
Assessing Customer Satisfaction on Service Delivery of Cooperative Bank of Oromiya Nekemte Branch

Hunde Emiru Abeku

Department of Business Administration, Faculty of Business and Economics, Rift Valley University, Nekemte, Ethiopia

Email address:

oliifanhunde@gmail.com

To cite this article:

Hunde Emiru Abeku. Assessing Customer Satisfaction on Service Delivery of Cooperative Bank of Oromiya Nekemte Branch. *American Journal of Theoretical and Applied Business*. Vol. 8, No. 3, 2022, pp. 50-61. doi: 10.11648/j.ajtab.20220803.13

Received: August 6, 2022; **Accepted:** September 3, 2022; **Published:** September 27, 2022

Abstract: Service is any act or performance that one party can offer to another that is essentially intangible and will not fault in ownership of anything. Customer is a person or an organization that buy goods or service either to save for profit or to use for personnel consumption. Customer satisfaction is a person feeling of pleasure or disappointment resulting from company service perceived out comes in relation to his/her expectation. The main objective of the study is to assess customer satisfaction on service delivery of Cooperative bank of Oromia Nekemte branch. The target population of this study would be both client and employees of the banks. Out of 60 employees of Cooperative bank of oromia Nekemte branch the researcher was select and from its customer the researcher was select 50 customers from 1500 and the researcher used judgmental probability sampling techniques as a sample methods to get relevant information from banks customer and employees under study. Judgmental non probability sampling techniques was used more because of low cost and less time. In this study descriptive research design was used because the study describes is to investigate the reason to asset fixed management and accounting practice in the organization. The researcher have been collect data from both structured questionnaires for both employees and customer while secondary data was collected from the banks reports brochures bulletins etc. The questionnaires would incorporate both closed and open ended question.

Keywords: Customer Satisfaction, Bank Investment, Service Delivery

1. Introduction

1.1. Back Ground of the Study

Service is any act performance that one party can offer to another is essential intangible and doesn't result in the ownership of anything. is a production may or may not be tied ton physical product.

Customer satisfaction is a personal feeling of pressure or disappointment resulting from comparing service perceived performance or out come in relation to his/her expectation [20].

Bank is one of service rendering company that facilitate investment by providing money to those want to borrow money and domestic transfer [8]. have been provide service in relation to build house and plant indifferent business organization and by different fixed asset. it is also customer and prospective customer would require borrowing money to satisfy their needs of production, exchange and

consumption.

The constriction ands business bank is one the institutions, provide service for the society who are satisfied and perform service activates and method that uses to manage its customer satisfaction on service delivery. [1].

Thus this study focus on assessing customer satisfaction on banks service delivery, finding weakness this bank and finally forwarding possible solution to correct this weakness.

1.2. Back Ground of the Organization

Construction and business bank is one of the service rendering company that facilitate by providing money to those want to loan, deposit domestic transfer of money and foreign exchange. The previous name of construction an business bank was housing and saving bank, which was established in 1968 to provide loan and deposit for customers who were building house. [4].

Housing and saving bank awes changed into in 1991, After bank changes its name and improvement of building, the

bank provide more service for customers. Oromia International vision was to render long term construction credentials an building medium and short term loan all other domestic and employing international banking service by developing honesty and motivated staff and employing state of the art technologies and their by meet the interest of all Stake holder. [2].

Oromia CBO was become customers first choice bank in the country. the objective of construction and business bank was to provide loan for hotel and tourism, provide loan for construction sector activities, provide short term and medium loan to all e economic sector, operate foreign banking service engage in such other activities are customarily out the bank (Annual report of the year).

1.3. Statement of the Problem

The motive of any organization are rendering service for making profit by proving and serving goods, transporting exchange and like activities to the interested and potential group of the customer. have been play a major role to facilitate investment by providing money for the domestic and financial resource, credit facility to the construction industries and other several functions are provide to customers are major determinant success of and investment of the nation. Customer satisfaction is a personal feeling of pleasure or disappointment resulting from comparing service perceived performance or outcome in relation to his or her expectation [38].

Stagnant service inadequate advice and inappropriate on their activities after granting loan and before they granting loan, late response for customer complaint and questions are limitation of employee participation in their response. Absence of creative innovative employees and encourage are major problem (Ivic Nulib, 1994). Hence adequate service for customer is the corner stone of construction and business bank. Study as focus on customer satisfaction on the service delivery in case of construction & business bank in Nekemte branch & to answer the following basic questions:

1. Does the bank follow-up customer complaint and give immediate remedy for them?
2. Do the employees are active in delivery in service and are they interested and competent employees procured for service delivery?
3. What are customers expectations on the Bank?

1.4. Objective of the Study

1.4.1. General Objective

The general objective of the study was to assess customer satisfaction on service delivery of, Cooperative bank of oromia Nekemte branch.

1.4.2. Specific Objective

1. To asses banks efficiency and competency on providing quality service to customer.
2. To identify the problem with regarding service delivery.
3. To identify customer expectation on banks service.

1.5. Scope of the Study

The scope of this study would emphasize on analyzing customer satisfaction on service delivery provided by, Cooperative bank of oromia Nekemte branch.

1.6. Significance of the Study

The study was very important for bank customer and for the researcher. so the main target of this study is:

It shows customer satisfaction on service delivery to the organization. The study also adds existing knowledge and service of aground for future study to be conducted in this organization.

The paper provides service and will indicate some measurement that should be taken by the bank to improve service delivery and management of the organization.

1.7. Limitation of the Study

While conducting this study, the researcher may face the following limitation.

