ST. MARY'S UNIVERSITY

SCHOOL OF GRADUATE STUDIES

**ASSESSMENT OF SERVICE DELIVERY PRACTICES IN
THE ETHIOPIAN REVENUE AND CUSTOMS AUTHORITY
IN ADDIS ABABA**

BY

KIROS BEREKET ABRAHAM

ENROLLMENT NO: SGS/0135/2004

OCTOBER 2013,

ADDIS ABABA, ETHIOPIA

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A THESIS SUBMITTED TO ST. MARY'S UNIVERSITY COLLEGE, SCHOOL OF GRADUATE STUDIES IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION (HRM CONCENTRATION)

October, 2013

Addis Ababa, Ethiopia

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Dedication

I especially wish to dedicate this Thesis to the founder and owner of Saint Mary's University College Assistant Professor Wondwossen Tamrat. I am forever grateful.

Acknowledgments

This Thesis was supported by a team of wonderful people. Although I feel indebted to all of them, they are too numerous to single out.

I am particularly indebted to my advisors, Assistant Professor Shoa Jemal for his fatherly and professional guidance and supervision that was carried out and for his persistent encouragement without his personal effort and concern I would not be able to accomplish the thesis as it is. In times when I felt I was sinking you appeared and rescued me. Thank you for keeping me afloat. Without your remarkable expertise and willingness to work abnormal hours, I would not have met the deadlines for this study.

I would have erred if I did not acknowledge Dr. Tesfaye Teshome your valuable academic mentorship support, encouragement and especial kindness are profoundly acknowledged.

My gratitude goes to many of my friends and colleagues whom I cannot enumerate. Ato Markos Belay, Ato Sahle G/Medhin, Ato Fekadu Demsie, Ato Negusse Zewdie, Ato Tesfaye Abera and W/ro Mahlet Kebede for helping me in distributing and collecting questionnaire. Ato Negussu Tadesse, you made it your business to ensure that I completed this race. What a wonderful friend!

My sincere gratitude also goes to my family, who were most understanding, cooperative and supportive during the difficult times of my study. W/ro Elizabeth Kebede, you are my inspiration. The lovely kid, Kalish, you are always my energizer and the reason for my existence. Please accept my sincere apologize for not allocating enough time to you when I was busy to do this master's program.

I finally thank to all members of the community of Saint Mary's University School of Graduate Studies for their politeness and continuous support during my stay in the university.

ABSTRACT

The purpose of this study was to assess service delivery practice of Ethiopian Revenue and Customs Authority, in Addis Ababa. Important facets that have expected to have positive/negative influence on the service delivery of the authority such as equal access to service, provision of information and consultation to customers, identification of improvement gaps, meeting customer needs and expectations, monitoring and evaluation of services activities and proper handling of customers' complaints has included in the study. Data for this study were collected from employees and customers of the authority particularly those tax payers who have TIN. Data collection was made through two methods that were service delivery survey using questionnaire and structured interview. The sample consisted of 293 customers and 27 employees. The research design engaged for this study is more of a quantitative research and descriptive analysis has been performed to determine level of service delivery. The major findings of the study suggest that based on the overall population sample: both employees and customers were not well satisfied with the provision of service delivery in the authority and to some extent this had been affirmed during the interview session. The efforts of the authority in creating enabling environment to have equal access to services, availing valuable and ample information and provision of consultation to customers, the implementation of service charter, the activities of monitoring and evaluating service activities, identification of service gaps, having open and transparent communication with customers, the way it handle customers' complaints was found to be below the expectations of customers. Thus, the overall perception of customers' regarding service delivery practice of ERCA is said to be poor.

LIST OF ACRONYMS

BPR	Business Process Reengineering
ECA	Economic Commission for Africa
ERCA	Ethiopian Revenue and Customs Authority
ETV	Ethiopian Television
EU	European Union
GDP	Gross Domestic Product
GNP	Gross National Product
ISO	International Organization for Standardization
MECE	Mutually Exclusive, Collectively Exhaustive
NPM	New Public Management
OECD	Organization for Economic Co-operation and Development
SD	Standard Deviation
SERVQUAL	Service Quality
SPoC	Single Point of Contact
SPSS	Statistical Package for Social Science
TIN	Tax Identification Number
USA	United States of America
VAT	Value Added Tax

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CHAPTER ONE: INTRODUCTION

This chapter presents the reader with an overview of the entire Thesis. It covers the background of the study, problems statement, Research objectives, Operational definition of terms, Research question, Significance of the study, Limitations, Delimitations and Organization of the Thesis.

1.1. Background of the Study

Breaking the centuries-long domination of industrial production, the importance of service in the economy has increased. The losses of manufacturing jobs in many courtiers have been replaced with jobs in service sector such as information technology, financial services, health care, and retail services. Not only the number of workers employed in the service industry have increased substantially, but companies, formerly only engaged in manufacturing, has set up special divisions engaged in sales and customer service.

Given its vital importance for the social and economic wellbeing of the country, the national significance of improving public service delivery systems has been gaining great consideration by nations. In 2002 in the USA, 80% of the GNP was produced by the service sector (Fitzsimmons and Fitzsimmons, 2006). On their side Philip Kotler and Kevin lane, (2006) indicated that the Bureau of labor statistics reports that the service producing sector will continue to be the dominant employment generator in the economy, adding to 20.5 million jobs by 2010. Among the types of service sector growing fast are higher education, financial service and faster than any other else is the health care service. Like that of global tendencies, the structure of the Ethiopian economy has drastically changed. According to the latest GDP report of the Ministry of Finance and Economic Development, the service sector in Ethiopia enjoyed 14 percent annual growth in the year 2008/09 fiscal year while industry followed by 9.7 percent and agriculture grew by 6.4 percent. Maintaining its leading position in the Ethiopian economy for the second year, service sector contributed 45 percent to GDP in the year 2009/10 fiscal year, followed by 42 and 13 percent contributions of agriculture and industry, respectively. (www.mofed.gov.et) This shows that the service sector in Ethiopia has been growing not only in volume but also in variety, sophistication, and complexity.

Service delivery is not only limited to private firms for the purpose of earning profit, but it has also delivered by the public as well. Governments have legal responsibilities and authorization to deliver

quality service for citizens as well as foreigners who seek service from them. On the other hand, citizens as customers also have the legal right of getting quality service up to the level of their expectations from their governments due to the fact that any government exists to satisfy the wants and needs of its customers, the public.

It is common that there are always two main tasks embracing any government in office. These tasks are service delivery and policy making (OECD, 2003). Service delivery is particularly important as it will determine the efficiency of any government which in turn reveals its accountability and transparency in serving the nation.

Civil service which is considered as the cornerstone of any government gives blood and flesh for the governments' structure. Throughout the world, the contributions of civil service in promoting sustainable and equitable economic growth are receiving increasing attention. Efficient and effective management of the civil services are critical to sustainable socio-economic development of a nation.

Currently public sector is under increasing pressure to demonstrate that their services are customer-focused and that continuous performance improvement is being delivered. As a result, high quality service is a priority for public service providers worldwide (Borins, 2000). Thus, as service providers, rendering quality service and continuously improving the service quality has become a very real issue for all service rendering organizations.

The purpose of this study is thus to assess the quality of service delivery in ERCA. The study will use concepts from different model of quality service measurements like that of the SERVQUAL and others to assess customers' general perception on the quality of service delivery by the authority.

1.2. Problem Statement

In this highly competitive globe, delivering high-quality customer service is one of the most important outcomes that differentiate a successful organization from others. Not only the types of services but it is also the delivery of high quality service that maters a lot in retaining customers far beyond attracting them. Concerning civil service organizations it is an obligatory for them to deliver high quality service due to the fact that nations have the right to get quality service like that they have an obligation to pay taxes and duties.

Service must be performed right the first time and every time. The damage done on any one occasion leave a permanent scar and affect badly rendered services. Customers may estimate what the service performance will be or may think what the performance ought to be. Customers are more likely to be dissatisfied if the service performance is less than what they have expected.

Service delivery became increasingly an important problem in most civil service organizations. As Shepherd, Geoffrey (2003) stated that:-

> *"the civil services of the developing countries tend to be large, underpaid, and politicized. Senior cadres lack professional depth and often fail to provide any chain of continuity in government over the longer term. As a result, delivery of public services tends to be inefficient and, often, beset by corruption."*

The customer satisfaction study document of ERCA indicated that the overall level of customers' satisfaction was very law, employees were not impartial, not sincere in providing service and not always on their duty while they are supposed to be. This is could be an indication for the existence of service delivery problem in the authority.

The researcher had observed in person while customers were receiving service from the authority and it was understood that there were real problem in rendering service and customers were complaining particularly in the period of annual tax payments, settling VAT collection, etc. On top of this the researcher has also conduct short interview with some of the customers of the authority who were engaged in transit operations, private contractors, government workers, private consultants and individuals who live abroad and came to the country to visit their families and it could be said that unanimously all of them have their own complaints on the quality service of the authority.

Furthermore, the recent action which has been taken by Federal Anti-Corruption Commission on higher officials, employees and customers of the authority has put under question the quality of service delivery of the authority which is in accordance to the aforesaid idea given by Shepherd, Geoffrey (2003), that is, *"under developed countries public service is beset by corruption"*.

These and other related problems in the ERCA became the causes for a number of complaints on the quality of service which was expressed by negative corporate image, excessive bureaucracy and delays, corruption, poor conditions of service, partiality and insincere act of employees. A number of

reasons were behind this poor quality of service delivery. Whatever the reasons may be, once the customer is dissatisfied, it would be very difficult to gain their trust back. In this regard, a research should be carried out to urge a major reform, to assesses the root causes of the problem and get the problem rectified. This was why the researcher had the interest to study the issue under the research topic of 'Assessment of Service Delivery Practice in ERCA in Addis Ababa' and possible solutions provided to the research questions.

1.3. Research Question

- Does ERCA set service standards and how efficient is it in implementing the standards (benchmark) to enhance the quality of services?
- How efficient is ERCA in meeting the needs and expectations of customers in delivering quality services?
- Does ERCA identify improvement gaps to enhance quality of services delivery and how employees perceive this?
- How efficient is ERCA in monitoring and evaluating the service delivery and incorporate the feedback for the enhancement of quality service?
- How customers perceive having the opportunity of equal access to the service delivery in ERCA?
- What is the perception of customers in the quality of service delivered by ERCA?

1.4. Research Objectives

The general objective of this study is to assess the quality of service delivery in ERCA and learn from the practical experience of this authority. Specifically the objectives of the study include the following:

- To examine the existence and implementation of the predetermined service standards (benchmark) and its contribution in enhancing service quality at ERCA.
- To review the extent of meeting the needs and expectation of customers in delivering quality of services at ERCA.
- To assess whether ERCA identify improvement gaps and what the perception of employees' is in this regard to enhance quality of services delivery.
- To assess how frequently ERCA monitors and evaluates the quality of service delivery.
- To investigate the opportunity of equal access to the services delivered by ERCA.
- To examine the perception of customers on the quality of service delivered by ERCA.

1.5. Operational Definition of Terms

Some of the main operational definitions of the terms used by the researcher are given as follows

Authority: Ethiopian Revenue and Customs Authority

Service: It is an intangible activities performed by the service providers to satisfy their customers.

Service Delivery: The act of provision of service delivery by organizations in particular time and place in return for customers' wants and needs from that particular organization.

Quality: It is meeting the perception of customers on service delivery of particular organization or what a customer says it is.

Service Quality: Provision of services to customers as per their expectations.

Customer Perception: It is the reaction of the customers in relation to the performance of the civil servant in satisfying/dissatisfying the services.

Civil/ Public Services: For this study, public services are defined as those services which are mainly, or completely, accountable to the government and request budget from the government for its operation.

1.6. Significance of the Study

Quality, particularly service quality, has become one of the most important concepts of management-related publications. The importance of the subject is indicated by the fact that in the last ten years the number of publications on service quality has increased to ten times of the original volume. A study of rendering quality service in civil service organization like ERCA is important for the following major reasons:

- It provides further testing into the multi-dimensional nature of service quality in the civil service sector.
- It gives additional evidence as to the level of relationship between nations as public customers and service giving public organizations.
- It delivers feedback for the civil service organization regarding the perceptions of their customers toward their service quality.

- It extends the service quality literature.

This study expects to contribute to the literature on assessing quality of service delivery in civil service organization like ERCA. The results of this research could assist the leadership of the authority in improving the quality of services to the expectation of their customers. The research is important for the following major reasons:

- ✓ the findings of the study expected to add value regarding the perception of customers on the quality of services delivery of the authority and suggest what major actions have to be taken to meet the needs and expectations of customers,
- ✓ This study tries to combine theoretical and empirical research and find out the major dimensions that customers have problems in receiving quality service from the authority.
- ✓ The research lays the theoretical foundation of the practices, for which will provide future academic research on the assessment of quality service in ERCA. For that the research surveying and the findings of the study do not cover all service quality issues in the ERCA. So, it gives important highlights for further research studies in ERCA and other civil service organizations of Ethiopia.

1.7. Scope of the Study

The study was concerned with the practice of service delivery in ERCA. There are different dimensions that can affect service delivery of any organization. Among these dimensions, this study was delimited to the service standards, customer needs and expectations, identification of improvement gaps, monitoring and evaluation, equal access to the service delivery and perception of customers.

1.8. Limitation of the Study

As with any research project, this study has been subject to various limitations that may have hindered its accuracy. Consequently, interpretation of findings should be considered with caution. Although the research attempted to reduce issues through the use of a triangulation approach to research (e.g. qualitative and quantitative methods), the boundaries of the study must be acknowledged. At the same time, it is important to not underestimate the significance of the findings. Instead, the findings present a strong case for service quality, providing invaluable insights that are specific to Addis Ababa, which service management could consider when addressing service quality issues. As a result, this study acts as a foundational basis that civil service managements can use as a starting point in their quest to understand the complexities associated with service quality from the viewpoint of customers.

The following major points are critical limitations of the study:-

1. Limited knowledge of the researcher on measurement of service quality and the complication nature of the authority to get reliable data,

2. Shortage of time to gather sufficient data and analyze them properly;

3. Lack of sufficient and relevant literature that relate quality of service delivery with civil service organizations like that of ERCA;

4. The researcher lacks the skill in using sophisticated statistical package for data coding & analysis process the accuracy & precision of the research outcomes may be restricted.

