

# MANAGING CUSTOMER PARTICIPATION IN HIGHER EDUCATIONAL SERVICES – A ROAD TO THE VALUE CREATION

## Abstract

**Objective:** The present paper attempts to examine the impact of organisational citizenship behaviour on customer participation and the impact of customer participation on value creation.

**Design/Methodology/Approach:** 498 research scholars were contacted from two higher educational Universities operating in Northern India. The study uses EFA, reliability analysis, CFA and SEM for modeling and analysing the proposed model.

**Findings:** The study reveals that OCB has a positive impact on customer participation and customer participation further produces positive effects on value creation.

**Practical Implications:** OCB and customer participation together can be a great strategy to create value for the service organizations. Organisations which create value collaboratively with their customers effectively build and maintain long-term relationships.

**Originality/value:** The study findings highlighted the role of the customer and indicated that value creation is a consequence of OCB and customer participation. This indicates that customers participation should be encouraged in an OCB based organisation to enhance the value creation.

**Keywords:** Organisational Citizenship Behaviour, Customer Participation, Value creation, Higher Education.

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## I. THEORETICAL BACKGROUND AND HYPOTHESES FORMULATION

**1. Organisational citizenship behaviour:** Organizational Citizenship Behaviour (OCB) has undergone many definitional revisions since the term was coined in the late 1980s, but the construct remains the same at its core (Mahajan (2017); Ingrams (2020) and Dierdorff et al; (2021). The term Organizational Citizenship Behaviour (OCB), initially coined by Bateman and Organ (1983), gained enormous importance in recent times across globe in various fields and sectors, such as health, education, banking, tourism, marketing, industrial and labour law, human resource management, etc. (Liu et al. 2008 and Wang et al; (2021). It is referred to as discretionary workplace behaviours that exceed one's basic formal job requirements (Chuin & Ramayah, 2009; Nga et al., 2010; Acaraya & Akturan, 2015). However now it is well established in the literature that survival of any organisation is not possible unless its members engage in activities that are purely informal and are relevant to the organisation behaviours (Hustedh 2001). In the similar context, Jahangir et al. (2004) and Jung and Hong (2008) remarked that only those organisations can be successful whose employees go beyond their formal task responsibilities and provide support in terms of their time and energy to help other organisational members to accomplish their organisational objectives. Further Organ (1983), the major contributor of OCB, stated that OCB enhances both the efficiency and productivity of the employees and ultimately leads to the creation of value for the organisation. In more precise terms, organisational members attain advantage from exhibiting OCB as it do not relate to formal role obligations and are purely based on informal behaviours of the members (Podsakoff and Mackenzie 1997). Researchers such as Bommer, Miles and Grover (2003), Chuin and Ramayah (2009) and Nga et al., (2010) also state the same.

In a similar way Ellinger et al., (2013) Nurrohmat; (2021) remark that OCB is the key factor for achieving organisational effectiveness. As such these behaviours are made beyond the requirements specified in the job description, so their reflection and exhibition cannot be enforced and their non compliance cannot be penalised (Buentello et al., 2008). Further Groth (2005), Chan, et al; (2022) and Peng, Jacobs, and Cambre (2022) identifies that customer participation can be influenced and encouraged by the OCB. They recommend the need for organisations to adopt strategies such as good communication between service providers and customers, customer empowerment, customer satisfaction etc. to improve customer participation. Dong, Evans and Zou (2008) and Hsieh (2011) also support the same in other sectors.

**2. Customer participation:** Customer participation refers to the customer behaviour wherein customers participate within an organisation defined parameters (Dong, Evans & Zou, 2008; Saxena, 2010; Hsieh, 2011). It reflects the mental and physical dimensions of behaviour in the delivery process of services in an organisations (Dong, Evans & Zou, 2008). These behaviour refers to the actions and resources reflected by customers for service production and delivery. On the contrary, if customers do not participate in the requisite manner and predefined parameters, then the organisations find it difficult to succeed (Chan, Yim & Lam, 2010) and Chan, et al; (2022). Customer participation thus enhances the relationship of customers with the organisation and subsequently improves the quality of the product or service by involving in more interactions with the service provider (Flint, Blocker & Boutin, 2008; Hoyer et al., 2010; Hsieh, 2011; Anker et al., 2015).

Scholars like Dong, Evans and Zou (2006), Payne, Storbacks and Frow (2008), Hoyer et al (2010) and Hsieh (2011) also remarked that the more role clarity to customers, the more satisfied will be the service recovery and it would ultimately lead to value creation in the future. As such, customers play a key role in co-creating value during their interaction and participation. Groth (2005) in the study on customer participation, in the domain of OCB, remarked that customer participation is significantly related to OCB as it enables the customers to provide mental and physical satisfaction. Further engaged customers can lead to increased organisational performance to increase organisational productivity on a whole (Ofir, Simonson & Youn, 2009; Saxena, 2010; Yi, Natarajan & Gong, 2011). Mahajan, (2017) expressed that customer participation has become the major frontier for competitive advantage because the firms / organisations that develop and deploy it produce better customers than those with no such capabilities.

