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# School reputation and its relation to parents' satisfaction and loyalty

School reputation  
and parents'  
satisfaction

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671

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## Abstract

**Purpose** – This study aims to investigate the direction and strength of the relationships between school reputation, parent satisfaction and parent loyalty.

**Design/methodology/approach** – The paper reports the findings of a survey of 325 parents from three primary schools across Norway. Building on previous work examining corporate reputations, a new measure of school reputation, as viewed by parents, was developed. Structural equation models were used to validate the new reputation measure and to test the proposed relationships. Relationships linking school reputation to parent satisfaction and loyalty were tested.

**Findings** – Support for a four-dimensional scale for assessment of parent-based school reputation was found, using the following dimensions: parent orientation, learning quality, safe environment and good teachers. Parents' satisfaction significantly affected all reputation dimensions. Views of schools as having a parent orientation and good teachers affected parents' loyalty.

**Research limitations/implications** – The study is limited to parents from three primary schools in a country-specific context and should therefore be validated with other schools and in other contexts.

**Practical implications** – Parent-based school reputation can be easily assessed through a frugal measurement instrument. School managers can address parent satisfaction in order to achieve a good school reputation. A carefully crafted and implemented program for increased parent satisfaction and school reputation would be an important tool for attracting future pupils.

**Originality/value** – Although reputation is at the core of modern school management, relatively little research has been conducted that addresses the appropriate conceptualisation and measurement of school reputation. Additionally, there has been little work on potential relationships to antecedent and consequent factors. This study contributes to filling this gap in the research.

**Keywords** Parent-based school reputation, Satisfaction, Loyalty, Scale development, Norway, Customer satisfaction, Schools, Educational administration

**Paper type** Research paper

## Introduction

There is a growing recognition among both academics and educational practitioners that a school's reputation is becoming increasingly important (Bond and King, 2003; Friedman *et al.*, 2006; Friedman *et al.*, 2007; Hausman and Goldring, 2000; Li and Hung, 2009). Schools are identified, in part, by their reputation, which requires managerial consideration. School reputation, as understood by a range of stakeholders, is critical because it positively influences stakeholders' attitudes towards the school. However, previous research on the reputations of educational institutions has largely focused on



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higher educational institutions, and has done so primarily as viewed from a student or third-party perspective (Brewer and Zhao, 2010; Helgesen and Nasset, 2007; Safón, 2009; Standifird, 2005; Vidaver-Cohen, 2007). At the primary school level, there are very few published empirical studies regarding schools' reputations. Additionally, very few studies address the views of specific groups of stakeholders, such as parents (for an exception, see Li and Hung, 2009), despite the fact that they will have a critical influence on schools' future supplies of pupils.

Research within the fields of marketing, management, and corporate strategy clearly indicates that a corporation's reputation is an important factor influencing its success (Barney, 2002; Chun, 2005; Kay, 1993; Selnes, 1993). In particular, it has been found that the possession of a good reputation provides organisations with a competitive advantage, making them likely to attract more customers (Gardberg and Fombrun, 2002; Groenland, 2002). The concept of corporate reputation has been adapted to the field of educational management in the anticipation that if a school has a good reputation, it would have similar positive effects (Safón, 2009; Vidaver-Cohen, 2007). This paper is also borrowing the meaning and measurement of reputation from the corporate world and adapts the concept to the field of education. Incorporating school reputation within the nomological network in corporate reputation research will help enhance our understanding of school reputation and its antecedents and consequences. Antecedents of school reputation that are related to parents' behaviour could be examined. Parents' evaluation of school performance and what is known about a school suggests that parents' school satisfaction is a key antecedent of their perceived school reputation. The consequences of a school's reputation, as well as the antecedents, need to be examined empirically. One important consequence addressed here is parents' loyalty to a particular school. The intangibility of educational services makes them difficult to evaluate by parents. Schools, as well as other service providers, may be more likely to feel the effects of a loss of reputation than providers of goods. It can therefore be argued that the importance of school reputation is greater because parents cannot rely on physical evidence, but have to rely to a greater extent on anecdotal evidence (Zabala *et al.*, 2005).

