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## CUSTOMER-ORIENTED APPROACH AS MANAGEMENT TECHNOLOGY OF HIGH SCHOOL DEVELOPMENT

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### Abstract

The paper is devoted to the study of directions of improving competitiveness of a higher educational institution. The authors emphasise the role of business-communities in formation of a new model of higher education on the basis of partnership of higher schools and business communities. A customer-orientation paradigm of the higher school, aimed, first of all, at development of partnership relations between the higher school and the business-community, possibilities of higher school entrance to an international arena of the educational market, and as a consequence, reorientation of the higher educational institution to the demand of the main consumers of higher school services, was considered by the authors as a reference point. The specificity of the customer-oriented approach in the context of the study consists in consideration of the student's role as a main link of an educational process, one's professional, organisational and social socialization in the process of study at the higher educational institution. The customer-oriented approach as a management technology of development of the higher school is built on the principles of identification of customers, provision of customers' adherence to the organisation by means of formation of corresponding models of teaching organisational culture, differentiation of customers and personalization. Development of a joint strategy of higher schools and the business-community, aimed at clear description of priority directions and final results of joint activity taking into account specific peculiarities of performance of higher schools and the business community.

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## 1. Introduction

The processes of Russian society transformation, taking place at the modern stage of development, in many ways depend on the scales and specifity of reforming the education system. One should take into account the fact that one of the peculiarities of the economy of new type (knowledge economy) is high demands for human capital, representing a particular value for modern organisations. Increased responsibility for training highly qualified personnel, satisfying the needs of market economy and capable of innovations, is imposed on the education system.

Modern higher schools cannot exist in isolation; they are included in the global processes occurring in the world. Nowadays, in Russia, the integration of the national higher school into the world higher-school system and academic community takes place; effective intellectual communications unfold; the competence approach is realised. Realisation of the new model of education requires application of the complex approach to the organisation of educational and educative processes in higher schools. The following approaches used in the development of the education system are considered as the most demanded and positively approved: axiological; informational; problem-oriented; practical-oriented; project; technological and a number of others. In modern conditions of information society development, the integrated approach, known as a competent one, is of great interest.

Reformation of the education system as one of the most important institutes of modern society not only influences directly the further prospects of social sphere development on the whole, but also determines the directions of applying new strategies in the field of rendering educational services and higher school positioning by higher schools.

In the opinion of modern researchers, the main task that educational institutions face today is the problem of adapting the activity to the market and business needs, to making the "product" of higher quality (Danakin, Shutenko, Ospishev, 2014). At that, the results of higher school activity are demanded in two markets - labour market (in the form of graduates, the "consumers" of whom are enterprises and organisations), and in the market of educational services (in the form realisation of the basic educational programmes, conducting fundamental and applied studies, development of additional kinds of professional activity, etc.).

Realising the fact that enhancing the quality of educational institution activity is possible only in the presence of robust competition; a lot of higher schools began active development of marketing concepts to recover their competitiveness in the market of educational services (Rudychev, Romanovich, Romanovich, 2013). The result of this activity is improvement of indicators of quality of the released "production", built in in the system of "quality management", created by innovative higher schools (Kalugin, Pogarskaya, Malikhina, 2013).

#### 2. Problem Statement

The main problem in the framework of the research is substantiation of the customer-oriented approach as a management technology of higher school development. This direction actualizes constructive interaction of the business-community and the higher education system based on partnership of higher schools and the business-community. Solution of the problem of improving competitiveness

when training specialists by higher professional education institutions is impossible without strategic partnership of higher schools with external customers. Nevertheless, nowadays there is no effective mechanism of collaboration of the higher education institutions with business structures, in which priority directions and final results of joint activity will be clearly laid out.

## 3. Research Questions

The following questions are considered in the paper:

- consideration of interaction between higher education institutions and external customers in the framework of three-level organisation of the educational process;

- determination of the specifics of customer-oriented approach to the context of studying the higher school activity;

- substantiation of orientation to customers as an integrate element of marketing of partnership relations during interaction between higher education institutions and business structures.

### 4. Purpose of the Study

The purpose of the study is considering customer orientation as a management technology of higher schools development, which is underlain by the development of a joint strategy of higher schools and the business-community, aimed at clear description of priority directions and final results of joint activity taking into account specific peculiarities of performance of the higher school and the business community.

