



**ST. MARY'S UNIVERSITY**

**SCHOOL OF GRADUATE STUDIES**

**THE EFFECT OF SERVICE QUALITY ON  
CUSTOMER'S SATISFACTION IN THE CASE OF CBE  
NORTH ADDIS DISTRICT CITY BRANCHES**

**BY**

**MILLION MENDAYE ARERU**

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**ADDIS ABABA, ETHIOPIA**

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**A THESIS SUBMITTED TO ST. MARY'S UNIVERSITY SCHOOL OF  
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Million Mendaye

## List of Acronyms

CBE .....Commercial bank of Ethiopia

SERVPERF.....Service performance

SERVQUAL.....Service quality

ANOVA .....Analysis of variance



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## ABSTRACT

*This research was conducted to explore the effect of service quality on customer satisfaction of CBE North Addis district city branches. Using service quality dimensions adapted from Parasuraman et al; that are tangibles, reliability, responsiveness, empathy and assurance. In this context, the main objective of this study was to assess the customer satisfaction on the service quality of CBE. A total of 384 questionnaires were administered to customers of CBE in ten branches and 350 questionnaires were returned and usable for a comprehensive empirical analysis. Both descriptive and inferential statistics have been used to find mean score, to test hypothesis, to investigate research problem, objective and questions. From the correlation analysis it was found that all the five service quality dimensions are positively correlated with overall customer's satisfaction. From the regression analysis assurance and empathy found to be the most important dimension in affecting customer's satisfaction with the highest beta value. However, the rest dimensions that are tangibles, reliability and responsiveness have positive association with overall service quality. In addition to this the result of overall customers satisfaction with the service quality analysis is above average i.e. the majority of the respondent feel that CBE'S service quality is satisfactory.*

*Key words: service quality, customer satisfaction*

# CHAPTER ONE

## INTRODUCTION

### 1.1 Background of the Study

Banking sector in Ethiopia is characterized by promising growth and intensifying competition among banks. Currently, there are 16 Private Banks and 3 governmental banks which have led them to think seriously about how to compete effectively. In the past, banks largely pursued undifferentiated marketing that was aimed at a broad spectrum of customers rather than particular segments. Banking industry environment experiences rapid changes reflected in the intensification of competition between banks and increased awareness of current and potential customers that can be well reflected on the dynamicity of the service packages and sophistication, therefore, the quality of service is a major challenge for banks (Juan et al., 2006).

Currently, technological changes are causing banks to rethink their strategies for services offered to both commercial and individual customers. Therefore, banks should focus on service quality as a core competitive strategy (Juan et al., 2006). Within this background, customer satisfaction and service quality are compelling the attention of all banking institutions around the world including Ethiopia. In this scenario according to Irons, 1997, in order to provide the desired quality level service companies should know customers' expectation and the way they perceive or evaluate the quality of a service. Zeithml and Bitner (2003) stated that customer satisfaction or dissatisfaction is considered to be the result of a comparison between the pre-use expectations that a customer has about the product or service and the post-use perception of product or service performance. Again as per Collart(2000), one of the determinants of success of a firm is how the customers perceive the resulting service quality, as the perceived service quality is the key driver of perceived value.

Moreover, in the banking industry, a key element of customer satisfaction is the nature of the relationship between the customer and the provider of the products and services i.e. banks. Thus, both product and service quality are commonly noted as a critical prerequisite for satisfying and retaining valued customers (Nawaz et al., 2011).

The SERVQUAL model of (Parasuraman et al., 1985, 1988) was used to measure customer's perception (as cited in Mudie and Pirrie, 2006). Particularly the five dimensions of service quality (assurance, reliability, responsiveness, empathy, tangibles) were being employed.

The purpose of this study is at exploring the effect of service quality on customers satisfaction towards the service provide by the CBE. The result assists CBE managers to better understand, serve their customers, monitor and develop service quality to achieve the highest level of their customer satisfaction.

## **1.2 Statement of the Problem**

The unique characteristics of service contribute to the complexities involved in assessing and managing service quality. Since Quality can be several things at the same time and may have various meanings, depending on the person. This complicates both the consumer's assessment of service quality and the provider's ability to control it. Most services involve a direct contact between the customers and the service provider. According to Lovelock and Wright (1999), a key issue for financial services today is to recognize the relevant service marketing dimensions required for reaching both new and existing customers. Regulatory, technological and changing consumer dynamics in the marketplace had an impact on both the nature and extent of marketing activity in retail banking and have created considerable uncertainty for banks. At the same time, the requirements and expectations of customers have changed and growth in competition as well as technological developments, have made huge differences in the scope and modes of financial service delivery. So to survive in this business environment every organization must clearly analyze the service quality and customer satisfaction.

Similarly as stated by Gilmore (2003), service managers need to understand the service well enough to know which elements lend them to high-tech and to understand the market well enough. Moreover, to remain competitive, service providers must render quality service to their customers. Understanding and meeting customer's expectations and subsequently being different from competitors are important in order to survive in today's world of globalization (Kotler and Keller, 2006). Moreover, efficient service delivery is critical factor in the success of service oriented business organizations. Particularly in banking industries, as these industries operate in a very sensitive business environment, it is desirable for service providers to understand what

attributes to customers utilization in their assessment of overall service quality and satisfaction (Gilmore, 2003).

Most of the time customers were not happy with the quality and value of the services they receive and once the customer is dissatisfied, it would be very difficult to gain their trust back (Lovelock and Wright, 1999). Therefore, in order to know whether customers are being satisfied by every aspect of an organization delivery, studies should be conducted continuously. Before making any change to one's company offering, knowing the current perception of customers is very critical. In relation to these scenarios, banking sector in Ethiopia and specifically in Addis Ababa are becoming highly competitive with rapid market entry of new service concepts, and formats. Different banks which belongs to both public and private are expanding their network in a very fast pace.

Among those competing banks in Ethiopia, CBE is providing different banking services efficiently for the last six decades. But still there is customer complain in network failure, power interruption and some ATM machines is not working and low accessibility of ATM machines are still seen in the branches of CBE, (Ayenew, 2014). Presently the bank is also in the process of upgrading its technology to deliver service to its customers. In this situation, it is inevitable to analyze the service quality and customer satisfaction towards the services provided by CBE. These were helping the bank to identify the gaps and may be helpful to design different strategies to satisfy the targeted market. So the researcher wanted to explore the effect of service quality on customer satisfaction in the case of CBE North Addis District City Braches.

### **1.3 Research Questions**

The research attempts to answer the following questions

1. Which of the service quality dimensions has significant impact in satisfaction level of customers?
2. What type of relationship does service quality have with customer's satisfaction?
3. What is the overall level of customer satisfaction toward the service in CBE?

## 1.4 Objective of the Study

### 1.4.1 General Objective

The general objective of this study were to explore the effect of service quality on customer's satisfaction towards the services provided by CBE, North Addis District grade two, three and four city branches.

### 1.4.2 Specific Objective

The Specific objectives of this study were:

- To identify the dimensions of service quality that significantly influences the satisfaction level of customers.
- To identify the relationship between service quality and customer satisfaction
- To measure the level of customers satisfaction towards the services in CBE.

## 1.5 Hypothesis

H1: Reliability of the service provider has effect on the satisfaction level of the customers.

H2: Responsiveness of the service provider has effect on the satisfaction level of the customers.

H3: Assurance of the service provider has effect on the satisfaction level of the customers.

H4: Empathy of the service provider has effect on the satisfaction level of the customers.

H5: A Tangibility aspect of the bank has effect on the satisfaction level of the customers.

## 1.6 Definition of Terms

**Assurance:** The employees' knowledge and courtesy, and the ability of the service to inspire trust and confidence. (Mudie and Pirrie, 2006)

**Customer satisfaction:** As Kotler and Keller (2012) defined, Satisfaction as a person's feelings of pleasure or disappointment that result from comparing a product's perceived performance (or outcome) to expectations.

**Empathy:** The caring, individualized attention the service provides to its customers.

**Reliability:** The ability to perform the promised service dependably and accurately. (Mudie and Pirrie, 2006)

**Responsiveness:** The willingness to help customers and to provide prompt service. (Mudie and Pirrie, 2006)

**Service Quality:** means the difference between the customer's expectation of service and their perceived service, which consists of five dimensions: responsiveness, reliability, tangibility, empathy and assurance. It is the ability of an organization to meet or exceed customer expectations. (Zeithml and Bitner, 2003)

**SERVPERF:** Model aimed to provide an alternative method of measuring perceived service quality and the significance of the relationships between service quality, customer satisfaction and purchase intentions. And it is defined as the discrepancy between what the customer feels that a service provider should offer and his or her perception of what the service firm actually offers. (Gilmore, 2003)

**SERVQUAL:** An instrument for measuring service quality in terms of the discrepancy between customers expectation regarding service offered and the perception of service received. (Gilmore, 2003)

**Tangibles:** The appearance of physical facilities, equipment, personnel and communication materials. (Mudie and Pirrie, 2006)

## 1.7 Significance of the Study

The study would have practical importance in the sector, the results and recommendations would be used to improve and well understand the service quality standards of the sector so that they would put appropriate solutions to provide quality services. This study will also help to understand CBE's main determinants of the service quality, decisions to be made, either to undertake decisions for further study or to take specific decisions in tackling the service quality standards in case of services given for increasing customer satisfaction.



Governmental & Private Banks and business organizations will have some benefits using informative output of the result and recommendations given in the research conducted. Most importantly the research were be used as the input for further study in the topic.

## **1.8 Scope of the Study**

Even though there are many banks in Addis Ababa, this study only look at CBE North Addis district grade two, three and four city branches. The researcher assess service quality dimensions by using refined version of SERVQUAL items, and one statement to capture the level of overall customers' satisfaction. Moreover, the sample frame were restricted to North Addis district grade two, three and four city branches from which the survey have been conducted in ten branches.

The study subject were enough to provide the relevant responses regarding the study, even branches with the same level were excluded due to the accessibility and proximity to the researcher. The number of participants in this study was 384 sample respondents. In regardless data collection tools questionnaires was used to collect first hand information from the respondent. In order to analysis the gathered data and come up with answers to the research questions raised the researcher used both descriptive and inferential statistics. And this study only examines perception of customers who have saving and current account only.