In order to manage their reputations, schools need to be able to assess or measure them and analyse the connection between perceptions of reputation and important input and outcome variables. Conceptualising and measuring institutions' reputations has attracted considerable attention in the management and marketing literature (Fombrun, 1996; Fombrun and Rindova, 1996, 2000). However, because extremely little is known about the phenomenon of schools' reputations and their potential antecedents and consequences, this study attempts to assess the existence, direction and strength of these relationships using a measure of school reputation as perceived by parents. The main purposes of this research are, first, to create and apply a new measure of parent-based school reputation. Second, to propose a conceptual model that links school reputation to an important antecedent variable, parental satisfaction, and an important consequent variable, parents' loyalty. Finally, based on the model, the relationships connecting school reputation to parents' satisfaction and loyalty will be tested.

#### *The school reputation concept*

A fruitful starting point for discussing the concept of a school's reputation is to compare it to the concept of a corporate reputation. In the strategy literature, corporate reputations are considered to be intangible assets that can contribute to competitive

advantage (Barney, 2002; Dowling, 1994). A corporation's reputation is viewed as a resource that should be managed by the firm (van Riel, 1997). The marketing and management literature discusses the concept of corporate reputations with regard to people who have ties to a firm (Walsh and Beatty, 2007). Reputation is therefore based on a favourable general estimation that the public has of an organisation, which can positively impact on the public's attitude and behaviours towards the organisation.

Customers are companies' most important stakeholders as the primary generators of sales and revenue. With respect to schools, students are the most important stakeholders for higher education institutions, as the students are the primary generators of school fees and tuition revenues (Bush *et al.*, 1998; Helgesen and Nasset, 2007; Safón, 2009; Standifird, 2005). In a comparable way, parents can be viewed as schools' most important stakeholders as the primary source of pupils and consequently income. Thus there is a similar rationale for studying their views regarding school reputation.

Corporate reputation has been conceptualised and measured both as a one-dimensional concept (Anderson and Robertson, 1995; Doney and Cannon, 1997; Safón, 2009) and, in recent research, as a multidimensional construct (Dowling, 2001; Fombrun *et al.*, 2000; Rose and Thomsen, 2004; Walsh *et al.*, 2009a; Walsh and Wiedmann, 2004). For instance, the Reputation Quotient scale developed by Fombrun *et al.* (2000) consists of six dimensions, namely:

- (1) emotional appeal;
- (2) product and services;
- (3) vision and leadership;
- (4) workplace environment;
- (5) social and environmental responsibility; and
- (6) financial performance.

A customer-based reputation scale developed by Walsh *et al.* (2009a) consists of the following five dimensions:

- (1) customer orientation;
- (2) good employer;
- (3) reliable and financially strong company;
- (4) product and service quality; and
- (5) social and environmental responsibility.

In this study the newer approach of viewing parent-based school reputation as a multidimensional construct composed of information content dimensions is followed. The definition of the construct is further developed in the section on research methodology.

#### *Parents' school satisfaction as an antecedent to reputation*

The relationship between parent satisfaction and parent-based school reputation has been modestly addressed in previous research. However, the corporate reputation literature has addressed this issue and two different schools of thought are present. One school claims that corporate reputation influences consumer satisfaction