5. This study is limited to Addis Ababa; this makes difficult to generalize the finding to other branches of ERCA;

6. the prejudice, poor cooperation and reluctance of respondents to fill in the questionnaire and give detail interview;

1.9. Organization of the Study

This paper has five chapters. The first chapter deals with background information, statement of the problem, objective of the study, significance of the study, operational definitions, scope of the study. The second chapter deals with review of literature and the third chapter discusses the utilized research methodology. In the fourth chapter, presentation, analysis and interpretation presented while the last chapter consists of the summary, conclusions and recommendations parts. The Thesis also consists of other formal sections like Bibliography, Appendices, etc

CHAPTER TWO: LITERATURE REVIEW

This chapter is the spring board of the study in which effort has been made to review relevant literatures on the tenets required to find answers and connect research questions. It covers government and reasons for its existence, reasons for the existence of governments, public sector, good governance and public sector management reforms, concepts of new public management, civil service, civil servant, definition of services, sector based classification of services, giving a shape to the service, unique features of services, service specification, quality in service operations, dimensions of service quality, the concept of service quality, measuring service quality, perceived service quality, SERVQUAL and the last conceptual framework.

2.1. Public Sector

The "public sector" is broadly synonymous with "government". Mostly it focuses on the executive branch, that is, the public sector is made up mainly of government departments and agencies that are staffed by public servants. As to differ from private sector, the public sector is responsible for the government and most of its duties and responsibilities are assigned by the government. The *legislature* branch of the government has the responsibility to oversight the performance of the public sector. Schacter (2000).

2.2. Good Governance and Public Sector Management Reforms

The performance of the public sector was not as expected in providing service to its customers. As a result, since the late 1980s there is a continuous debate on good governance and its requirements which becomes the reason for the emergence of the new approach to public sector management reform. The publication of ECA (2003) indicated that implementing this reform some changes have been taken place which have been aimed at tackling some of the worst forms of governance abuses and failures in Africa: the personalized nature of rule in which key political actors exercise unlimited power; misuse of State resources and institutionalized corruption; opaque government; the breakdown of the public realm; the lack of delegation of power and the withdrawal of the masses from governance.

The public sector as it has responsibilities to serve the nation needs to develop good governance that could satisfy service seekers which could have positive impact on the overall performance of the nation in general and civil service in particular. To the World Bank, good governance consists of a

public service that is efficient, a judicial system that is reliable, and an administration that is accountable to the public.

The World Bank elaborates on four elements of good governance (World Bank, 1989, 1992 as cited by ECA, 2003):

- Public sector management emphasizing the need for effective financial and human resource management through improved budgeting, accounting and reporting, and rooting out inefficiency particularly in public enterprises;
- Accountability in public services, including effective accounting, auditing and decentralization, and generally making public officials responsible for their actions and responsive to consumers;
- A predictable legal framework with rules known in advance; a reliable and independent judiciary and law enforcement mechanisms; and
- Availability of information and transparency in order to enhance policy analysis, promote public debate and reduce the risk of corruption.

It is apparent from the above conception of "good governance" that there is some emphasis on improving public-sector management systems. Thus, in the good governance prescriptions, one finds public management reforms as a key component pointing towards market and private sector approaches to public sector management, under the appearance of NPM.

2.3. Concepts of New Public Management

NPM is a label used to describe a management culture that emphasizes the centrality of the citizen or customer, as well as accountability for results. Nowadays, people in any nation demand competent and efficient service from their government through the public services. This high demand of citizens enforced governments to replace the traditional model of organization and delivery of public services, based on the principles of bureaucratic hierarchy, planning and centralization, direct control and self-sufficiency by a market-based public service management or enterprise culture. NPM has provided for a future of smaller, faster-moving service delivery organizations that would be kept lean by the pressures of competition, and that would need to be user-responsive and outcome oriented in order to survive. These organizations would be expected to develop flatter internal structures (i.e. fewer layers) and devolve operational authority to front-line managers. With a downsized number of staff, many services would be 'contracted out' or 'out sourced' instead of assuming that in-house provision is best.

NPM has two components. First those that emphasize managerial improvement and organizational restructuring, and second those that emphasizes markets and competition. The basic foundation of the NPM movement is the drive for efficiency and the use of the economic market as a model for political and administrative relationships. Improved efficiency is now the overriding aim of public sector reforms in most African countries. It is thought that the State's capability; its ability to promote and undertake collective action efficiently is over extended. Therefore, reductions and a refocusing of the State's activities are needed to improve macroeconomic stability, as well as the implementation of stronger incentives for performance. Furthermore, increased competition in service provision, both with the private sector and in the public sector itself, is required in order to raise efficiency. Consequently, governments should concentrate their efforts less on direct intervention and more on enabling others to be productive (World Bank, 1999) by providing "core" functions such as safeguarding law and order; protecting property rights; managing the macro economy, to promote and regulate the market; providing basic social services and infrastructure; and protecting the vulnerable and destitute.

2.4. Civil Service

The term **civil service** can refer to either a branch of governmental service in which individuals are employed on the basis of professional merit as proven by competitive examinations, or the body of employees in any government agency other than the military. According to Oxford Advanced Learner Dictionary (2006) *"civil service is the government department in a country, except the armed force, and the people who work for them"*.

From this concept and definition one can understands that civil service can be described as an institution which is established by the government to carry out different policies and implement the decision of political leaders. This means that, as the governments have the responsibility to lead the country, they have the right and obligation to formulate policies that have great contribution for the growth of the country. It is the responsibility of the civil service to execute these policies adequately. Unless the civil service has the capacity and willingness to implement these policies, it will be implemented ineffective and inefficient manner, therefore, sooner or later it will have negative impact on the overall performance of the country.

Globally, the contributions of civil service in promoting sustainable and equitable economic growth are receiving increasing attention. Efficient and effective management of the civil service are critical to

sustainable socio-economic development of a nation. Unlike some weak private and public business organizations, the civil service is an organ which enjoys continuity of existence so long as governments are in power. Plainly, it can be said that no government exists without having civil service and vice versa, because one cannot exist without other.

Civil service is the instrument of the government of the day and in some countries its members are permitted under the law to be the member of any 'legal' political party. However, it is unjustifiable or it is illegal for civil servant dissuading the activities of the office due to his/her political outlooks. On the other hand, the civil servant is required to assist in formulating and implementing the policies approved by the government irrespective of its personal or private opinions or attitudes towards the government policies. The main feature of civil service is that it is indispensable irrespective of the type of government in power (be it military or democratic regime).

2.5. Civil Servant

A **civil servant** or **public servant** is a person in the public sector employed for a government department or agency. The extent of civil servants of a state as part of the 'Civil Service' varies from country to country. If we take the case of United Kingdom only Crown employees are referred to as civil servants, county or city employees are not. The case of Ethiopia, civil servant is a person who is employed in an organization under ministry or agency which is accountable to cabinet ministers. A civilian employee who is employed by an international organization is called an international civil servant and these are governed by an internal staff regulation not by any national legislation.

Whether one is a local or an international civil servant the end objective is one and the same: to provide quality service for customers who need service from that particular office. Thus, understanding that she/he is a servant of his/her customers and knowing that customers are always demanding quality service, the civil servants has to be vigilant in building their capacity and all a times be ready to update him/herself with newly demand of the customer and adequately provide quality service with due consideration and sympathy.

2.6. Definition of Services

A uniform definition of service has not been developed up to this day. According to Kotler, "*service is an act or performance provided by one party to the other which fundamentally is not materialized and does not result in creating ownership over things. Its production is either connected to the physical product or not.*" (Kotler, 1998). As per this definition there are five groups:

1) Clearly physical product (e.g. computer);
2) Physical product with collateral services, where the services are connected to the materialized product (such as services connected to selling computers e.g. maintenance warranty services);
3) Hybrid offer, where the offer is a mixture of the physical product and the services (such as clothing store which offers alteration);
4) Material service with minor collateral services and physical products (such as wellness hotel service, containing the hotel service, physical products and other collateral services (catering, pool services);
5) Clearly service, such as consultancy.

In line with concept the standard-family- may also be derived by defining the procedure. Procedure is the series of activities which transform inputs to outputs. Accordingly, from a certain input, via the service procedure a certain output is formed in case of services too. Service can be interpreted as the result an activity that takes place where the supplier and the customer interact with each other, and generally is not tangible. Accordingly service can be:

- ✓ an activity carried out on the tangible product provided by the customer (cloth cleaning)
- ✓ an activity carried out on the intangible product provided by the customer (accounting)
- ✓ providing, creating intangible product to /for the buyer (education, health care)
- ✓ providing, manufacturing tangible product to the buyer (commerce, postal service)

One can argue that from the aspect of service quality measurement, the definition of quality needs to be result-and procedure-oriented at the same time, since customers judge not only the result of the services, but the process of the service provision is considered too. From the aspect of describing service quality and developing a decision support model aimed at improving service quality, the act of providing the service, is the main component.

For some researchers service means more than the mere result of an activity (service-result); it is an interactive process (service-process) as well. ***Service*** *means the process aimed at meeting customer*

expectations, which is fundamentally based on the direct or indirect interaction of the customer and the supplier. The result of the service typically manifests itself in an intangible form.

2.7. Sector Based Classification of Services

Services are approached as the third-tier economic sector and within this four classes are created:

(a) **Distributive services***:* as indicated by the name, the services with a distribution nature provided to other sectors, producers or service providers; such as transportation, storage, telecommunications, wholesale and retail commerce.

(b) **Production services:** services provided to other sectors or to other producers, service providers, which are connected to production and providing services, facilitate and support the operational process; such as financial services, insurance, building services, invoicing, accountancy, legal services and other business services.

(c) **Social services:** services aimed at satisfying individual or social needs (medical and health care services, hospitals, education, welfare and religious services, non-for-profit organizations, postal services, consultancy and social services).

(d) **Personal services:** services provided to individuals (household services, hotels, housing, restaurants, liquor stores, repair services, laundry and cleaning service, hair salons, beauty salons, entertainment and holiday services, other personal services).

Services may be assigned to the following four groups:

a) **Received services:** services satisfying the daily needs of the customer which are usually connected to service facilities (e.g. repair, hospitability business), where the connection of the service provider and the customer is close, the customer`s involvement and role is complex.

b) **Professional services**: services based on the expertise of the service provider (e.g. heath care, training, legal services, consultancy), where accommodating the individual needs of the customer is of vital importance, and where the customer and the service provider are closely connected.

c) **Technical services**: services connected to utilizing investment products such as engineering, technical control activities, where the service is also based on the close and mutual relationship of the service provider and the client.

d) **Possessive services:** the customer acquires the possession of things through the service; the service result can be any objects, benefit or new quality, e.g. banking and insurance services.

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2.8. Giving a Shape to the Service

There is no particular reason to do anything of quality unless one seeks to shape things so that something above average can result. Service is not static, it is dynamic. In this dynamic globalization time, service giving organizations has to think twice about the quality of service they have been rendering to their respected customers. The continuous change in demand of quality service by service seekers, push service organizations including civil service to shape their service having clear understanding of the package and the benefit of service that they are going to offer to their customers cognizant with what customers expect from their service. It is also the responsibility of the service organizations to design the service form and decide explicitly the service level or standard to the level of customers' expectation. In general, to provide quality service, civil services need to shape the service continuously and satisfy their customers sustainably.

Service benefits: service marketers must thoroughly understand the nature of the service. Service marketer must be clear about the service benefits involved in the concerned case. Service benefit simply means customer benefit resulting from the service. It is the bedrock of any service product.

Service expectations: Service expectations refer to the service benefits, which customers seek from the service. Service marketers must be clear about the benefits customers seek from the service. The whole service concept has to be based on the benefits customers seek and which the marketer is willing to provide.

Service offer: Service offer means the bunch of benefits that is offered by the firm in the service. The service marketer has to decide what benefits should be put into the service package. Obviously, this decision has to stem from the customer service expectation (what benefits do customers seek from the service?). The success of a service depends on how closely the service offer matches the service expectation.

Service elements are just an elaboration of service offer. Conversely, service elements collectively constitute the service offer. The term service offer denotes the various service benefits that are to be passed on to customers. Usually, service elements in a service offer will consist of tangible as well as intangible components.

Service form explains in what way (or how) the services to be provided.

Service level/quality/standard explains what quality and how much of service is to be provided. Deciding unambiguously the service level/quality standard which the firm would commit in its service offer is an important part of giving a shape to the services.

2.9. Unique Features of Services

Literatures indicated that assessment of quality in service industries unlike traditional physical product industries become more complicated. This is true due to the fact that determinants of service quality may be unique in different service sector depending on the specific feature of service. One of the unique feature of service is it is performed not produced. This means that it requires the presence of the human element during the service delivery process. In the same manner, services are produced and consumed at the same time in the presence of the customer and the service producer. Thus, in service sector the more fundamental origin of quality is 'persons', both in their personal and collective sense. Since quality is the outgrowth of people and it does derive from people. Without good people it is very doubtful that you can get good results. As a matter of this fact, it is entirely predictable that quality will entirely mirror the strengths and weaknesses of the people involved. Because, the presence of the human element during the service delivery process greatly increases the probability of error on the part of employees and customers.

It is remarkable bringing in to the attention of civil servant that quality is ultimately a human achievement in both its inner and outer aspects and has its own unique features that have to be understood clearly. Philip Kotler and Kevin lane (2006) argue that services are characterized by certain unique features, which, in their turn, have some unique implications in the matter of marketing. The unique features of services are shown below

Service is a Performance

While products are produced, services are performed. In most cases, services are totally unconnected to any physical product. Unlike tangible products, services are produced and consumed at the same time in the presence of the customer and the service producer. The presence of the human element during the service delivery process greatly increases the probability of error on the part of employees and customers.

Does Not Involve Any Ownership Transfer

Usually, a service does not result in the ownership of anything. In other words, unlike in product marketing, in service marketing, there is no title/ownership transfer. One can even say that nothing is purchased while a service is availed of, at best, what is purchased is just the use of, or access to, the facility/service. The buyer does not become the owner of anything.

Intangibility

Unlike physical products, services are intangible; they cannot be seen, touched, or smelt. Also, the consumer cannot sample a service in advance. Accordingly, it becomes difficult for the consumer to judge a service before it is bought; he has no 'tangibles' to go by for judging the service in advance; he cannot know its exact outcome in advance. Of course, it may not be correct to assume that all services are hundred percent intangible. But, it is certainly true that they are not tangible to the same degree as physical products are.

