



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

**ASSESSMENT OF COMPLAIANT HANDLING PRACTICE
AT UNITED BANK S.C
BY
MAHLET TESHOME HAILE
ID No. SGS/0091/2008A**

**JUL, 2017
ADDIS ABABA, ETHIOPIA**

**ASSESSMENT OF COMPLAINT HANDLING PRACTICE AT
UNITED BANK S.C**

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

BY

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DECLARATION

I, the undersigned, declare that the thesis entitled “ASSESSMENT OF COMPLAINT HANDLING PRACTICE AT UNITED BANK S.C.” is my original work, prepared under the guidance of Dr. Elias Nour. 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.

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ENDORSEMENT

This thesis has been submitted to St. Mary’s University, School of Graduate Studies for examination with my approval as a University advisor.

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St. Mary’s University

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List of ACRONYMS

CBE: Commercial Bank Of Ethiopia

ESLSE: Ethiopian Shipping And Logistic Service Enterprise

ISO: International Standards For Organization

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Abstract

The aim of this study was to assess complaint handling practice of United Bank S.C. The study was conducted among customers of the bank and managers of the department of the bank at selected three branches in Addis Ababa. The study used mixed research approach. To achieve the objective of the study research questions were developed based on the practice of complaint handling by the bank. Questions are for both customers and department managers of the bank. The study uses simple random sampling technique to select the target population for questionnaire and purposive sampling technique used for interview. The research questionnaire was developed by using Likert scale to rate their response, ranging from strongly disagree to strongly agree. Quantitative data were gathered through questionnaire from 200 respondents. The questionnaires included open and close ended questions. During the analysis interrelated procedures are performed in order to sum up and rearrange the data. The collected data were analysed through descriptive statistics such as percentage, frequency, means and Standard Deviation were applied. Based on the research results the data analysis indicates that: the customers' complaint doesn't fix on time. On the other hand there is less concern by management for complaint handling.

KEY WORDS: complaint handling and ISO

CHAPTER ONE

INTRODUCTION

This chapter briefly presents the background of the study, statement of the problem, research questions, research objectives, and definition of terms, significance of the study and the delimitation of the research.

1.1. Background of the Study

The complaint of customers helps the organizations to improve the level of technology, skilled manpower and other services better than competitors. "Complaint is not just another compliance item; rather it is an opportunity for banks to gain a competitive edge" (AbhikandVenkataramana,(2016).The customer's complaint directly or indirectly affects the organizational development, which include the performance, competitiveness and other activities of the company. However, handling the customer's complaint needs high commitment from the employees as well as the decision makers of the bank.

Several studies, as example Mohammad et al. , (2014) and Hummam and Olena, (2014) were described how much effective complaint handling has a positive effect to customer satisfaction, loyalty and customer retention and repurchasing behaviour. The studies used questionnaires to collect data and analysed the data by using SPSS software. The finding of the studies revealed that there was a positive relation between complain handling and customer satisfaction, loyalty and customer retention and repurchasing behaviours.

According to Gary (2006), "The goal of organizational development is to improve organization effectiveness" through handling the complaints of customers. In the current competitive business market, the important part is proper handling of the customers depending on their complaints as the company needs their feedback as an input for the organizational improvement. Brenda and Michael,(2006) said that, "Organization development refers to a long –range effort to improve an organization`s problem-solving capabilities and it enables to handle with change in its external environment." In today's business environment the technology, the life style of peoples and other things change through time. The business organization must review and improve to fit with their customer's interest.

According to the principles and guideline of complaint handing, the bank should be committed in customer complaints handling by giving high attention. This study focused on

the following problems that affect the organization development. Currently the branch of the Bank has increased. However, the number of officer who handles the complaint is only at head office and the other branches just handle and send it to head office as weekly report. Nobody can follow up the complaint and monitor the process of the complaint. It is indicated that the Bank didn't assign dedicated employee for this purpose. Finally, these problems can create late to respond the complaint quickly and the customer would be switching. This can effect on the organization development and it needs improvement.