## **1.9 Organization of the Study**

The first chapter presents an overview of the entire study. It consist of background of the study, statement of the problem, objective of the study, research questions, hypothesis of the study, definition of terms, significance of the study, scope of the study and organization of the study. Chapter two presents concept and definitions, theoretical review, and conceptual frame work. In chapter three, research design, sample size and sampling technique, types of data and instrument of data collection, method of data collection, procedure of data collection, method of data analysis and ethical consideration are presented. The empirical results with descriptive and inferential statistics of the model are presented and analyzed in the fourth chapter. Finally, in chapter five, the main findings of the study are summarized, limitation of the study, future research implications and some recommendations discussed.

## CHAPTER TWO

### REVIEW OF LITERATURE

This chapter demonstrates the review of related literatures. It includes concepts and definitions, theoretical and empirical reviews with additional synthesis and reflection. Finally, theoretical and conceptual frameworks of the thesis are included.

#### 2.1 Concepts and Definitions

##### 2.1.1 Service Quality

A service is any act or performance that one party can offer to another that is essentially intangible and does not result in the ownership of anything. Its production may or may not be tied to a physical product (Keller and Kotler, 2006). Similarly Zeithaml and Bitner (2004) also defined service as deeds, processes and performances. Both definitions and also other scholars' definitions agree on the intangibility, inseparability, perishable, and variability nature of a service. Moreover, many literatures explain the existence and importance of service in all kinds of organizations. In general Service organizations range in size from huge international corporations like airlines, banking, insurance, communications, hotel chains, and freight transportation to a vast array of locally owned and operated small businesses, including restaurants, laundries, taxis, optometrists, and numerous business-to-business ("B2B") (Lovelock and Wright,1999).

An all-embracing definition of service quality is notoriously difficult to find. Parasuraman, Zeithaml and Berry (1985) after reviewing various studies on service quality and offered three propositions; Service quality is not as easy for a customer to evaluate as goods quality, service quality perception is the outcome of the comparison that a customer makes between their expectations and the performance of a service; Quality assessment not only depends on the outcome of a service, but also includes assessment of the process of service delivery. The same authors after some years Parasuraman, Zeithaml and Berry (1988) define service quality as “a global judgment or attitude, relating to superiority of the service, whereas satisfaction is related to a specific transaction”. This clearly suggests that service quality is an overall judgment

of a service provider and the outcome of the comparison between customers perceptions and their expectations. And further defined customer expectations as “the desires and wants of consumers” i.e. what they feel a service provider should offer rather than would offer.

As one of the key dimension for organizational performance and profitability, quality has been enormously studied and various principles and approaches are proposed to attain it. Service quality, which is the main issue in this paper, is a focused evaluation that reflects the customer’s perception of elements of service such as interaction quality, physical environment quality, and outcome quality. These elements are in turn evaluated based on the specific service quality dimensions: reliability, Assurance, Responsiveness, Empathy and Tangibles. Satisfaction, on the other hand, is more inclusive: it influenced by perception of service quality, product quality, and price as well as situational factors and personal factors (Zeithaml and Bitner, 2004).

Currently the service industry is taking the highest portion of the world economy. In terms of industry structure, there is a greater willingness to identify service as commercially important to the extent that even some manufacturers of products have redefined their business as a service (Iron, 1997). Especially in developed countries the concern customer is more on quality service. They prefer a service that can satisfy them in many ways. In addition to this the technological advancement and an intense competition in the market is providing an opportunity for improvement of marketers/companies offering.

Even companies who are primarily engaged in manufacturing products have understood the concept of service and the impact it has in their marketing activities and overall success. Companies offering often include some service and the service component can be a minor or a major part of the total offering. According to Keller and Kotler(2006), offering can be classified in five categories. These are pure tangible goods, tangible good with accompanying service, Hybrid service, major service with accompanying minor goods, and pure service. All the stated kinds of offering provide service. Even pure tangible goods were being associated with some kind of service. Furthermore service can be classified as equipment-based (automated car washes, vending machines) or people-based (window washing, accounting services).

### **2.1.2 Customer Satisfaction**

Customer Satisfaction is a measure of how a product and services supplied by a company meet or surpass customer expectation. It is seen as a key performance indicator with business and is an indicator of how successful the company is at providing products and services to the market. Customer satisfaction is an abstract concept and is actually happening of the state of satisfaction were vary from person to person and product /service to product/ service in a competitive market where business compete for customer; customer satisfaction is considered a key element of business strategy (Gitman and Carl, 2005).

### **2.1.3 Perceived Service Quality**

Perceived service quality is the customer overall judgment of the superiority of a service. It is what customers think has been provided in terms of performance and value by a service. There are two perspectives of perceived service quality in the reviewed literature. The early scholars of service quality compared perceived service quality with expected service quality to obtain overall service quality. Thus perceived service quality is not service quality on its own. Recent researchers however, consider perceived service quality as overall service quality.

### **2.1.4 Expected Service Quality**

Various models have been used and developed over the last three decades to explain satisfaction and service quality. The most widely used and accepted satisfaction theory arising from the consumer behavior literature is the disconfirmation theory (Churchill and Surprenant, 1982). Although, the disconfirmation paradigm was originally used in customer satisfaction literatures it was adopted to explain the service quality perception process of service customers' later on. The disconfirmation paradigm in service quality models is based on service quality expectation of customer and it holds that quality perception is related to the size of the disconfirmation experience, where disconfirmation is related to the person's initial expectations (Churchill and Surprenant, 1982). The disconfirmation paradigm also is the basis for Parasuraman et al. (1985), SERVQUAL model, which views service quality as the gap between the expected level of service and customer perceptions of the level received.

As cited by Mudie and Pirrie (2006), before, during (if appropriate) and after consumption of a service two feelings are prominent, namely expectations and perceptions. Expectations are usually formed prior to usage of a service but may also occur where a customer is actively involved in the delivery of a service. They reflect inclinations or beliefs as to what were or should happen.

Perceptions can also develop during a service, but invariably materialize after usage. They represent the customer's evaluation of the service, particularly in relation to expectations. Where perceptions match or exceed expectations the customer is said to be satisfied in accordance with the first law of service: satisfaction is perception minus expectation. Satisfaction can arise where perception exceeds a modest level of customer expectations. Where customers seek quality, expectations were be set much higher. So measuring the customer's perception and expectations is vitally important.

## **2.2 Theoretical Framework**

### **2.2.1 The Origins of Service Quality Theory**

The foundation of service quality theory lies in the product quality and customer satisfaction literature. Early conceptualizations (Gronroos 1982,; Parasuraman, Zeithaml, and 1985) are based on the disconfirmation paradigm employed in the physical goods literature. This suggest that quality results form a comparisons of perceived with expected performance as is reflected in Gronroos's(1982,1984) as cited by Brady and Cronin(2001), similar conceptualization of service quality that "puts the perceived service against the expected service" (Gronroos 1984,p.37) emphasis in original as cited by Brady and Cronin(2001), In addition to adapting the disconfirmation paradigm to the measurement of service quality, Gronroos (1982) identifies two service quality dimensions i.e., Functional quality and Technical quality. Functional quality represents how the service is delivered; that is, it defines customers' perceptions of the interactions that take place during service delivery. Technical quality reflects the outcome of the service act, or what the customer receives in the service encounter.

Brady and Cronin (2001), the disconfirmation paradigm also is the basis for Parasuraman et al (1985) SERVQUAL model, which views service quality as the gap between the expected level

of service and customer perceptions of the level received. Parasuraman et al (1988) propose five dimensions of service quality: the reliability, Responsiveness, Assurances, Empathy, and tangibility characteristics of the service experience.

### **2.2.2 The Importance of Service Quality in Banking Industry**

So far, many academic researchers have devoted themselves into studying the quality of banking service. In the research of Shanka(2012),all service quality dimensions are positively correlated with customer satisfaction indicating quality banking service as a prerequisite for establishing and having a satisfied Customer. Their finding also found a positive relationship between all service quality dimensions and customer satisfaction. Thakur and Singh (2011), also pointed out as the service quality is better predictor of customer satisfaction in banking, On the other hand Customer satisfaction were be better if they recognize that there is a favorable service product/ quality. Similar points can also be seen in the research of ( Scridon,M et al,2009, jain et al,2012, Muhammad,M et al., 2011) .As they cited Understanding and meeting customers“ requirements is the key to competitive advantage and long term success in a highly competitive environment. Thus, the service quality of Banks is an important issue; it is also a key factor in building long-term brand recognition. As cited in Tennew and Waite (2007), financial services are provided by many different organizations, and traditionally, specific organizations such as banks specialized in the provision of specific services (i.e. banking services).Increasingly, across the world, these institutional boundaries have begun to break down, and while organizations continue to be defined by their type (bank, insurance company) they increasingly offer a much broader range of financial services. So Quality has become a significant concern for those in the service industry, specifically the banking industry Although people primarily use banks to satisfy their financial need, different procedures can also deeply influence customers attitudes to the services provided by the bank and their satisfaction with those services.

Hence, bank customers can experience many service encounters, they may judge or evaluate the service quality based on what they perceive, over a number of quality attributes .Furthermore way in which a service is delivered, and the nature of the service interaction may have a significant impact on the customer’s evaluation of the overall experience (Tennew and Waite, 2007). Thus, it is important for banks to develop.

### **2.2.3 Underlying Principles of Service Quality**

According to Clow and Kurtz (2003), receiving a high level of service is important to consumers but understanding how to evaluate the service quality received is more difficult. Two consumers receiving what appears to be the exact same service from a company may evaluate the quality of the service differently. One consumer may feel the service was good while the other may feel the service was performed poorly. When discussing service quality the three underlying principles that should be kept in mind are:

1. Service quality is more difficult for the consumer to evaluate than quality of a good.
2. Service quality is based on consumers' perception of the outcome of the service and their evaluation of the process by which the service was performed.
3. Service quality perceptions result from a comparison of what the consumer expected prior to the service and the perceived level of service received. The process used by consumers in evaluating service differs from the process used for goods.

Services tend to be high in experience and credence qualities while goods tend to be high in search qualities. Search qualities are attributes that consumers can evaluate only during or after the consumption process. Credence qualities are attributes that consumers have difficulty evaluating even after consumption is complete. Experience qualities are qualities of a good or service that were evaluated only after the service has been consumed or during the process of consumption (Clow and Kurtz, 2003).

### **2.2.4 Measurement and Dimensions of Service Quality**

Manufacturing quality measurement can largely be objective and standardized while many service measurements are perceptual or subjective. Parasuraman et al. (1988) argued that the customer's perception of service quality offering is a function of five dimensions categorized as reliability, Assurance, Tangibles, Empathy, and Responsiveness and suggested SERVQUAL (a service quality measurement tool).