Inseparability/Immediacy

Inseparability is the next unique feature of services. Some experts refer to it by the term 'immediacy'. In fact, services are marked by two kinds of inseparability:

(i) Inseparability of production and consumption
(ii) Inseparability of the service from the person who possesses the skill and performs the service

Services are produced and consumed simultaneously at the same point of time and location. Second, services are also inseparable from their providers. The latter are an integral part of the services.

Variability/Individuality/Heterogeneity

Services are also marked by variability/individuality/heterogeneity. This is so because of three reasons: Firs, the inseparability of the service from the provider leads to some variability; the provider of the service being inseparable from the service. Second, services are highly people intensive. Anything that is people intensive is bound to be marked by variability. Services are often categorized on the basis of the type of people who provide them-like unskilled services, skilled services, and complete professional services. In the case of physical products, who produces the product is immaterial. Then,

in services, the effect varies dependent on when and where the service is provided. As a combined result of the three factors, services are marked by a high degree of variability/individuality/heterogeneity.

Perishability

Services are perishable as well. They cannot be stored. Like inseparability/immediacy, this is also an offshoot of the fact that services are produced and consumed simultaneously. There are no inventories in the case of a service. It is because if its perishablity that often a client is billed even if he does not avail of the service after having booked it. For example, airlines charge passengers who fail to 'show up' at the time of flight departure, as the service value become zero once the passengers fail to show up at the appointed time.

Consumer, a Part of the Production Process

In most services, the consumer is an integral part of the production process, as he has to be physically present when the service is produced. This is not true of physical products. In fact, a service situation requires the presence of not merely the consumer but that of the producer as well. Quite often, the consumer and the service provider are face to face when the service is produced. Hence service provider-consumer interaction becomes a special feature of services.

In Channel Matters too, Services Differ from Products

Services differ significantly from products even in the role played by marketing channels in their marketing. While physical products, in general, are amenable for marketing through channels, the same is not the case with services. Some services are not amenable at all for operating through intermediaries. In some cases, they may lend for such an approach, but the role of channel members invariably differs in the case of services as compared to products.

Services typically do not manifest themselves in material, tangible forms. Rather they meet consumer needs through establishing direct contact with the customer, so as the act of providing the service (production) and the act of utilizing it (consuming) fully or partially coincide in time.
Useful results of service activities are e.g.:
- repairing, maintaining, refurbishing, designing, assembling, packing, storing, transporting, distributing objects, facilities, things; outsourcing their manufacturing or processing

procedures; providing quality control; collecting, processing, storing, transferring, conveying and distributing information;

- asset lending aimed at supporting the operation and production of economic associations, data processing, business management and technical consultancy, promotional activity, market research, advertising, business administration, legal and other economic services;

- transporting persons, objects; product delivery for consumers, carrying out financial and insurance operations;

- meeting the educational, cultural, artistic, health care, entertainment, recreational, traveling, sporting, exercising and other personal needs of persons or communities

- administering, protecting, and representing society as a whole and its communities; meeting social and communal needs of the society; interest representation; research and development; legislation.

For statistical purposes the following activities are not considered services:

- income-distribution; financial transfers such as interest and dividends; dividing the state budget and its special-purpose funds to chapters and titles; scholarships; transfers for financial and insurance transactions; asset and capital transactions; paying duties, taxes, dues, subventions, damages; social security contributions and payments; fines, fees cash and cash substitutes;

- prohibited or illegal acts (e.g. theft, robbery, smuggling).

2.10. Service Specification

Any service can be clearly and completely, consistently and concisely specified by means of the following 12 standard attributes which conform to the MECE principle (Mutually Exclusive, Collectively Exhaustive). (Wikipedia, 2013)

1. **<u>Service consumer benefits</u>:** describe the (set of) benefits which are triggerable, consumable and effectively utilizable for any authorized service consumer and which are rendered to him as soon as he triggers one service. The description of these benefits must be phrased in the terms and wording of the intended service consumers.

2. **<u>Service-specific functional parameters</u>:** specify the functional parameters which are essential and unique to the respective service and which describe the most important dimension(s) of the services cape, the service output or the service outcome, e.g. maximum e-mailbox capacity per registered and authorized e-mailing service consumer.

3. **Service delivery point:** describes the physical location and/or logical interface where the benefits of the service are triggered from and rendered to the authorized service consumer. At this point and/or interface, the preparedness for service delivery readiness can be assessed as well as the effective delivery of each triggered service can be monitored and controlled.

4. **Service consumer count:** specifies the number of intended, clearly identified, explicitly named, definitely registered and authorized service consumers which shall be and/or are allowed and enabled to trigger and consume the commissioned service for executing and/or supporting their business tasks or private activities.

5. **Service delivering readiness times:** specify the distinct agreed times of every day of the week when:

   ➢ the described service consumer benefits are triggerable for the authorized service consumers at the defined service delivery point and consumable and utilizable for the authorized service consumers at the respective agreed service level

   ➢ all the required service contributions are aggregated to the triggered service

6. t**he specified service benefits** are completely and terminally rendered to any authorized triggering service consumer without any delay or friction.

7. **Service consumer support times:** specify the determined and agreed times of every day of the week when the triggering and consumption of commissioned services is supported by the service desk team for all identified, registered and authorized service consumers within the service customer's organizational unit or area. During the defined service consumer support times, the service desk can be reached by phone, e-mail, web-based entries, and fax, respectively.

8. **Service consumer support language:** specifies the national languages which are spoken by the service desk team(s) to the service consumers calling them.

9. **Service fulfillment target:** specifies the service provider's promise of effectively and seamlessly deliver the specified benefits to any authorized service consumer triggering a service within the specified service delivery readiness times. It is expressed as the promised minimum ratio of the count of successful individual service deliveries related to the count of triggered service deliveries. The effective service fulfillment ratio can be measured and calculated per single service consumer or per service consumer group and may be referred to different time periods (work hour, workday, calendar week, work month, etc.)

10. **Service impairment duration per incident:** specifies the maximum allowable elapsing time [hh:mm] between

- the first occurrence of a service impairment, i.e. service quality degradation, service delivery disruption or service denial, whilst the service consumer consumes and utilizes the requested service.
- the full resumption and complete execution of the service delivery to the content of the affected service consumer.

11. **Service delivering duration:** specifies the promised and agreed maximum allowable period of time for effectively rendering all specified service consumer benefits to the triggering service consumer at his currently chosen service delivery point.

12. **Service delivery unit:** specifies the basic portion for rendering the defined service consumer benefits to the triggering service consumer. The service delivery unit is the reference and mapping object for the Service Delivering Price, for all service costs as well as for charging and billing the consumed service amounts to the service customer who has commissioned the service delivery.

13. **Service delivering price:** specifies the amount of money the commissioning service customer has to pay for a distinct service delivery unit or for a distinct amount of service delivery units. Normally, the service delivering price comprises two portions.

- a fixed basic price portion for basic efforts and resources which provide accessibility and usability of the service delivery functions, i.e. service access price.
- a price portion covering the service consumption based on:
  - fixed flat rate price per authorized service consumer and reference period for an unlimited amount of consumed services,
  - staged prices per authorized service consumer and reference period for staged amounts of consumed services,
  - fixed price per single consumed service delivering unit.

2.11. Quality in Service Operations

> **"Quality is Ballet, Not hockey"**   **Philip B. Crosby (1979)**

From this quotation one can easily able to differentiate services from products with regards to quality. Similar to hockey, where one can at least measure the final score of a match, product quality can be measured against predetermined specifications. Similar to ballet, however, where quality is much more

in the eye of the audience, service quality can (only) be based on customer perceptions (Zeithaml et al. 1990, Gronroos 2000). Therefore, it is not surprising that quality measures for product manufacturing are widely understood and used, whereas quality measures specific for service operations have developed more slowly (Mills et al. 1983).

2.12. Dimensions of Service Quality

A customer's expectation of a particular service is determined by factors such as recommendations, personal needs and past experiences. The expected service and the perceived service sometimes may not be equal, thus leaving a gap.

Ten determinants that may influence the appearance of a gap were described by Parasuraman, Zeithaml and Berry (1985). The details are discussing below:

1. **Competence** is the possession of the required skills and knowledge to perform the service. For example, there may be competence in the knowledge and skill of contact personnel, knowledge and skill of operational support personnel and research capabilities of the organization.

2. **Courtesy** is the consideration for the customer's property and a clean and neat appearance of contact personnel, manifesting as politeness, respect, and friendliness.

3. **Credibility** is the factors such as trustworthiness, belief and honesty. It involves having the customer's best interests at prime position. It may be influenced by company name, company reputation and the personal characteristics of the contact personnel.

4. **Security** is the customer feeling free from danger, risk or doubt including physical safety, financial security and confidentiality.

5. **Access** is approachability and ease of contact. For example, convenient office operation hours and locations.

6. **Communication** means both informing customers in a language they are able to understand and also listening to customers. A company may need to adjust its language for the varying needs of its customers. Information might include for example, explanation of the service and its cost, the relationship between services and costs and assurances as to the way any problems are effectively managed.

7. **Knowing the customer** means making an effort to understand the customer's individual needs, providing individualized attention, recognizing the customer when they arrive and so on. This in turn helps in delighting the customers i.e. rising above the expectations of the customer.

8. **Tangibles** are the physical evidence of the service, for instance, the appearance of the physical facilities, tools and equipment used to provide the service; the appearance of personnel and communication materials and the presence of other customers in the service facility.

9. **Reliability** is the ability to perform the promised service in a dependable and accurate manner. The service is performed correctly on the first occasion, the accounting is correct, records are up to date and schedules are kept.

10. **Responsiveness** is to the readiness and willingness of employees to help customers in providing prompt timely services, for example, mailing a transaction slip immediately or setting up appointments quickly.

Later, the determinants were reduced to Five: tangibles; reliability; responsiveness; service assurance and empathy.

2.13. The Concept of Service Quality

The word quality means different things to people according to the context. Lovelock and Wirtz (2007) mentioned that David Garvin identifies five perspectives on quality.

1. **The transaction view** of quality is synonymous with innate excellence: a mark of uncompromising standards and high achievement. This viewpoint is often applied to the performing and performing of visual arts. It is argued that people learn to recognize quality only through the experience gained from repeated exposure and managers or customers will also know quality when they see it is not very helpful.

2. **The product- based approach** sees quality as a precise and measurable variable. Differences in quality, it is argued, reflect differences in the amount of an ingredient or attribute possessed by the product or service. Because this view is totally objective, it fails to account for differences in the tests, needs, and preferences of individual customers or even entire market segments.

3. **User based definitions** starts with the premise that quality lies in the eyes of the beholder. These definitions equate quality with maximum satisfaction. This subjective, demand oriented perspective recognizes that different customers have different wants and needs.

4. **The manufacturing based approach** is supply based and is concerned primarily with engineering and manufacturing practices, quality is also operation driven.

5. **Value based definitions** define quality in terms of value and price. By considering the tradeoff between perception and price, quality comes to be defined as "affordable".

Attaining superior quality in rendering service is considered to be as the most single important factor in differentiation and excellence of services and it is a potential source of sustainable competitive advantage. Thus, understanding, measurement, and improvement of quality service are important challenges for all civil services. For decades, many researchers have developed a service perspective (Zeithaml, 2009, Ramsaran and Fowdar, 2007). The concept of service quality should be generally approached from the customer's point of view because they may have different values, different ground of assessment, and different circumstances (Chang, 2008).

Service quality is an extrinsically perceived attribution based on the customer's experience about the service that the customer perceived through the service encounter. Moreover, service quality in all service encounters is intrinsically affected by the perspectives of both the service provider and the service receiver. Service quality is not only involved in the final product and service, but also involved in the production and delivery process, thus employee involvement in process redesign and commitment is important to produce final tourism products or services (Kumra, 2008).

A research study on service quality presented by Grönroos (2007) who focuses on a model is a comparison between customer expectations of the service and their experience of the service they have perceived before. This model is named "total perceived service quality". His emphasis is on what customers are really looking for and what they evaluate. Accordingly, the service quality has based on two dimensions. The first dimension is the *technical quality* which refers to the outcome, what is delivered or what the customer gets from the service and the second dimension is the *functional quality* which refers to the manner in which the service is delivered or how it is delivered. Both dimensions affect the corporate image and the perception of quality in various ways. According to total perceived service quality model, perceived quality of a service is not only affected by the experiences of the quality dimensions that the consumer used for evaluating whether quality is perceived as good, neutral, or bad. It is al also affected by the perceived quality of given service as well as the outcome of the evaluation process.

The quality of service of any organization is experienced at each service encounter, that is, human interactions. If service providers are bored, unable to respond for the customer's demand on time, or are negligent on their duty while customers are waiting for their service, no doubt that customers will

think twice about doing business again with such service providers. In some cases, the customer may have an alternative to get the same service from other service providers. Such kind of situation becomes more complicated with the case of civil service. With regard to civil service, in most cases customers are obliged to get certain services from particular civil service offices only. In such a case if the assigned civil servants are bored, cannot answer simple questions, or become reluctant to provide service to the level of customers' satisfaction, it is difficult for customers to go to other office for same and the customer preferred to remain with his/her complaints otherwise. Thus, the only option that the civil services have is to assign efficient and effective employees who have the awareness and understanding that customers are the source of their income and a means for their existence; because customer is 'king'. Furthermore, managing service quality in such organization needs more effort, loyalty and commitment than any other business as customers have legal right to get dependable and professional service from civil service. The civil service has to create a safety valve for customers to voice their complaints. Research has shown that excellent complaint management and service recovery can significantly influence customer satisfaction (Johnston, 2001).

2.14. Measuring Service Quality

Two Contradicting Paradigms

Although the operationalization of service quality differs from researcher to researcher, one can clearly identify two schools of thought: one group of researchers supporting the disconfirmation paradigm of perceptions minus expectations; and one group supporting the performance-based paradigm of a perceptions only version of service quality.

Disconfirmation paradigm - According to Gronroos (1984), consumers evaluate (perceived) service quality by comparing expectations with experiences of the service received. In line with this thinking Lewis and Booms (1983) stated that service quality is a measure of how well the service level delivered matches customer expectations. Delivering quality service therefore means conforming to customer expectations on a consistent basis.

Following the writings of Sasser et al. (1978), Lethinen and Lethinen (1982) and Gronroos (1984), extensive focus group interviews held by Parasuraman et al. (1985) affirmed that service quality is derived from the comparison between a consumer's expectations for service quality performance versus the actual perceived performance of service quality (perceptions-minus-expectations). In

addition, Parasuraman et al. (1988) stated that "perceived service quality is viewed as the level of discrepancy between consumers' perceptions and expectations".

