body system. It displays the analogy of the skeleton of a human body with six major organs. The analogy is demonstrated in Figure 1.4b.

Figure 1.4 (b): The Analogy of the Human Body System to HE Sector.



SOURCE: Gabriel, E (2003b)

These are; spine and pelvis, left arm, head, right arm, left leg and right leg. As in the case of stakeholders of the Higher Education sector, the relationship with organs will be *Managers, Students, Lecturers, Supporting staff, Public* and *Investors* respectively. In particular managers are placed in the position of spine and pelvis since they are the ones to co-ordinate the other stakeholders. Managers, by default, may wish to claim to be at the position of 'head'. The researcher has positioned lectures at the 'head' since they are the ones in the moment of truth with the students.

Taking the analogy of the human body in Figure 1.4(b), it follows that in order for those organs to function, they need a proper blood supply system. Similarly for the components of the stakeholders to operate successfully (Figure 1.4(a), they need a proper 'social communication system'. Any misunderstanding between the components will be disastrous to the whole sector. For this very reason, though the researcher concentrated on the relationship between service providers and students, there was a clear understanding of the whole system.

Methods Used for Data Collection

Having in mind the choices made about the epistemological position, there is a need to discuss various methods, which are relevant for data production, collection and analysis. These methods vary in terms of preparation, application, strengths and weaknesses.

Participant Observation

In this case the researcher generated data from the participation point of view. The significant advantage of this technique is its directness. You need not ask people for their views, feelings or attitudes. You watch what they do and listen what they say and gain access to their feelings and attitudes through interactions. It is one of the best methods to avoid bias and distortion. It is different from interviews and questionnaires.

'...Interviews and questionnaires, for instance, are notorious for discrepancies between what people say that they have done, or they will do, and they actually did or will do.'

(Oskamp, 1977)

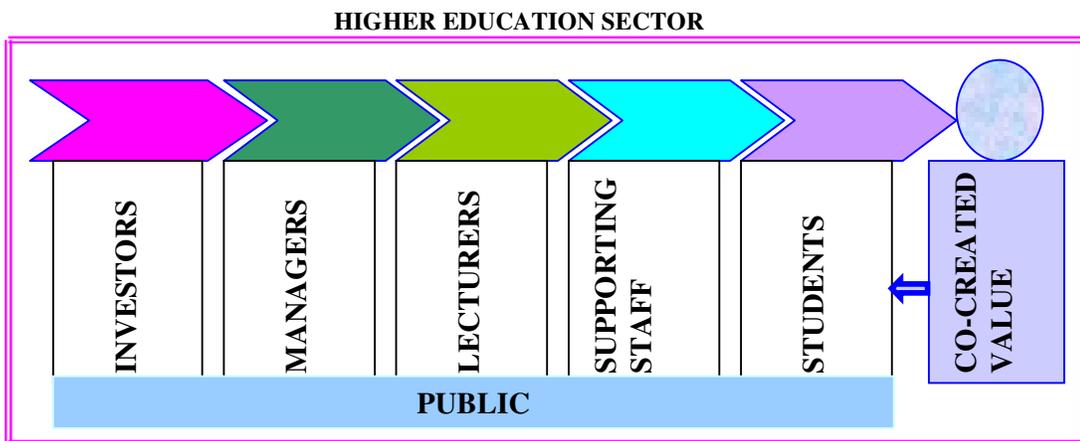
Other methods used included;

- Questionnaires
- Interviews
- Documentary sources.

Value Co-creation System (VCS)

This is a system whereby contributors co-produce the value according to the expectations of the customers. To make this a possibility, customers need to be involved in the co-creation of value. We can say ‘co-creation’ ought to be a joint job of every one involved in the system, hence stakeholders (see Figure 1.4a and 1.4b). Once the system is working properly the customer service becomes communicative on its sense of delivery (See Figure 1.5.3). This model together with the Value Chain model for HE sector, were proposed to Professor Philip Kotler for his comments. Professor Kotler in his reply, he appreciated the concept to be appropriate giving a suggestion to change the names of ‘technicians’ to lecturers and ‘seekers’ to students. It is also important to manage the VCS in such a way that there is a value chain intended for every contributor in order to have an effective value chain for the target customers. By having six contributors, you can have six different value chains depending on the target group. The backward arrow shows the co-created value directed to the intended contributing group, in this case students.