Cronin and Taylor (1992) argued for "Performance only" measurement of service quality and proposed a service quality measurement tool called SERVPERF. Parasuraman's SERVQUAL

model is widely used to measure perceived service quality. Parasuraman et al. (1985), also found that the customer's perception of service quality depends upon the size and direction of the gap between the service the customer expects to receive and what he or she perceive to have been received. Thus, service quality is defined as the gap between customers' expectation of service and their perception of the service experience. The **gap theory** is the method for calculating the service quality that involves subtracting a customer's perceived level of service received from what was expected (Clow and Kurtz, 2003).

- **SERVQUAL Dimensions**

In Parasuraman et al.(1985) , developed the SERVQUAL(stands for service quality) instrument (refined in1988, 1991 and again in 1994) for the measurement of service quality/Gap 5. It has become one of the most renowned in the service quality domain since then. The original version of SERVQUAL (parasuraman et al, 1988) consists of two sections: 22-item section measure customers' service expectations of companies within a specific sector (e.g., banking), which deals with customers opinions of services, more precisely, how the customer shows the extent of what they think of the services offered by the organization. The corresponding 22-item section to measure customers' perceptions of a particular company in that sector.(Parasuraman, Zeithaml and Berry, 1991), The items of SERVQUAL are ranked on a 7-point Likert scale and customers respond to the items by choosing a number between 1 to 7 scales that reflect their expectation and perception of a service. Service quality is then measured by calculating the difference in scores between the corresponding items (i.e. "perceptions" minus "expectations"/ P-E). A higher gap score indicates high level of service quality and vice versa. And overall service quality is computed as the sum of all the gap scores of each of the 22 items tapped from five dimensions.

**1. Tangibles:** the appearance of the company's physical facilities, equipment, and personnel.

**2. Reliability:** The ability of the company to perform the promised service dependably and accurately without errors.

**3. Responsiveness:** the willingness of the company to provide service the prompt and helpful to the customer.



**4. Assurance:** The knowledge and courtesy of the company's employees and their ability to convey trust and confidence.

**5. Empathy:** The caring, individualized attention the company provides to its customers.

Some researchers have used SERVQUAL entirely to investigate bank service while others have chosen to use a smaller number of attributes to represent each of the five dimensions. The pioneer study of Parasuraman et al. (1985), has been a major driving force in developing an increased understanding of and knowledge about service quality. They defined service quality as the gap between customers' expectation of service and their perception of the service experience. The various gaps visualized in gap model are:

(1) **Gap 1:** Difference between consumers' expectation and management's perceptions of those expectations, i.e. not knowing what consumers expect.

(2) **Gap 2:** Difference between management's perceptions of consumers' expectations and service quality specifications, i.e. improper service-quality standards.

(3) **Gap 3:** Difference between service quality specifications and service actually delivered i.e. the service performance gap.

(4) **Gap 4:** Difference between service delivery and the communications to consumers about service delivery, i.e. whether promises match delivery.

(5) **Gap 5:** Difference between consumers' expectation and perceived service. This gap depends on size and direction of the four gaps associated with the delivery of service quality on the marketer's side.

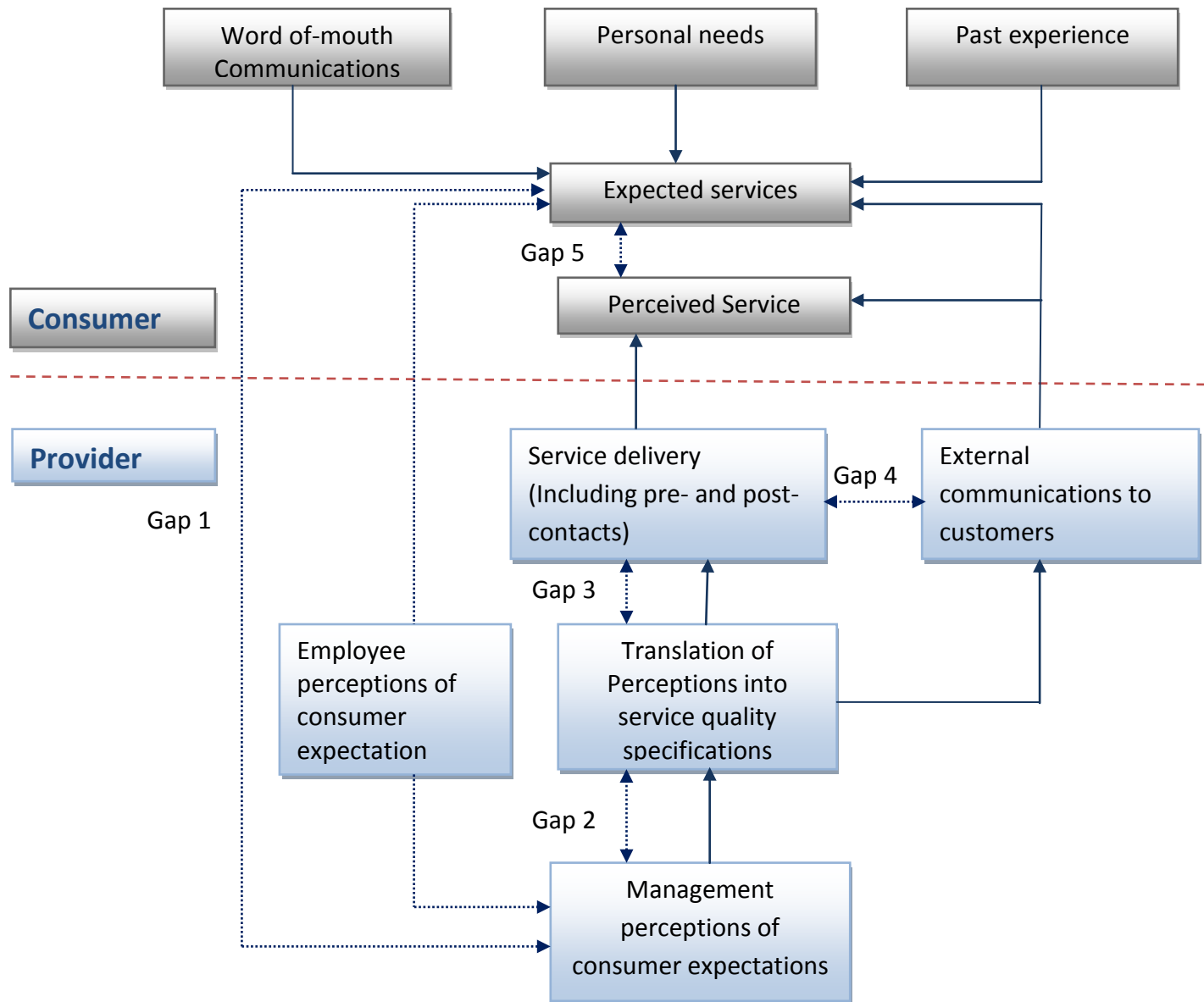


Figure 2.1 Service quality gaps adapted from Parasuraman et al. "A conceptual model of service quality and its implication for future research" 1985

- **SERVPREF**

Developed by Cronin and Taylor (1992), is an instrument to measure service quality and customer satisfaction. It contains the same domains used in the SERVQUAL model Cronin & Taylor (1992). Developed this model to study four service sectors: banking, pest control, dry cleaning, and fast food. Its framework is based upon the performance theory and is a modification of the SERVQUAL model. The only difference between SERVQUAL and SERVPREF is that the SERVPREF does not take into account customer expectations. It brings into play only customer perceptions of service performance. Therefore, this model does not have a disconfirmation scale, which is the gap between expectations and perceived performance of service. It has only one part, which is the perceived performance of service. In this instrument, customers rate their perceptions of performance of the same attributes that are covered in the SERVQUAL model.

The five domains tangibles, reliability, responsiveness, assurance and empathy identified in the SERVQUAL model are equally applicable to the SERVPREF model. According to Cronin and Taylor (1994), SERVPREF can provide managers with a summary of overall service quality score, which can then be plotted in relation to time and specific customer segmentations related to consumer characteristics, for example, demographic subcategories and individual constituencies. The SERVPREF scale thus provides a useful tool for measuring the overall service quality attitudes of service managers. However, they suggest that great care should be exercised by managers of service organizations in attempting to derive more specific information from data captured by the SERVPREF scale for strategic decision making (Cronin & Taylor 1994).

SERVPREF is less complicated, more concise, more precise and easier to administer than SERVQUAL. However the SERVQUAL model is the more attractive model because it is more comprehensive and provides better diagnostic information. Nevertheless, SERVPREF explains more of the variation in customer perceptions of service quality than SERVQUAL, as measured by R<sup>2</sup> statistics. R<sup>2</sup> can be obtained by regression analysis, wherein the single item overall service quality measure is the dependent attribute, and the deduced five domains are the independent attributes.

- **Gronroos Model**

Gronroos (1984), relates definition of service quality with the result of the comparison that customers make between their expectations about a service and their experience of the way the service has been performed. According to Gronroos (1984), services are produced, distributed, and consumed in the interaction between the service provider and the service receiver. Accordingly, services must be viewed from an interactive perspective. The model proposed by Gronroos (1984, 1990) focuses on the role of technical quality (or output) and functional quality (or process) as occurring prior to and resulting in outcome quality. In the model, technical quality refers to what is delivered to the customer while functional quality is regarding with how the result of the process was transferred to the customer. The model states that the consumer is not interested only on what he/she receives as an outcome of the production process, but also on the process itself. The perception of the functionality of the technical outcome (technical quality) is a major determinant of the way he/she appreciates the effort of the service provider.

### **2.2.5 The Relationship between Customer Satisfaction and Service Quality**

According to Glumore(2003), there has been considerable debate about the concepts of customer satisfaction and service quality. Each has its own research background and theory development. Service quality is defined in the literature as the ability of an organization to meet or exceed customer expectations. Customer expectations have been defined as the desires or wants of consumers or what they feel a service provider should offer. However, the exact relationship between satisfaction and service quality has been described as a complex issue, characterized by debate regarding the distinction between the two constructs and the casual direction of their relationship (Brady, Cronin and Brand, 2002). Parasuraman, Zeithaml, and Berry (1994), concluded that the confusion surrounding the distinction between the two constructs was partly attributed to practitioners and the popular press using the terms interchangeable, which make theoretical distinctions difficult.