United bank established as a share company on the tenth of September,1998 in accordance with 1960 commercial code of Ethiopia and under the supervision of Bank Proclamation No.84/1994. The bank obtained a banking service license from the National bank of Ethiopia and registered in trade, industry and tourism bureau of the Addis Ababa city administration. The study assessed the gaps of the complaint handling practice of the United Bank S.C based on ISO standards.

1.2. Statement of the Problem

The previous studies were state different problems on their thesis. Such as, Mohammad &Shafiq, (2014), due to personal mistakes by employees like, lack of adequate training to staff, lack of experience and inability to meet customers need the compliant of the customer should be arise on the service quality. The problem that stated in their study indicated that, the customer satisfaction was highly affected by the less service quality of the bank.

The other study, Bashir,(2008), stated that problems such as services failures, poor quality in service and unfair treatment from the employees in the organization make the customer to dissatisfy. This dissatisfaction was the reason for complaint handling.

The problem of this study is number of closed and dormant or inactive account in each branch allowed as normal. Off course, the customers who are switched from the bank are due to their own reasons for the action. When looking closed, inactive or dormant accounts in some branches as a sample it's arises questions why it happened. Let take one branch of united bank, from Megenagna branch around 150 customers within one year closed their account. (*Source: from Internal Report of United Bank S.C*). The researcher needs to solve this problem as a member of employee of the bank.

The problem indicated handling complaints effectively and need take action to maintain and increase the number of customers of Bank. The study focused on active account, dormant account and zero Balance account which the results in inappropriate handling of customer complaints.

1.3. Research Questions

- a) How were the customers informed to use complaining easily?
- b) To what extent the bank dedicated to recruit and train necessary staff for handing complaint?
- c) How quick and fair are responses to complaint?
- d) How does the bank record kept?
- e) How does the bank monitor complaints?
- f) To what extent the bank address the compliant requirement of the customers?

1.4. Objectives of the Study

4.1.1 General Objective

The main objective of this study is to asses complaint handling in United bank SC.

4.2.2 Specific Objective

- a) To describe the customers were informed to use complaining easily.
- b) To evaluate how much the bank dedicated to recruit and train necessary staff for handing complaint.
- c) To assess quick and fair responses to complaint.
- d) To evaluate the bank record keeping.
- e) To evaluate the bank monitor complaints.
- f) To assess resolving complaints satisfactorily.

1.5. Significance of the Study

The current business industries are highly competing with each other to be preferred than other. Many companies use market intelligence system to get information about their competitors. However, handling the complaint from the customers is less costly to get feedback and information if the company wants to improve or develop its self. Generally, Complaints are a back bone to improve the organization culture, process, strategy and structure and also to achieve the big goal of the company. So, this study is helps to the bank

to improve the organization performance, compliant handling practice, provide information to decision makers and for the next research as reference.

1.6. Scope of the Study

The study focused on the assessment of complaint handling of United Bank S.C. due to the concern on the availability of data, time and budget. It covered united bank S.C. Megegnagna branch, Bole branch and Bole Medhanialem branch in Addis Ababa. The branches were selected by high business transaction and number of customers.

1.7. Limitations of the Study

One of the limitations of this study was collecting data from closed and dormant account. It took more time to find and collect data from them. However, the study used small number of sample from these types of customers. Moreover, the researcher suggested that focusing on dormant and closed account holder is better than active account holders. Although, using observation and purposive data collection mechanisms minimized wasting time on investigating wrong response of the respondent.

1.8. Definition of Terms

Bank: is the United Bank, which the study is focused.

Complain: any expression of dissatisfaction about our action or lack of action, or about the standard of service provided by company or be half.

Complaint: is an expression of dissatisfaction which related to the company's services, performers managers and also including compliant handling processes itself, where a response is not as expected by customers.

Compliant office: is a department, probably located at the head office level and organized for the purpose of receiving and handling various issues of customer's dissatisfaction, follow fairness and set resolutions and comment on issues for final decisions and per the procedures and directives with rules and regulations.

Complain handling processes: is a continuous service recovery process which involves the receipt, investigation settlement, reporting and recovery of customers too.

Customers: is any individual who come to get a better service from the bank. It extended to internal customers or staffs as well.