Figure 1.5.3 Value Co-creation System (VCS)



SOURCE: Gabriel, E. (2003b)

The stakeholders (contributors) have to link their efforts together aiming at a common objective, which ought to be maximization of satisfaction through co-created value delivery approach. Investors have to inject capital to make the infrastructures and other subsystems and supporting activities available. Managers play a significant role in recruiting lectures and supporting staff. Lecturers engage to the moment of truth in

the service delivery process. The supporting staff perform various activities to make sure that the system is operating. Students need to provide a good cooperation and also participate fully in the learning process. The public contains every one else but more importantly includes the employers who will take the graduates after completing the programmes. Interaction is needed between joints of the stakeholders (contributors). Interaction will act as a cushion between the joints.

Characteristics of a managed Value Co-creation System

- (i) Each contributor will be given equal value
- (ii) The nature of the service (product) will be understood and managed on holistic and not individualistic manner (synergy is given a chance).
- (iii) Communicational interactions will be operational and not informational interactions.
- (iv) It ought to be a value delivery network/system.
- (v) Continuous evaluation and improvement should be part of the culture of the contributors.
- (vi) Service managers should be responsible and accountable for miscommunication, if any.
- (vii) Satisfying users (customers) is of the top priority than financial profits.
- (viii) Contribution of the contributors matters more than their positions. This means, it does not matter what the position of the one who gives an idea but the value of the contribution is the thing, which matters (Appreciative System concept).
- (ix) Service quality gaps are to be eliminated rather than managed. They should not be given room to happen (dialogical service system)
- (x) The impact of Word of Mouth (WOM) is highly respected, hence to form part of the components to be managed in the value delivery system.

Service providers need to be sensitive to the VCS if they need to create and sustain their customers as well as a competitive advantage.

The Data Analysis and Presentation.

The data were collected using various methods as indicated in previous sections. In particular, a uniform questionnaire was administered in the three HLIs. A lot of

information is gathered by questionnaires, which have been distributed to the students. Anonymity was assured to the respondents before they completed the questionnaires. From the responses obtained from the questionnaires, five categories of the collections of the raw data have been derived. The derived categories include:

- (a) Core competence
- (b) Weaknesses
- (c) Managerial Performance
- (d) Suggestions from the users
- (e) Any unique impressive experience?

These categories resulted from the close – ended as well as open – ended questions.

After administering the questionnaire to the selected sample of 50, 40, 50 respondents from CBE, DSA/TIA and IFM respectively, the researcher is hereby presenting a combined Table of the derived categories.

Table 1.5.4 Derived Categories – Combined & Compared (CBE, DSA & IFM)

KEY: * = The occurrence among the three HLIs.

No. = Serial number of the collections for listing purpose

✓ (QNN): This indicates the existence of that aspect in a certain HLI, with a sample of the questionnaire, which could be referenced for originality. (For the sake of confidentiality and anonymity original samples will only be availed on request)

NOTE: The collections are re-defined without distorting the original meaning collected.

DERIVED CATEGORY		No.	COLLECTIONS	HLIs			
				CBE	DSA	IFM	
A	CORE			QNN	QNN	QNN	
		1	The only Institute	✓ 2	✓ 34	✓ 2	***
		2	Reputation	✓ 8	✓ 26	✓ 4	***