#### 5. Research Methods

As main approaches, the authors used rational and pragmatic, axiological and socio-cultural approaches, providing comprehensiveness of research and substantiation of the main results.

The most outstanding representative of the rational and pragmatic approach, used when writing the paper, are Schein (1985), who considered the culture of an organisation as a pattern of collective base ideas, acquired by the team when resolving the problem of adaptation to changes of environment and internal integration.

Along with it, as base approaches, the authors used the axiological approach to the understanding of culture, laid out in the works of Gurevich (2000), Frans (France, 2006), the theory of communicative action by Habermas (1984), as well as the concept of assessment of competitive values by Cameron and Quinn (1999).

Consideration of common specific peculiarities of the socio-cultural constituent of the higher professional education institution took place based on the ideas of Peppers, Rogers (2011), Chubatyuk (2011), allowed revealing the problems of interrelations of modern higher schools with internal and external customers and developing an organisational and technological mechanism of enhancing customer-orientation of the organisational culture of higher schools.

## 6. Findings

Emergence and development of the market of educational resources, formation of the effective education system have set a number of strategic tasks before the educational structures of Russia and, in particular, before higher educational institutions. This set of tasks is conditioned by the necessity of adapting higher schools to specific market conditions. Thus, modern researchers single out a number of specific peculiarities influencing the functioning of the education system as a whole, and higher education in particular. They include:

• A significant increase of uncertainty of social and economic processes conditioned by the sharp rise of dynamism of technologies and needs.

• Reduction of the terms and rates of adaptation of people and social institutes to rapidly changing realities of modern society.

• Individualization of production, its orientation to the demands of the specific consumer.

• Shifting the accents of the investment policy of government towards investments in the human capital (and, first of all, in education and health protection).

• Aggravation of competition leading to establishment of the unified world market space with a great number of players.

• Institutionalized crisis of branches, connected to human capital, and first of all, of education, health, the pension system, which is conditioned by the influence of changes, occurring in society, on the indicated spheres (Grinkrug, Vasilenko, 2011).

In the studies of modern scientists studying the problems of reforming the education system, there are a great number of recommendations on organisation of the competitive developing educational process, which includes:

1) psychological and pedagogical impact on the students for the purpose of developing acmeological orientation of the personality and individual qualities determined by competitiveness;

2) projecting educational activity of the higher school on the main and additional speciality of students;

3) supporting students in their desire to combine study at the higher school with the work by speciality, assisting students in employment if possible;

4) assisting students in accumulation of necessary professional experience in the process of conducting production and other kinds of practices, assistance in performing tasks of scientific and managerial content;

5) organisation of extra-curriculum activity of students to develop a number of social roles in multicultural interaction, information exchange, civil activity and mastery by the students;

6) interdisciplinary integration of information, practical orientation and contextuality of education (reference points to subject content of activity, corresponding to the role and the function, business and role plays, situational and problem tasks) as a main condition of enhancing educational motivation of students.

Thus, the problem of competitiveness recovery when training specialists in the institutions of higher professional education is impossible to solve without strategic partnership with external customers.

The modern stage of Russian economy development requires preparation of the specialists of the other level, which exceeds significantly the current indicators of the education level of the most number of higher school graduates. The main question is that a new level of preparation of highly qualified specialists must correspond to the requirements of innovation economy, in which knowledge plays a significant role. Therefore, the higher school graduate must not only possess the sum of knowledge, but also be able to apply them in practice, in production, facilitate the development of modern economy, based on knowledge.

The society needs not just a person of encyclopedic learning, but a specialist of a new type, endowed with certain "know-how", that is, knowing how to solve the urgent tasks that the production faces, as well as problems formulated by business partners of higher schools. Universities are organisations of sufficiently closed nature and having a complex internal structure; therefore, their business partners frequently "do not have an idea how a certain subdivision of the higher school functions, where the required "centre of expertise" is located, who is accountable for realisation of specific projects. Besides, similar "scattered nature" leads to the necessity of long-term labour-intensive coordination before starting the mutual work. Only overcoming the excessive bureaucracy and the reduction of intermediate procedures are able to create an effective mechanism of cooperation of higher education institutions with business structures.