Dormant account: means when the customer's account doesn't show any transaction for six month.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

This chapter discusses about the theoretical and empirical studies that related to complaint handling. Some definitions of complaint handling are stated at the first theoretical part of the literature that aid to provide a clear understanding about it. Then, the objective, benefit and standard of compliant handling are discussed. Finally, the empirical literatures and conceptual frame work were described.

2.1 Theoretical Literature Review

2.1. 1 Definition of Service

Researchers have tried to define service and to explain what service constitutes. There are many definitions regarding the concepts of service. Services are deeds, processes, and performances(Parasuraman et al. 1985).Gronroos (2000, p.46) defined service as: “An activity or series of activities of more or less intangibles nature that normally, but not necessarily, take place in interactions between the customer and service employees and/or physical resources or goods and I or systems of service provider, which are provided as solutions to customer problems”. Whereas Kotler et. al. (1999) defined service as any activity or benefit that one party offers to another which is essentially intangible and does not result in the ownership of anything, and it may or may not be tied to a physical product.

It is very important to understand the overall characteristics of services and what actually characterizes services. In general there are some service characteristics which can be generalized, even though many service industries are heterogeneous. According to Parasuraman et al. (1985), there are a number of unique characteristics that separate services from tangible goods.

Services are not tangible; when you buy a service there is nothing to be shown as tangible. Services are not things, but they are deeds or efforts. In essence the performances of most services are supported by tangibles. In general, companies offer a combination of tangible and intangible elements; the product is in many cases associated with service delivery.

Another characteristic of services is that production is inseparable from consumption. Inseparability is taken to reflect the simultaneous delivery and consumption of services. Customers participate in the production process or delivery process; there is an interaction between the service provider, the service environment and the customer. Goods are first produced, then sold and then consumed; services are first sold, then produced and consumed simultaneously. Customer must be present during the production of many services, for example in haircuts, airplane trips, restaurants etc. Thus, inseparability forces the buyer into intimate contact with the production process. As a result, other customers are a part of the service consumption.(Parasuraman et al., 1985)

Services are not homogeneous and are less standardized and uniform. Heterogeneity reflects the potential for high variability in service delivery. For example: the quality and essence of a service can vary from producer to producer, from customer to customer, and from day to day, and people's performance fluctuates up and down. People-based services vary depending to those that deliver the service whether they are skilled or professional workers as the service performance is delivered by different people and the performance of people can vary. It also varies the service delivered that is equipment based depending from the operators itself.(Parasuraman et al., 1985)

The fourth characteristic of services highlighted in the literature is perish ability. In general, services cannot be inventoried and carried forward to future time. For example: motel rooms not occupied, empty tables in a restaurant, airline seats not purchased, and telephone line capacity not used can be seen a revenue opportunity lost forever. Services depend on time which makes them very perishable.(Parasuraman et al., 1985)

The perish ability of services is not a problem when the demand is steady, because it is easy to staff the services in advance, when demand fluctuates, service companies have difficult problems. Thus, service marketers need to manage the demand but also the supply in order to obtain a profitable equilibrium.(Parasuraman et al., 1985)

Because services are performances that cannot be stored, service businesses frequently find it difficult to synchronize supply and demand. Sometimes too much demand exists, for example: a popular restaurant on a Saturday night.

2.1.2 Definition of Complaint handling

Different authors defined complaint handling in different ways by using their own words and expressions. Some of the definitions complaint handling by different writers and authors are discussed as follows: According to (Ombudsman, 2010), complaint handling defined as "Complaint handling is an important role in organization and should be recognized as such by management". Regarding to this, the management of the company must be give attention for handling the customer's complaint. Because, it's have an important role in the management decision making. An others definition of complaint that stated by (Ombudsman,2016) "Complaints are an important way for the management of an organisation to be accountable to the public, as well as providing valuable prompts to review organisational performance and the conduct of people that work within and for it". Generally, complaint of customers must be handled as a positive manner.

2.1.3 Objective of complaining

The private business firms are generating their profit by providing better service to the customers. However, inappropriate treatment of customers, the firms' operating system and other different factors are moving to customer satisfaction or dissatisfaction. Every satisfaction or dissatisfaction of the customers has positive or negative impact on an organizational development.