	COMPETENCIES	3	Quality of education offered	✓ 3	✓ 6	✓ 3	***
		4	Access to professional boards' examinations		✓ 14	✓ 26	**
		5	Relatively low fees	✓ 4	✓ 1		**
B	WEAKNESSES	1	Interactive communication	✓ 23	✓ 17	✓ 24	***
		2	Supporting facilities and activities	✓ 4	✓ 1	✓ 4	***
		3	Service managers responsiveness	✓ 3	✓ 20	✓ 5	***
		4	Lecturers responsiveness	✓ 4	✓ 21	✓ 5	***
		5	Cost Benefit Analysis	✓ 8		✓ 2	**
		6	No customer service unit	✓ 8		✓ 14	**
		7	No priority to customers' needs			✓ 10	*
		8	Leakage of examination			✓ 10	*
		9	No appraisal forms for lecturers			✓ 16	*
		10	Social gap: providers Vs users			✓ 10	*
		11	Discontinuation to finalists			✓ 50	*
C	MANAGERIAL PERFORMANCE	1	Just trying to perform	✓ 38	✓ 1	✓ 3	***
		2	Pleasant fees collection mechanism	✓ 23			*
		3	Nothing special so far	✓ 3	✓ 18	✓ 25	***
		4	Good feedback mechanism	✓ 15			*
D	SUGGESTIONS FROM THE USERS	1	Improve the social/interactive communication with users	✓ 3	✓ 17	✓ 14	***
		2	Improve the supporting facilities	✓ 3	✓ 14	✓ 6	***
		3	Establish a customer service unit	✓ 45	✓ 29	✓ 14	***

		4	All lecturers should always be qualified and supportive	✓ 36	✓ 21	✓ 3	***
		5	There should be aggressive promotional campaigns	✓ 6			*
		6	Involve users in decision making process	✓ 4		✓ 4	**
		7	PT lectures should not be interrupting the full time sessions			✓ 6	*
		8	Keep promises promptly	✓ 47	✓ 22	✓ 15	***
		9	Computerize service-information		✓ 26	✓ 6	**
		10	Hold the results instead of stopping candidate doing the examinations			✓ 41	*
		11	Results of one examination/test should be given before another	✓ 50		✓ 45	**
		12	There should be a proper time table for exams as well as results	✓ 46		✓ 15	**
		13	The environment should always be neat and tidy for hygiene reasons	✓ 6	✓ 34		**
		14	Introduce sufficient computer facilities & Internet	✓ 26	✓ 5		**
		15	Some tutors need to be smart in the way they dress		✓ 8		*
		16	Change the management system	✓ 48	✓ 30	✓ 13	***
E	ANY UNIQUE IMPRESSIVE EXPERIENCE	1	Nothing at all but regrets	✓ 48	✓ 2	✓ 21	***
		2	The functional part of the service 'HOW'	✓ 3	✓ 10	✓ 19	***

		3	The technical part of the service 'WHAT'	✓ 3	✓ 4	✓ 10	***
		4	The anticipated recognition	✓ 44	✓ 28	✓ 3	***
		5	The interrelationship amongst students		✓ 17	✓ 40	**
		6	The availability of hostel facility			✓ 30	*
		7	Computer and Internet facilities			✓ 29	*
		8	External collaborations with abroad Institutions			✓ 4	*
		9	Good control of examinations' timetable and leakage		✓ 21		*
		10	Fees collection process	✓ 4			*

Defining the Derived Categories

The categories have been used to group the collections, which appear to be focusing on the same dimension. They were not fabricated before the research work, but emanated from the collections. The researcher found it useful to categorise the collections in order to have more concise and justifiable reasoning. The collections made from 140 questionnaires have been grouped to five distinct categories. Since they are derived from the respondents' point of view, they might change depending on the nature of the respondents at each particular point of time. However, there is every good reason to take on board what is collected for the moment to have the real situation reflected by the respondents. The researcher also admits that, the questions were designed in a certain sequence to make a certain flow of getting the information from the respondent. There is no doubt that the nature of answers could be slightly different if the sequence of the questions is altered. The researcher took what is reflected to be one of the possible reflections with the given sequence of questions at the very time of collecting the data. The categories are linked in the sense that they are all from the higher education sector in Tanzania. They are distinct in a sense that each reflects a certain phenomenon in a particular Institute or Institutions. These

categories are redefined in such a way that, they catch the reflection of each open-ended question, which gave the respondents an opportunity to express their points of view unbiased. Anonymity and originality of the information has been observed very carefully and this gave respondents confidence in answering the questions.

Data Interpretation

The interpretation includes the collection by all media including the interactive observation of the researcher. A special emphasis will be given to the collection made by questionnaires responded by the students. It should be borne in mind that understanding the needs of the customers correctly and acting promptly is a very crucial facet.