(e.g. Andreassen and Lindestad, 1998; Helm, 2006; Walsh and Beatty, 2007). The other school suggests that satisfaction influences reputation (e.g. Carmeli and Tishler, 2005; Helm *et al.*, 2009; Walsh *et al.*, 2009a, b). This study applies balance theory (Heider, 1958) and the theory of cognitive dissonance (Festinger, 1957), assuming that an individual with positive experience of a firm's services perceives satisfaction. The same individual will ascribe the firm a good reputation because ascribing a bad reputation will create a state of imbalance and therefore cause cognitive dissonance. Adapting the opinion about the firm's reputation to the existing level of satisfaction is a way to avoid this disequilibrium and maintain or re-establish cognitive consonance (Helm *et al.*, 2009). The same arguments can be applied to the relationship between parent satisfaction and parent-based school reputation by measuring school reputation as the estimation of a generally favourable post-experience perception of the school influenced by satisfaction (Oliver, 1980; Johnson *et al.*, 2001). Research by Helgesen and Nettet (2007) and Marzo-Navarro *et al.* (2005) also found that student satisfaction is an important antecedent to the reputation of higher education institutions, supporting the arguments rooted in Heider's and Festinger's assumptions. Therefore, based on the preceding discussion, there is a strong indication that parents are likely to attribute a good reputation to a school that fulfils or surpasses their expectations. In accordance with the preceding arguments, we therefore hypothesise that:

H1. Parental satisfaction has a positive effect on parent-based school reputation.

#### *Parents' school loyalty intentions as consequence of reputation*

The corporate reputation literature shows that a good reputation positively affects financial performance (Fombrun and Shanley, 1990), positive word of mouth behaviours (Fombrun and van Riel, 1997), and customer loyalty (MacMillan *et al.*, 2005; Selnes, 1993). We address parents' school loyalty intentions in a similar way. Following Oliver (1997), loyalty is defined as a deeply held commitment of parents to continue to have their children attend the school consistently in the future, regardless of situational influences and other schools' efforts or attempts to induce them to change behaviours. Commitment is a necessary condition for school loyalty to occur (Bloemer and de Ruyter, 1998; Söderlund and Öhman, 2005). If commitment is absent, a parent is merely spuriously loyal to a school, i.e. repeatedly having their children attending the school is directed by inertia (Dick and Basu, 1994). An explicit and extensive decision making as well as evaluative processes makes a parent committed to the school, and, therefore, by definition becomes school loyal.

According to Li and Hung (2009), loyal parents enrol their children at the same primary school and act as good advocates by recommending the school to other parents and thus helping to attract new pupils. Good reputation signalling of good quality and sound behaviour towards the parents, reduce parents' risks and encourage parents' future loyalty (Walsh and Wiedmann, 2004). Studies of students in higher education institutions also show a positive link between reputation and loyalty (Helgesen and Nettet, 2007; Marzo-Navarro *et al.*, 2005). Reputation management is therefore seen as an important activity for attracting and retaining students (Bush *et al.*, 1998). Based on the preceding arguments, we hypothesise that:

H2. Parent-based school reputation has a positive effect on parents' loyalty intentions.

To summarise, as shown in Figure 1, this paper proposes parent-based school reputation as a multidimensional construct, with parents' perceptions of school satisfaction hypothesised as antecedent to parent-based school reputation, and parents' school loyalty as a consequence.

**Research methodology**

*Data collection and sample*

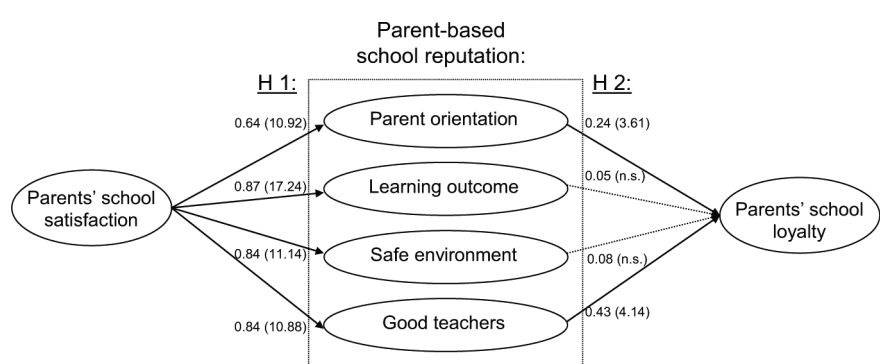
This study used data from a sample of 325 parents and guardians from three Norwegian primary schools. The first school assessed was located in a small town in Arctic Norway. All parents were asked to anonymously complete a questionnaire administered by the principal. The survey yielded 80 responses. The second school was located in a larger city, and parents from children in the first, fifth and seventh grades were asked to complete a questionnaire administered by the principal. This survey yielded 85 responses. The third school was located in a rural area in Southern Norway and all parents were asked to complete the questionnaire administered by their principal. This survey resulted in 160 responses.