Interpretations of the role of service quality and satisfaction have varied considerably (Cronin and Taylor, 1992; Parasuraman, Zeithaml, and Berry, 1988). Parasuraman et al. confined satisfaction to relate to a specific transaction as service quality was defined as an attitude. This meant that perceived service quality was a global judgment, or attitude, relating to the superiority

of the service. Cronin and Taylor (1992), found empirical support for the idea that perceived service quality led to satisfaction and argued that service quality was actually an antecedent of consumer satisfaction. Asserted that consumer satisfaction appeared to exert a stronger influence on purchase intention than service quality, and concluded that the strategic emphasis of service organizations should focus on total customer satisfaction programs.

The authors reasoned that consumers may not buy the highest quality service because of factors such as convenience, price, or availability and that these constructs may enhance satisfaction while not actually affecting consumers' perceptions of service quality. Cronin and Taylor (1992), later conceded that the directionality of the service quality/satisfaction relationship was still in question and that future research on the subject should incorporate multi item measures. The authors suggested restricting the domain of service quality to long-term attitudes and consumer satisfaction to transaction-specific judgments.

However, Bitner and Hubbert (1994) determined that service encounter satisfaction was quite distinct from overall satisfaction and perceived quality. The authors concluded that the constructs exhibited independence. Adding to the debate about the distinction between service quality and satisfaction, customer satisfaction has also been operationalized as a multidimensional construct along the same dimensions that constitute service quality (Sureshchandar, Rajendran, and Anantharaman, 2002). Despite strong correlations between service quality and customer satisfaction in their study, the authors determined that the two constructs exhibited independence and concluded that they were in fact different constructs, at least from the customer's point of view. Brady and Cronin (2001), had endeavored to clarify the specification and nature of the service quality and satisfaction constructs and found empirical support for the conceptualization that service quality was an antecedent of the super ordinate satisfaction construct. In addition, the authors found that explained a greater portion of the variance in consumers' purchase intentions than service quality. A reverse causal relationship has also been hypothesized between the two constructs.

### **2.3 Review of Empirical Studies**

According to Abu Muammar (2005), Study entitled "banking service quality measurement in banks operating in the Gaza Strip, Palestine", this study aimed to assess the link between service quality and customer based brand equity for customer satisfaction, the study found that need to

understand customer expectations in order to provide the best banking services, and achieve brand equity and satisfaction. Furthermore, customer loyalty and perceived quality is primarily depends on the investigation of the quality of banking services. The study recommended that the need to boost up assurance between customer and bank and take more curiosity in speed and accuracy and in the provision of banking services.

According to Blomer (1998), Study handled the concept of loyalty to the Bank, this research verify how the mental image, perceived service quality, and customer satisfaction affect their loyalty in the individual banks at the international level, it was found that mental image indirectly linked with the loyalty to the Bank via quality, which is associated through customer satisfaction and found that reliability dimensions is the most important dimensions of service quality.

Addams, (2000) Study entitled "Service at Banks and Credit Unions," the study found that credit institutions are better than banks on providing quality banking service as the Bank does not identify customer needs, the study recommended the need to pay attention to the quality of banking services, and to identify the needs of customers. Jabnoun& Al-Tamimi, (2002) Study entitled "Measuring Perceived Service Quality at UAE Commercial Banks" this study aimed to measure the responsible quality through banking service quality dimensions, represented by human skills, concrete skills, empathy and response, the study found that customers give dimensions in financial value, but gave higher value for human skills.

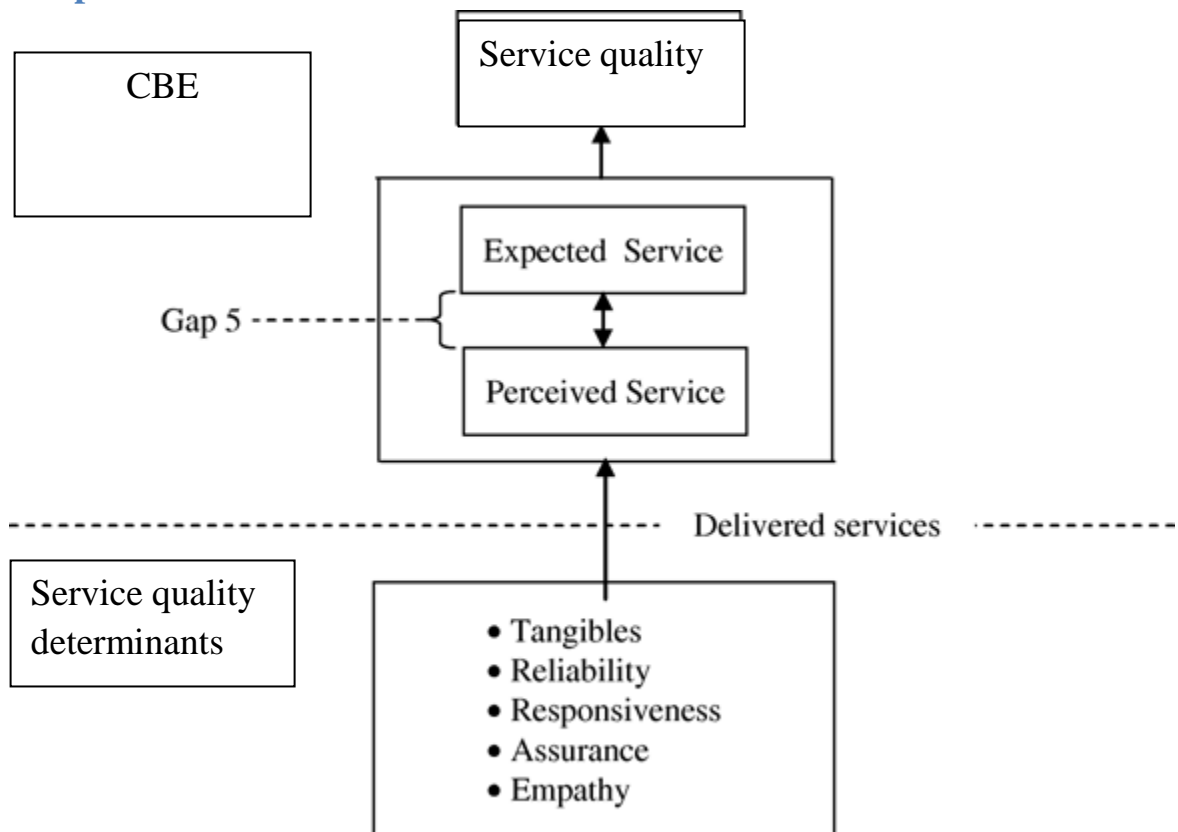
Suresh et al., (2003) Study entitled "Customer Perceptions of Service Quality in the Banking Sector of Developing Economy," the study found that banks varied significantly in providing quality service through customer perception of the quality of service provided. The study found an association between customers and knowing customers, to lead the competition in this area. The study found a link between quality of service and customer satisfaction, and that it has a significant impact in improving the level of customer satisfaction.

This study also recommended to make a focus on reliability and customer knowledge in order to improve the competitive position of the sector, in order to ensure customer loyalty, and continued success in the future. Hunjra et al., (2011) Study entitled "the relationship between customer satisfaction, and quality of service in Islamic banking in Pakistan". This study aimed to

highlight the relationship between customer satisfaction and quality of service for Islamic banks. The study found a relationship between customer satisfaction and building the quality of bank service, the study also ensures that the effect of the response to the needs of the customers and satisfaction are of the most influential variables in Pakistan.

Ravi C.S &Kundan Basavaraji (2013) investigate the preference and satisfaction level of customer toward loan, deposit scheme, insurance and value added service rendered by private and public banks in Shivamoga district. Business and vehicle loan are fast moving than other service and overall satisfaction result at 50%. Further, overall satisfaction on bank deposit scheme resulted positively while other services of banking still need to be given attention by focusing on customer issues. New innovative scheme, strategies to cater to non users other service have to be adopted.

## 2.4. Conceptual Framework



**Source:** Parasuraman *et al.* (1985, 1988, 1990 and 1991)

Figure 2.2 Conceptual framework

## **CHAPTER THREE**

### **METHODOLOGY**

#### **3.1 Research Design**

A research design is simply the frame work of the study. From different types of research designs descriptive of explanatory type of research design was employed as a main research design for this study to the realization of intended objective. The reason behind using descriptive research design is because the researcher is interested in describing the exiting situation under study. Creswell, (2005) stated that the descriptive method of research is a technique for gathering information about the present existing condition. This research design is a fact finding study with adequate and accurate interpretation of findings. This study also used explanatory research design to explaining, understanding, predicting and controlling the relation between variables. By taking cross-section of the population relevant data was collected at one point in time.

#### **3.2 Sample Size and Sampling Techniques**

##### **3.2.1 Target Population and Sample Size**

As per the information collected from the bank, in 2014/2015,there are forty(40) city branches under north Addis district, among those thirty three (33) of them are grade two, three(3) of them are grade three branches and four(4) of them are grade four branches are target population of the study. In the case of non-probability samples, the choice of sample size were be determined by the insight, judgment, experience or financial resource of the researcher. Thus, the researcher consider available fund and time, sample size used by similar past studies and own judgment to determine the sample size. Roscoe (2001) also proposes that the appropriate sample sizes for most research to be greater than 30 and less than 500.

Units of Analysis in this study were individual respondents who are the customers of selected branches who receive the service provided by the banks.

From the population of 40 branches, 10 branches were selected as follows, 2 branches from grade 4 branch (10%), 2 branches from grade 3 branch (7.5%) and 6 branches from grade 2 (82.5%). The above mentioned 10 branches were selected using disproportional stratification.



Disproportional stratification is one of stratified random sampling. When the researcher used different sampling fraction in the strata call this disproportional stratification

The population was sampled in to a sample size of 384 respondents using the equation developed by Cochran (1963, 1975) to yield a representative sample for population of large sample size.

$$N = z^2 t^* (1-t) / e^2$$

Z-standardization value indicating a confidence level

E-acceptable magnitude of error

T-sample standard deviation or an estimate of the population

N-sample size

$$N = 1.96^2 \times 0.5 \times 0.5 / 0.05^2$$

$$N = 384$$

### **3.2.2 Sampling Techniques**

The researcher used Purposive and convenience sampling. Purposive sampling involves selection of particular units of the population for constituting a sample which represents the targeted population. Convenience sampling is the study used non-probability sampling techniques which are purposive & convenience technique in which a sample is drawn from that part of the population that is close to hand, readily available, or convenient (Anol 2012). The reason behind for using non probability sampling and convenience sampling is because the population is too large and difficult to include each and every individual. The respondents are included based on their convenient accessibility, availability and proximity to the researcher

## **3.3 Types of Data and Instruments of Data Collection**

### **3.3.1 Sources of Data and Type**

To collect the necessary data for the study the researcher used both primary and secondary sources of data were used for this study. Primary data is collected using semi-structured questionnaire which contained a mixture of closed ended questions based on SERVQUAL

dimensions. And secondary data's are collected from different books, journals, articles, and previous studies.