There is a fallacy existing between many service providers (managers) in the HLIs. The managers, using most of their time in their offices with paper work, do take for granted that the service is offered in a way they think it ought to be offered. This is not always the case and in most cases this is a misleading ideology. The researcher found enormous differing appreciations between what the service managers are anticipating (not exactly sure about it) is taking place and the reality of the service quality as perceived by the students. It is beyond belief to notice that, some students are almost regretting their choice of a particular institution, whereas the managers of the service as well as the technical-service providers (lecturers) are considering the service to be offered competitively. By the lecturers, the reference is made to those who are engaged at '*the moment of truth*' in the service offering process. This discrepancy of the service providers' appreciation of the service and that of the service users (students) prompts a need for co-construction of what ought to be the acceptable service value.

Unfortunately, some of the service providers assumed that once promotion is done, and customers come for enrolment, then the value is communicated. One of the observations pointed out earlier by the researcher was that at some Institutions, students had this to say;

'...We regret we are in this Institution, we wish we could know in advance that this is the real situation. We could better go elsewhere! Unfortunately we are cheated, by false promises which are never kept to reality...'

There is always a difference of addressing the shortfalls pre Vs post complaints. When some of the students, in a certain HLI, were interviewed they said;

'... there are many problems in this Institute...but, the only good thing is that the principal always informs the community well in advance about the anticipated problem, or the existing, as well as measures which are taken to handle the problem. We are so pleased of the way the Principal is managing our issues...'

The above suggests clearly that, students can understand even the shortfalls of the service quality, provided that they are given prior information. This will enable them to build confidence upon the service providers, hence 'trust'.

Suggested Framework for the way Forward

HLIs of the HE sector need to adopt two fundamental strategies in order to compete competitively while satisfying their customers. The two interrelated strategies include:

- Integrating the roles of the contributors of the HE sector and adopt the Communicational Interaction Model (CIM) while avoiding informational interactions (Gabriel, 2003b).
- Developing a value chain and adopt it for every contributing group.

The role of Contributors and CIM.

CIM is a diamond shaped model. It is intended to be used as a tool of explaining and coordinating the contributors of the service delivery network in the HE sector in Tanzania. Synergism should be observed to create a common understanding through communicational interactions. This model is meant to operationalise the characteristics of the managed (not controlled) communicative customer service

system as discussed earlier in this text. The model consists of five forces emanating from the respective contributors in the service delivery network. The integrated communicational dialogue needs to be among the following contributors:

- (i) Students (service users)
- (ii) Service managers
- (iii) Lecturers (service technicians)
- (iv) Regulatory bodies
- (v) Competitors

Each of the above contributes significantly to the service delivery and value creation system. Table 1.6. 4 will show a summary of key contributions of each contributor.