- 1) The respondent may not be voluntary to give accurate information;
- 2) Lack of secondary information which given by bank for the researcher;
- 3) Lack of customer satisfaction on banks service delivery of the, Cooperative bank of oromia Nekemte branch.

Even if this problem were encountered, the researcher would try to over come every possible problem and by fully justifying his effort for reasonable out come of the research.

1.8. Organization of the Study

This study was organized in four chapters. The first chapter deals with the problem and its approach which includes the background of the study, background of the organization, statement of the problem, objective of the study, scope of study, limitation of study, significance of study, chapter two address review of literature the pertinent to the issue under investigation, the third chapter is methodology of the study, chapter four is data analysis and interpretation & chapter five is results on finding of conclusion and recommendation.

2. Literature Review

2.1. Definition of Services

A service is any activity or benefit that one party can offer to another which is essentially intangible and does not result in the ownership of anything. The advance economies of the world are now dominated by services and virtually all companies view services as critical to retaining their customers today and in the future. Even manufacturing companies that, in the past, have depend on their physical goods for their existence but now they come to see and recognize that service provides one of their few sustainable competitive advantages [39].

Different authors give different definitions for service.

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 [20].

An activity or series of activities of more or less intangibles nature that normally, but not necessarily, take place in interactions between the customer and service employees and/or physical resources or goods and / or systems of service provider, which are provided as solutions to customer problems [13].

Service Characteristics

In his book called service marketing and management noted that, central to the debate about marketing tools for services are the characteristics of services, how these characteristics can be refined for different contexts (for example retailing services or not-for-profit services), the tangible and intangible aspects of the service offering and whether there is a difference between services and goods marketing. [15].

In 1963 Regan highlighted that a large and growing market for commodities existed in the development of service systems. In his early work he considered some definitions of services and their characteristics. He recognized that the potential development of the service revolution depended upon the recognition of markets for business expansion, the development of service technologies, consideration of limits and impersonalization of services, the ‘massification’ of taste and the proliferation of services. In this early work, Regan was forecasting how different market segments might, and indeed did, emerge for different types and levels of service. [1].

There was also some development and discussion of how concepts and strategies more relevant to services than goods could be developed. article on “breaking free from product marketing illustrated the differences between goods and service products” by using a continuum to highlight the predominantly intangible nature of services. Shostack’s continuum illustrated the range of tangibility in different types of products and services from a tangible product such as salt, through fast food outlets, with both tangible and intangible components, to predominantly intangible services such as teaching. [33].

Variability (or heterogeneity)

An unavoidable consequence of simultaneous production and consumption is variability in performance of a service. The quality of the service may vary depending on who provides it, as well as when and how it is provided. One bank provides a fast efficient service and another, a short distance away, delivers a slow, inefficient service. Within a particular bank, one employee is courteous and helpful while another is arrogant and obstructive. Even within one employee there can be variations in performance over the course of a day. [2].

Reducing variability involves determining the causes. It may be due to unsuitable personality traits in an employee which are very difficult to detect at the selection stage. There is nothing much that can be done about this except hope that the employee decides to terminate his/her employment. However, there may be good sound reasons for variations in

performance. For example, it could be due to poor training and supervision, lack of communication and information, and generally a lack of regular support. [6].

Some have argued for a replacement of labour with automation and a production line approach to service operations. This would mean a reduction in employee discretion and an increase in standardization of procedures. [7].

Service firms can take several steps towards quality control. First, they can select and train their personnel carefully. Second, they can motivate staff by providing employee incentives that emphasize quality, such as bonuses based on customer feedback or can use 360 degree measurement methods. Third, they can make service employees more visible and accountable to [32]. A firm can check customer satisfaction regularly through suggestion and complaint systems, customer surveys and comparison shopping. When poor service is found, it is corrected. Fourth, service firms can increase the consistency of employee performance by substituting equipment for staff, and through heavy enforcement of standardized as well as detailed job procedures. [17].

2.1.1. Perishability

Services cannot be stored for later sales or use. Hotel rooms not occupied and airline seats not purchased. As services are performances they cannot be stored. If demand far exceeds supply it [10] cannot be met, as in manufacturing, by taking goods from a warehouse. Equally, if capacity far exceeds demand, the revenue and/or value of that service is lost.

Fluctuations in demand characterize service organizations and may pose problems where these fluctuations are unpredictable. Strategies need to be developed for producing a better match between supply and demand. [16].

On the demand side, differential pricing that is, charging different prices at different times will shift some demand from peak periods to off peak periods. On the supply side, firms can hire part-time employees to serve peak demand. Peak-time demand can be handled more efficiently by rescheduling work so that employees do only essential tasks during peak periods [20].

2.1.2. Quality

Researchers have concluded that quality has become the key to competitive success and long-term survival. Empirical research has demonstrated a positive relationship between service quality and organizational performance [22]. Further, quality can be used as an effective strategy for raising return on investment, increasing market share, improving productivity, lowering costs, and achieving customer satisfaction to define in a few [28]. At its most basic, quality has been defined as “conforming to requirements”. This implies that organizations must establish requirements and specifications; once these specifications are established, the quality goal of the various functions of an organization is to comply strictly with them. However, the questions remain whose requirements and whose

specifications [13].

Thus, a second series of definitions states that quality is all about fitness for use. Such definitions are based primarily on satisfying customers' needs. These two definitions are in the concept of customer perceived quality: quality can be defined only by customers and occurs when an organization supplies goods or services to a specification that satisfies customer needs. [34].

2.2. Service Quality

Service quality is considered an important tool for a firm's struggle to differentiate itself from its competitors). The relevance of service quality to companies is emphasized here especially the fact that it offers a competitive advantage to companies that strive to improve it and hence bring customer satisfaction. [14].