*Measures*

In developing measures to represent parents' assessment of school reputation, satisfaction and loyalty, we synthesised scales from the literature with those obtained from our fieldwork. The initial item measures were refined and pre-tested to enhance face validity. Below, we describe how each of the constructs was operationalised.

*Parent-based school reputation.* To develop an instrument for measuring parent-based school reputation, both qualitative and quantitative methods were employed (Churchill, 1979; Netemeyer *et al.*, 1995). The customer-based corporate reputation scale developed by Walsh and Beatty (2007) was chosen as a starting point. This scale consist of five dimensions, namely:

- (1) customer orientation;
- (2) good employer;
- (3) product and service quality;
- (4) reliable and financially strong company; and
- (5) social and environmental responsibility.



**Figure 1.**  
Structural model of  
parent-based school  
reputation, its antecedent  
and consequence

An open-ended elicitation procedure (Netemeyer *et al.*, 1995) was carried out with parents and the parents’ committee at the city school to ensure that the five dimensions were consistent with typical parents’ views of school reputation. An initial set of items was generated by reviewing prior reputation research in conjunction with a series of exploratory interviews with parents and teachers at the city school. The list of items was also discussed with the parents’ committee at the school using a focus group approach. Forty-four items were generated based on the results of the experience surveys and the focus group.

A group of three academic researchers who were familiar with corporate reputation research and survey scale development reviewed the pool of 44 school reputation indicators. They were asked to assess the face validity and construct validity of the items, and to assign the responses to categories based on their similarity in representing aspects of school reputation. The number of categories was left to these judges to determine. Finally, four categories with a total of 35 items were produced as a result of applying this sorting procedure. Due to ambiguous content, nine items were dropped. The four emergent categories were:

- (1) parent orientation;
- (2) learning quality;
- (3) safe school environment; and
- (4) good teachers (see Table I).

“Parent orientation” refers to the parents’ perception of the school employee’s willingness to satisfy their needs. The “learning quality” dimension refers to parents’ perceptions of the quality of the school’s teaching activities. “Safe school environment” concerns the parents’ perception of the school in terms of a safe and sound environment for their children. Finally, the “good teachers” dimension is concerned with parents’ perceptions of about how the school management treats its teachers and the expectation that the school has competent teachers.

The set of 35 items that formed the basis of the first questionnaire was pre-tested with a small sample of parents. Based on the pre-test survey, 20 items were selected for the final parent surveys.

Customers’ assessments of corporation Reputation dimension <sup>a</sup>	Parents’ assessments of schools	
	Reputation dimension	Sample item
Customer orientation	Parent orientation	“It is easy to contact the teachers”
Product and service quality	Learning quality	“My child learns a lot at the school”
Reliable and financially strong company	Safe school environment	“I know that my child is safe and sound at the school”
Good employer	Good teachers	“The teaching staffs at the school are very reliable”
Social and environmental responsibility	N/A	

**Table I.**  
Parent-based school  
reputation dimensionality

**Note:** <sup>a</sup>Walsh and Beatty (2007)



*Parents' school satisfaction.* Following Arnould *et al.* (2004), parents' levels of school satisfaction reflected their judgment of a pleasurable level of school use-related fulfilment, including level of under or over-fulfilment. We measured the construct by using two items adapted from Friedman *et al.* (2006). The following items were used:

- "The school has met all our expectations of a primary school"; and
- "I am very satisfied having my child/children at this school".