Pilot survey was conducted on a small group (3-5 respondents) of bank customers prior to the field survey. The pilot tests are used to check if there is inconsistency in the questions and confirm the suitability of the content of the questions.

### **3.3.1.1 Primary Data Source**

#### **Questionnaire**

To gather primary data structured questionnaire were prepared in English and interpreted to Amharic before they were distributed. The questionnaire have two parts, the first part of the questionnaire was the general profile of respondents, the second part designed to measure the customer satisfaction about the bank service delivery system. The researcher chose questionnaires to collect first hand information from the respondent because questionnaires have some advantage like lower cost, it gives better sample, and it's more standardized for the entire respondent. It is more confidential and respondent have adequate time to give well answers for the questions.

### **3.4 Method of Data Collection**

For the proper achievement of the objectives of the study; among different primary data collection method ,questionnaire were used .the respondents who are the clients of the bank were asked for cooperation and given the questionnaire when they were receiving service in specific branch. Structured questionnaire were developed containing closed ended questions. The variables were measured using likert scale with five response categories.(strongly disagree, disagree, neutral, agree and strongly agree ). The likert scale method was preferred to make questions interesting to respondents thereby enhancing their cooperation (Robson Collin,2002)

### **3.5 Procedure of Data Collection**

The study is based on both primary and secondary data sources. It begins by secondary data analysis through the detailed review of related literature and survey questioners was used as the

main data gathering instrument for this study. Questionnaires were prepared and distributed to the sample that was selected from customers of CBE. After the data is collected by using the questioner it is necessary to use statistical technique to analyze the data. The survey data was processed by using by SPSS to be analyzed and presented.

### 3.6 Specification of the Model

In order to run further analysis toward the variables as hypothesized the relationship between the independent and dependent variables can be specified as follow.

According to baron and Kenny (1986), the on account of the theoretical relevance, the study formulates the following regression equation to identify the determinants of customer satisfaction by using the SERVQUAL dimension or by using the five quality dimension.

$$Cs = \alpha_0 + \alpha_1 \text{Assurance} + \alpha_2 \text{empathy} + \alpha_3 \text{responsiveness} + \alpha_4 \text{reliability} + \alpha_5 \text{tangibility} + \mu$$

Where CS= customer satisfaction

$\alpha$  = paramter

$\mu$  = is error term

### 3.7 Data Analysis Method

The data that are gained from the questionnaires were analyzed and interpreted using statistical package for social science (SPSS) version 20. As a result, descriptive and inferential analysis has been conducted by employing different methods. From the descriptive statistics percentage, mean has been used to assess service quality and measure customer satisfaction level in the branches .From the inferential statistics, multiple regression and correlation were employed to identify the relation between service quality dimensions and customer satisfaction.

### 3.8 Reliability and Validity

Validity defines as the extent to which data collection method or methods accurately measures what they were intended to measures. To ensure the validity of the study data was collected from the reliable sources, from respondent who has experience in using the service of the bank. And

survey question were made based on standardized questionnaires which developed by parasuraman et al. (1985, 1988). Furthermore this study were tested and examined by the advisor and other colleagues to determine its clarity. The reliability of the researcher instrument structured questionnaire was measured by the cronbache alpha.

### **3.9 Ethical Consideration**

The study is ethically clear from St. Mary University School of graduate `studies department of business administration. The researcher uses the data from customers which are collected through questionnaire; permission is obtained from the customers. To maintain the confidentiality of the information provided by the respondents, the respondents are instructed not to write their names on the questionnaire and assured of that the responses are used only for academic purpose and kept confidential. Finally, respondents are included in the study based on their free will.

## CHAPTER FOUR

### DATA ANALYSIS AND PRESENTATION

This chapter contains the reliability analysis, respondent's profile, correlation analysis, SERVQUAL dimension, overall customer's satisfaction analysis and multiple regression analysis. That all tries to answers the research questions.

A total of 384 questionnaires were distributed and data were collected from ten CBE branches. From the 384 questionnaires distributed only 350 have been collected and was analyzed with the statistical package for social science (SPSS) version 20 based on the information obtained from 350 customers.

#### 4.1 Reliability Test

Table 4.1.1 Result of reliability study

	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
Tangibility	.845	.832	4
Reliability	.815	.833	5
Responsiveness	.857	.869	4
Assurance	.794	.779	4
Empathy	.822	.834	5
Total result of all independent variables		.968	23

Source: Survey, 2016

A reliability test is used to assess consistency in measurement items (cerri, 2012). Cronbach's alpha is used to measure the internal consistency of the measurement items. From data analysis the cronbach's alpha for this study is 0.968 which is excellent according to the standard set by George and Mallery (2003) and it is over the accepted limit of  $\geq 0.70$ . For all individual dimensions, the cronbach's alpha is greater than 0.70 which is shown below that signifies greater internal consistency between the items and measures the intended dimension of the variables. As well as it indicates the acceptability of the scale for further analysis.

## 4.2 Profile of Respondents

### 4.2.1 Age and Gender Characteristics of the Respondents

Table: 4.2.1 age and gender characteristics of the respondents.

Gender	Frequency	Percent
Female	141	40.3
Male	209	59.7
Total	350	100.0
Age	Frequency	Percent
18-30	130	37.1
31-45	156	44.6
Above 45	64	18.3
Total	350	100.0

Source: Survey, 2016

This section summarize the demographic of respondents, which includes gender, age, educational level, type of account, occupation of respondents and number of years as customer. The purpose of the demographic analysis in this research is to describe the characteristics of the sample such as the number of respondents, proportion of males and female in the sample, range of age, educational level, type of account they hold, and to know customers duration time. Accordingly, the following table provides the demographic profile of the respondents

As indicated in the above table among the total distributed questionnaires, 44.6% of the respondents were found to be in the age category of 31-45 years. The rest of the respondents composes of 37.1% and 18.3% are clustered in age the categories of 18-30, and 45 and above respectively. This data indicated that the most of the respondents categorized under age group of 31-45 years. The results of the survey with regards to gender is also presented in table 4.2.1, accordingly the numbers of the male respondents were 59.7% (209respondents).While the number of female respondents were 40.3% (141respondents). From the respondents demographic profiles the number of male respondents were more than the female respondents. This indicate that the number of male customers were more than female customers.

#### 4.2.2 Educational Level of Respondents

Table 4.2.2: Educational level of respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Primary Education Completed	11	3.1	3.1	3.1
High School Certificate	19	5.4	5.4	8.6
Diploma	27	7.7	7.7	16.3
Degree	91	26.0	26.0	42.3
Master	176	50.3	50.3	92.6
Total	26	7.4	7.4	100.0
	350	100.0	100.0	

Source: Survey, 2016

As table 4.2.2 show that majority of the respondents were grouped under the educational level of first degree covering 50.3% of the total respondents following by diploma 26% the rest of the respondents were categorized under the educational level of primary education, high school, certificate, and masters desired and above which covers 3.1%, 5.4%, 7.7% and 7.4% of respondents respectively. This indicate that the majority of the bank customers were educated and have first degree.

### 4.2.3 Occupation of Respondents

Table 4.2.3: Occupation of respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Government	137	39.1	39.1	39.1
Business Employee	63	18.0	18.0	57.1
Business Owner	48	13.7	13.7	70.9
Student	38	10.9	10.9	81.7
Retiree	13	3.7	3.7	85.4
Other	51	14.6	14.6	100.0
Total	350	100.0	100.0	

Source: Survey, 2016

As table 4.2.3 indicates more of the respondents occupation were grouped under the government employee, which covering 39.1% the total respondents followed by business employee 18%. The rest of the respondents were categories under business owner, students, retiree and other which cover 13.7%, 10.9%, 3.7% and 14.6% respectively. Thus the majority of respondent's occupation was grouped under the government employee. This implies that the majority of bank customer base is dependent on government employee.

### 4.2.4 Number of Years and Types of Account Maintain Within the Bank.

Table 4.2.4 Types of Account and year of service

Types of accounts	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Saving	255	72.9	74.8	74.8
Current	86	24.6	25.2	100.0
Total	341	97.4	100.0	
Missing System	9	2.6		
Total	350	100.0		
Year of service	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Below year	35	10.0	10.0	10.0
1 Year	33	9.4	9.4	19.4
Above year	282	80.6	80.6	100.0
Total	350	100.0	100.0	

Source: Survey, 2016



Accordingly to table 4.2.4 the majority of the respondent's duration within the bank is above 1 year which covers 80.6% from the total respondents the rest of the respondents 1 year covering 9.4% respondents and 10% respondents have duration with the bank below 1 year. Regarding the type of account (255) respondents 72.9% respondents have saving accounts and the rest 24.6% (86) Respondents have current account. This implies that most of the respondents maintain saving account on the other hand the majority of the respondents duration with the bank is above 1 year.

### 4.3 Descriptive Analysis of Overall Customer Satisfaction

Table 4.3 Overall customer satisfaction

	Frequency	Percent
Valid Strongly disagree	17	4.9
Disagree	35	10.0
Neutral	66	18.9
Agree	130	37.1
Strongly agree	102	29.1
Total	350	100.0

Source: Survey, 2016

Table no 4.3 represent the outcome of the analysis of customer's satisfaction with the service quality the commercial bank of Ethiopia on their perception respondents were asked to rate their overall level of satisfaction with the service provided by CBE.

As the result of the descriptive data analysis in table no 4.3 indicates that 4.9% of respondents reported that; they are strongly disagree with the service quality of CBE, while 10% found to be disagree and 18.9% of them respondent as neutral. And the rest 37.1% and 29.1% rated as agree and strongly agree respectively. As of (Gitman and Carl, 2005). Customer Satisfaction is a measure of how a product and services supplied by a company meet or surpass customer expectation. It is seen as a key performance indicator with business and is an indicator of how

successful the company is at providing products and services to the market. The ability of a bank to meet the expectations of customers determines the extent of satisfaction derived by customers. (Gitman and Carl, 2005) describes customer satisfaction as the major of extent a bank fulfills the general expectation of a customer and how far and/or close does the existing bank came to the customers ideal bank in his mind. Thus it indicates as the percentages of customer's who are satisfied with the service that CBE can provide are more than those who are dissatisfied with the service. Around 66.2% of the respondents were found satisfied. These implies that more of the respondents are satisfied or score above average with the service quality provided by Commercial Bank of Ethiopia.