Service quality has received a great deal of attention from both academicians and practitioners. [35].

In order for a company's offer to reach the customers there is a need for services. These services depend on the type of product and it differs in the various organizations. [20].

'The difference between customers' expectation of services and their perceived service. If the expectation is greater than the service performance, perceived quality is less than satisfactory and hence customer dissatisfaction occurs. service quality as perceived by consumers starting from a comparison of how they feel firms should perform on this dimension with what they actually perceive. It is the gap between a customer's expectations and perceptions that determine service quality; the smaller the gap, the better the quality of service and the greater the customer satisfaction.). [19].

Quality can also be defined as the totality of features and characteristics of a product or services that bear on its ability to satisfy stated or implied needs It is evident that quality is also related to the value of an offer, which could evoke satisfaction or dissatisfaction on the part of the user. Service quality in the management and marketing literature is the extent to which customers' perceptions of service meet. Thus service quality can intend to be the way in which customers are served in an organization which could be good or poor. Parasuraman defines service quality as "the differences between customer expectations and perceptions of service. They argued that measuring service quality as the difference between perceived and expected service was a valid way and could make management to identify gaps to what they offer as services. [20].

2.3. Customers' Expectation of Service Quality

Customer expectations are beliefs about a service that serve as standards against which service performance is judged which customer thinks a service provider should offer, rather than on what might be on offer. This is influenced by their personal needs, past experience, word-of-mouth and service provider's communications. Literatures explained expectation as predictions made by consumer

about what is likely to happen from a transaction. [36].

2.4. Customers' Perception of Service Quality

Customers' perception of performance is what they experienced. Literature maintains that customers' total perception of a service is based on their perception of the outcome and the process; where the outcome is either value added or quality and the process is the role undertaken by the customer [31]. The customer's perception of quality of service is based on the degree of agreement between expectations and experience The result of this comparison is perceived service quality define perceived quality as a form of attitude, related but not equal to satisfaction, and results from a consumption of expectations with perceptions of performance [24].

Therefore, having a better understanding of consumers attitudes will help know how they perceive service quality in banking operations. The pivot to the concept of service quality is gap model, which stipulates that service quality is a function of the difference scores or gap between expectations and perceptions ($P - E$). The gap between expectation and performance can be positive (satisfactory), when performance exceeds expectations or negative (dissatisfaction), when performance falls short of expectations. Service quality is low, if what is perceived is below expectation, and is high, if what is perceived meets or exceeds expectation. The result of this comparison is perceived service quality [13].

2.5. Service Quality in Banking

Service quality is gaining more importance in the banking industry and the value of improving service quality should be determined. suggest that developing strong relationships between customers and financial institutions serve as incentives for customers to remain loyal and thus provide financial institutions with a source of differential advantage. [30].

Furthermore the study suggested that banking industry in Ethiopia must be optimizing the level of service charge and commissions, credit risks. It is advisable if the banks broadly the level of implementation of digital banking system. The study to explore capital adequacy, interest income, non-interest income, bank service charge and commission. [41].

2.6. Customer Satisfaction

Customers experience various levels of satisfaction or dissatisfaction after each service experience according to the extent to which their expectations were met or exceeded. Because satisfaction is an emotional state, their post purchase reactions can involve anger, dissatisfaction, irritation, neutrality, pleasure, or delight [25].

Satisfaction reflects a person's judgment of a product's perceived performance in relationship to expectations. If the performance falls short of expectations, the customer is disappointed. If it matches expectations, the customer is satisfied. If it exceeds them, the customer is delighted." [20].

Obviously, angry or dissatisfied customers are troublesome because they may switch to another company and spread negative word of mouth. But is it sufficient just to satisfy a customer? After all, a firm might reason that products and services are rarely perfect and people are hard to please. [24] Companies that take this approach may be asking for trouble because there is a lot of evidence that merely satisfying customers is not enough. Marginally satisfied or neutral customers can be taken away by competitors. A delighted customer, however, is more likely to remain loyal in spite of attractive competitive offerings. Customer satisfaction plays an especially critical role in highly competitive industries, where there is a tremendous difference between the loyalty of merely satisfied and completely satisfied or delighted customers [17].

Although a variety of alternative definitions exist, the most popular definition of customer satisfaction or dissatisfaction is that it is a comparison of customer expectations to perceptions regarding the actual service encounter. Comparing customer expectations with their perceptions is based on what marketers refer to as the expectancy disconfirmation model. Simply stated, if customer perceptions meet expectations, the expectations are said to be confirmed and the customer is satisfied. If perceptions and expectations are not equal, then the expectation is said to be disconfirmed [17].

The term disconfirmation sounds like a negative experience, it is not necessarily so. There are two types of disconfirmations. If actual perceptions were less than what was expected, the result is a negative disconfirmation, which results in customer dissatisfaction and may lead to negative word-of-mouth publicity and/or customer defection. In contrast, a positive disconfirmation exists when perceptions exceed expectations, thereby resulting in customer satisfaction, positive word-of-mouth publicity, and customer retention. [17].

2.7. Factors That Affect Customer Satisfaction

Basic factors: these are the minimum requirements that are required in a product to prevent the customer from being dissatisfied. They do not necessarily cause satisfaction but lead to dissatisfaction if absent. These are those factors that lead to the fulfillment of the basic requirement for which the product is produced. These constitute the basic attributes of the product or service. They thus have a low impact on satisfaction even though they are a prerequisite for satisfaction. In a nutshell competence and accessibility [21].

Performance factors: these are the factors that lead to satisfaction if fulfilled and can lead to dissatisfaction if not fulfilled. These include reliability and friendliness.