Based on extensive focus group interviews and subsequent research, Parasuraman et al. (1985 and 1988) concluded that: 1) service quality is an overall evaluation similar to attitude, 2) the expectancy disconfirmation' model is an appropriate operationalization of service quality, and 3) service quality (as a form of attitude) results from the comparison of perceptions with expectations.

Performance-based paradigm - Carman (1990) argued that there is little, if any, theoretical evidence supporting the relevance of perceptions-minus-expectations gaps as the appropriate basis for assessing service quality. In addition, Brown et al. (1993) concluded that there are serious problems in conceptualizing service quality as a difference score.

Following considerable support for simple performance-based measures of service quality in the marketing literature (e.g. Mazis et al. 1975, Woodruff et al. 1983, Bolton and Drew 1991), research by Cronin and Taylor (1992) affirmed that an un-weighted performance-based approach is a more appropriate basis for assessing service quality. Similarly, Babakus and Boller (1992) reported results supporting the use of performance-based measures of service quality over gap measures.

2.15. Perceived Service Quality

Zeithaml and Bitner (2000) argue that customers do perceive quality in more than one way and they also have perceptions about multiple factors when quality is assessed. Baker et al., (2002) also describes three components that influence the service encounter elements. The first component is physical environment and includes for example music, lightning and external and internal environmental design, the second one is customer interactions with intangible and tangible elements in the service environment and the periods when customers interact with physical facilities and other tangible elements in the service environment. Behavior is a key determinant of how the service will be appreciated. Baker et al., (2002) is describing the third component that is about how customers are influenced from the appearance, perceptions and behavior of other customers. Baker and Cameron (1996), discusses that it is shown that the behavior of other customers affect perceptions and that makes it important for service providers to be careful about the interaction between customers.

Service processes usually consist of a series of encounters, such as your experience with a flight that consist of steps from making reservation to checking in, taking the flight, and retrieving customer's

bags on arrival. Knowledge of role and script theories can help us to understand, design, and manage both customer behavior and employee behavior during those encounters.

From the discussion above it is understood that this part is connected to the Continuum of perceived Service Quality. The following model is shown below;

Pre purchase Expectations	→	Perceived Process Quality	→	Perceived Output Quality	→	Expectations Not Met	→	Unacceptable quality
						Expectations Met		Satisfactory quality
						Expectations Exceeds		Ideal quality
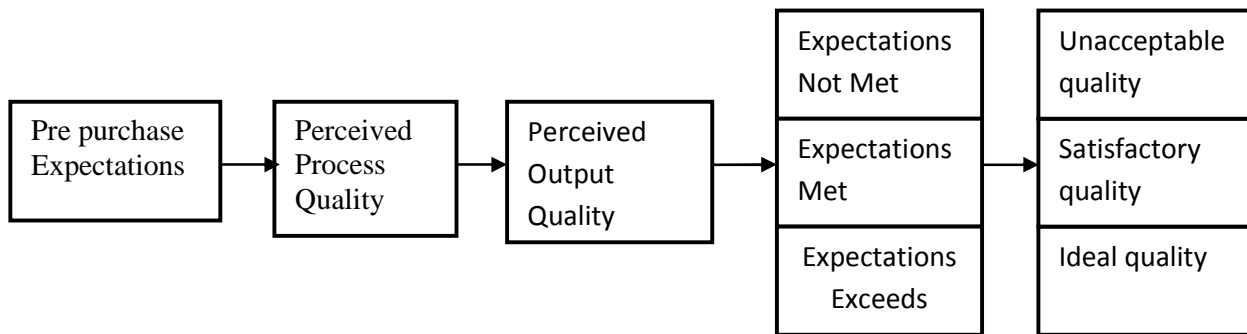
Figure 1: Continuum of Perceived Service Quality.

Source: (Parasurman et al, 1990)

2.16. Conceptual Framework

As it is indicated above the research will use deductive approach, thus it needs to use the existing theoretical background or the conceptual framework which is useful to indicate the direction of the study. The major focus of the study will be on gap which signifies the difference between customers' perceptions and the service performance of the organization based on its standard set service.

Equal Access
Provision of immediate remedy for services not provided as per the standard i.e. redress
Communicating who is responsible for what including service cost (open and transparent)
Providing Information to customers about services and service standards
Treating with Courtesy and Consideration
Consulting Customers to Current Service Provision
Customer Complaints Handling

Performance

Perception

Service Quality

Fig 2. Conceptual frame work,

Source: Researcher's Own

CHAPTER THREE: RESEARCH DESIGN AND METHODOLOGY

In chapter two the literature review on service quality was conducted and this third chapter is prepared to highlight the overall methodological considerations of the Thesis. The methodology section is divided into six sub-sections which are the general research design, population and sampling technique, source and tools of data collection, method of data analysis, reliability test and the last one is ethical considerations.

3.1. Research Design

The research design describes the plan in which information is collected from the research participants. Research design indicates what needs to be done while heading in the specific direction.

Descriptive methods help us to understand the way things are. (Welman and Kruger 2004). The researcher employed descriptive research to analyze data as the designed research to assess the quality of service delivery in ERCA by means of close-ended questionnaire. The descriptive research can assist decision makers of the authority to understand better how to improve the quality of service delivery that can satisfy its customers.

For this particular research, the method of data collection was survey method which is associated with deductive approach and will be conducted to collect data that seeks a characteristics or the opinion of a target population that helps to collect large amount of data from a large population.

The researcher followed a multi-method approach in conducting the study. Both qualitative as well as quantitative methods were employed. The researcher was employed this approach for the reason that it deals with both qualitative data collected through interview and quantitative data collected using questionnaire.

Quantitative method was used with the aim of quantifying data and generalizing results from a sample to the population and measuring the incidence of various views and opinions from the chosen sample. In addition to this, qualitative method was used to aggregate, understand and drew conclusions from the qualitative explanations given.

Five point Likert type scale questionnaire was designed to collect primary data from the customers and employees. As questionnaires were used to collect quantitative data, the researcher had used interview to collect qualitative data.

3.2. Population and Sampling Technique

According to Welman and Kruger (2004 in R Maniram 2007) population is defined as study object, which may include individuals, groups, objects, events or the conditions to which they are uncovered. Furthermore, De Vos (2000: in R Maniram 2007) defines a sample as a small portion of the total set of objects, events or persons which together comprise the subject of the study. Thus, the target population and sample size of the research are indicated below.

3.2.1. Target Population

The target population in this study will constitute all tax payers having TIN of three branches of ERCA: Large Tax Payer Office Branch, Addis Ababa East Branch, Addis Ababa West Branch, Employees of Customer Directorate and Change Implementation Directorate and the total target population was 22,026.

Based on the availability and number of target population the researcher followed three types of sampling approach. For the external customers the researcher chose non-probability approach that is a convenience sampling approach to select the sample from the available population. Convenience choice means the respondents are chosen because they are available (Bryman & Bell, 2003). The researcher preferred to employ convenience sampling method because it was actually impossible to carry on a probability sampling due to the fact that there was no point in time during which all customers were available at same time. In consequence, with the existing limited time it was difficult for the researcher to contact everyone who may be sampled. Concerning employees the researcher chose two types of sampling approaches. Since the number of employees under the Change Implementation Directorate was four the researcher preferred to use purposive sampling method. On the other hand, since the number of employees under the Customer Directorate was 46, the researcher preferred to include 50 % of the total target population believing that half of the population is enough to take as a sample for the study and distributed the questionnaire randomly in their office.

3.2.2. Sample Size

Sample size can be determined either by using statistical techniques or through some adhoc approaches. According to Kent (in Peng 2006), a minimum sample size of 100 respondents is needed for any type of quantitative research to reach a significant result. Furthermore, Sekaran (2003) as cited by Nezaam Luddy (2005) advocated that the sample sizes of 30 to 500 are relevant for most research. Sekaran (2003) as cited in Nezaam Luddy (2005) maintains that a response rate of 30% can be regarded as an acceptable for more research studies. Based on these concepts the researcher has determined the sample size as follows.

Out of the sample frame of 22,026 tax payers and employees a sample size of 377 was selected based on the researcher's judgment because of cost and time constraints. Using a large sample in this survey would require more time and the time limit within which the research was to be completed would not permit the use of large sample size. Hence, based on the researcher's judgment the sample size for customers was determined to be 350 with return rate of 87%. Accordingly 400 questionnaires were distributed to respondents and 293 were returned which was 73% of return rate out of which 2 questionnaires were rejected due to missing data and 9 returned unfilled. Thus, 293 questionnaires used for analysis purpose. For employees the sample size for the change management directorate was four and for the customer directorate since there was 46 employees taking 50% of the population 23 questionnaires distributed and 21returned having 87.5 return rate.

3.3. Sources and Tools of Data Collection

3.3.1. Sources of Data

According to Cooper and Schindler (2001) as cited in Maniram, 2007, data includes facts collected from participants or observations, published information which is categorized as primary and secondary. Understanding that no single source has a complete advantage over all others for this particular study, both primary and secondary sources were implemented. Primary data were gathered by the researcher from respondents using close ended questionnaires and using key informant open ended interview with the senior expert of change management directorate.

The primary source helped the researcher to collect data regarding service quality of the organization under study and also demographic data of respondents. For secondary data the study was used published materials such as books, internet, journal articles, and research results published and unpublished Master's thesis and Dissertation undertaken by others to complement and analyze the data obtained from the primary sources.

3.3.2. Data Collection Tools

For this particular research, the data collection tool was structured self-administered questionnaire. This questionnaire survey had two sections. The first part was intend to acquire the demographic profile of the respondents, while the other section was contained a set of attitude statements. The purpose of the set of attitude statements was to determine the level of agreement or disagreement, satisfaction or dissatisfaction and the like using a five-point Likert Scale. In the Likert technique, the agreement or disagreement is given a numerical value ranging from one to five, thus total numerical value can be calculated from all responses.

Both questionnaires were prepared in English, but to minimize the misunderstanding that might have been occurred to customers, it was translated into Amharic. The translation was done with the help the expertise who have good knowledge of both English and Amharic. The interview and the questionnaire for the employees were only in English.

The questionnaire for customers and that of employees was consisted different items measuring the agreement or disagreement of customers on the quality of service delivery of ERCA. Participants were indicated their agreement or disagreement on a 5- point Likert scale, where 1 represented "the lowest" and 5 represents "the highest." The aim of the questionnaires was to collect the opinions of the respondents in response to the quality of service delivery by the organization. The answer of the questionnaire was solely based on the respondents` experience and personal opinion; there were no right or wrong answers.

As aforesaid, in this particular research there were two sampling categories, namely customers and employees of ERCA. Thus, the questionnaires were distributed accordingly.

3.4. Data Collection Procedures

The researcher was followed a self reporting data gathering approach where the respondents were given a questionnaire to complete and thus they had full control of the information provided in the responses.

In order to test the understandings of the respondents pre- test has been done before the survey was conducted. The respondents in the pre-tests were similar to those who were included in the actual survey. In other words, respondents for the pre-test and for the actual survey were drawn from the same background of the population.

A total of eight participants were participated in the pre-testing of the questionnaires. The researcher selected two participants from government owned organizations, two from private contractors, one individual consultant and three private business owners. Based on their feedback, a few minor adjustments have done before the questionnaire was administered to the sample.

The questionnaires were distributed personally and with the help of other friends of the researchers who had shown interest to support the researcher. Explanations were provided on the questionnaires as how the respondents have to fill the questionnaire, how important their honest response was, and the secret of their response being kept. Two assistants were assigned to collect the filled in questionnaire for counting and scoring the responses and then the analysis was followed.

3.4.1. Method of Data Analysis

The primary objective of data preparation was to convert the raw data into a form of data suitable for analysis so that valid conclusions and recommendations were drawn. The major preparation techniques include data editing, data coding and data capture. In this study, the collected raw data from respondents had edited, coded, captured and then analyzed with help of statistical software program: statistical package for social sciences (SPSS) with the help of expertise and Excel Software by the researcher. Accordingly, the results of the analysis were interpreted by the researcher.

3.5. Reliability Test

As it mentioned repeatedly, the main purpose of the reliability analysis of the data is to determine the trustworthiness' of the data. The reliability analysis is measured by the consistency of the data where

the indicators are the interim-correlation and reliability coefficient Cronbach's Alpha. As described by Andy (2006) the values of Cronbach's alpha around 0.8 is good. Thus, the alpha value which is 0.96 for this study is within the acceptable range and it is good.

3.6 Ethical Consideration

The researcher strongly believes that respondents are the real owners of this research. All respect should go to them and they have the right to be treated with all dignity and politeness. Furthermore, understanding the obligation of any researcher has, the researcher assured the respondents of the anonymity and confidentiality of the information they were supplied.

CHAPTER FOUR : RESULTS AND DISCUSSIONS

This chapter presents the results and discussions and interpretation of data gathered through structured questionnaire and self administered interview. Under this section, employees' opinion and the customers' perception on the quality service of the authority are presented and analyzed in detail. The response of the interview also incorporated in both employees' and customers' response discussion.

The questionnaire for both customers and employees of the authority and the interview guide are annexed at the end of this research report.

4.1 Demographic Characteristics of the Respondents

Based on the collected data from employees and customers the gender mix, age, tenure of employees, educational background, years of service from the authority and types of business presented as follows.

4.1.1. Employees' Demographic Characteristics

Table 1. Distribution of Demographic Variables (N = 24)

GENDER	Respondents count	Percentage of count
Male	14	58.33
Female	10	41.67
AGE	Respondents count	Percentage of count
18-29	8	33.33
30-39	11	45.83
40-49	4	16.67
50 and above	1	4.17
EDUCATIONAL LEVEL	Respondents count	Percentage of count
College Diploma	4	16.67
First Degree	18	75.00
Masters Degree	2	8.33
EXPERIENCE IN THE AUTHORITY	Respondents count	Percentage of count
Less than one year	4	16.67
1-5 years	12	50.00
5-10 years	5	20.83
10-15 years	3	12.50

Source: Own Survey, 2013.

Gender

The combination of male to female of respondents indicated that there were 58 % male and 42% female. This indicated that the gender combination of the sample was fair which was helpful to incorporate the opinion of both sex in the study.

Age

Concerning the age group majority of respondents 45.83 % were between the age group of 30-39 and followed by the age group of 18-29 which is 33.33%. This means most respondents fall under the age group of 18-39, that is 79.16%. This is true mainly due to the fact that the authority was recruiting young fresh graduate students few years now. Having such young employee will help the organization to provide prompt service to customers.