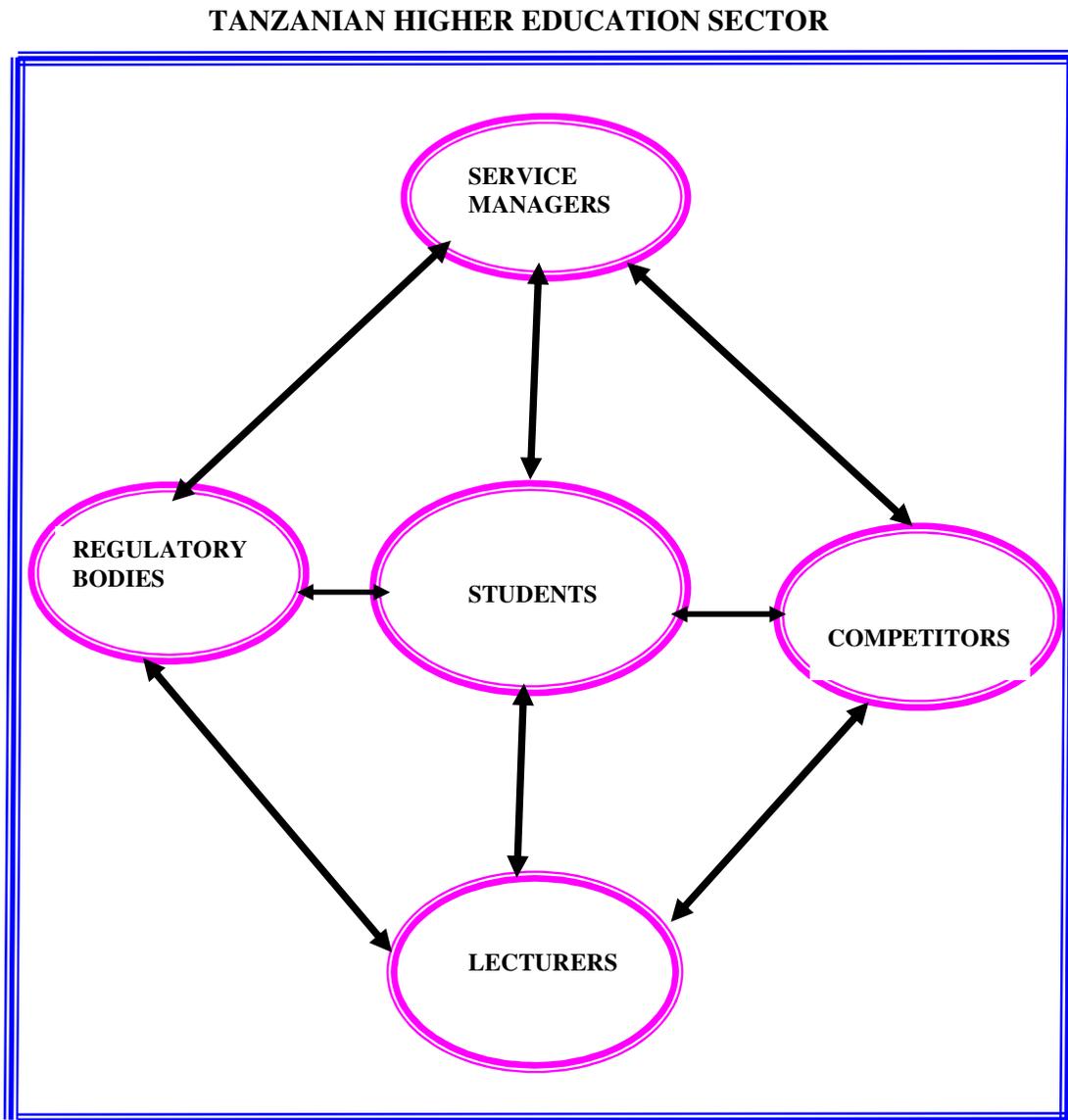
Table 1.6.4 The Roles of Contributors of the CIM

<i>COTRIBUTING GROUP</i>	<i>CONTRIBUTION</i>
STUDENTS	<ul style="list-style-type: none"> • Give the right direction for service design • Provide a quick feedback for improvement • Word of Mouth to the prospective (new) customers • Bring their experience about the world and share with others • Without their presence, there will be no sense of the business in HE sector.
SERVICE MANAGERS	<ul style="list-style-type: none"> • Study the demand of the customers (users) • Design the appropriate product and review it according to varying appreciation of the customers. • Engage other contributors to the value creation system. • Motivate lecturers to do their best.
LECTURERS	<ul style="list-style-type: none"> • Manages the moment of truth. • Quick feedback to the managers • Motivate the users to participate and enjoy the learning process

<p>REGULATORY BODIES</p>	<ul style="list-style-type: none"> • Manage standards of each HLI according to the requirements of the labour market • To review the performance of the HLIs in terms of syllabi • To offer a professional advise and examination regulations (for the professional bodies) • Act as an agent of the Government. Example Higher Education Accreditation Council (HEAC), Ministries, etc
<p>COMPETITORS</p>	<ul style="list-style-type: none"> • Create challenge to the institutes of similar or substitute products • To offer professional support, when needed. Example when IFM need professional lecturers of a certain subject from the DSA • Give the users a possibility of making choices unlike a monopolistic market structure. • Encourage innovation, since each HLI will be striving to be ahead of its competitors.