A. Excitement factors: these are factors that increase customers' satisfaction if fulfilled but does not cause dissatisfaction if not fulfilled which include project management.

Determinants of customer satisfaction are: Product and Service Features: Customer satisfaction with a product or service is influenced significantly by the customer's

evaluation of the product or service features. In conducting satisfaction studies, most firms will determine through some means (often focus groups) what the important features as well as over all service satisfaction. [3].

Customer Emotion: Customers' emotions can also affect their perceptions of satisfaction with products and services. These emotions can be stable, preexisting emotions-example: mood state or life satisfaction. [12].

Attributions for Service Success or Failure: Attributions are the perceived causes of events, influence perceptions of satisfaction as well. When they have been surprised by an outcome (the service is either much better or worse than expected), customers tend to look for the reasons and their assessment of the reasons can influence their satisfaction. [16].

Perceptions of Equity or Fairness: Customers ask themselves: have I been treated fairly compared with other customers? Did other customers get better treatment, better prices, or better quality services? Did I pay a fair price for the service? Notion of fairness are central to customers' perceptions of satisfaction with products/services.

Other consumers, family members, and coworkers: In addition to products and service features one's own individual feelings and beliefs, consumer satisfaction is often influenced by other people. [29].

2.8. Measuring Customer Satisfaction

Customer satisfaction is often measured by direct and indirect measures. Direct measures relate to the data obtained from customer satisfaction surveys. Indirect measures refer to tracking and monitoring sales records, profits and customer complaints. [17].

Customer satisfaction ratings are usually fairly high. The various confounding factors that occur during the data collection process such as genuine satisfaction of customers, response bias, method of data collection, issues relating to the questions in the form, timing, context, social desirability bias and mood of the customer commonly influence ratings. In fact, satisfaction surveys might increase customer satisfaction regardless of the good or service being [11]. More feedback is provided to the services organization in a meaningful manner by setting standards using past satisfaction measures and comparisons with competition [17].

Services marketers should promise customers only enough to attract them and then provide them with more than they expect. In this case a service organization has a better chance of delighting their customers rather than trying to attract them by advertising service as 'the best' or highest quality. Even if that were true, claiming so undermines the chance of delighting a customer and so the chance of positive word of mouth promotion for a service organization [23].

Relationship Between Service Quality and Customer Satisfaction

Customer satisfaction should be seen as a multi dimensional construct, just as service quality it can occur at multi levels in an organization and it should be

operationalised along the same factors on which service quality is operationalised. Satisfaction is the state felt by a person who has experienced a performance or outcome that has fulfilled his or her expectations. Satisfaction is thus a function of relative levels of expectation and perceived performance. [8] Expectations are formed on the basis of past experiences with the same or similar situations, statements made by friends and other associates, and statements made by the supplying organization. Customer satisfaction can be defined as when the customer's expectation of the service provided matches his perception of the actual service received. Customers judge the services provided or the product delivered by making a very subjective value judgment which many times do not reflect reality [9].

Customer satisfaction is conceptualized as been transaction-specific meaning, it is based on the customer's experience on a particular service encounter, Cronin & Taylor (1992) and also some think customer satisfaction is cumulative based on the overall evaluation of service experience [18].

These highlight the fact that customer satisfaction is based on experience with service provider and also the outcome of service. when perceived service quality is high, then it will lead to increase in customer satisfaction. [27].

The causal order of relationship between service quality and consumer satisfaction has been a matter of considerable debate within the marketing literature. Different positions have been advanced. First, service quality has been identified as an antecedent to satisfaction. [37].

However, some researchers argue that satisfaction is antecedent to service quality. borrowing from conceptualization of the relationship between satisfaction, service quality, and consumer behavior toward the firm, suggests that service encounter is an antecedent of service quality. [26] Finally, advocate this satisfaction service quality causal order based on the premise that service quality is akin to a global attitude and therefore encompasses the more transient satisfaction assessment. Propose a structural model that empirically supports a non-recursive relationship between two constructs. [3].

2.9. Gaps Model of Service Quality

Implementing and evaluating service quality is a difficult task. In the first place, perceptions of quality tend to rely on a repeated comparison of the customer's expectation about a particular service. If a service, no matter how good, fails repeatedly to meet a customer's expectations, the customer will perceive the service to be of poor quality. [40] Second, unlike goods marketing, where customers evaluate the finished product alone, in services, the customer evaluates the process of the service as well as its outcome. A customer visiting a physician, for example, will evaluate service not only on the basis of whether he or she experienced a positive outcome (e.g., feeling better), but also on whether the physician was friendly, competent, and caring. [22].

In the hopes of better understanding how a firm can improve its overall service quality, the service quality process

can be examined in terms of five gaps between expectations and perceptions on the part of management, employees, and customers [27].

The most important gap, the service gap/Gap 5, describes the distance between customers' expectations of service and their perception of the service actually delivered. Ultimately, the goal of the service firm is to close the service gap, or at least narrow it as much as possible. However, service quality focuses on the customer's cumulative satisfaction toward the firm, which is collected by the consumer from a number of successful or unsuccessful service experiences. [5].

A service performance that surprises and delights customers by falling above their desired service levels will be seen as superior in quality. If service delivery falls within their zone of tolerance, they will feel that it's adequate. But if perceived quality falls below the adequate service level expected by customers, a discrepancy or quality gap has occurred between the service provider's performance and customer expectations [23].

Gap 1: Consumer expectations _management perceptions of consumer expectations.

Gap 2: Management perceptions of consumer expectations service quality specifications actually set.

Gap 3: Service quality specifications actual service delivery.