Educational Background

Regarding educational background 75% of respondents possess first degree, followed by diploma 16.67% and masters degree 8.33%. This was true due to the fact that few years now the authority has recruiting fresh graduate students having first degree from accredited higher institutions.

Experience in the Organization

Most of employees in the sample have 1-5 years of experience in the authority followed by 5-10 years, less than one year and 10-15 years respectively. Since 71 % of respondents have 1-10 years of experiences, it is believed they have well work experience in the authority and could be sources of good information for the study.

4.1.2. Customers' Demographic Characteristics

Table 2. Distribution of Demographic Variables of Customers (N = 293)

GENDER	Respondents count	Percentage of count
Male	203	69.4
Female	90	30.6
AGE	**Respondents count**	**Percentage of count**
18-30	86	29.5
31-45	64	21.8
46-60	127	43.5
61 and above	16	5.2
Years of service	**Respondents count**	**Percentage of count**
Less than one year	26	8.8
1-5 years	72	24.4
5-10 years	125	42.5
Above 10 years	70	24.3
TYPE OF BUSINESS	**Respondents count**	**Percentage of count**
Private Company	269	91.8
Government Owned Company	24	8.2

Source: Own Survey, 2013.

A total of 400 questionnaires were distributed at Addis Ababa. Out of which 293 were returned, 2 questionnaires were rejected due to missing data and 9 were returned unfilled. Therefore, 293 questionnaires served as data for analysis to present the findings and draw conclusions. Further the data analysis is performed to reach the findings.

Gender

The respondents' gender as displayed at Table two indicates that the males were 69.4% and females 30.6 %. This will help the study to incorporate ideas from both sex respondents regarding service delivery of ERCA.

Age

Regarding age group of respondents' 29.5% were 18-30 years old, 21.8% 31-45 years old, 43.5% 46-60 years old and the remaining 5.2% above 61 years old. This indicates that majority of respondents were between the age of 46 to 60.

Year of service

Concerning the customers receiving service from the authority 8.8% have less than one year, 24.4% between 1-5 years, 42.5% between 5-10 years and the remaining 24.3% greater than 10 years. As majority of the respondents have been receiving service from the authority for more than 5-10 years they are expected to be the good source of information for the study.

Nature of Business

Concerning the nature of the business of the respondents, the lion share has taken by the private owned firm which is 91.8 %, followed by the government owned company 8.2%. This has shown that most tax payers included in the study are from non-government owned business and these segments of customers are expected mostly to have problem in receiving services.

4.2. Discussion and Analysis of Responses of Employees

Under this section the result of employees' responses regarding quality of service and its interpretation will be discussed in detail.

4.2.1 Data Sample Information

A total of 27 questionnaires were distributed to employees of ERCA at the head office, Addis Ababa. Out of which 24 were returned and this served as data for analysis to present the findings and draw conclusions. Further the data analysis is performed to reach the major findings.

Table 3. Service Delivery and Service Standards

No	Items		1	2	3	4	5	Mean
1	Agreement on the Presence of service charter	N	14	5	4		1	1.71
		%	58.33	20.83	16.67		4.17	
2	Equal treatment of customers to services	N			8	8	8	4.00
		%			33.33	33.33	33.33	
3	Identification of improvement gaps	N	1	2	16	3	2	3.12
		%		8.33	66.67	12.50	8.33	
4	Supporting promised service delivery	N	1	8	14	1		2.62
		%	4.17	33.33	58.33	4.17		
5	knowledge of employees regarding the standard of service delivery	N	5	3	12	4		2.62
		%	20.83	12.50	50.00	16.67		
6	Communicating about service standards	N	1	2	18	2	1	3.00
		%	4.17	8.33	75.00	8.33	4.17	

Source: Own survey, 2013.

NOTE:

5	4	3	2	1
Almost always true	Mostly true	Sometimes true	Rarely true	Not at all true
Highly efficient	Efficient	Averagely efficient	Inefficient	Highly inefficient
Very Satisfied	Satisfied	Moderate	Less Satisfied	Not Satisfied
Strongly Agree	Agree	Averagely Agree	Disagree	Strongly Agree

Table Three demonstrates the efficiency of service delivery and existence of service standard in ERCA. Accordingly, item one of the same table indicates only 4.17% of the respondents were agreed that there was service charter in the authority. This was also confirmed during interview session the interviewee replied that the authority was in the process of preparing service charter but not yet implemented.

From Item Two of Table Three, it can be understood that around 67% employees of the organization satisfied with equal treatment of customers by the authority which was also confirmed during the interview session. On the other hand, in Table seven Item One 38.3% of the respondents indicated that they were moderately satisfied with equal access to the authority's services. This does not validate the efforts of management in fulfilling its obligations as it was established to provide services to all customers equally without having any partiality as customers have the legitimate right to get service from the authority like that of they have an obligations to pay taxes and other duties vested on them. This indicates that the management has to make extra efforts to build good governance which consists

of quality service that is efficient, a judicial system which is reliable, and an administration that is accountable to the public.

Item Three of Table Three describes that around 68% of the respondents averagely agreed with the experience of the authority in identifying improvement gaps to take appropriate measures to meet customers' needs and expectations. Strengthening this idea, the interviewee replied in his interview that the authority was not efficient enough in identifying service gaps. This shows that the effort of leadership in identifying improvement gaps regarding the service delivery was minimal and unable to take all corrective measures to remove that hinder the quality of service and satisfy its customers. Thus, the leadership has to be efficient in shaping the services continuously and satisfy their customers sustainably.

In Item Four of Table Three, majority of the respondents moderately satisfied with the organization's effort in supporting promised service standards. This does not spell out well for the management's effort in confirming the predetermined services standards and authenticate the soundness of the standards to the level of customers' satisfaction. As a consequence, the management in the authority has to give due emphasis for the service level/quality/ standard that explains what quality and how much of service is to be provided and they have to decide unambiguously the service level/quality standard which the firm would commit in its services offer.

Item Five in Table Two deals with regard to employees' knowledge concerning service standards and around 50% of the population replied that they have moderate knowledge about it. Thus, the authority needs to have employees with good competence who possess the required skills and knowledge to perform the services efficiently to the level of customers' satisfaction.

Large proportion of the respondents i.e. 75% averagely agreed on the last item of table Three which deals with the continuous communication of service standards to customers. Strengthening this response the interviewee replied that the authority uses only one method of communicating customers regarding service standards that is by posting on the wall of offices. This implies that the effort of the leadership in communicating customers using different available media regarding the predetermined set of services standards that could enable to create demanding customers who can defend their rights and contribute to have quality service in the organization is poor. To meet customers' needs the

authority has to be able to explain the services and its costs, the relationship between services and costs and assures the way any problems are effectively managed.

Table 4. Handling of Customer Complaints

No	Items		1	2	3	4	5	Mean
1	Provision of prompt resolution for customers problem	N	13	6	3	2		1.75
		%	54.17	25.00	12.50	8.33		
2	Most customer complaints get remedy at higher hierarchical level than at lower hierarchical level	N	2	6	12	1	3	2.87
		%	8.33	25.00	50.00	4.17	12.50	
3	Success history of the authority in handling customer complaints	N	3	7	11	2	1	2.62
		%	12.50	29.17	45.83	8.33	4.17	

Source: Own Survey, 2013.

NOTE:

5	4	3	2	1
Almost always true	Mostly true	Sometimes true	Rarely true	Not at all true
Very Satisfied	Satisfied	Moderate	Less Satisfied	Not Satisfied

Table Four illustrates customer complaints handling of the authority, as a result from item One it can be understood that around 76% of the respondents do not satisfied with the provision of timely solutions for customer problems. This does not specify well for the management of the authority to resolve customer problems promptly understanding their customers are business men who value their time in terms of money and need prompt solutions that avoids any trouble in getting quality services on time. This has shown that the authority needs to have well-organized customer complaint management system that can significantly meet customers' needs and expectations and to influence their satisfaction.

Item Two of Table Four deals with the authority' hierarchical level of handling complaints and more than 80% of the respondents indicated that mostly customer complaints were handled at lowest hierarchical level and rarely at higher level. This was also confirmed during interview session which the interviewee replied that not all complaints are forwarded to the higher hierarchical level. This implies the authority has a procedure of handling customer complaints and supervisors at lower hierarchical levels provide solution for customer complaints and exercise their powers in addition to saving customers' time and cost. This is good indication for the management that they have tried to solve customer problems at front line where the supervisors who can simply identify the problems and

have the access to know the case very well and easily communicate with concerned employees and customers are there.

Table Three had also includes issue regarding the success history of the authority in handling customer complaints in item Three. Responses for this item became moderately agreed because around 46% of the respondents indicated this. This result shows that the track record of the authority in solving customers compliant was not to the level of employees' expectations and this means that the authority's effort in having satisfied customers with good perception and outlook for the authority was not to the level of employees' expectations. Thus, as one of the values of the authority is to have satisfied customers and understanding that the presence of human element during service process greatly increase the probability of error on the part of employees and customers, the leadership has to exert maximum effort to put in place practicable and dependable complaint handling mechanism that could greatly improve the existing system.

Table 5. Employees' Participation in Improving Service Delivery

No	Items		1	2	3	4	5	Mean
1	Participation of employees in setting up service baseline	N		6	4	12	2	3.41
		%		25.00	16.67	50.00	8.33	
2	Participation of employees in monitoring and evaluation	N	8	7	9			2.04
		%	33.33	29.17	37.50			

Source: Own Survey, 2013.

<u>**NOTE**</u>:

5	4	3	2	1
Very Satisfied	Satisfied	Moderate	Less Satisfied	Not Satisfied

Table Five illustrates employees' participation in improving service delivery and Item One of the same table revealed that around 92% of respondents were not satisfied or became neutral with their participation in the preparation of baseline for service delivery. Similar response was found during the interview session which indicated that in preparing baseline only external customers were participated. This does not specify well for the authority's management effort to maximize the inputs for the baseline by providing an opportunity for internal customers and gather ample data from them who were expected to supply reliable and efficient information as they are in forefront line who have direct contact with external customers.

To assure employees' participation in monitoring and evaluation activities, Item Two has included in table Five. From more than 62% of the respondents reply it can be understood that most of them disagree with their participation in such activity. This is a clear indication for the absence of participating stakeholders in monitoring and evaluation activities and considers their opinion in improving service quality.

Table 6. Monitoring and Evaluation of Service Delivery

No	Items		1	2	3	4	5	Mean
1	Improvement on the service quality as result of monitoring and evaluation	N	4	6	9	5		2.30
		%	25	16.67	50	8.33		
2	Management follow-up system	N	9	5	7	2	1	2.32
		%	37.5	20.83	29.17	8.33	4.17	
3	Experience of the authority in the feedback from monitoring and evaluation to improve service standards	N	8	10	4	2		1.963
		%	33.33	41.67	16.67	8.33		

Source: Own Survey, 2013.

NOTE:

5	4	3	2	1
Almost always true	Mostly true	Sometimes true	Rarely true	Not at all true
Strongly Agree	Agree	Averagely Agree	Disagree	Strongly Agree
Very good	Good	Average	Poor	Very poor

Table Six illustrates the monitoring and evaluation practice of the authority in service delivery and the first Item of Table Six deals with the responses of employees regarding the impact of monitoring and evaluation in quality of service delivery of the authority. Accordingly, only 8.3% of the respondents stated that the effort of the management in monitoring and evaluating service activities and incorporating the output for the improvement of service delivery meet their expectations. The interview has also strengthened this response by explaining there is no close monitoring and evaluation activity regarding service delivery in the authority. This does not specify well for the leadership to take initiative to closely monitor and evaluate the activities of services and respond to customers' view either in person or through improving the services having feedback from the result of monitoring and evaluation activities. Thus, the management has to give due emphasis for the important dimension of service quality, that is technical quality which refers to the outcome, what is delivered or what the customer gets from the services delivered by the authority.

In Item Two of Table Six, it can be understood that more than 87% of the respondents disagree with the existence and practice of management follow-up system in service delivery which is harmonious with the response of the interviewee. In the interview session it became clear that the authority was supervising the efficiency of its service delivery by accepting customers' suggestions and opinions through suggestion box. This implies the management does not give due consideration for the development of a workable follow-up system and lack the culture of following the efficiency of service delivery appearing physically in the front desk and discuss with customers about their opinions and make certain that customers are receiving service properly as per the rules and regulations of the authority so that quality of service will improve significantly.

In responding to the Item Three of Table Six, more than 83% of the respondents replied that they did not agree the efficiency of the authority in using the feedback from monitoring and evaluation for the improvement of quality services. This does not specifies well the authority is effective in conducting monitoring and evaluation of the service activities and take in to account the feedbacks obtained from these activities for further improvement of service quality. Thus, the authority needs to conduct monitoring and evaluation of the service activities, take necessary feedback from both internal and external customers and incorporate this for future improvement of service quality.

All items in the table specified that immense focus has to be given to the second dimension of service quality that is the functional quality which refers to the manner in which the service is delivered or how it is delivered.

4.3. Discussion and Analysis of Customers

Table 7. Equal Access to the Service

	Items		1	2	3	4	5	Mean
1	Delivery of equitable service	N	24	51	105	95	17	3.098
		%	8.3	17.6	35.8	32.6	5.7	
2	Fair treatment by assessment workers	N	42	69	80	52	9	2.672
		%	16.6	27.4	31.6	20.7	3.6	
3	Fair treatment by front desk workers	N	26	46	90	95	18	3.129
		%	9.3	16.6	32.6	34.7	6.7	

Source: Own Survey, 2013.

<u>NOTE</u>:

5	4	3	2	1
Very successful	Successful	Moderate	Not successful	Very unsuccessful

Table Seven portrays the ability of the authority in providing equal access to services to its customers and so from Item One of Table Seven it can be understood that around 62% of the respondents moderately agree and disagree on the opportunity of having equal access to services and this has strengthen the employees' responses as well. This does not specify well the leadership ability to create conducive environment for customers to be treated equally understanding that their authority is civil service organization and established to deliver quality services which are not allowed to be served by other private or governmental body and customers have the legitimate power to get equal access from the authority without having any partiality. Thus, as civil service authority, the leadership has to make considerable efforts to improve the access which is the approachability and ease of contact.

Item Two of Table Seven clarifies the equal treatment of assessment workers to customers. Accordingly, only 24.3% of the respondents indicated that they are satisfied with it. This implies that the authority does not meet the needs and expectation of customers in estimating the amount of tax to be paid.