*Parents' school loyalty intentions.* Norwegian parents do not have a completely free choice of public schools. Students are enrolled in the nearest school district's schools, but they can also apply to be enrolled in other schools. The annual publication of exam results at the school level provides parents with information to make decisions about school choice and consequently has led to increased competition between schools. Parents' school loyalty intentions are therefore conceptualised in terms of "wants" (Söderlund and Öhman, 2003, 2005). This measure is subject to very few external restrictions compared with conceptualisations in terms of "plans" or "expectations" (Howard and Conway, 1986; Sappington, 1990). Given that school choice is restricted, the construct is measured in the following way: "If I have a preschool child, I will want to let him/her attend this school". This construct was measured in a way similar by Nguyen and Leblanc (2001), Helgesen and Nesset (2007), and Li and Hung (2009).

All items were measured on a seven-point Likert scale where 1 indicated "disagree strongly", 4 indicated "neither disagree nor agree", and 7 indicated "agree strongly".

#### *Analytical procedure*

Initially a principal component analysis using Varimax rotation is done on the 20 school reputation items (with a MSA-statistic of 0.91) in order to clarify and simplify the analysis. Four factors with an eigenvalue above unity are extracted, which together explain 64 per cent of the variance in the data set. Based on the evaluations of loadings, communalities and Cronbach's  $\alpha$ , 12 items in total, or three items per factor, are used in the analyses described below. In order to test the hypotheses connected to the theoretical model presented in Figure 1, the two-step confirmative modelling strategy recommended by Anderson and Gerbing (1988) is employed. In both steps the analysis is based on a covariance structure approach by applying LISREL 8.72 (Jöreskog and Sörbom, 1996). In the first step a congruent and congeneric measurement model is developed and established. The maximum likelihood estimation method is used, as it is robust with regard to possible violations of normality (Chou and Bentler, 1993). The measurement model that is estimated confirmed that each measure reflected the appropriate constructs underpinning our conceptual model.

The second stage of the analysis uses structural equation modelling to test the hypotheses. The analyses include the traditional  $\chi^2$  fit test, and three other indices, including root mean square error of approximation (RMSEA), non-normed fit index (NNFI) and comparative fit index (CFI). Acceptable model fits are indicated by NNFI and CFI values exceeding 0.90, and RMSEA values below 0.08 represent a moderate fit, while values less than 0.05 are good (Browne and Cudeck, 1992). The advantages of using structural equation modelling include the use of several indicators per construct simultaneously, measurement errors are explicitly taken into account, and as a confirmatory approach relationships including a multitude of hypotheses are tested simultaneously. Using other methods of analysis will require several separate analyses.



Results

Reliability and validity of measures

First, we considered the validity of the school reputation measures that is, whether each measure taps facets of the four latent constructs, indicating convergent validity, and whether the constructs are distinct from each other indicating discriminant validity. A confirmatory factor analysis (CFA), based on the 12 items from the principal component analysis, was carried out. The initial measurement model showed an unacceptable fit at  $\chi^2 = 148.38$ , with  $df = 48$ ,  $RMSEA = 0.085$ ,  $NNFI = 0.97$  and  $CFI = 0.98$ . Modification indices and standardised residuals indicated that a more parsimonious model could be achieved (Anderson and Gerbing, 1988). One item with multiple loadings and correlated measurement errors, the item “The school focuses on professional standing” was removed from the learning quality scale. The fit of the re-specified model improved to  $\chi^2 = 85.94$  with  $df = 38$ ,  $RMSEA = 0.056$ ,  $NNFI = 0.98$  and  $CFI = 0.99$ . Three different measures of internal consistency or reliability were computed and two are presented in Table II. First, item reliability or squared multiple correlations ( $R^2$ ) of the indicators ranged from 0.43 for the third parent orientation indicator to 0.98 for the first education quality indicator. Second, all the composite reliabilities were 0.82 or higher, which indicated internal consistency among