Gap 4: Actual service delivery external communications about service.

Gap 5: The final gap is the result of the four other gaps.

3. Methodology of the Study

3.1. Source of Data

In conducting this study the researcher have been used primary data which collected by questionnaires an secondary source of data which is collected from the banks report, journal, magazine and books. This information was relevant to solve the researchers questions by distributing to the employee of the organization and customers.

3.2. Methods of Data Collection

The researcher have been collect data from both structured questionnaires for both employees and customer while secondary data will be collected from the banks reports brochures bulletins etc. The questionnaires would incorporate both closed and open ended question.

3.3. Population and Sampling Techniques

The target population of this study would be both client and employees of the banks. Out of 60 employees of Cooperative bank of oromia Nekemte branch the researcher will select and from its customer the researcher select 50 customers from 1500 and the researcher use judgmental probability sampling techniques as a sample methods to get relevant information from banks customer and employees under study. Judgmental non probability sampling techniques is used more because of low cost and less time.

3.4. Methods of Data Analysis

Descriptive analysis have been used to analysis the processed data into a form which would make easily understandable. Interpret tabulation and percentage was used for analysis and interpretation. After having the above analysis corresponding interpretation have been made. Of course on the result relevant to issues under consideration.

Finally, the finding was report to gather with supporting data in appropriate formal along with validation of the result.

4. Data Analysis and Interpretation

This part of this paper discusses about presentation, analysis and interpretation of the study will be taken from collected data from customer and employees on the satisfaction of customer on the performance of the service.

Data analysis and interpretation of the questionnaires filled by employees of Cooperative bank of oromia Nekemte branch

Table 1. Background Information of the employees of CBO Nekemte branch.

No	Item	Response	
		Frequency	%
1	Sex:		
	Male	16	80
	Female	4	20
	Total	20	100
2	Age:		
	18-25	7	35
	26-35	9	45
	36-45	3	15
	Above 45	1	5
	Total	20	100
3	Level of education:		
	10&12 complete	-	-
	Diploma	8	40
	First degree	8	40
	Second degree	4	20
	Total	20	100
4	Working experience:		
	1-5 year	8	40
	6-10 year	-	-
	11-15 year	3	15
	16-20 year	9	45
	Total	20	100

Source questionnaire

As we can see 1 one item one 16 (80%) of the respondents are male, while the remaining 4 (20%) of the respondents are female. This indicate that the majority of employee of the banks are male.

Item 2 of the above table indicates that 7 (35%) of the respondents are between the age of 18-25 years, 9 (45%) were between the age 26-35 years, 3 (45%) were between the age of 36-45 years and the remaining 1 (5%) were above 45 years. This indicates that the most of the employee of the bank under the working age group.

Item 3 of table above reveals that 8 (40%) respondents education level of diploma holders, 8 (40%) respondents education levels of first degree holder and the remaining 4 (20%) were the education levels of second degree holder.

This show that almost all employees in were literary. So the bank was depends on knowledgeable and skillful person.

Item 4 of the table above reveals that 8 (40%) of the respondents 1-5 year working, 3 (15%) respondents were 11-15 working years and the remaining 9 (45%) were from 16-20 year working experience. from this we can understand that the employee of the organization have more experience. so since the employee have long experience and the bank has less risk or no risk.

Table 2. Employees view on customer compliant handling mechanism.

No	Items	Responses	
		Frequency	%
1	Is there any customer handling mechanism in the organization		
	A. Yes	18	90
	B. No	2	10
	Total	20	100

Source questionnaire

As we can see from table item 1 18 (90%) of respondents were responded that there is a good customer compliant handling mechanism in their organization awhile the remaining 2 (10%) of the respondents were respondents were responded that there is poor complaint handling mechanism in the organization. This indicates that there is customer handling mechanism in organization.

Table 3. Employees expression complaint freely.

No	Item	Response	
		Frequency	%
2	Does customer express their complaint freely?		
	A yes	19	95
	B no	1	5
	Total	20	100

Source questionnaires

The table above reveals that 19 (95%) of the respondents were express their complaint freely, while the remaining 1 (15%) of respondents were not express their complaint freely. This implies that all most all respondents response were customer get the respected ideas freely from the organization.

Table 4. Employees, view regarding a bank reaction to customers complaint and flow up.

No	Item	Response	
		Frequency	%
1	The response of the bank to customer complaint		
	very fast	2	10
	fast	7	35
	Medium	9	45
	late	2	10
	very late	-	-
	Total	20	100
2	Does the bank assign personnel to follow up the purpose of the loan given?		
	yes	16	80
	no	4	20
	Total	20	100

Source questionnaire.

As we can see from the table 4 item 12 (10%) of the respondents employees agreed the banks response to complaint is very fast, 7 (35%) of the respondents employees agreed the bank response to complaint fast, 9 (45%) of the respondents employees agreed the banks response to complaint medium and the remaining 2 (10%) of respondents employees agrees the banks response to the customer complaint is very late, this shows that the feedback of the customer r was medium. so some of the customer can't get response from the employee of the bank.

Item two above reveals that 16 (80%) of the respondents were responded that bank assign personnel to follow up the purpose of the loan given, while the remaining 4 (20%) respondents responded is no bank assign personnel to follow up the purpose of the loan given, this show that the bank motivate to follow-up to assign purpose of the loan given.

Table 5. Employees view on staff training and participation in decision making.