Item Three of Table Seven deals with customers' satisfaction regarding treating equally by front desk workers. Similar to item Two, around 59% of the respondents stated that the service they have been receiving in front desk does not meet their expectations and rarely front desk workers follow first come first serve principle.

From item Two and item Three of Table Five, it can be observed that employees in the authority are not treated customers stemming from the belief everyone, big or small alike. Ones again this does not specify the management's effort in creating enabling environment to provide equitable service that could build the confidence of customers to exercise their rights. Such kind of unequal treatment have the power to mislead customers to find other alternatives to get the service easily such as using the power of cash as lubricating agents.

It is understood that the more fundamental origin of quality is 'persons', both in their personal and collective and without good people it is very doubtful that any organization can get good results of the services it delivers. As a consequence, the authority has to make sure that its employees have the required behavior to the level of customers' needs and expectations.

Table 8. Provision of Immediate Remedy for Services not Provided as per the Standard i.e. redress

	Item		1	2	3	4	5	Mean
1.	Sincere interest of the authority in solving customers problem	N	32	99	97	27	12	2.584
		%	11.9	36.8	36.3	10	4.6	
2.	Confidence of customers in getting immediate response for their appeal	N	33	62	94	64	14	2.860
		%	12.4	23.3	35.2	23.8	5.2	
3.	Assurance in handling customers problem effectively and efficiently	N	19	99	112	41	10	2.5550
		%	**6.7**	**35.2**	**39.9**	**14.5**	**3.6**	2.730

Source: Own Survey, 2013.

<u>**NOTE**</u>:

5	4	3	2	1
Strongly Agree	Agree	Averagely Agree	Disagree	Strongly Agree
Very good	Good	Average	Poor	Very poor

Table Eight describes the capacity of the authority in providing immediate remedy for services not provided as per the standard i.e. redress, and the sincere interest of the authority in solving customer problems has tested by Item One. Thus, only 14.6 % of the respondents agreed with the authority's genuineness in solving their problems. This does not specify well the willingness and readiness of management to appreciate customers have faced with different kinds of problems which are beyond their control and need to be supported by the authority to get solution amicably.

On the other hand Table Eight includes Item Two to test the customers' confidence in getting immediate responses for their appeal from the authority and only 29% of the respondents dare enough to state they are agree with it, and around 35% of the respondents averagely agree with it. This does not support for existence of open and transparent appeal system in the authority that smoothen the service delivery process and build the confidence of customers in getting remedy for their problems. This means that customers are not satisfied with the sincere interest of the authority in solving their problem and also getting solution outright.

In Item Three of Table Eight, it is clearly seen that only 18.1% of the respondents agree with the guarantee of the authority in handling their problems effectively and efficiently. This implies that the leadership of the authority does not built confidence on customers that they have the right to get prompt solution and the authority is there to support them in anything that they have faced difficulties regarding services.

Table 9. Communicating who is Responsible for What Including Service Cost (Open and Transparent)

	Item		1	2	3	4	5	Mean
1	Promote an interactive environment with open communication	N	32	92	99	15	5	2.608
		%	12	34.2	37	40	2	
2	Explain the service itself including associated costs	N	27	85	101	43	11	2.721
		%	10	32	37.8	16	4.1	
3	Communicate transparently where customers want to go and whom to contact to receive services	N	33	82	95	45	8	2.673
		%	12.4	31.1	36.2	17.1	3.1	

Source: Own Survey, 2013.

<u>**NOTE**</u>:

5	4	3	2	1
Strongly Agree	Agree	Averagely Agree	Disagree	Strongly Agree
Very good	Good	Average	Poor	Very poor

Table Nine displays communicating who is responsible for what including service cost which is being open and transparent to customers. As a consequence, in responding Item One 42% of respondents stated that the effort of the authority in promoting an interactive environment with open communication is to the level of their satisfaction while the remaining large proportion disagreed. This has contradiction with the information obtained through interview which indicated that the authority had conducted several consultative meetings with its customers particularly those who are organized

under chamber of commerce. This entails that the authority's attempt in promoting interactive environment and having consultative meetings and discussions with all stakeholders is not to the level of customers' expectations and does not encourage them to have an opportunity for airing their concerns to the decision makers of the authority.

Item Two of Table Nine attempts to investigate the competency of the authority in explaining the services and associated costs. Accordingly, only 20.1% of the respondents stated that the authority's effort and competency to explain the services and its associated costs do meet their needs. This does not indicate for the authority's management intention and effort to build the capacity of employees in having good knowledge about the services and associated cost and familiarizing customers accordingly on top of maximizing different communication media such as brochures, "Gebi Lelimat" the authority's TV program, information desk and other means at their hand.

Item Three of Table Nine made clear that 20.1% of the respondents stated they have agreed in having ample information where they want to go and whom to contact to receive services in the authority. This does not strengthen the interviewee's response who explained that after implementing BPR there is an improvement in communicating customers where they have to go and whom to contact. This implies that though the authority believes it has communicating customers well regarding delivery of services, yet customers have unmet needs and expectations in receiving clear and sufficient explanation concerning the services easily without killing much time and expend extra cost.

The average result of Table Nine shows the openness and transparency of the authority in communicating customers where they have to go and whom to contact and what the services cost will be does not satisfy their needs and still they expect much effort from the authority to narrow the gap sincerely.

The result obtained from respondents regarding being open and transparent to customers indicated that the authority is not good at communicating its customers particularly in sensitive issue like estimating income taxes.

Table 10. Providing Information to Customers about the Service and their Standards

	Item		1	2	3	4	5	Mean
1	Quality of information provided by the authority regarding the service standard	N	28	56	97	73	16	2.975
		%	10.4	20.7	35.8	27	6	
2	Effectiveness of the awareness creation and educational program of the authority in providing comprehensive information	N	29	98	86	44	7	2.629
		%	10.4	34.7	30.6	15.5	2.6	
3	The accessibility and resourcefulness of the authority's website in providing information	N	93	36	40	33	4	2.660
		%	14	15.5	36.3	13	1.6	
4	The availability and accessibility of free of charge telephone service	N	72	60	47	17	4	2.105
		%	28.5	23.8	18.7	6.7	1.6	
		%	11.9	30.1	38.3	13.5	1.6	
	Average							2.592

Source: Own Survey, 2013.

<u>**NOTE**</u>:

5	4	3	2	1
Very good	Good	Average	Poor	Very poor

Table Ten shows the result of customer responses about the provision of information regarding the services. Likewise, item one shows 33% of the respondents stated that they have received information about the service standard even if its quality is doubtful. This indicates that the management does not make considerable effort to inform customers about each service standards, what needs to be fulfilled from the customer to get service as per the standard and what customers have to do when they did not receive service within the standards.

Item Two of Table Ten attempts to investigate the efficiency of the broadcasting program of the authority by ETV on informing customers about services and its standards. The finding revealed that only 18.1% of customers are agreed with the awareness creation program broadcasted through ETV gives detail information either about the types and nature of services or their standard time required to accomplish. This means that the authority does not use its resources at hand to transmit detail information and reach customers easily and inform them about the overall services of the authority and what the required time is to accomplish each service. In addition to this, the effort of the management in informing customers as what they have to fulfill to get the service, what right they have, how they can appeal for complaints, how they have to make suggestions and foreword their opinions is not communicated well and the efficiency of the TV program in disseminating such information ranges weak to average.

The third item in Table Ten deals with the accessibility and resourcefulness of the authority's website in providing information. Accordingly, 14.6% of the respondents replied that they do agree with the resourcefulness and accessibility of the website on top of not providing ample information on service delivery and enabling to send required data to the authority. This does not specify that although few years now the authority started to receive documents through e-mail which has positive impact on saving customers' time and cost, the effort of the management in opening website and communicate with customers through e-mail does not meet the needs of customers. Thus, it is important for the authority to create a friendly e-commerce environment because Internet applications provide customers with timely service.

The result of item four of Table Ten which is the availability and accessibility of free charge telephone service has got the lowest mean value of all facets in the table i.e. only 8.3% of the respondents agreed with this. This indicated that the availability and accessibility of free charge telephone and the service provided to customers is not to the level of customer's expectation. Since the missed data in this question was very large, the researcher requested for clarification from some respondents and he came to understand that significant number of customers in the sample did not know the existence of telephone line 8199 free of charge and they have never used it before. This specifies the authority's weakness in informing customers about the overall service it delivers. Thus, the authority has to be efficient enough in informing customers in a language they are able to understand and also listening to customers. It has also to provide information which might include explanation of the service and its cost, the relationship between services and costs and assurances as to the way any problems are effectively managed.

Table 11. Treating with Courtesy and Consideration

	Item		1	2	3	4	5	Mean
1	Respect, Care and Understanding	N	74	115	44	47	9	2.3141
		%	25.4	39.4	15	16.1	3.1	
2	Promote ethical conduct in service delivery	N	48	119	52	50	17	2.5368
		%	16.6	40.9	18.1	17.1	5.7	
3	Assurance/ Courteousness	N	49	108	63	44	13	2.5134
		%	17.1	37.8	21.8	15.5	4.7	
4	Recognition	N	53	115	45	61	17	2.574
		%	18.1	39.4	15.5	21	6	
	Average							2.4845

Source: Own Survey, 2013.

NOTE:

5	4	3	2	1
Very often	Often	Neutral	Sometimes	Seldom

Table Eleven, shows the ability of the authority in treating customers with courtesy and consideration which means politeness, respect, consideration and friendliness of contact person. Accordingly, Item One entails the respondents to indicate whether employees in the authority show respect, care, and understand customer needs and expectations. The result demonstrated that only 14.1% of the respondents indicated they are satisfied i.e. large proportion of respondents indicate this does not meet their needs and expectations. This implies that the employees' willingness and intention to handle customer with politeness, respect, consideration and friendliness is not to the level of the customers' expectations and the authority does not facilitate friendliness to make customers at ease in delivering services. Thus, the leadership should consider in making effort to have consistently courteous service personnel, showing sign of recognition to customers, employees with confidence instilling behavior.

Respondents were requested in Item Two of Table Eleven to give an overall rating of the authority's ethical conduct in everything it does. Consequently, 28.1% of the respondents indicated that they are satisfied with the ethical conduct of the employees and it does meet their expectations. This does not specify well the efforts of the management in creating favorable environment where employees give due consideration to customers and treat them with due respect ethically that enhance the smooth

relationship between major stakeholders and avoid difficulties. Hence, the leadership has to make effort to instill ethical behaviors such as trustworthiness, belief and honesty i.e. employees having the customer's best interests at prime position by improving company reputation and the personal characteristics of the contact personnel.

Item Three of Table Eleven sought to establish from the respondents how far employees in the authority are consistently courteous with customers and 20.2% of the respondents indicated that they are well satisfied with the courteousness of employees in the authority who do meet their needs and expectations. This does not stipulate well the effort of the leadership in shaping the knowledge and courtesy of employees and their ability to inspire trust and confidence so that customers feel safe and sound to come to the authority without having negative perception in mind. So, the leadership has to be always alert to have proactive service personnel, having customers' best interest at heart, being believable and honest and at large protect the confidential and proprietary information.

In the last Item of Table Ten respondents requested to react their perception concerning how the employees' show sign of recognition towards them and 27% of the respondents are agreed on this item. This implies that the authority's effort in realizing its mission and having customer driven activities and consider customers as a means for its existence is not satisfactory. Since the authority is civil service authority established to deliver quality service to the public, the leadership has to proof that employees give due recognition to customers because the best ways to retain customers are satisfying customer needs and cultivating customer trust and loyalty by providing recognition and respect.

The overall poor result of treating customers with courtesy and consideration indicated that the authority give less considerations to customers who are the reason for its existence and customers are enforced to get service from the authority because they do not have other alternative means. Such kind of feelings on the customers may create frustration so that they may lose confidence on the authority.

Table 12. Consulting Customers to Current Service Provision

	Item		1	2	3	4	5	Mean
1.	Consultation about the services	N	32	110	111	32	6	2.554
		%	10.9	37.8	38.3	11	2	
2.	Consultation about the customers rights and obligations	N	36	111	102	38	3	2.517
		%	12.4	38.3	35	13	1	
3.	Willingness to provide customer driven alternative services	N	70	83	83	14	16	2.332
		%	26.4	31	31	5.1	6.1	
	Average							**2.468**

Source: Own Survey, 2013.

NOTE:

5	4	3	2	1
Totally satisfied	Quite Satisfied	Neutral	Quite dissatisfied	Totally dissatisfied

Table Twelve illustrates the authority's efficiency in consulting customers to current service provision and Item One deals with the level of satisfaction of respondents on the ability of the authority in consulting them as how they have to get access to services. Accordingly, only 13% of the respondents indicated they are satisfied on this item. This shows that the authority does not provide full consultation as how its customers have to access the services, what precondition need to be fulfilled to get services, when and where they have to get the services and others which helps to create well-informed customers. Thus, the leadership has to make an effort to understand the customer's individual needs, providing individualized attention and recognizing the customer what problem they have faced in getting the services and provide efficient consultation to their problems as well.

In Item Two Table Twelve, it can be understood that 14% of respondents were satisfied with the authority's ability in consulting them regarding their rights and obligations to get services. This implies that the authority does not make adequate effort to meet customers' needs and expectations in consulting them what types of legitimate rights they have to get the services and what the authority requires from them so that both of them will have enough knowledge regarding the services and perform their duties and obligation coherently.

In responding item three of Table twelve, 11.2% of the respondents indicated that they were satisfied with the authority's willingness in providing customer driven alternative services. This coincides with the interviewee's opinion which stated that the authority's effort in having consultative meeting with

customers and take appropriate actions as per the feedback is minimal. This does not specify well the effort of the leadership in understanding the potential of its customers and conducting survey regarding their opinion on the service delivery and use the feedback as an input to introduce new system of service delivery as per customers' need and expectation. As a result, the leadership must be clear about the benefits customers seek from the services. The whole service concept has to be based on the benefits customers seek and which the marketer is willing to provide and scan other alternative means to deliver customer driven services because service delivery decisions have to stem from the customer service expectation i.e. what benefits do customers seek from the service? The success of a service depends on how closely the service offer matches the service expectations.

The aggregate result of the table indicated that the overall result of all facets in the table is very low. This means that, employees did not take ample time to consult their customers regarding services delivery.