Constructs and indicators	Standardised factor loadings ( <i>t</i> -value)	Composite reliability	AVE
<i>Parent orientation</i>		0.90	0.70
The teachers are always accessible	0.91 (19.09)		
It is easy to contact the teachers	0.92 (19.46)		
I think it is easy to contact the principal if needed	0.65 (12.08)		
<i>Learning quality</i>		0.96	0.90
My child has a very good learning outcome at the school	0.98 (23.08)		
My child learns a lot at the school	0.95		
<i>Safe environment</i>		0.83	0.70
I know that my child is safe and sound at the school	0.68 (12.53)		
I am confident that the school takes good care of my child	0.80 (15.57)		
My child thrives at school	0.89 (18.12)		
<i>Good teachers</i>		0.82	0.59
Both the teachers and school management stand united	0.80 (15.61)		
The teaching staffs at the school are very reliable	0.68 (12.39)		
The teachers always speak positive about the school	0.83 (16.42)		

Table II.  
Confirmatory factor  
analysis coefficients and  
construct reliability

Notes:  $\chi^2 = 85.94$  ( $df = 38$ ,  $p = 0.00$ ),  $RMSEA = 0.056$ ,  $NNFI = 0.98$ ,  $CFI = 0.99$

the measures far above the recommended level of 0.60 (Bagozzi and Yi, 1988). Third, the average variance extracted ranges from 0.59 to 0.90, which was well above Bagozzi and Yi's (1988) suggested target level of  $>0.50$ .

The first measurement model, because it was a new and untested scale, was based only on the parent-based school reputation measure in order to check its validity and reliability. After validating the school reputation dimensions, a second model that included the parents' school satisfaction construct was tested. The fit statistics were satisfactory at  $\chi^2 = 156.53$  with  $df = 55$ ,  $RMSEA = 0.058$ ,  $NNFI = 0.98$  and  $CFI = 0.99$ . The composite reliability and average extracted variance for the parents' school satisfaction construct were 0.85 and 0.75, respectively. The parents' school loyalty construct was not included in the measurement model since it is a single-item measure.

Convergent validity of the school reputation scales cannot be ascertained in the typical sense of using different methods to test the construct because we only used one method. However, the fact that all of the items load highly on their assigned factors is itself a test confirming the convergent validity of the scale (Dabholkar *et al.*, 1996).

The discriminant validity of the scales was assessed using a procedure that Bagozzi *et al.* (1991) recommend. Within each subset of measures, pairs of constructs were examined in a series of two-factor confirmatory models. A  $\chi^2$  difference test was conducted. The results suggested that for all of the pairs of constructs, the two-factor solution was better at  $p < 0.001$  than the single-factor solution. The discriminant validity of the constructs was also tested using the approach suggested by Fornell and Larcker (1981). The diagonals in Table III show the average variance extracted (AVE) from each construct in Table II. The other entries represent means, standard deviations and the square of correlations among the constructs. We see that no non-diagonal entry exceeds the diagonals of the specific construct. In summary, the measures of the proposed constructs achieve satisfactory reliability, convergent and discriminant validity.

#### *Structural analysis and model testing*

The main effects of the proposed model presented in Figure 1 were tested using LISREL 8.72 (Jöreskog and Sörbom, 1996) on the item variance-covariance matrix. Our structural model suggested a reasonably good fit at  $\chi^2 = 216.24$  with  $df = 81$ ,  $p = 0.00$ ,  $RMSEA = 0.066$ ,  $NNFI = 0.98$ , and  $CFI = 0.98$ . The standardised estimates for the various model paths and their associated  $t$ -values are provided in Table IV.

Parents' school satisfaction has a significant impact on the parent-based school reputation. In addition, two of the school reputation dimensions were significantly affected parents' school loyalty intentions. Parent orientation and good teachers were both positively related. Learning quality and safe environment was not significantly related to parents' loyalty intentions.

Construct	Mean	SD	Square of correlations			
			1	2	3	4
1. Parent orientation	5.6	1.04	0.70			
2. Learning quality	6.0	0.99	0.30	0.90		
3. Safe environment	5.7	0.89	0.29	0.53	0.62	
4. Good teachers	5.5	0.95	0.38	0.59	0.57	0.59

**Table III.**  
Measures of discriminant  
validity

The results reveal a consistent pattern between parent-based school reputation and its investigated antecedent, that is, parents' school satisfaction. The more satisfied the parents are the better they perceive the school's reputation. The direction is positive as expected and the relationships are strong. Regarding the expected consequences of school reputation, two dimensions are significant predictors of parents' loyalty intentions, in particular, assessments of the school having a parent orientation, and assessments of the school as having good teachers. This is consistent with corporate reputation work (e.g. Walsh and Wiedmann, 2004; Walsh *et al.*, 2009b) that find a strong reputation-loyalty link.