No	Items	Response	
		Frequency	%
1	Does the bank provide any training to its employees?		
	A. Yes	17	85
	B. No	3	15
	Total	20	100
2	Does all staff participate in the decision making?		
	A. Yes	5	25
	B. No	15	75
	Total	20	100

Source questionnaire

As we can see from the table 5 item 17 (85%) of the respondents were responded to there was the company give training for employees how to handles the customer and the remaining 3 (15%) of respondents to give there is no training given for the employees by the organization. this indicates that there is sufficient training given by the organization for the employees.

Item 2 of the table show that 15 (75%) of the respondent were not participate in the decision making, because manager can not gives the chance to participate in the decision making. The remaining 5 (25%) respondents were participation decision making. this indicates there was no clear discussion among the employees and manager.

Table 6. Employee working condition and employee view on customer satisfaction with the bank service.

No	Item	Response	
		Frequency	%
1	Is there coordination and proper communication between employees and manager?		
	A, yes	19	95
	B, no	1	5
	Total	20	100

Source questionnaire

As we can see from table 6. (19%) of respondents were there is coordination between employee and manager; while

the remaining 1 (5%) of respondents were there is no proper coordination and communication between employees and manager. This show that al most respondents agreed there is coordination between the manager and employees in the company.

Table 7. Evaluation of customers satisfaction in your organization.

No	Item	Response	
		Frequency	%
1	How do you see customer satisfaction on your organization service delivery?		
	A, very high	1	5
	B, high	3	15
	C, average	10	50
	D, low	6	30
	E, very low	-	-
	Total	20	100

Source: primary Data: questionnaires

As we can from the table 7 (50%) of the respondents employees rated customer satisfaction with the service delivery is medium, 6 (30%) of the respondents employees rated customer satisfaction with the service delivery is low, 3 (15%) of the respondents were rated customer satisfaction with the service delivery is high and the remaining 1 (5%) of the respondents employees rated customer satisfaction with the service delivery is very high. This shows that one can understand the majority of the respondents were medium of satisfaction on the performance of the delivery.

Data analysis and interpretation of questionnaires filled by customer of the, Nekemte branch

Table 8. Background of the respondent.

No	Items	Response	
		Frequency	%
1	Sex:		
	Male	29	58
	Female	21	42
	Total	50	100
2	Age:		
	18-25	4	8
	26-35	27	54
	36-45	17	34
	Above 45	2	4
	Total	50	100
3	Level of education:		
	Illiterate	-	-
	1-9 grade	1	2
	10&12 complete	3	6
	Certificate	15	30
	Diploma	25	50
4	First degree and above	6	12
	Total	50	100
	Occupation:		
4	Farmer	-	-
	Merchant	37	74
	Government employee	13	26
	Total	50	100

Source primary data: questionnaires

As we can see from the table 8 (58%) of the respondents were male, while the remaining 21 (42%) of the respondents were females. This indicates that majority of the users of the banks service were male and female may use another saving methods that means it may be traditional.

When we see the age of the respondents 4 (8%) of the respondents were the age of ranging between 18-25 years, 27 (54%) of the respondents were between the age of 26-35, 17 (35%) of the respondents were between the age of 36-45 and the remaining of 2 (4%) of the respondents were the age of above 45 years this indicates that the majority of the users of the respondents were working age. When we see the level of education of the respondents 1 (2%) of the respondents were level of education between 1-9 grades, 3 (6%) of the respondents were levels of education complete grade 10&12, 15 (30%) of the respondents were levels of education certificate and 25 (50%) of the respondents were have level of education diploma and the remaining 6 (12%) of the respondents were levels of education first degree and above.

This shows that most users of this banks are diploma people and also when we see occupation 35 (74%) of the respondents were merchant and the remaining of the respondents 13 (26%) are government employees. this show that most user are merchant.

Table 9. Customers complaint handling mechanism.

No	Item	Response	
		Frequency	%
1	Is there any customer complaint handling mechanism in the organization?		
	yes	32	64
	no	18	36
	Total	50	100

Source: questionnaires

This indicates from table 9 of the item one 32 (64%) of the respondents were there was customer handling mechanism in the organization, the remaining 18 (36%) of the respondents were no customer handling mechanism in the organization. this show that there will be customer handling mechanism in the organization.

Table 10. Customers complaint expression.

No	Item	Response	
		Frequency	%
1	Do you express your complaint freely?		
	A, yes	41	82
	B, no	9	18
	Total	50	100

Source: questionnaire

As we can from table 10, 41 (82%) of the respondents were customer can express their c complaint freely, while the remaining 9 (18%) of the respondents were there was no customer express their complaint freely. this showthat customer would express their complaint freely.

Table 11. Expectations of all services from the bank.

No	Item	Responses	
		Frequency	%
1	Did you get all service that expect from the bank?		
	yes	29	58
	no	21	42
	Total	50	100

Source: questionnaires

From the above table we understand that 29 (58%) of the respondents may were agree that the bank provides all expected service, while the remaining 21 (42%) of the respondents were banks does not provides all expected service of the respondents said there was no appropriate work flow in internal structure. this shows that there is appropriate work flow of internal structure because there was carefully planned.

Table 12. Willingness of employees.

No	Item	Response	
		Frequency	%
1	How do you rate employee's willingness to help customer?		
	very high	-	-
	high	5	10
	average	40	80
	low	4	8
	very low	1	2
	Total	50	100

Source: questionnaires

As we can see from the table 5 (10%) of the respondents responded that there was employees willingness to support customer is high, 40 (80%) of the respondents rated is average, the remaining 4 (8%) and 1 (2%) of the respondents responded that low and very low respectively, this indicate that the majority of the respondents response is employee willingness to help customer are average. This show that the bank gives that expected service to the customer.

Table 13. The bank furnish service for the customer with appropriate waiting place.