It is only when there is a communicational interaction/dialogue amongst these contributors, the social communication process will be a success. The pictorial presentation of the communicational interaction model is shown in Figure 1.6.4

**Figure 1.6.4 Communicational Interaction Model for the HE sector.
(Five Forces Framework)**



SOURCE: Gabriel, E (2003b) 'How can Communicative Customer Service Contribute to Service Competition in the HE Sector of Tanzania'?, *PhD Thesis Manuscript*, University of Salford, The UK.

The double arrows indicate the concept of 'interdependency' of the contributors. No one should claim to be more important than another. They need to operate as a system (synergy). The researcher suggests that, the five components be continuously interrelated to allow a common appreciation.

Developing a Value Chain for Contributors of the HE Sector

Porter (1985) proposed a value chain system in a competitive business environment. Porter's value chain consists of five primary activities and four supporting activities.

According to Porter, the Primary activities include:

- Inbound Logistics
- Operations
- Outbound Logistics
- Marketing
- Services

The supporting activities include:

- Firm's infrastructures
- Human resource Management
- Technology
- Procurement

The nine activities given by Professor Porter seem to be relevant to the manufacturing sector. For a service sector like HE, there is a need to modify the value chain to fit the need of the customers. A version of the value chain for the HE will address the primary activities as the fundamental responsibilities of the contributors given in the CIM (See Figure 1.6.4). Some of the supporting activities will be very similar as those given by Professor Michael Porter. We have discussed about the co-creation of value (See Figure 1.5.3). This has been from the stakeholders' perspective. There is, however, a difference between creating the value and delivering the value. The value chain shows the activities involved in extending the co-creation to co-delivery. The concept 'chain' emphasises the integration of activities hence synergy. The required synergy needs to be realised through *communicational interactions*. The researcher proposed the Model to Professor Michael Porter for his comments. In his reply, through his research associate (Andrew Funderburk, on 20th July 2003), Porter acknowledged that they do not have an extensive experience on the service sector (see email reply, Appendix 1.4b). This gives evidence that, Porter's value chain is more oriented to the manufacturing sector as suggested earlier by the author of this text. This prompts a need for a design for the value chain suitable for the service sector like HE.

The Primary services/attributes for the HE sector value chain should include the following:

- *Programmes' design*

Programmes should be designed in such a way that they meet the requirements of the market with the given standards. In most cases the service managers are the responsible group to deal with this task.

- *Regulatory Recognition*

In any case, the Institution with its programmes needs to be legally and professionally recognised. This has a serious impact on the brand equity of the programmes, and the HLI as an entity.

- *Moment of truth management*

The moment of truth needs very special attention. Lecturers, in particular, are in a position to make the business a success or failure just by the impact of the moment of truth. This is the moment, which students will remember for rest of their lives after graduating. This builds a memory of 'service experience.'

- *Learning spirit*

Learning is a commitment not just a mere process like transport hotel service etc. The mental participation is arguably important. Students should demonstrate the ability and willingness to learn. This will in turn motivate lecturers to make the moment of truth more effective. Lecturers might be responsible to build this spirit or activate it for students to participate mentally and physically in the learning process. If the students do not demonstrate a clear level of 'learning spirit' the learning process not be effective and sometimes impossible. It should be borne in mind that, the physical participation of the student in the learning process is not and will never be enough to make the learning process effective. Mental commitment is extremely important. Through communicational interaction lecturers can determine the effectiveness of the learning process. Similarly lecturers should also be learning new evolving concepts.

- *Service competition*

There should be competition in order to make all service providers alert of the fact that customers have available choices to them. This will stimulate service providers to

be innovative and never complacent. This will make service providers time-sensitive hence managing the service quality.

The supporting services/attributes to include:

- *Professional recruitment*

In any HLI, the quality of the students admitted to a programme is crucial. This contributes a lot in the quality of the anticipated graduate. There should be a rigor, fair and transparent recruitment process.

- *Modern tools and infrastructures*

The world is changing so fast in terms of technology and other infrastructures. The HLI needs good facilities, which will add a lot to what is discussed in Chapter Two as ‘physical evidence’ of the service. If a certain HLI is providing good Internet service to its students, Twenty Four hours access to the Library and Internet facilities, this makes a great difference to a HLI which is not providing the said services. We have seen in this research how IFM is enjoying the Internet service (for the moment) against its competitors. Modern classrooms, dormitories, toilets, etc., need to be of high quality and appreciated by the customers.