#### **4.4 Relation Analysis between Service Quality Dimensions and Customers Satisfaction**

The correlation analysis result was performed to see the association between several dimension and overall customer satisfaction. Therefore, the correlation analysis reviewed the relationship between tangibility, reliability, responsiveness, assurance and empathy with over customer satisfaction.

Correlation analysis is one of the most widely used in research, it is often, used to determine a relationship between two variable, it so how significant or how strong is the association between variables. The correlation "r" is statics used to measure the degree or strength of this type of relationship (Taylor 1990).To interpret the strength of relationship between variables, the guidelines suggested by Taylor R (1990), were followed. His classification of the correlation coefficient (r) - Is as follows:  $\leq 0.35$  is considered to represent low or weak correlation 0.36-0.67 is modest or moderate correlation: 0.63-0.89 is strong or high correlation and correlation with r coefficient  $\geq 0.90$  is very high correlation. If the correlation 1 and 0, the two variables are negatively related, each variable correlates perfectly with itself with coefficients of 1.00.

Table 4.4 correlation analysis between service quality dimensions and customers satisfaction  
 Correlation is significant at the 0.01 level (2-tailed)

	Tangibles	Reliability	Responsiveness	Assurance	Empathy	Overall Satisfaction
Tangibles	1	.706**	.665**	.643**	.632**	.668**
Reliability		1	.721**	.686**	.649**	.705**
Responsiveness			1	.773**	.700**	.717**
Assurance				1	.733**	.798**
Empathy					1	.767**
Overall Satisfaction						1

Source: Survey, 2016

Below the relation between tangibility and customer satisfaction are tried to explain, the correlation results is 0.668 this indicates that the two variables have significant and positively related in addition, the  $r = .668^{**}$  value also implies as customer satisfaction in CBE has strong correlation with tangibility dimension. Next attempt to clarify the correlation between the reliability and the customer satisfaction as it is already show, the two variables have significant positive relationship. This implies that the two variables influence each other positively. In addition, the  $r = .705^{**}$  value indicates the reliability maintain strong correlation with the customer satisfaction in the CBE. On the other hand the correlation results between responsiveness and customer satisfaction is 0.717\*\* this indicates that the two variables are significantly and positively resulted the  $r = .717^{**}$  value indicates that a customer satisfaction in the service quality of commercial bank of Ethiopia has strong correlation with responsiveness.

As per the result show the relationship between assurance and customer satisfaction and the correlation result for this two variable is 0.798, this implies the two variable are also positively related in addition  $r=.798$  \*\*indicate that the assurance maintain strong correlation relationship with the customer satisfaction.

Finally the relationship between empathy and customer satisfaction is also shows the correlation results of the two variable is 0.767\*\*, this implies that the two variables are significantly and positively related. In addition the  $r= .767$ \*\*value indicates that empathy maintain strong relationship with the customer satisfaction.

In general as the correlation among the five dimensions indicates that, there has been statistically significant positive correlation with customer satisfaction. The correlation has been observed between assurance and empathy ( $r=.798$ \*\* and  $.767$ \*\*) followed by responsiveness and reliability (.717 and .705) and lastly the least correlation in comparison with others found to be tangibility (.668\*\*).

#### 4.5 Hypothesis Testing

The dependent variable is customer satisfaction and independent variables are those five service quality dimensions. The \*\* sign shows the correlation result between the variables. Thus up on the Pearson correlation analysis obtained from the variables in the above correlation tables, with the significant level is 0.01(p,0.01) and sample size (N) 350, the hypothesis are examined below one by one, to assure weather there is correlation relationship between service quality dimensions and customers satisfaction in CBE. The hypotheses are as follows:

##### **Hypothesis no 1: Assurance of the service provider has effect on the satisfaction level of the customers**

There is a relationship between assurance and customer's satisfaction of CBE. As in the table no 4.4 analysis, the correlation of assurance is 0.798\*\*and the significant level is 0.01(p.01). The analysis shows that the p-value is 0.000, which is less than 0.01. Therefore, the hypothesis is supported, and concluded that there is a strong positive ( $r=.798$ ) \*\* relationship between assurance and customers satisfaction of CBE.

**Hypothesis no 2: Empathy of the service provider has effect on the satisfaction level of the customers**

There is a correlation between empathy and customer's satisfaction of CBE. In the above analysis, it can be seen that the correlation of the empathy is 0.767\*\* and the significant level is 0.01 (p.01). The analysis shows that the p-value is 0.000, which is less than 0.01. Therefore the hypothesis is supported, and concluded that there is a strong positive( $r=0.767$ ) relationships between empathy and customer's satisfaction of CBE.

**Hypothesis no 3: Reliability of the service provider has effect on the satisfaction level of the customers**

There is a correlation between reliability and customer's satisfaction of CBE. In the above table analysis, it can be seen that the correlation of reliability is 0.717\*\* and the significant level is 0.01(p.01).The analysis shows that the p-value is 0.000, which is less than 0.01. Therefore, the hypothesis is supported, and concluded that there is a strong positive ( $r=0.717$ ) relationship between reliabilities and customer's satisfaction of CBE.

**Hypothesis no 4: Responsiveness of the service provider has effect on the satisfaction level of the customers**

There is a positive correlation between responsiveness and customer's satisfaction of CBE. In the above analysis, it can be seen that the correlation of responsiveness is 0.705\*\* and the significant level is 0.01(p.01). The analysis shows that the p-value is 0.000, which is less than 0.01. Therefore, the hypothesis is supported, and concluded that there is a strong positive ( $r=0.705$ ) relationship between responsiveness and customer's satisfaction of CBE.

**Hypothesis no 5: A Tangibility aspect of the bank has effect on the satisfaction level of the customers**

There is a correlation between tangibility and customer's satisfaction of CBE. In the above analysis, it can be seen that the correlation of tangibility is 0.668\*\* and the significant level is 0.01(p.01). The analysis shows that the p-value is 0.000, which is less than 0.01. Therefore, the

hypothesis is supported, and conclude that there is a strong positive ( $r=.668$ ) relationship between tangibility and customers satisfaction of CBE.

In summery from all these tests, the study confirmed that the five dimensions have positive relationship with overall customer satisfaction, therefore, the result reflects that customer satisfaction is affected by five dimensions variables. From which satisfaction has higher correlation with assurance (.798\*\*) and empathy (.767). Followed by reliability and responsiveness (.717\*\*, .705\*\*) and the last correlation value is with tangibles (.668\*\*) dimensions of the service which is small correlation with customer satisfaction.

To summarize according to their relationship the following table shows the approval of hypothesis.

Table 4.5 results of hypothesis based on correlation statistics

Hypothesis	Independent variables	Correlation value	Dependent variables	Decision implication
H1	Assurance	.796**	Customer satisfaction	Alternative hypothesis is accept
H2	Empathy	.767**	Customer satisfaction	Alternative hypothesis is accept
H3	Reliability	.717**	Customer satisfaction	Alternative hypothesis is accept
H4	Responsiveness	.705**	Customer satisfaction	Alternative hypothesis is accept
H5	Tangibility	.668**	Customer satisfaction	Alternative hypothesis is accept

Source: Survey, 2016

This table shows that variables that were tested by correlation statistical tests, which are five dimensions, have significant relationship with corporate customer satisfaction. Therefore, the five hypotheses that assumed earlier to accomplish the study were supported by all dimensions

## 4.6 Effect Analysis

Multiple regressions are the most common and widely used to analyze the relationship between a single continues dependent variable and multiple continues on categorical independent variable (George et al, 2003). In this study multiple regression analysis was employed to examine the effect of service quality dimension on customer satisfaction. The following table presents the results of multiple regression analysis.

Here the squared multiple correlation coefficients ( $R^2$ ) which tells the level of variance in the dependent variable (customer satisfaction) that is explained by the model

### 4.6.1 Model Summary Table

Table 4.6.1 Model Summary

Mode	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.862 <sup>a</sup>	.743	.740	.49577

a. Predictors: (Constant), Empathy, Tangibles, Reliability, Responsiveness, Assurance

b. Dependent variable: customer satisfaction

Source: Survey, 2016

The results of multiple regressions, as presented in table 4.6.1above revealed that the service quality dimensions (tangibility, reliability, responsiveness, assurance and empathy) combined significantly influence the satisfaction of customers. The regression model presents how the variable in the measure of customer satisfaction level is explained by the underlying factors of customer satisfaction. The predictor has accounted 74.3% (adjusted R square of 74% with estimate standard deviation 0.495) of the variance in the customer satisfaction. The remaining 25.7% are explained by other variables out of this model.

#### 4.6.2 ANOVA Table

The ANOVA table shows the overall significance or acceptability of the model from a statistical perspective. As the significance value of F statistics a value (.000) which is less than  $p < 0.05$  the model is significant. This indicates that the variable explained by the model is not due to chance.

Table 4.6.2 Anova Table

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	230.827	5	46.165	187.826	.000 <sup>b</sup>
	Residual	79.635	324	.246		
	Total	310.463	329			

a. Dependent Variable: Overall Satisfaction

b. Predictors: (Constant), Empathy, Tangibles, Reliability, Responsiveness, Assurance

Source: Survey, 2016

The result of regression analysis based on five independent variables (reliability, responsiveness, assurance, empathy, tangibility) is presented in the table (4.6.2). The service quality dimensions of the factors (independent variables) in contribution to the variance of the overall customer satisfaction (dependent variable) were explained by the standardized beta coefficient.

Of the five SERVQUAL dimensions, two contributes the most on customer's satisfaction in order of importance these were:

- Assurance---(Beta=0.363)
- Empathy-----(Beta=0.298)
- Reliability---(Beta=0.155)
- Tangibility-(Beta=0.120)
- Responsiveness(Beta=0.041)



### 4.6.3 Coefficients Variables

Table 4.6.3 Coefficients Variables

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.131	.122		1.074	.283
Tangibles	.122	.045	.120	2.698	.007
Reliability	.154	.045	.155	3.408	.001
Responsiveness	.041	.050	.041	.814	.416
Assurance	.357	.051	.363	7.043	.000
Empathy	.316	.047	.298	6.704	.000

a. Dependent Variable: Overall Satisfaction

Source: Survey, 2016

Further as the results of the regression analysis highlight the most important dimension that contributed more to customer's satisfaction, assurance ( $\beta=0.363$ ) carries the greatest weight in explaining customer satisfaction followed by empathy with  $\beta$  value of 0.298. Lastly reliability, tangibles and responsiveness are with  $\beta$  value of (0.155, 0.120 and 0.041 respectively).