We have clearly demonstrated the relevance of parents' satisfaction to school reputation. In our model parents' satisfaction explained 41 per cent of the variation in the parent orientation dimension, 76 per cent of the variation in learning quality and 71 per cent of variation in the safe environment and good teacher dimensions of parent-based school reputation. Further, the relevance of parents' assessment of reputation is demonstrated in turn by it explaining 34 per cent of the variation in the variable measuring parents' loyalty intentions, although not all the dimensions are equally important to parents' loyalty.

Conclusions

First, this study demonstrated that the parent-based school reputation measure consisted of four dimensions, namely, parent orientation, learning quality, safe environment, and good teachers. Further, the study examined the impact of parents' satisfaction on parent-based school reputation to determine the direction and strength of the relationship, hypothesising a positive relationship (*H1*). Parent satisfaction was positively and significantly related to all four dimensions, providing compelling support for *H1*. The strongest effect of satisfaction was on parents' views of learning quality (0.87), followed by a safe environment (0.84) and good teachers (0.84). The weakest effect was on parent orientation (0.64).

The link between parent-based school reputation and parents' loyalty intentions was also examined, and a positive relationship was hypothesised (*H2*). Two of the school reputation dimensions were positively and significantly related to parents' loyalty intentions, providing partial support for *H2*. Parents viewing the school as having good teachers had the strongest effect on parents' loyalty intentions (0.43), followed by parent orientation (0.24). Learning quality and a safe environment did not affect parents' loyalty intentions. Good teachers and schools having a parent orientation appear to be related to the management of the school and thus may

Dimension	Parents' school satisfaction		Parents' school loyalty intentions	
	Estimate ( $\gamma$ )	<i>t</i> -value	Estimate ( $\beta$ )	<i>t</i> -value
Parent orientation	0.64	10.92	0.24	3.61
Learning quality	0.87	17.24	0.05	NS
Safe environment	0.84	11.14	0.08	NS
Good teachers	0.84	10.88	0.43	4.14

Notes:  $\chi^2 = 216.24$  (df = 81,  $p = 0.00$ ), RMSEA = 0.066, NNFI = 0.98, CFI = 0.99

Table IV.  
Structural parameter  
estimates

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influence the likelihood of choosing the school in the future. Learning quality and a safe environment appear to be related to the present child at the school and therefore did not significantly affect future choices.

The results showed that high levels of parent satisfaction positively impacted parent-based school reputation, supporting a causal clarification of the satisfaction-reputation relationship in an educational context. School reputation can be used as a valuable means of assessing the results of the school's multiple activities. School reputation may even be considered as a stable and reliable indicator of schools' ability to satisfy parent's expectations. In terms of consequent or outcome variables, signalling theory predicts that parent-based school-reputation has a positive impact on parents' loyalty. Even though this relationship appears to be obvious, the literature is not particularly consensual. For example, while Aydin and Ozer (2005) found a positive, but insignificant relationship, Sen and Bhattacharya (2001) found that reputation can, under certain conditions, decrease loyalty. In this study a direct and positive relationship between specific dimensions of school reputation and parents' loyalty is found, extending previous research by showing the differential effects that parent-based school reputation has on parental loyalty. Li and Hung (2009) found a similar relationship between school image and parents' loyalty. However, they treated image as a one-dimensional construct, whereas this study has identified a set of more detailed relationships through our multi-dimensional conceptualisation of the reputation construct.