- *Library with relevant books*

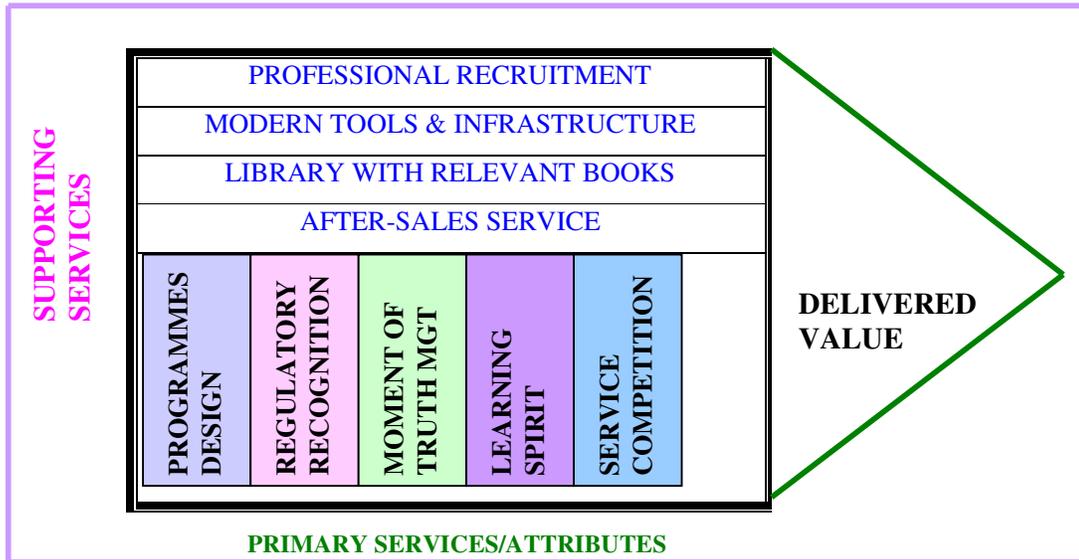
A well-equipped library is very important to the HLI service delivery system. It is not only the building called library, but also a well equipped library with relevant books. There will be no point of keeping many books for engineering programmes in a Library of a HLI, which is offering only business studies.

- *After sales service*

This is one of the supporting activities which most of the HLIs and other service organisations use to ignore. They consider it as wastage of resources. After sales service have a remarkable benefit in the long run. It keeps an organisation in a continuous relationship with its previous customers. Always, an after sales service strengthens the impact of word - of - mouth.

A broad scope of these activities is given on Table 1.6.4. Therefore a framework of a value chain for HE sector is developed as shown in Figure 1.6.5

Figure 1.6.5 The Value Chain (for HE sector)



SOURCE: Gabriel, E (2003b)

Customers normally incur some costs to acquire value. They get a certain value (customer value) after using money, efforts and time (customer cost). However, for a customer to think of the satisfaction, there should be a net effect of the costs he incurred from the value obtained hence 'customer's delivered value' (Kotler, 1994). In the HE sector, managers should make sure that there is a noticeable *net customer delivered value*. Communicational interactions will make customers aware of the costs they have incurred as well as the anticipated value. Customers will then feel part of the value chain. Their spirit of learning should be always motivated throughout the learning process especially by managing well the moment of truth. Their contribution to the value chain needs to be appreciated by other contributors.

Conclusion

The researcher noticed that the role of the students (core customers) in determining the value of the service to be delivered is crucial. Doing the service's design without involving the user is like preparing a prescription without any diagnostic dialogue with the patient. The brand equity contributes a lot in attracting customers to make up their mind to choose a particular brand. Similarly, the reputable brand is the one, which can communicate effectively and efficiently to the prospective customers. Word of mouth (WOM) is so powerful in making the brand name strong or weak from the students' point of view. The HLIs in Tanzania has to review the way they offer their services, otherwise the competitive forces will overtake them.

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