These results show that one unit increase in assurance would lead to 0.363 units (or 36.3) increase in customer satisfaction provided that other variables being held constant. Similarly one unit increase in empathy would lead to 29.8% increases in customer satisfaction provided that at the variable remains constant. Lastly one unit increase in reliability, tangibility and responsiveness would lead to 0.155 units, 0.120 units and 0.041 increase in customer satisfaction provided that other variables remain constant. Therefore superior performance on the most significant dimension i.e. assurance and empathy may be helpful in providing enhanced quality

of service. While dimension like tangibility, reliability and responsiveness may not significantly impact customer satisfaction perception in the study. Meanwhile the Pearson correlation results of tables above revealed as significant and positive correlation between overall customer satisfaction and all of service quality dimension while the regression result in table above shows that assurance and empathy have more significance contribution to customer satisfaction relative to reliability, tangibility and responsiveness.

## CHAPTER FIVE

### CONCLUSIONS AND RECOMMENDATION

This chapter deals with conclusion drawn from the findings and recommendation forwarded for improvement in service delivery process of the branch banks. It also includes future research implication of the study findings and the limitation of the study.

#### 5.1 Conclusions

The aim of this study was to explore the effect of service quality on customer's satisfaction towards the service quality of CBE, for this the first three specific objective of the study was to identify the most significant dimension of service quality that contributes much towards overall customer satisfaction in CBE, identifying the relationship between service quality and customer satisfaction and also identifying the overall level of satisfaction of customers towards the service of the CBE.

To achieve the first specific objective the researcher applied multiple linear regression analyses, thus this study finds that the assurance and empathy dimension of the service quality are significant and the most important dimensions, statistically significant at( $p < 0.05$ ).

Based on the findings assurance have positive correlation with customer satisfaction. Assurance is based on communication, trustworthiness, capability, courtesy and security. In other words the organization creates feeling of credibility and honesty. Based on the study result the researcher concluded that employees have skill and knowledge in the performance of the service to customers. Customers also feel respected and have generated feeling of security with CBE. The study revealed that empathy has also positive and significant relations with customer satisfaction. Empathy is engaged in futures like caring, personal attention to any customers which aims to make customer feel welcome in a unique and special way.

The study shows that the banks perform service accurately and in a timely manner which shows reliability. On the other hand employees' neat appearance, modern and updated office equipment, good branch layouts are reference to tangibility in CBE. Last but not least the

responsiveness of employees to customers who is measured by the level of enthusiasm, prompt service delivery and the ability to aid and advice customers.

The study concluded that the above mentioned service quality dimension have a positive and a significant impact on customer satisfaction. As it was seen on the regression analysis they still comprise positive correlation with overall customer's satisfaction on the service quality of CBE. This requires the company's exertion to work on these variables too, in order to satisfy its customers beyond the acceptable level. In addition, R square is 0.743 which means 74.3% of the variance in service quality is influenced by these variables.

To identify the relationship between service quality and customer satisfaction in CBE Pearson correlation analysis was used. It was found that all five dimensions of service quality are important for customer's satisfaction in CBE.

As it can be seen from the correlation analysis, it is evident that all the five service quality dimensions have positive and significant correlation with customers' satisfaction. This result indicates that the bank customer places emphasis on all service quality dimensions. Thus it can be concluded that as these attributes increase from the bank, customer satisfaction also increases.

Finally the findings have shown that the overall satisfaction with the service quality is above average or satisfactory. In regards to overall customers satisfaction on all dimension are almost above average, which implies that more of CBE customers are satisfied with service quality of the bank and all the hypotheses were strongly supported.

## **5.2 Limitation of the Study**

According to Anol (2012), a survey type research has limitations like, non-response bias, sampling bias, social desirability bias, recall bias, and common method bias. The research approach of this study is survey type; therefore the research has a limitation of survey research.

This study is geographically limited to CBE north Addis district grade two, three and four city branches. The outcome of the study is solely dependent on the individual responses of the respondents that participate in the study. Moreover, as the sample is small and selected using non-probability sampling technique, the results may not be generalized beyond the specific

population from which the sample is drawn, considering the many branches of CBE that has all over the country.

### **5.3 Recommendation**

This study has shown the relationship among the service quality dimension and customer satisfaction of CBE by using SRVPERF measurement. Since the study confirm the five dimensions of service quality are positively correlated with the bank customer satisfaction, hence the bank should give strong emphasis to all service quality dimension in maintaining and improving the service quality of the bank. Up on this the following recommendations are forwarded for commercial bank of Ethiopian by the researcher.

In the current study among those service quality dimensions, assurance shows the highest significance positive correlation and with customer satisfaction followed by empathy. The core concept of assurance is the knowledge and courtesy of employees as well as their ability to convey trust and confidence. The assurance dimension include the following features; competence to perform the service, politeness and respect for the customer, effective communication with the customer, and the general attitude that the server has the customers best interest at heart. So CBE should train its employees and evaluate its performance consistently, authentically and patiently in resolving customer problems, sincerity and responsive altitude to customer compliant, employees instill confidence to customer and knowledgeable employees to answer customers' questions can be obtained by learning and practicing. To achieve and increase this attributes the employees should participate in scheduled training courses and it is well known that the behavior of employees is often instrumental in bringing about the desired out come. By providing informative feedback on employee's performance, using differential reward and consistently training. CBE can improve its employee's performance and subsequently its customer satisfaction.

Empathy is also the other factor that is significant as well as highly correlated in determining customer's satisfaction in CBE. The core concept of empathy is caring, individualized attention to customers. Empathy includes the following features: approachability, sensitivity and effort to understand the customer's needs. So CBE should try to give individual attention, have customers' best interest at heart, and convenient working hour. And its personnel particularly

those working in customer's service counters need to understand the specific requirement of the customers.

Thus CBE need to be more market oriented, to choose the personnel who interact with the customers, to regularly collect information about customer's needs, to ensure customer satisfaction. Furthermore the bank should try to extend the working hour.

Reliability from this point of view CBE should strive for better performance because this does not require spending more money and it can be achieved in a short term plan. Managers should only increase their controlling, monitoring, motivating and coordinating effort. In order to satisfy its customers and to make their service distinguishable from other banks, CBE should try performing the promised service both dependably and accurately on time and without error?

Tangibility has also begun to emerge as another important factor that determines CBE customer satisfaction. CBE should provide customers' information materials such as brochures need to be provided and should be well composed, and attractive frontline personnel providing service should be neat, clean, and well dressed, and give pleasing look. In order to achieve the above view the bank should try to prepare uniform clothing style within the entire bank. Appearance of its facilities and other equipment should be modern and up-to -date.

Responsiveness is also the other factor that is significant in CBE. It is related with the willingness of employees to help customers and to provide prompt service. This dimension is particularly prevalent where customers have request, questions, complaint and problems. As to responsiveness for better performance employees should try to identify customers' needs and work to satisfy them (kotler, 2003). As a result, the bank is advised to pay special attention to responsiveness by developing appropriate programs and providing ongoing training on the various attributes of responsiveness to increase employee's responsiveness as well as customer's satisfaction.

## **5.4 FUTURE RESEARCH IMPLICATION**

Customer's perception may be changed rapidly from time to time. Thus future researcher may use more time, resource and sample size in order to make all-round assessment in this area.

Beside that this study used the five variables that are tangibles, reliability, responsiveness, empathy and assurance, which explain or influence only 74.3 percent of the variance in service quality. Therefore, future researchers may investigate other variables which have a potential to influence the variance in service quality.

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**ST. MARY UNIVERSITY SCHOOL OF GRADUATE STUDIES**

**Appendix A**

**Questionnaire for Respondents**

**Survey Questionnaire to be filled by commercial bank of Ethiopia customers.**

Dear respondents;

I am post graduate student at St. marry university. Currently, I am conducting a research entitled “ASSESSMENT OF SERVICE QUALITY AND CUSTOMER SATISFACTION IN CBE.” The purpose of the study is to fulfill a thesis requirement for the master of art general MBA. Your highly esteemed responses for the questions are extremely important for successful completion of my thesis. The data will be used only for academic purpose. Also, I ensure you that the information provided will be kept confidential and will not be used for any other purpose.

Finally, I would like to thank you very much for your cooperation and spending your precious time for my request.

**Part I General profile:** please make a tick mark ‘X’ on the option that best describe you.

1. Gender: Female  Male
2. Age (in year): 18-30  31-45  above 45
3. Educational status: Primary education Complete   
High school  Certificate  Diploma   
Degree  master
4. Occupation: ernment official/employees  
 Business employee  Business owner   
 Student  Retiree  others
5. Type of account in the bank  saving account   
Current account
6. Number of years of service usage: below below1 year   
1 year  above 1 year

**Part II-basic information related to service quality**

Please indicate the extent to which you agree or disagree with each of the following statement by putting ‘X’ in the appropriate place to choose the number from 1-5 that best represents your level of agreement with the statement.

Where: (1= strongly disagree 2= disagree 3= neutral 4= agree 5= strongly agree)

DETERMINANTS		MEASURMENT SCALE				
		1	2	3	4	5
<b>Tangibles</b>						
1.	Commercial bank facilities are modern and update.					
2.	Commercial bank employees are well dressed neat and professional.					
3.	Physical layout (such as office furniture...etc are comfortable for the customers.					
4.	Materials linked with the service are visually appealing at commercial bank.					
<b>Reliability</b>						
5.	Commercial bank performs the service right the first time.					
6.	Commercial bank will insist on error free records.					
7.	When customer has problem commercial bank shows a straight interest in solving it.					
8.	Commercial bank provides the service at the time they agree to do so.					
<b>Responsiveness</b>						
9.	I received prompt service from the service provider staff.					
10.	Employees are always willing to help customers.					
11.	Employees show, consideration and respect for the customers.					
12.	Employees of commercial bank are never being too busy to respond to customers’ needs.					