The customers are may be for any personal aspect or because they are being emotional at the time when the case is happened. However, the main reason of receiving complaint by organizations is to assess the case as per the rule, regulations or directives and also as per stated in the corporate charter and hence to take immediate correcting actions, improving policies (CBE, 2012 &ESLSE, 2006E.C). The principal objective is to protect the interests of customers wherever appropriate by promoting effective competition.

2.1.4 Benefit of good complaint handling

According to Ombudsman Western Australian, (2010), complaints are important for the management of the organization to be countable to the public as well as providing valuable prompts to review organizational performance and conduct of people that work with and for it. A complaint is an expression of dissatisfactions made to an organization related to its products and services or the complaint handling process itself, where the response or resolution is explicitly or implicitly. Some benefits are

- It resolves issues raised by a person who is dissatisfied in a timely and cost effective way
- It provides information that can lead to improvement in service delivery and other in the organization structure.
- It can improve the population of an organization and strengthen public confidence in an organizations administrative process.

2.1.5 Complaint handling international standards

ISO 10002 was developed the international standards. It give advice for organization that can used by all types of organizations worldwide, including banks, energy suppliers, high street and online shops, government agencies and public bodies. The standard is voluntary. But banks or organizations that choose to comply on the following detail.

a) *Make it easy to complain*

Make it easy to complain have a complaints procedure that is clearly publicised, free and easy to use. Giving everyone an equal opportunity to submit a complaint by ensuring customer information is easy to understand and available in alternative formats such as large print, Braille or audio. Adopt a consumer-focused approach and be open feedback.

According to Ombudsman, (2007), a complaint in terms of accessibility is that service available to them is free. This means the customers don't need to worry about whether they can afford to have their complaints properly considered, in order to get an independent view of what has happed. To make the general customer aware of its role the organization should be available promotional materials at places where potential complainants are likely to gather information. Differing levels of literacy and uneven communication skills may result in some complainants not understanding the jargon used in complaint forms, or having difficulty in articulating abstract concepts. It is important to ensure that documentation is written in plain

language. And also take in to account about socioeconomic differences of potential complaints from particular backgrounds or communities.

b)Recruit and train necessary staff

It is appointed a management representative to be responsible for complaints-handling process. The bank or the organizations provide adequate staff and resource to deal with complaints. And the bank or the organizations are ensure that relevant staff are made aware of the complaints procedure and trained to deal with complaints appropriately and promptly.

An office/department which is entitled to receive complaints from customers has a duty of investigating the truth as per the stated written documents what so ever it has and act as promised to perform accordingly. And also it is responsible to respond quickly as per the request, expressing clearly its findings of why the differences are happened. Different managements at different positions have responsibilities for various duties accordingly. Overall responsibility and accountability for the management of complaints lies with the Chief Executive and senior management (West Lothian Council, 2013). Same wise the council express that Deputes & Heads of services also have their own duties & responsibilities.

Ombudsman Western Australia, (2010) explain about the Complaint Handling Officers in that they are the most important factor in ensuring that an organization's compliant handling is responsive to complainants as compliant handling is an important role in an organization and should be recognized as such by management. It states again that Complaint Handling Officers should be empowered to make decisions, or have access to someone who can make decisions. An effective resolution at the earliest opportunity will enhance the complainant's view of the organization and allow prompt improvement to practices. Complaints should be handled by people who have the appropriate skills and authority to resolve or investigate complaints and, where appropriate, provide remedies and identify improved practices. Where possible again, complaints are best handled by people at the point of service delivery. These people should be able to resolve complaints at first contact and should log complaint details for further analysis.

According to Ombudsman, (2007), the complaint officer or anyone in the organization is look into complaints in a proportionate and impartial manner. The officer is must understand his/her role clearly and make clear communication with customers about its objective and

service standards. A further purpose of the complaint handling process is to identify the reason why complaints arose and were not settled by the organization concerned.

c) *Keep customer informed*

It means contact people who have submitted a complaint (complaints) immediately to acknowledge receipt of the complaint. Keep complaints informed about the progress of their complaint and provide updates on request. Track complaints from initial receipt until the complainant is satisfied or a final decision is made.