One of the variants of solving this problem can become the development of a mutual strategy of higher schools and business communities, in which the priority directions and final results of mutual activity will be described clearly. At that, it is very important to approach to the development of similar mechanisms with a maximal caution, taking into account all possible negative consequences. And in this case, one cannot but agree with the opinion of I.G. Kuftyrev and M.I. Rykhtik, stating that "the main principle of partnership must be "development when preserving": aspiration for adoption of the most advantageous features from each of the parties, having preserved simultaneously fundamental bases of one's own activity". Otherwise, there is a real danger that universities inspired by prospects of partnership with business will evolve towards commercialisation when education will be replaced by "educational services" (Kuftyrev, Rykhtik, 2010).

In the authors' viewpoint, interaction of higher education institutions with external customers must be realised at three levels of organisation of the educational process.

The first level of interaction of the educational institution with external customers is necessary during the strategic planning of goals and results of training the competent specialists and includes:

 revealing the relevant list of mutual cultural competencies of the higher school graduate, which must be formed within the certain educational programme based on professional branch standards and the concept of the advanced education;

 projecting the main educational programmes (MEP) based on setting goals in the form of claimed mutual cultural competencies of higher school graduates, reflecting the main requirements of business communities for the social and cultural constituent of training specialists;

The second level of interaction implies:

 creation of innovation, social and cultural environment of higher schools taking into account needs and interests of education, science and business;

• development and introduction of effective methods and technologies of achieving desired results of formation of customer-oriented organisational culture into the educational process, including obligatory participation in realisation of this process of leading specialists working in the field of science and production.

At the third level of partnership of higher schools with external customers for the purpose of preparation of competitive personnel, it is necessary that:

• external customers (first of all, business representatives) should participate actively in the system of control over the level of formation of claimed common culture competencies of higher school graduates;

• new assessment procedure of future specialists' training quality should develop within the competence approach including development and introduction of innovation systems of control over the level of formation of common culture competencies of specialists by checking their ability to find solution of complex problems, connected with values, behaviour norms in specific situations;

• effective methods of quality control of the educational and educative process should be created taking into account employers' needs.

In the marketing of partnership relations, a close contact with consumers, recognition of their role of not only as consumers, but also as assistants in creation of new value are implied. Consumers allow gaining profit, connected with creation of consumer values, demanded in the market. The integral element of partnership relations marketing is a consumer-oriented approach.

The consumer-oriented approach is a system consisting of several most important elements: consumer-oriented philosophy of the organisation; a product meeting the expectations of consumers; internal organisational processes; employees being the bearers of competencies; customer service.

In the management science, the term "customer-orientation" appeared, was formulated and realised in the business sphere, where it implied a strategic approach to development of the organisation, providing its competitive recovery and growth of profitability, implying mobilization of all its resources aimed at revealing, involving, attracting the customers and preserving the most profitable ones, owing to enhancing the quality of servicing the customers and meeting their needs.

In the scientific literature, it is possible to meet other terms as well, determining the essence of the concept of managing relations with customers, namely:

- integrated marketing communications (D. Shultz);
- managing relations "face to face" (D. Peppers and M. Rogers);
- marketing in real time (R. MacKenna);
- closeness to consumers (M. Treacy and F. Wirsema), etc.

In the opinion of B.B. Agranovich and A.P. Moiseeva, the essence of the customer-oriented approach can be reduced to three basic characteristics:

• Orientation to customer retention. Since the increase of the market share and attraction of new customers began to cost increasingly expensive, it turned out to be more advantageous for companies to use the potential of already existing customer base and to provide the growth of sales at the expense of increasing the intensity of consumption of one's production by already existing customers.

• Individual communication with customers. To take into account the personal needs of each consumer and to offer one of the greatest value, there was a necessity of providing the personal interactive interaction between them and the company. With the development of information technologies, the solution of this task became possible.

 Collaboration based on relationships, and not on the product since goods and services became increasingly uniform; the base for preservation and development of collaboration between the company and its customers turned out to be relationships (Agranovich, Moiseeva, 2008).