**3. Value creation:** Value is determined and created by the customers and not accumulated and stored by refining raw material into a finished product in the production process. Normann and Ramirez (1993) stated that the value arises from a value chain. Value chain here means organisation as a network of individuals that influences organisational goals and outcomes, both formally and informally (Podsakoff et al., 2000; Bowler, 2006; Cabiddu, Lui & Piccoli, 2013).

OCB that is, the informal and voluntary behaviour influences organisational performance to a great extent (Bowler, 2006; Joensson, 2008; Chou, Lin & Huang, 2016). It provides benefits not only to individual for their growth but also inculcate team spirit among them (Walz & Neihoff, 2000; Buentello et al., 2008). Consequently it helps in the overall organisational growth (Podsakoff et al., 2000) and ultimately leads to value creation for the organisation (Buentello et al., 2008). Therefore combined student collaborative attitude (customer participation) and OCB are the key factors for successful value creation and subsequently leads to long-term organisation success.

Based on the review of literature, the purpose of this paper is to develop a sound measure of OCB and study its impact on customer participation to enhance value creation. Per se, we frame the following hypotheses,

H1 OCB is a significant predictor of customer participation

H2 Customer participation positively contributes to value creation

## II. RESEARCH METHODOLOGY

**1. Sample:** Research scholars of two higher educational state level institutions namely, University of Jammu and Guru Nanak Dev University were contacted for data collection. A total of 498 sample consisted of 119 male (UOJ=66, GNDU=53) and 379 female (UOJ=202, GNDU=177). Majority of the scholars are in the age group of 28-37 years that is, 479 (96.58), followed by the age group 38-47 years with 18 scholars (3.61%) and in the age group 48 years and above only one scholar 1 (0.2%). Further, the researchers are also classified on the basis of qualification, of which 33.13% are Mphil (165) and 50% Phd (249) and 16.86% NET (84).

Publications, paper presentations, participation in seminars, workshops, etc. were used as parameters to study the academic contribution of researchers. The results revealed that majority of the scholars of both the universities are enthusiastically involved in research activities through active participation and paper presentation in seminars, workshops and conferences. Specifically, maximum participation was made in regional seminars (51.80%) while maximum workshops were attended at national level 222 (44.57%). Results revealed an active paper presentation of research scholars in seminars (48.39%) and conferences (56.62%).

**2. Methodology:** After reversing response scores of negative items, outliers from various constructs are identified and subsequently removed from the datasets. The final combined (498) sample comprised of 268 (UOJ) and 230 (GN DU) research scholars from the two universities. Further, skewness and kurtosis tests along with normal probability plots are also examined that confirmed that data is normally distributed. EFA, item analysis, and CFA of OCB, customer participation and value creation is done for data purification and finalisation.

**3. Results and findings:** The scale development procedure establishes OCB as a four factor solution, namely; altruism, sportsmanship, conscientiousness and civic virtue which reflect significant SRW values ranging between .545 and .881. Further, both the dimensions of customer participation, namely; individual participation (SRW= .870) and organisational participation (SRW= .750) are robustly contributing towards it. The results of CFA on the value creation resulted in retaining all the four dimensions of value creation that recorded significant SRW values .856 (teaching), .871 (research), .818 (coordinated services) and .849 (administrative services).

### III. HYPOTHETICAL RELATIONSHIP OF OCB WITH CUSTOMER PARTICIPATION AND VALUE CREATION

The summated mean of various constructs are used to examine the overall SEM relationship. The overall result reveals significant relationships of OCB with customer participation. Further customer participation is also predicting value creation significantly. The results indicate that all the relationships are significantly contributing as their p- values ( $p < .05$ ) are as per the set criteria. The model fitness is also satisfactorily attained ( $\chi^2/df=2.767$ , RMSEA= .059). Thus OCB is found to be significantly contributing towards customer participation in the higher education sector, leading to value creation. As such hypotheses H1 and H2 stands accepted.

**1. Implications:** Customer participation through its two dimensions that are, organisation participation and individual participation reflect that scholars are performing all tasks and responsibilities effectively. Research work competencies, friendly attitude towards scholars and providing suggestions towards others reflect the supportive nature of the scholars in general.

Research scholars of both the universities add value to their respective universities in teaching through attending inter and intra university programmes, adequate academic environment and considering faculty as an asset towards organisation and in research through getting their research work published in reputed journals, collecting and disseminating right

information, using updated tools and techniques, etc. It will ultimately provide satisfaction to researchers regarding performance of the universities and hence lead to value creation.

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