For managers of educational institutions, an important insight gained from this study is that parent-based school reputation can be easily assessed using an inexpensive measurement tool. Conventional astuteness holds that attending to school reputation makes good sense because relevant school activities are affected. Based on the results of this study, a more differential analysis seems appropriate. It is shown that parent-based school reputation not only has an impact on important variables indicative of parent behaviours (i.e. parents' loyalty), but also is impacted by parents' school satisfaction. These results may help schools to utilise their resources more successfully by focusing their efforts on strategically important antecedents such as parents' school satisfaction and consequences such as parents' loyalty.

School managers who want to obtain or maintain a good school reputation should emphasise the importance of ensuring parent satisfaction in order to accomplish that goal. Parents who are satisfied with the school services provide more favourable ratings of the schools' reputation. In that way, satisfaction is casting a "halo" effect onto the reputation items. Parents derive their sense of a school's reputation from their contacts with its staff. This means that schools should make sure that staff are empowered to act in the way parents want and that leads to satisfaction. Methods to ensure high levels of satisfaction include staff training and satisfaction monitoring.

Another implication for school managers is that a good reputation has an effect on parents' loyalty, and increased loyalty is important with regard to retaining existing pupils and attracting new ones. A school's reputation acts as a gatekeeper to further elaborations by the parents (Li and Hung, 2009). A favourable reputation increases the likelihood that a school will be chosen by parents. However, with a poor reputation, the school may be better off expending effort on increasing parents' satisfaction with the services provided by the school and focusing on service improvement goals, as well as identifying sources of dissatisfaction for the parents. A carefully crafted and

implemented program for increased parent satisfaction and school reputation appears to be an important tool for schools' success.

The results of this research have some limitations. Future studies should include not only parents' satisfaction as antecedents, but also other potential antecedents such as trust (Walsh *et al.*, 2009b), marketing tactics (Li and Hung, 2009) and performance quality (Helgesen and Nettet, 2007). Additional consequences, such as positive word of mouth and intentions, should be included in future studies. The present study offers some new ideas on the study of school reputation and its antecedents and consequences. However, it was performed in only one country, and the sample of schools selected was based on judgments, and not on probability sampling techniques. Given that limitation, generalisations should be restricted, and primarily limited to the Norwegian context. Parent-based school reputation is, however, a common attitude among parents.

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## Appendix

Dimension	Mean	SD
<i>Parent orientation</i>		
The teachers are always accessible	5.3	1.3
It is easy to contact the teachers	5.9	1.1
I think it is easy to contact the principal if needed	4.7	1.5
The school's homepage is always updated <sup>a</sup>	4.5	1.4
The teachers are good at using e-mail for communication <sup>a</sup>	4.0	1.5
<i>Learning quality</i>		
My child has a very good learning outcome at the school	5.8	1.1
My child learns a lot at the school	5.9	1.0
The school focuses on professional standing <sup>b</sup>	6.0	0.9
The school has an innovative approach towards teaching <sup>a</sup>	5.5	1.2
The teachers are good at adapting the learning environment <sup>a</sup>	5.5	1.2
The teaching qualifications of staff are excellent in all subjects <sup>a</sup>	5.6	1.1
<i>Safe environment</i>		
I know that my child is safe and sound at the school	5.9	1.0
I am confident that the school takes good care of my child	6.0	1.1
My child thrives at school	6.11	1.1
My child is always met with respect from the teachers <sup>a</sup>	5.8	1.2
It is a very good milieu in my child's class <sup>a</sup>	5.3	1.3
<i>Good teachers</i>		
Both the teachers and school management stand united	5.3	1.2
The teaching staff at the school are very reliable	5.5	1.2
The teachers always speak positively about the school	5.4	1.2
The school is good at "marketing" itself positively <sup>a</sup>	5.3	1.2
<i>Parents' school satisfaction</i>		
The school has met all our expectations of a primary school	5.6	1.3
I am very satisfied having my child/children at this school	6.0	1.1
<i>Parents' school loyalty intentions</i>		
If I have a preschool child, I will want to let him/her attend this school	5.8	1.4)

**Notes** <sup>a</sup>Items deleted during exploratory factor and reliability analyses; <sup>b</sup>items deleted during confirmatory factor analysis

Table AI.

## About the author

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