Table 13. Handling Customer Complaints

	Item		1	2	3	4	5	Mean
1.	Employees' knowledge and ability to handle customer complaints efficiently	N	50	124	63	48	8	2.452
		%	17.1	42.5	21.8	16.1	2.6	
2.	Top leaderships' willingness to solve customer complaints amicably on time	N	56	113	56	57	9	2.487
		%	19.2	38.8	19.2	19.7	3.1	
	Average							**2.4695**

Source: Own Survey, 2013

NOTE:

5	4	3	2	1
Very Happy	Happy	Averagely Happy	Not Happy	Not happy at all

Table Thirteen depicts the authority's ability to handle customer complaints properly. Hence, the result of Item One indicated that 18.7% of the respondents are happy with the employees' ability and knowledge in handling their complaints properly. This coincides with employees' response which indicated that they are not satisfied with the authority's customer handling method. However, the interviewee stated that there is a procedure in handling customer complaints that works properly. This does not specify well the effort of the authority to have employees who have knowledge and ability to

solve customer problems and a procedure of handling customer complaints which is effective in satisfying customers in solving their complaints. The leadership has to give due emphasis for the development of employees' knowledge and ability and satisfaction of customers because in service it is people who perform it, design it, deliver it and buy it.

Table Thirteen include Item Two which tried to investigate the opinion of respondents about the willingness of leadership in solving their complaints amicably. Consequently, 22.8% of the respondents replied that they were happy with it. This indicates that the leadership's ability, willingness as well as the effort to solve customers' complaints on time does not meet customers' needs and expectations and leave them with their complaints which badly damage the authority's image and distort customers perception.

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

This concluding chapter summaries the purpose and objectives of the study, the major findings and conclusions, discuss the implementation for civil service organizations, and makes recommendations for the authority and future research.

5.1. Summary of Finding

After thoroughly analyzing the information gathered through questionnaire and interview the following major findings are presented:-

There is no approved service charter in the authority that helps to improve service quality. But the authority is in the process of preparing service charter and also working hard to own ISO certificate that could have positive impact on the improvement of quality of service in future.

Both employee and the senior expert confirmed that there were service standards for almost all services in the authority prepared after the implementation of BPR, but majority of employees and customers are not aware of it. So, it could be said that its benefit to the provision of quality service in the authority is minimal.

Majority of customers were not happy with the customer complaint handling mechanisms of the authority. This indicated that the authority's effort in improving service quality by responding to customers request is not to the level of customers' satisfaction.

Employees rated as averagely agreed with their participation in improving service delivery and this has also confirmed in the interview session. Therefore, the authority's effort in participating employees to enhance service quality is not satisfactory.

The satisfaction level of employees towards monitoring and evaluation of service delivery and incorporating its output in enhancing service quality falls under the category of unsatisfied. This was confirmed during the interview session as well.

Customers' response towards having equal access to service delivery falls under the category of moderately agree. This indicated that customers do not have trust on the authority to be served equally. This is an indication of poor service quality in the authority.

The provision of immediate remedy for services not provided as per the standard, that is, redress is not to the level of customers' expectation and the facet falls under the category of disagree.

The willingness and capacity of the authority to communicate about the service standard and who is responsible for what including the service cost, that is, being open and transparent fall under the category of moderately agree, while that of providing information about the service in general fall under the category of disagree.

Customers responded that they were unsatisfactory by employees' treatment with courtesy and consideration.

Customers were quite dissatisfied with the act of consultation to current service delivered by the authority.

5.2 Conclusions

After thoroughly analyzing the information gathered through questionnaire and interview and based on the summarized point of study, the following major conclusions were made.

After implementing BPR, ERCA has tried to set predetermined service standards that could guide customers and its employees in delivering services. Besides, the authority was in the process of preparing service charter which is in pipe line that could help to strengthen the existing predetermined service standards and clearly state what is expected from customers and what the obligation of the authority has to be. Nevertheless, the predetermined service standards are not that much helpful in delivering quality services because they are not well known by the customers and employees as well.

ERCA as service giving authority is not efficient enough in meeting customers' needs and expectations relating to provision of the quality and types of information, the efficiency and adequacy of consultation services, the capability of providing immediate remedy for services not provided as per the standards, with treatment of employees with courtesy and giving due considerations for customers, the complaint handling mechanism and give prompt solutions to problems. Thus, it can be said that the authority's effort in meeting the needs and expectations of customers in aforesaid service activities was not to the level of customers' expectations.

The experiences of ERCA in identifying service improvement gaps and take appropriate measures in narrowing the gap and resolve identified problems that hinder service quality does not meet the expectations of customers. Consequently, its effort in sustainably improving the quality of services was not appreciated by customers.

On top of having service standards that were not helpful for the improvement of quality of services, the practice of the authority in monitoring and evaluating service activities and continuously analyzing the effectiveness of their relative standards and incorporating stakeholders' feedback for further enhancement of quality of service don not convince customers. As a consequence, they indicated that ERCA did not satisfy them with such activities.

Notwithstanding the authority is civil service organization and established to serve the public without partiality providing equal access to all services it has been rendering to customers, the result of the study did not witness this.

The study revealed that, the overall perception of customers towards the delivering quality of services of the authority was not to the level customers' expectation.

5.3. Recommendations

5.3.1 Recommendations for the Management of ERCA

Based on the discussions, analysis and interpretations on assessment of quality of service delivery the researcher would like to make the following recommendations for the management body of ERCA believing that this will add value to the vast knowledge and experiences that the authority have:-

Understanding that ERCA is a civil service organization that has the responsibility of estimating and collecting different types of taxes for the local and federal government and also facilitate customs duties, its management has to make sure that all customers have equal access to services of the authority avoiding all barriers of unnecessary bureaucracy and favoritism. This helps the authority to deliver services to all customers equally and realize the purpose of its establishment.

It is good that the authority is in the process of preparing service charter. But it has to be implemented very soon including inputs from internal customers, employees, so that it will enhance the quality of service to be delivered by the authority understanding the rights and obligations both actors.

Incorporating input from internal customers will help the authority to implement the service charter efficiently due to the fact that employees will take the responsibility for what they have agreed ahead.

The authority should have to assess deeply the capacity of its employees and fill the gap that they have in providing quality service to customers, treating them with courtesy and recognition, consult customers regarding the service of the authority and be ready to respond with confidence for whatever question raised by customers. Having done this, the authority will benefit in having customers who can exercise their rights and perform their obligations correctly.

The authority needs to develop a system to participate employees on setting up baseline, preparing service standards, preparing service charter and the other decisive activities and have to respect their opinions and suggestions so that they will develop recognition and sense of ownership to the authority.

ERCA needs to develop and implement system of identifying and meeting customers' needs and expectations and always ready to update and align its service with the interest of its customers. A sort of forum has to be established which incorporates the customers, employees, management and concerned stakeholders so that continuous consultative meetings will be held and enabled to solve the problem at its infant stage and develop transparent and open communication system that could help to enhance quality of services.

The leadership has to supervise the provision of services physically, develop and put in place proper monitoring and evaluation systems that ensures the participation of employees and the feedback has to be used as an input for further improvement of quality of service in the future. This benefits more the authority to take corrective actions promptly and sustainably improve the quality of services.

There should be effective and efficient way communication systems between customers and the authority, i.e. open and transparent and participative management approach should be practiced. The Leadership and employees should have to be friendly with customers. This will enable the authority to solve customer problems promptly.

Among other things, it is compulsory for the authority to strengthen and shorten the customers' complaints handling mechanism to the level of customers' expectation and should have been done on an open and transparent way so that customers will develop confidence and try to exercise their rights and performing well their obligations.

It is good to start to providing information to customers through free telephone call. But the authority has to announce the existence of this service to customers and consult them to get information calling at 8199. Having done this the authority will help its customers to save time and cost and be able to get information easily.

It is highly recommended the authority starts to communicate with customers and also enabled customers to report through e-mail. But the accessibility of the email has to be improved and the authority needs to have close connection with the telecommunication to fasten the e-mail service. The language of the on-line system has to be easy to understand and communicate with customers. This will help the authority to have very fast and easy communication with customers.

5.3.2. Recommendations for Further Studies

This study could be considered as a vehicle for future study in the area of civil service authorities. On top of overcoming the aforesaid evils of the study, further research is mandatory to investigate in detail the major causes of poor service delivery in the authority and other civil service authorities as a whole. The limitations and other factors contribute largely to fade the quality of this study's findings and conclusions. For future research the following suggestions should be considered:-

It is suggested that for future research a proportionate stratified random sample be used to include respondents from the Revenue as well as Custom divisions and from all branches of the authority in Addis Ababa and other part of the nation to clearly investigate the causes for poor quality of service and forward remedial solution to fix the problem.

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Appendix A: Questionnaire I: To be Filled by Customers of ERCA (Ethiopia Revenue & Custom Authority)

Dear Respondent,

The purpose of this questionnaire is to collect primary data for research entitled "Assessment of Quality of Service Delivery in Ethiopian Revenue and Custom Authority in Addis Ababa" for the partial fulfillment of the Masters of Business Administration (MBA) in Human Resource Concentration Program at St. Mary's University College.

This survey deals with your opinions of services. There are no wrong or right answers and what is required is to show the level of your personal opinion to each item.

The quality of this study highly depends on the quality of your response, therefore, I kindly request you to provide me reliable information. Your responses will be kept confidential. No need to write either your name or the name of your authority/s.

Thank you in advance for your cooperation.

Instruction: Please circle your choice or put (✓) mark whenever possible

Kiros Bereket,

PART 1. General Profile of the Respondents

1.1 Your Gender

1) Male ☐   2) Female ☐

1.2. Your Current age

1) 18 – 30 ☐   3) 31 – 45 ☐
2) 46 – 60 ☐   4) above 60 ☐

1.3. Years you have been receiving services from the authority?

1) Less than a year ☐   3) 1-5 years ☐

2) 5-10 years ☐   4) more than 10 years ☐

1.4. What is the type of your business?

1) Other private business ☐   2) Government owned business ☐

PART II   Opinion Survey on Customer Service Delivery

I. Having Equal Access to the Service	Strongly Disagree 1	Disagree 2	Averagely Agree 3	Agree 4	Strongly Agree 5
*EAS*1	You feel confident that you receive equitable service from the authority					
*EAS*2	Assessment workers treats you fairly stemming from the belief everyone, big or small alike					
*EAS*3	You received undivided attention at the front desk and they follow first come, first serve principle					
II. Provision of immediate remedy for services not provided as per the standard i.e. redress						
PIR 1.	When you have a problem, the authority shows sincere interest in solving it					
PIR 2.	Once you appeal you believe that you will get remedy for your solution					
PIR 3.	The authority assure that a problem will be handled effectively and efficiently					
III.Communicating who is responsible for what including service cost (Open and Transparent)						
CWW1	The authority promote an interactive environment with open communication					
CWW2	The authority explain the service itself including associated costs					
CWW3	The authority communicates transparently as how it estimate taxes and duties and whom to contact to get services					
IV. Informing Services & Service Standard	Very poor 1	Poor 2	Average 3	Good 4	Very 5
ISS 1	The quality of information provided by the authority regarding the service standard					
ISS 2	The awareness creation and educational program of the authority provides comprehensive information regarding service delivery					
ISS 3	The authority's website is easy to access and very resourceful in providing information regarding services					
ISS 4	There is free of charge telephone service that provides information to customers					
ISS 5	The efficiency of the authority in updating you in change of service and service standards					
V. Treating with Courtesy and Consideration	Seldom 1	sometimes 2	Neutral 3	Often 4	Very Often 5

		Not Satisfied 1	Less Satisfied 2	Moderate 3	Satisfied 4	Very Satisfied 5
TCC1	Employees in the authority show respect, care and understanding to your needs and expectations					
TCC2	The authority promotes ethical conduct in everything it does					
TCC3	Employees in the authority consistently courteous with customers					
TCC4	Employees in the authority shows signs of recognition towards you					
VI.	**Consulting Customers to Current Service Provision**	**Not Satisfied** **1**	**Less Satisfied** **2**	**Moderate** **3**	**Satisfied** **4**	**Very Satisfied** **5**
CCS 1.	You receive enough consultation about the services that you need to receive and how you can access to them					
CCS 2.	You are consistently consulted about your rights and obligations in obtaining services in the authority					
CCS 3.	The authority is willing to provide customer driven alternative services					
VII.	**Customer Complaints Handling**	**Not happy at all** **1**	**Not Happy** **2**	**Averagely Happy** **3**	**Happy** **4**	**Very Happy** **5**
CCH1.	Employees of the authority have the knowledge to solve your complaints properly					
CCH 2.	Top leadership of the authority have the willingness to solve your complaints on time					
CCH 3.	The authority give priority to solve your complaints amicably rather than rushing for enforcement					

በኢትዮጵያ ገቢዎችና ጉምሩክ ባለስልጣን ደንበኞች የሚሞላ

የተከበራችሁ ደንበኞች

የዚህ መጠይቅ ዋና ዓላማ "*የኢትዮጵያ ገቢዎችና ጉምሩክ ባለስልጣን የአገልግሎት አሰጣጥ ጥራት ዳሰሳ በአዲስ አበባ*"በሚል በቅድስት ማርያም ዩኒቨርሲቲ ኮሌጅ ለሁለተኛ ዲግሪ መመረቂያ ጽሁፍ ለማዘጋጀት የመጀመሪያ ደረጃ መረጃ ለማሰባሰብ የተዘጋጀ ነው::

የዚህ ጥናት ውጤት የሚወሰነው ርስዎ በሚሰጡት መልስ ጥራት ላይ መሆኑን ተገንዝበው በተቻለ መጠን የእርስዎን አመለካከት በትክክል የሚወክል መልስ እንዲሰጡ አደራ እላለሁ:: የሚሰጡት መልስ ሚስጥሩ እንደተጠበቀ ሆኖ እርስዎንትዎን ሊገልጽ የሚችል ማንኛውም አይነት መለያ የእርስዎ ወይም የድርጅትዎ ስም በፍጹም እንዳይጻፉ በትህትና አሳውቃለሁ::

ለሚያደርጉልኝ ትብብር በቅድሚያ አመሰግናለሁ::

መመሪያ: እባክዎትን ትክክለኛ በሚሉት መልስ ላይ (✓) ምልክት ይጠቀሙ

ክፍል 1. መጠይቁን የሚሞሉ ደንበኞች አጠቃላይ የግል መረጃ

1.1 *ጾታ*

     1) ወንድ ☐   2) ሴት ☐

1.2. *ዕድሜ*

     1) 18 – 30 ☐   3) 31 – 45 ☐

     2) 46 – 60 ☐   4) ከ60ዓመት በላይ ☐

1.3. ከኢትዮጵያ ገቢዎችና ጉምሩክ ባለስልጣን ለምን ያህል ጊዜ አገልግሎት አግኝተዋል?