No	Item	Response	
		Frequency	%
1	Does the bank furnish service for the customer with appropriate waiting place?		
	A, yes	34	68
	B, No	16	32
	Total	50	100

Source: questionnaires

From the table we can see that 34 (68%) of the respondents agree that the bank furnish customer with appropriate waiting place, while the remaining 16 (32%) of he respondents agreed that bank does not furnish customer with appropriate waiting place. this indicate that in the company there is a service given by bank in appropriate place. so the bank can provides service at any place which is available near the customer.

Table 14. *Appropriate work flow of internal structure.*

No	Item	Response	
		Frequency	%
	Is there appropriate work flow of internal structure?		
1	A, yes	43	86
	B, No	7	14
	Total	50	100

Source: questionnaires

As we can see from the table, 43 (86%) of the respondents agreed there was appropriate work flow in the organization, while the remaining 7 (14%) of the respondents responded that there was no appropriate work flow in the organization, so from this we consider that there was appropriate work flow in the organization.

Table 15. *Customers complaint expression.*

No	Item	Response	
		Frequency	%
	In general do you sates with banks service?		
1	A, yes	20	40
	B, No	30	60
	Total	50	100

Source: questionnaires

As we can see from the table, 30 (60%) of the respondents responded there were low satisfaction with banks, 20 (40%) of the respondents responded were satisfaction for banks service. this indicate that majority of the respondents were there was not satisfy with banks service.

5. Conclusion and Recommendation

5.1. Conclusion

Based on the major finding and conclusion drawn, the following conclusions have been for warded by the student researcher.

- 1) Majority of the employees replied that there is follow up for the purpose of the loan given. Even if the consultancy service of the bank personnel play a great role in the customer satisfaction to the company is to be medium, in this regard which a adversely affect its operation in the future.
- 2) Some of the employee’s respondents of the bank said that it is a medium to give response for the customer complaint time leas to half satisfaction of customer.
- 3) The participation of the employee in decision making is very important in the organization, but majority of construction and business bank e employees that the company does not give chance to its employee in decision making, therefore, this could be obstacle for growth and development of the organization.
- 4) To have successful e employees who have creative mind and ability to provide quality service accompany should have motivational factor.
- 5) To have high satisfaction on the service rendered by the bank help to increase the profitability and the

competence of the bank, but the customers in construction an d business bank have low satisfaction and it also hinder the successfulness of or profit ability o the bank.

5.2. Recommendation

- 1) The company should assign personnel who are supposed to advice and follow up customer activity. This means that just from designing time of project the supervisor of the bank have to help the customer in selection and operating activities. Since may not have experience and knowledge select the best profitable business by considering different market determinants, the supervisor is required to advise continuously.
- 2) The organization should assign responsible body handle employee and customer complaint should be response on time to minimize dissatisfaction and loss of the customer.
- 3) The company should give quick response for the customer complaint, this means that the bank gives response for customer on the time to satisfy their customer.
- 4) The management should scheme a mechanism to participate employees in decision making, because employees participation on decision making is important for the bank.
- 5) The organization should encourage creative and more productive employees. These employees who are performing there work efficiently and effectively in achieving the banks goal have to be rewarded by motivation.
- 6) The bank attempt to arrange adequate customer waiting’s are for service delivery, as also facilitate customer discipline.

References

- [1] Arasli H, Katircioglu, ST, Mehtap-Smadi, S. (2005) ‘A comparison of service quality in the banking industry’. *International Journal of Bank Marketing*, 23 (7): pp. 508 – 526.
- [2] Belay Adamu, (2012), *Service Quality and Customer Satisfaction: The Case of Cooperative Bank of Oromia*. MA thesis. Addis Ababa University School of Commerce.
- [3] Bitner, M. and A. Hubbert [3]. (1994), ‘Encounter Satisfaction versus Overall Satisfaction Versus Quality in Service Quality: New Directions in Theory and Practice’, R Rust and R Oliver (Eds.), CA: Sage Publications, 72-94.
- [4] Brown, S. W. and Swartz, T. A. (1989), ‘A Gap Analysis of Professional Service Quality’, *Journal of Marketing* 53, pp. 92-98.
- [5] Buttle, F. (1996), *SERVQUAL: ‘Review, Critique, Research Agenda’*, *European Journal of Marketing* 30 (1) pp. 8-32.
- [6] Clow Kenneth E & Kurtz David L, (2005) *Services Marketing: Operation, Management, and Strategy*. 2nd ed. USA: Atomic Dog Publishing.