<b>Assurance</b>						
13.	I feel safe in all my transaction at the commercial bank.					
14.	Employees instill confidence in customer by proper behavior.					
15.	Employees of the bank will have enough knowledge to answer customer's questions.					
16.	The bank tells me exactly when the service will be performed.					
<b>Empathy</b>						
17.	The working hours of the bank are convenient to customers.					
18.	The service is accessible for Anybody like for disables.					
19.	Employees try to understand the feeling, needs and request of customer.					
20.	Commercial bank has their customer's best interest at heart.					
21.	Commercial bank has employees who give customer personal services.					
	<b>Customer overall satisfaction</b>					
22.	The bank has enough variety of products.					
23.	When the bank promises to do something by a certain they should do so.					
24.	I am satisfied with the working environment of the company					
25.	The bank keep customers records safely and accuretly					
26.	Employees make information easily and obtainable by the customers					
27.	Customer overall satisfaction					

Thank you for your patterns and cooperation.

**Appendix B: Amharic Version Questionnaire**  
**ለመላሾች የተዘጋጀ መጠይቅ**

በኢትዮጵያ ንግድ ባንክ ደንበኞች የሚሞላ የዳሰሳዊ ጥናት መጠይቅ ውድ መላሾች፤

እኔ በቅድስተ ማርያም ዩኒቨርሲቲ ውስጥ የድህረ ምረቃ ተማሪ(የማስተርስ ዲግሪ) ነኝ። በአሁኑ ወቅት “በኢትዮጵያ ንግድ ባንክ ውስጥ ያለውን የአገልግሎት እና የደንበኞች እርካታ ግምገማ” በሚል ርእስ የመመሪቂያ ጽሁፌን በማዘጋጀት ላይ እገኛለሁ። የዚህ ጥናት አላማ በአርት የአጠቃላይ MBA (በቢዝነስ አድሚኒስትሬሽን የማስተርስ ጥናት) የሚያስፈልገውን የመመሪቂያ ማሟያ ጽሁፍ ለማቅረብ ነው። እርሶ ለእነዚህ ጥያቄዎች የሚሰጧቸው ምላሾች እኔ የመመሪቂያ ጽሁፌን አሟልቼ ለማቅረብ እንድችል ያላቸው ጠቀሜታ እጅግ የጎላ ነው። የተሰበሰበው መረጃ ለትምህርት ነክ አላማ ብቻ የሚውል ነው። ከዚህም በተጨማሪ የማረጋገጥሎት እርሶ የሰጧቸው ምላሾች በሚስጥር የሚያዙ መሆኑን እና ለሌላ ለማንኛውም አላማ ጥቅም ላይ እንደማይውሉ ነው።

በስተመጨረሻም እርሶ ላደረጉልኝ ትብብር እና የእኔን ጥያቄ ለመመለስ ያለዎትን ውድ ጊዜ ለመሰጠት በመፍቀድ እጅግ በጣም ላመሰግኖት እወዳለሁ።

ክፍል | አጭር ግለ ታሪክ መግለጫ፡ እርሶን በሚገልጸው አማራጭ ላይ ይህንን “X” እንዲያደርጉ በአክብሮት እጠይቃለሁ።

1. ጾታ፡ ሴት  ወንድ
2. እድሜ (በአመት)  18-30  31-45  ከ45 በላይ
3. የትምህርት ደረጃ፡  የመጀመሪያ ደረጃ ትምህት ያጠናቀቀ/ች   
 ሁለተኛ ደረጃ  ምስክር ወረቀት  ዲፕሎማ ምሩክ   
 ዲግሪ ምሩቅ  ማስተርስ ምሩቅ
4. የስራ ሁኔታ፡ መንግስታዊ ጽ/ቤት/ የመንግስት ተቀጣሪ   
 የቢዝነስ ድርጅት ተቀጣሪ  የቢዝነስ ድርጅት ባለቤት   
 ተማሪ  ጡረተኛ  ሌሎች
5. በባንኩ ውስጥ ያልዎት የሂሳብ አይነት፡   
 ቁጠባ ሂሳብ  ተንቀሳቃሽ ሂሳብ
6. የአገልግሎት ተጠቃሚ ከሆኑ ጀምሮ ያሳለፉት አመታት፡  
 ከ1 አመት በታች  1 አመት  ከ1 አመት በላይ

ክፍል II ከአገልግሎት ጥራት ጋር ተያያዥነት ያላቸው መሰረታዊ መረጃዎች ከዚህ ቀጥሎ በሰፊው መግለጫዎች ላይ ከ1-5 ድረስ ካሉት አማራጮች መካከል የእርሶን ስሜት በተገቢው ይገልጻል ብለው ባሰቡት አማራጭ ላይ ትክክለኛውን ቦታ በመምረጥ ይህንን “X” እንዲያደርጉ በአክብሮት እጠይቃለሁ፡፡

እነዚህም አማራጮች፡ (1= በጣም አልስማማም፤ 2= አልስማማም 3= መሀል ሰፋሪ፤ 4= እስማማሁ፤ 5= በጣም እስማማለሁ)

መገምገሚያ ነጥቦች		የልኬት እርከን				
		1	2	3	4	5
ተጨማሪ መገምገሚያ ነጥቦች						
1	የንግድ ባንክ አገልግሎት መስጫዎች ዘመናዊ እና ጊዜው ከደረሰበት የእድገት ደረጃ ጋር አብረው የሚሄዱ ናቸው					
2	የንግድ ባንክ ሰራተኞች በአግባቡ ንጽህናው የተጠበቀ አለባበስ ያላቸው እና ሙያዊ ብቃት የተካኑ ናቸው					
3	የቢሮ አወቃቀር (እንደ አብነት ለመጥቀስ የቢሮ ወንበር እና ጠረጴዛ ወዘተ) ለደንበኞች ምቹ በሆነ መንገድ የተሟሉ ናቸው					
4	ከአገልግሎት አሰጣጥ ጋር ግንኙነት ያላቸው እና ንግድ ባንክ ውስጥ የሚገኙ ቁሳቁሶች ለተመልካች የሚማርኩ ናቸው					
አስተማማኝነት						
5	ንግድ ባንክ አገልግሎቱ ለመጀመሪያ ጊዜ በትክክል ያከናውናል					
6	ንግድ ባንክ ከስህተት የጸዳ የኢሳብ መሣግብት አያያዝ እንዲኖር አበክሮ ይሰራል					
7	ደንበኛው ችግር በሚያጋጥመው ጊዜ ንግድ ባንኩ ይህንን ችግር ለመፍታት ትኩረት ይሰጣል					
8	ንግድ ባንኩ አገልግሎቱን ለመስጠት ስምምነታቸውን በገለጹበት ወቅት ላይ የአገልግሎት አቅርቦት ያከናውናል					
ፈጣን ምላሽ ሰጪነት						
9	ከአገልግሎት ሰጪ ሰራተኞች አፋጣኝ የመስተንግዶ አገልግሎት አገኛለሁ					
10	ሰራተኞቹ ሁሌም ቢሆን ደንበኞች እገዛ ለማድረግ ፍቃደኝነት ይስተዋልባቸዋል					
11	ሰራተኞች ለደንበኞች ትኩረት እና አክብሮት ይሰጣሉ					



12	የንግድ ባንኩ ሰራተኞች የደንበኞችን ፍላጎት ለማሟላት እንዳይችሉ በሚያደርግ ስራ እራሳቸውን ጠምደው አይስተዋሉም					
የማረጋገጫ ዋስትና						
13	እኔ በንግድ ባንክ ውስጥ በማደርጋቸው ሁሉም ግብይቶች ላይ የመተማመን ዋስትና ይሰማኛል					
14	ሰራተኞቹ ባላቸው አግባብነት ያለው ባህሪ የተነሳ በደንበኞች ላይ የመተማመን ስሜትን ይፈጥራሉ/ያሰርጻሉ					
15	ሰራተኞች ከደንበኞች የሚቀርብላችን ጥያቄዎች ምላሽ ለመስጠት የሚያስችል በቂ እውቀት ያላቸው ናቸው					
16	ባንኩ እኔ የምፈልገው አገልግሎት መቻሉን እንደሚሰጥ በትክክል ያሳውቀኛል					
የሌላውን ችግር እንደራስ የመቁጠር						
17	የባንኩ የስራ ሰአታት ለእኔ አመቺ ናቸው					
18	የሚሰጠው አገልግሎት አካል ጉዳተኞችን ጨምሮ ለሌላ ለማንኛውም ግለሰብ ተደራሽነት ያላቸው ናቸው					
19	ሰራተኞቹ የደንበኞችን ስሜት፣ ፍላጎት እና ጥያቄ ለመረዳት ጥረት ያደርጋሉ					
20	ንግድ ባንኩ የደንበኞቹን የላቀ ጥቅም ለማስጠበቅ ትኩረት ሰጥቶ ይሰራል					
21	ንግድ ባንኩ ደንበኞች ተኮር የሆነ ግለሰባዊ አገልግሎቶችን የሚሰጡ ሰራተኞች አሉት					
የደንበኞች አጠቃላይ እርካታ						
22	ባንኩ በቂ የሆነ የአገልግሎት አሰጣጥ አማራጮች አሉት					
23	ባንኩ አንድ የሆነን ጉዳይ እንደሚፈጽም ቃል ከገባ በቃሉ የሚገኝ ተቋም ነው					
24	በኩባንያው የአሰራር ከባቢያዊ ሁኔታ እርካታ ይሰማኛል					
25	ባንኩ የደንበኞችን የሂሳብ መዛግብት ደህንነቱ በተጠበቀ እና በትክክለኛው መንገድ ጠብቆ ይይዛል					
26	ሰራተኞቹ መረጃን በደንበኞቹ አማካኝነት በቀላሉ ተደራሽነት እንዲኖረው እና መረጃውን ማግኘት እንዲችሉ አድርገው ይይዛሉ					
27	አጠቃላይ እርካታ					

እርሶ ላለዎት ዝንባሌዎች እና ትብብር አመሰግናለሁ፡፡

## DECLARATION

I, the undersigned, declared that this thesis is my original work, prepared under the guidance of \_\_\_\_\_ .All sources of materials used for the thesis have been duly acknowledged .I further confirm that the thesis has not been submitted either in part or in full to any other higher learning institution for the purpose any degree.

\_\_\_\_\_  
Name

\_\_\_\_\_  
signature

St Mary's university: Addis Ababa

June, 2016

## ENDORSEMENT

This thesis has been submitted to St Marry University, school of graduate studies for examination with my approval as a university advisor.

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*Advisor*

St Mary's university Addis Ababa

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signature

June, 2016