In the authors' opinion, the essence of the customer-oriented approach was most successfully expressed by American specialists in the management field, Hammer and Ciampi (1997), who visually identified it in the form of an interrelated chain: customer – competition – cardinal changes.

For a more complete understanding of the essence of the customer-oriented approach, it is expedient to give results of the comparative analysis of the traditional attitude to organisation and the customer-oriented approach in the system of the organisational culture presented in the studies of B.V. Agranovich and A.P. Moiseeva.

In the authors' opinion, with the traditional approach, the main thing was meeting the needs of the leadership and control over executors. There was meeting the needs of the customer, but it was not a decisive factor. The prosperity of the organisation depended directly on the degree of the discipline of subordinates, and the quality in many respects was a result of the individual efforts of collaborators.

On the contrary, the main goal of the customer-oriented approach, in the opinion of B.V. Agranovich and A.P. Moiseeva, is meeting the needs of customers and improving the system, processes and methods, by means of which goods and services are created and offered. With such approach, the leadership is not reduced to the control over executors, but it organises and manages the work of the organisation on the whole. The quality is a result of interaction of all systems and separate steps within the organisation, and improvement of the final result is impossible without optimizing the system of the work with the customer (Agranovich, Moiseeva, 2008).

Proceeding from that, the difference of the organisation oriented towards traditional forms of competitiveness from the competition, oriented to the customer, consists in that, in the first case, the success criterion becomes an acquisition as many customers (purchasers, consumers of services, etc.) as possible, and in the second case – long-term retention of customers based on constant consideration and meeting their interests, needs and demands.

The specific of the customer-oriented approach in the context of studying the higher school activity, in the authors' opinion, consist in consideration of the role of the student as a main link of the educational process. At the very beginning of the social contact with the higher school, the student directly (as an entrant) or indirectly (with the aid of parents and other subjects of social relations) is an external customer, assessing the competitiveness of the higher education institution in the market of educational services. Subsequently, the higher school student becomes a participant of realisation of a higher school policy, including the process of the organisational culture formation, participating and proving oneself in different activities of the university (students' scientific research, public work, student council, cultural work among the masses, the educational process). But, at the same time, the student is a consumer of the university services (Gulei, Smolenskaya, Shavyrina, Shapovalova, 2015).

Within the realisation of the strategy of customer orientation of higher educational institutions, the consideration of the demands of all consumers (customers) of the educational services is necessary. Thus, internal consumers of the education are:

• University students, studying at different departments, courses and educational programmes of the university and representing the main body of internal consumers of university services. They are related to the category of "direct customers", using directly the results of the university activity in all directions.

• University teachers – this group of customers includes teaching staff working at the university according to staff list based on a labour contract and (or) agreement.

• University administration – represents people who exercise the management of the university. This group of customers – consumers of the results of university activity – include the university rector, the pro-rector, heads and superintendents of the administration of the higher educational institution, as well as deans and directors of the institutes, scientific and educational centres, laboratories, design departments and other subdivisions of higher schools.

 University staff/employees represent a group of consumers, consisting of scientific collaborators, employees of the enumerated above departments and administrations, as well as subsidiary and service personnel of all subdivisions of the higher school.

• Participants of refresher courses, of distant forms of study and other forms – university customers using its services voluntarily or by the assignment issued by the workplace, on commercial basis or according to the target federal, regional and municipal programmes, receiving in the end the diploma or a certificate of state or standard pattern.

The external customers of higher professional education institutions are:

• University entrants are the part of the population having a real or potential possibility to use the services of the university with regard to receiving higher education. This group can be divided into real entrants (entrants having applied for entrance), potential entrants – part of the population (predominantly youth of the region) who have an opportunity to become university students.

• Parents are a group of persons responsible for choice of the higher school by students and entrants interested in their collaboration with the university and being, on the one hand, indirect users of the results of the university activity, and on the other hand, most often directly, customers paying for the rendered service, controlling and observing the result quality.

• Employers are a group of persons using the results of university activity in the form of educated specialists according to the majors of university training. This group can be divided into two subgroups: real employers – heads of organisations, who have university graduates in their personnel; potential employers – heads of organisations, where the university students do practical work, and heads of organisations, where the labour of university graduates can be used potentially (according to taught specialities).