     1) ከአንድ ዓመት በታች ☐   3) 1-5 ዓመት ☐

     2) 5-10 ዓመት ☐   4) ከአስር ዓመት በላይ ☐

1.4.የድርጅትዎ ዓይነት?

     1) የግል ድርጅት ☐   2) መንግስታዊ የሆነ ድርጅት ☐

ክፍል ሁለት በመ/ቤቱ አገልግሎት አሰጣጥ ላይ የደንበኞች ምልከ

I. የመ/ቤቱ አገልግሎት በኩል ተጠቃሚነት	በጭራሽ አልስማማም	አልስማማም	በከፊል ስማማለሁ	ስማማለሁ	በጣም ስማማለሁ
	1	2	3	4	5
EAS1	መ/ቤቱ ያለአድልዎ እንደማንኛውም ደንበኛ በእኩል ዓይን በማየት እንደሚያስተጋድዋት ይስማማሉ				
EAS2	ግብር ተማኝ ሰራተኞች ደንበኛን ሳያበላልጡ ሁሉም ሰው እኩል መሆኑን አምነው የግብር ክፍያ እንደሚተምንልዎ ይስማማሉ				
EAS3	ወደ መ/ቤቱ አገልግሎት ለማግኘት በቅድሚያ ከመጡ ያለ ምንም አድልዎና ባልተከፋፈለ ሁኔታ የመ/ቤቱ ሰራተኞች ቅድሚያ ሁጥተዋት እንደሚስተናገዱ ይስማማሉ				
II. በተቀመጠው መስፈረት መሠረት ስራተኞች አገልግሎት በማይሰጡበት ጊዜ ወቅታዊ መፍትሔ የመስጠት ሁኔ					
PIR 1.	መ/ቤቱ ችግር በሚያጋጥምዎት ወቅት በቅንነት መንፈስ ለችግርዎ መፍትሔ ለመሻት ያለው ፍላጎት በቂ መሆኑንን ይስማማሉ				
PIR 2.	መ/ቤቱ ላቀረቡት ቅሬታ ባለው አሰራር መሠረት በአግባቡ እንደሚያስተናግድና ምላሽ እንደሚሰጥዎት ይስማማሉ				
PIR 3.	መ/ቤቱ የሚሰጠውን የደንበኛ አገልግሎት አፈጻጸም በቅርብት በመከታተልና በተከታታይነት በመገምገም ከተቀመጠው መስፈርት ውጭ ለሚከናወኑ አገልግሎቶች ፈጣን የማስተካከያ መልስ እንደሚሰጥ ይስማማሉ				
III. ከደንበኞች ግልጽ ግንኙነት የመፍጠርና ተገቢውን መረጃ በወቅቱ የመስጠት					
CWW1	መ/ቤቱ ግልጽነት የተሞላበት ግንኙነት ለመፍጠር ለደንበኞቹ ምቹ መድረክ እንደሚያመቻች ይስማማሉ				
CWW2	መ/ቤቱ የሚሰጠውን አገልግሎትና እንዲሁም ያሉትን ተዛማጅ ወጪዎች አስመልክቶ ግልጽ ማብራሪያ እንደሚሰጥዎት ይስማማሉ				
CWW3	መ/ቤቱ አገልግሎት ለማግኘት የት መሄድ ንዳለብዎትና ማንን ስለምን ጉዳይ ማነጋገር እንዳለብዎትና እንዔት ግብር እንደሚተምን በቂ ማብራሪያ ይሰጣል በሚል ይስማማሉ				
IV ስለ አጠቃላይ አገልግሎትና አገልግሎት የሚሰጥበት የተቀመጠ የጊዜ ሰሌዳ አስመልክቶ መረጃ ስለመስጠት	በጣም ደካማ ነው	ደካማ ነው	መካከለኛ ነው	ጥሩ ነው	በጣም ጥሩ ነው
ISS1	ለእያንዳንዱ አገልግሎት የተቀመጠውን የጊዜ ሰሌዳ አስመልክቶ መ/ቤቱ የሚሰጥዎት የመረጃ ጥራት				

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ISS2	የመ/ቤቱ የግንዛቤ ማስጨበጫና ትምህርታዊ ፕሮግራም ስለመስሪያ ቤቱ አገልግሎት አሰጣጥ የሚሰጠው አጠቃላይ መረጃ					
ISS3	የመ/ቤቱ ድረ-ገጽ በቀላሉ ለመጠቀም የሚቻል ከመሆኑም በላይ የመ/ቤቱ አገልግሎት አሰጣጥ አስመልክቶ በቂ መረጃ የሚያዙ ሁኔ					
ISS4	በመ/ቤቱ አገልግሎትን አስመለክቶ ለሚሰጠው መረጃ ከክፍያ ነጻ የስልክ መስመር አገልግሎት የማግኘቱ ሁኔታ					
ISS5	በአገልግሎት አሰጣጥና ለእያንዳንዱ አገልግሎት የተቀመጠውን የጊዜ ሌዳ አስመልክቶ ለውጥ በሚኖርበት ወቅት በወቅቱ የማሳወቁ ሁኔታ					
V. በትህትና እና በአክብሮት የመስተናገድ ሁኔታ		በፍጹም	እንዳንዶ	አስተያየት የለኝም	በአብዛኛው ጊዜ	ሁልጊዜ
		1	2	3	4	5
TCC1	ከመስሪያቤቱ የሚጠብቁትን ፍላጎት በማጤን የመ/ቤቱ ሰራተኞቹ በትህትና እና በእንክብካቤ ፍላጎትዎን ለማርካት ተግተው ይሰራሉ፤					
TCC2	መስሪያቤቱ ማንኛውንም ለእርስዎ የሚሰጠውን አገልግሎት ስነምግባር በተሞላበት ሁኔታ እንዲሚላ ይተጋል					
TCC3	የመ/ቤቱ ሰራተኞች ከእርስዎ ጋር ያላቸው የስራ ግንኙነት ዘለቄታዊ አክብሮት የተሞላበት እንዲሆን ጥረት ያሳያሉ					
TCC4	የመ/ቤቱ ሰራተኞች እንደ አንድ ደንበኛ እውቅና በመስጠት ተገቢውን ክብር በመስጠት ያስተናግድዎታል					
VI. ስለ ወቅታዊ አገልግሎት ለደንበኞች ምክር መስጠት		በፍጹም አርኪ አይደለም	አርኪ አይደለም	በመካከለኛ ደረጃ አርኪ ነው	አርኪ ነው	በጣም አርኪ ነው
		1	2	3	4	5
CCS1.	ማግኘት ስለሚፈልጉት አገልግሎትና እንዴት አገልግሎቱን ማግኘት እንደሚችሉ መ/ቤቱ የሚሰጥዎት ምክር					
CCS2.	ከመ/ቤቱ ማግኘት ስለሚፈልጉት አገልግሎትና መብትዎንና ግዴታዎን ለይተው እንዲያውቁ የሚሰጥዎት ምክር					
CCS3.	መ/ቤቱ የደንበኞችን ፍላጎት ተመርኩዞ አማራጭ አገልግሎት ለመስጠት የሚያሳየው ፈቃደኝነት					
VII. የደንበኞች ቅሬታ አያያዝ		በጭራሽ አልተደሰትኩም	አልተደሰት ኩም	ሀሳብ የለምኝም	ተደስቻለሁ	በጣም ተደስቻለ ሁ
		1	2	3	4	5

CCH1.	የመ/ቤቱ ሠራተኞች ቅሬታዎን በወቅቱና በቀጥታ ለማስተናገድ ባላቸው እውቀትና ብቃት					
CCH2.	የመ/ቤቱ የበላይ ኃላፊዎች ቅሬታዎን በወቅቱ ለመፍታት ባላቸው ፍላጎት					
CCH3.	በሕግ አስገዳጅነት ወደ እርምጃ ከመሄድ ይልቅ መ/ቤቱ በመግባባት መንፈስ ችግሮዎን ለመቅረፍ በሚሰጠው ቅድሚያ					

APPENDIX B: **QUESTIONNAIRE II   TO BE FILLED BY THE EMPLOYEES**

Dear Respondents,

The purpose of this questionnaire is to collect primary data for research entitled "Assessment of Quality of Service Delivery in Ethiopian Revenue and Custom Authority in Addis Ababa" for the partial fulfillment of the Masters of Business Administration (MBA) in Human Resource Concentration Program at St. Mary's University College.

The information you provide will be kept strictly confidential and only aggregate figures will be reported. Your genuine, frank, timely response is vital for the success of the study.

Therefore, I kindly request you to respond to each question item carefully and return the completed questionnaire to the deliverer

Note:
1. No need of writing your name.
2. Please circle your choice or put (✓) mark whenever possible

Thank you, in advance for your cooperation and timely response.

Yours sincerely

Kiros Bereket

Part I: General Profile of the Respondents

1. What is your current job title in the authority? _____

2. For how long have you been in this authority?

   Less than one year ☐   from 1to 5 years ☐   from 5 to 10 years ☐

   From 10 to 15 years ☐   above 15 years ☐

3. What is your gender?   Male ☐   Female ☐

4. What is your Current age?   18-29 ☐   30- 39 ☐

                                40- 49 ☐   50 and above ☐

5. What is your highest level of education?

Did not complete high school ☐   High school graduate   ☐College diploma   ☐

Bachelor's degree   ☐   Master's degree ☐   PhD   ☐

Others, please specify_____

PART II. Opinion Survey on Customer Service Delivery

1. How do you agree with the presence of service charter in the authority?

    Strongly agree 5 Agree   4 Averagely agree   3 Disagree 2 Strongly disagree   1

2. How satisfied are you with employees' participation in setting up service baseline?

    Totally satisfied   5   Quite Satisfied   4   Neutral   3   Quite dissatisfied 2   Totally dissatisfied 1

3. The authority identifies improvement service gaps to meet customer needs and expectations ?

Almost always true   5   Mostly true   4   Sometimes true   3   Rarely true   2 Not at all true   1

4. The efficiency of the authority in gearing up its efforts and resources towards supporting promised service delivery?

    Highly efficient   5   Efficient   4   Averagely efficient   3 Inefficient 2   Highly   1
                                                                          inefficient

5. Your knowledge regarding the standard of service delivery is?

    Very Good   5   Good   4   Moderate 3   Poor   2   Very Poor   1

6. How do you agree customers are continuously communicated about service standards so that they enabled to exercise their rights?

    Strongly agree   5   Agree   4   Averagely agree   3   disagree 2   Strongly disagree   1

7. The quality of services delivery is continuously improving as a result of frequent monitoring and evaluation activities of the authority

    Almost always true 5 Mostly true 4   Sometimes true 3   Rarely true 2   Not at all true   1

8. How do you agree the management follow-up system helps to improve service delivery in the authority?

Strongly agree 5 Agree   4 Averagely agree   3 Disagree 2 Strongly disagree   1

9. Customers are happy in getting prompt resolution for their immediate problems?

Almost always true   5   Mostly true   4   Sometimes true   3   Rarely true   2   Not at all true   1

10. How satisfied are you with equal treatment of customers by the authority?

Totally satisfied   5   Quite Satisfied   4   Neutral   3   Quite dissatisfied 2   Totally dissatisfied   1

11. Most customer complaints get remedy at higher hierarchical level than at lower hierarchical level?

    Almost always true   5   Mostly true   4   Sometimes true   3   Rarely true   2   Not at all true   1

12. The success history of the authority in handling customer complaints is?

Very successful　5　　　Successful　4　Moderate　3　　Not successful　2　　Very unsuccessful　1

13. How frequently have you participated in monitoring and evaluation of service delivery?

Very often　5　　　Often　　4　Neutral　3　Sometimes　2　　　Seldom　　1

14. The experience of the authority in revising the existing service standards based on the feedback from monitoring and evaluation of service delivery is?

Very Good　　5　　　Good　4　　Moderate　3　　　Poor　2　Very Poor　　1

APPENDIX C: Interview to be conducted with leadership of ERCA

Dear Respondents,

Sir/Madam,

The purpose of this questionnaire is to gather data for research entitled "Assessment of Quality of Service Delivery at ERCA in Addis Ababa" for the partial fulfillment of the Masters of Business Administration (MBA) in Human Resource Concentration Program at St. Mary's University College.

The study is purely for academic purpose and thus does not affect any one in any case. The provided information will be kept strictly confidential and only aggregate figures will be reported. Your genuine, frank, timely response is vital for the success of the study.

Thank you, in advance for your cooperation and valuable time.

Yours sincerely

Kiros Bereket

Interview Guide

1. Is there service charter in the authority? What advantages does your authority gained after owning the service charter?

2. How frequently does your authority analyze customers' needs and expectations? Do you satisfy in meeting their expectations in delivering the services?

3. In setting up service base line which groups of stakeholders are participated?

4. What was the role of employees of the authority in setting up service base line?

5. Have you ever identified improvement gaps? If yes, please mention major results achieved? If no, do you have a plan to identify improvement gap in future? When?

6. What is the role of management in setting service standards? And how customers involved in such activity?

7. What are the efforts so far made and how do you evaluate the result obtained to support the promised service delivery?

8. How do you communicate your customers about service standards of your authority?

9. Who is responsible for monitoring and evaluating service standards? How frequently you monitor and evaluate service standards? How do you evaluate the feedback in this regard? Do you revise the service standard as per the feedback?

10. What system is in place for management to follow the services delivery process in the authority?

11. How do you compensate for customers who wrongly enforced to pay extra taxes or waiting for extra time to get the services?

12. Almost all of your customers are engaged in business and value their time in terms of money, therefore, how does your authority align its interest with this particular interest of customers?

13. How does the authority handle customer complaints? Are complaints left to be solved at lower hierarchical level or the higher leadership involved in providing solution? What types of complaints solved by higher officials?

DECLARATION

I, the undersigned, declare that this Thesis is my original work, prepared under the guidance of **ST. MARY'S UNIVERSITY COLLEGE, SCHOOL OF GRADUATE STUDIES**. 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 of earning any degree.

Kiros Bereket Abraham   _____

Name   Signature

St. Mary's University College,   October, 2013

Addis Ababa,

ENDORSEMENT

This Thesis has been submitted to St. Mary's University College, School of Graduate Studies for examination with my approval as a university advisor.

Shoa Jemal (Asst. Professor)

Advisor   Signature

St. Mary's University College, Addis Ababa,   October, 2013