- [7] Creswell, J. W., (2003) *Research design: Qualitative & quantitative approaches*. 2nd ed: Sage publications.
- [8] Cronin, J. J. and Taylor, S. A. (1994), 'SERVPERF versus SERVQUAL: Reconciling Performance-based and perceptions-minus-expectations measurement of Service quality,' *Journal of Marketing*, 58 (1), pp. 125-131.
- [9] Cronin, J. J. and Taylor, S. A. [9] (1992) 'measuring service quality: A Reexamination and extension'. *Journal of Marketing*, 56, pp. 55-68.
- [10] Denton D. K., (1998) *How to Give Quality Service to Your Customers*, New Delhi: Taj press.
- [11] Geoffrey M., David D., and David F., (2005) *Essentials of Research Design and Methodology*.
- [12] New Jersey: John Wiley & Sons, Inc., Hoboken,
- [13] Gronroos, C. (1982), 'Strategic Management and Marketing in the Service Sector', Helsinki: Swedish School of Economics and Business Administration.
- [14] Gronroos, C. (1984), 'A service quality model and its marketing implications', *European Journal of Marketing*, 18 (4), PP. 36-44.
- [15] Gilmore A (2003), *Services Marketing and Management*, New Delhi: Sage Publications. Gilmore, A (2001) 'Call centre management: is service quality a priority?' *Journal of Managing Service Quality*, 11 (3), PP. 153-159.
- [16] H. Cohen and R. Brooke Lea (2005), *Essentials of Research Design and Methodology*, John Wiley & Sons, Inc.
- [17] Hoffman, D. and Bateson, J. E. G. (2006) *Services marketing: Concepts, strategies, and cases 3rd ed.*: Mason: Thomson South-Western.
- [18] Johns, N. (1999), 'What is this thing called service?' *European Journal of Marketing*, 33 (9/10), PP. 958-973 Jones, T. O. and Sasser, W. E Jr. (1995), 'Why Satisfied Customers Defect', *Harvard Business Review*, 73 (6), PP. 88-99.
- [19] Kazi Omar Siddiqi (2010) *Interrelations between service quality attributes, customer satisfaction and customer loyalty in the retail banking sector in Bangladesh*. International Trade & Academic Research Conference (ITARC) - London 2010.
- [20] Kotler P. and Keller K. (2006), *Marketing Management*, 12 ed. Prentice Hall, Inc.
- [21] Kumar, M., Kee, F. T., and Manshor, A. T. (2009) 'Determining the relative importance of Critical factors in delivering service quality of banks; An application of dominance Analysis in SERVQUAL model', *Journal of Managing Service Quality*, 19 (2) PP. 211-228.
- [22] Ladhari, R. (2009) 'A review of twenty years of SERVQUAL research', *International Journal of Quality and Service Sciences*, 1, (2). PP. 172-198.
- [23] Lovelock C., (2004) *Principles of Service Marketing and Management*, Pearson Education. Mudie P and Pirre A., (2006) *Services Marketing Management*, 3rd ed., Elsevier.
- [24] Negi, R. (2009). 'Determining customer satisfaction through perceived service quality: A study of Ethiopian mobile users', *International Journal of Mobile Marketing*, 4 (1), PP. 31-38.
- [25] Nemi K.,(1996), 'Developing an instrument to Measure Customers Service Quality in Banking,' *International Journal of Bank Marketing*, 12 (6), PP. 10-18.
- [26] Oliver, R. L. (1993), 'A conceptual model of service quality and service satisfaction: compatible goals, different concepts', in Swartz, A. T., Bowen D. E. and Brown, S. W. (Eds), *Advances in Services Marketing Management*, 2, JAI Press, Greenwich, CT, PP. 68-85.
- [27] Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1985). 'A conceptual model of servicequality and its implications for future research', *Journal of Marketing*, 49, PP. 41-50.
- [28] Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1988). 'SERVQUAL: A multiple-item scale for measuring consumer perceptions of service quality'. *Journal of Retailing*, 64 (1), PP. 5-40.
- [29] Regan, W. J., (1968), 'The Service Revitalizing', *Journal of Marketing*, 27, PP. 57-62.
- [30] Riadh L., Ines L., Miguel M., (2011) 'Bank service quality: comparing Canadian and Tunisian customer perceptions', *International Journal of Bank Marketing*, 29 (3), PP. 224 - 246.
- [31] Rushton, A M and Carson, D J (1985). 'The marketing of services: managing the intangibles', *European Journal of Marketing*, 19 (3), PP. 19-40.
- [32] Sheth J. N., Parvatiyar A., Shainesh, G.(2001), 'Customer Relationship Management: Emerging Concepts, Tools and Applications', New Delhi: Tata McGraw-Hill Publishing.
- [33] Shostack, G L (1982) 'How to design a service', *European Journal of Marketing*, 16 (1), PP. 49-64. Sivadass, E. & Baker-Prewitt, J. L., (2000), 'An Examination of the Relationship Between Service Quality, Customer Satisfaction, and Store Loyalty', *International Journal of Retail & Distribution Management*, 28 (2), PP. 73-82.
- [34] Susan F. and David Glen M., (1999) 'Rediscovering Satisfaction,' *Journal of Marketing* Taylor, S. A., Baker, T. L. (1994), 'An assessment of the relationship between service quality and customer satisfaction in the formation of consumers' purchase intentions', *Journal of Retailing*, 70 (2), PP. 163-1778.
- [35] Wisniewski, M. (2001), 'Using SERVQUAL to assess customer satisfaction with public sector Services', *Journal of Managing Service Quality*, 11 (6), PP. 380-388.
- [36] Zeithaml, V. A., Berry, L. L. and Parasuraman, A. (1996). 'The behavioral consequences of service quality'. *Journal of Marketing*, 60, PP. 31- 46.
- [37] Zeithaml, V. A. and Berry, L. L. (1994), 'Reassessment of Expectations As a Comparison Standard In Measuring Service Quality: Implications For Future Research', *Journal of Marketing*, 58, PP. 111-24.
- [38] Zeithaml, V. A., & Berry, L. L., (2003), 'Refinement and Reassessment of SERVQUAL Scale', *Journal of Retailing* 67 (4), PP. 420-50.
- [39] Zeithaml V. A & Bitner M. Jo.(2003), *Services Marketing: Integrated Customer focus across the Firm*, 2nd ed. New York: McGraw-Hill,.

- [40] Zeithaml, V. A., Parasuraman, A., & Berry, L. (1990). 'Delivering quality service: Balancing Customer perceptions and expectations'. New York, NY: Free Press.
- [41] Segni Diriba Boshu. Determinants of Banks Profitability of Commercial Banks in Ethiopia Facts from Ethiopian Commercial Banks. International Journal of Business and Economics Research. Vol. 11, No. 3, 2022.