In the authors' opinion, the important condition of forming the customer orientation, as a method of effective development of the higher school, is observing the following principles:

1. Identification of customers – the system of knowledge about customers and awareness of their value. The more information the organisation has about its customers, the better. For the organisation to

assess its customers (including their potential contribution in its development) with a significant proportion of probability, it is necessary for it to form an idea about them, basing on the data of the marketing channels, events and the history of relationships. This is achieved with the use of databases and introduction of simple observation on the part of teachers and heads. At this stage, the most important criterion is a planned technology of collection and storage of information.

2. Provision of adherence of customers of this organisation by means of formation of corresponding samples of organisational culture. The main goal of customer orientation is creation of groups of loyal consumers (followers), preservation of loyalty of necessary for the higher school consumers. The follower of the organisation is a consumer who in the situation of choice prefers its brand consciously and is ready to pay price premium for it. These consumers are insensitive to such actions of competitors as the change of training cost, variety of learning programmes, social welfare, etc.

Thus, this is the most predictable group of customers, which can bring and is bringing the maximum profit to the educational institution. The adherence of customers can be traced by the objective indicators (progress, interests and results of research activity, creative activity). At the first stage, it is expedient to use qualitative methods of information collection – focus groups.

3. Customers' differentiation – attribution of customers to groups according to the criteria chosen by the university administration. Development and proposition of different programmes for each group of customers (participation in students' scientific research, sport and public work, etc.) corresponding to the conditions of competition and the strategy of the university development. The best students should gain different bonuses (scholarships, commendations, grants, probations, etc.); in its turn, customers who do not increase efficacy must be excluded from the system. Therefore, the balance between customers' needs and organisation's (higher school) interests is preserved. This work requires systemacy, purposeful and organised activity of the accountable persons.

4. Personalisation – the more the proposition of the organisation (higher school) to the customer is personalized, the higher its (one's) competitiveness in the market is. At that, personification should not be understood literally. Each higher school acts in this aspect in accordance with its possibilities (the greater the extent of detailing the customer base belonging to the higher school, the closer it is to the individual demand of the customer). This is achieved by the introduction of databases, which are already being introduced in higher schools (Avilova, Gulei, Shavyrina, 2015).

In the authors' opinion, the work with customers must be realised not only in the period of their training in higher schools, but also at the stage of selection of the educational institution of the entrant and employment in the labour market. The effectiveness of the work with entrants, potential consumers of educational services, students, and graduates depends also on how actively and systematically all higher school resources, structural subdivisions are engaged.

At each stage of relations with customers, the range of the rendered services extends, interrelations with them are strengthened and developed, the significance of the customer for organisations and quality of the educational programmes, offered to one, increases.

Thus, it is necessary to introduce the directions of enhancing customer orientation of the higher school, progressive cooperation of both structural subdivisions of the educational institution and higher school integration with the enterprises - business partners.

To achieve such goals, it is necessary to realise the following directions of higher school activity:

• To develop organisation and technological mechanisms of the systematic introduction of philosophy of customer orientation in all structures of the higher school.

• To form the system of motivation of teaching staff and students of the higher school, which provide their interests in the realisation of the customer-oriented approach.

• To develop single standards and rules of conducting the educational process, taking into account the interests of internal and external customers – consumers of the results of the educational institution activity.

Based on the requirements, imposed on the graduates by the enterprises of the local labour market, it is possible to make the list of common cultural competencies, formed by the higher educational institution on demand of employers.

#### 7. Conclusion

Thus, customer orientation as a management technology of development of higher education becomes an effective factor of existence and development of higher schools, providing potential stability and prosperity of the scientific community as a whole. In this case, the main condition is introduction of customer-oriented philosophy in all structures of the higher school. This circumstance is conditioned by systematic and planned work of all structural subdivisions of higher school (rector's office, dean's offices, sub-faculties, personnel department, economic department, etc.).

Consideration of customer orientation as a management technology of development of higher education implies the use of the strategic approach to the higher school development, providing its competitiveness recovery and profitability growth, implying mobilization of all its resources for revealing, involving, attracting customers and retaining the most profitable of them, owing to the quality enhancement of rendering services to customers and meeting the needs of internal and external customers in the activity of the educational institution.

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