It is important to realize that organizations that are customer-focused acknowledge customer complaints in a positive manner (Allen F. et al, 2015). Accordingly, Wysocki states what specific activities an organization utilizes to provide customers with easy opportunities to register their dissatisfaction. Many dissatisfied customers just quietly take their business elsewhere. Therefore, organizations that are truly committed to delivering superior customer performance work hard at providing their customers opportunities to complain. No organization is so perfect in the delivery of superior customer performance that significant levels of dissatisfaction (the source of complaints) do not exist. No news from customers regarding your performance is not necessarily good news, according to Wysocki. On the other side, motivating customers to submit their grievance is important which help to investigate problems to solve.

d) *Keep clear records*

Make a record of complaints as soon as they are received, including a description of the complaint, the product or services complained about, the remedy requested by the complainant, the due date for a response and any action taken. With regard to recording & reporting complaints, the Scottish Public Services Ombudsman (SPSO), (2011) stated that there must a records of all complaints systematically so that the data can be used for analysis and management reporting. By doing so, it can be identified and tackle what causes complaints. And also for report purpose there must analyze of complaint details for trend information to ensure to identify service failures and take appropriate action. And hence, as per SPSO, by regularly reporting on the analysis, it is possible to inform management where services need to improve.

One important feature of complain handling is to identify opportunities to improve services. And hence there should be systematic way of recording so that a compliant data can be

analysed & reported to the management to take appropriate actions. Complaints provide valuable customer feedback (West Lothian Council, 2013). Furthermore, it is known that complaints can be received by an organization in a number of ways. Service providers should maintain complete and accurate records of all contact regarding complaints and ensure that this information is easily accessible, preferably in a single location (SPSO, 2011)

e) *Deal with complaint quickly and fairly*

Its deals with the bank or the companies treat complainants courteously, promptly and according to their urgency. Address each complaint fairly and in an unbiased manner.

According to (Ombudsman, April 2007), In complaint handling process, there should be enough flexibility to allow each complainant to feel that they are being treated as an individual and that the complaint will be dealt with on its own merits. The complaint handling process is expected to have a policy of openness and transparency in relation to what it does, how it does it and the results it achieves. This is fundamental to accountability. It enables to demonstrate fairness of approach, which in turn increases customer's confidence. It is an important determinant of a complainant's perception of how well his or her complaint was handled. The timeliness of action will be important and the organisation complained about. To be effective and have credibility in the eyes of its stakeholders, the process must have a clear remit, demonstrable independence and authority, be evidently knowledgeable about its work and have adequate powers. Appropriate resources should be allocated to the examination of each complaint and each complaint should be dealt with in a reasonable time-frame.

f) *Aim to resolve complaints satisfactorily*

Make reasonable efforts to investigate the circumstance and information surrounding a compliant. Once an investigation has been carried out, inform the complainant about the proposed decision or action. If the complainant accepts the proposal, this should be carried out and the complaint can then be closed. If the complainant rejects the proposal, inform them of any available dispute resolution schemes or see alternative dispute resolution schemes. Keep complaint open until the customer is satisfied or all reasonable forms of resolution have been tried.

Follow up is important for overall applicability of procedures & improvement of weakness, which create dissatisfaction on customers. There should be follow up on the action arising

from a complaint (Medical Protection Society -MPS, 2015).Here the follow up made by the organization will be investigated using various inputs. The actions exercised by the management will again be identified. The correcting mechanisms based on the feedback will also to be seen. Internal policies & procedures of organizations show that they seriously look on follow up to develop accountability. Organizations which do not have concentration & not able to transcribe the data collected from customers and do not respond for the request means that it really losing them by next time.

g)Monitor the complaints handling process

Analyse complaint records to identify serious or recurring problems. Regularly assess satisfaction with the complaints handling process, for example, by surveying customers who have complained. Monitor the complaints handling process to ensure the right personnel, resources and procedure are in place. According to Ombudsman (2007),The organization complained against must also be heard and its concerns properly considered. A positive future perception of the organization by the complainant is an important outcome, whether there will be future dealings between the parties or not. A good complaint handling process by the scheme with visible and effective mechanisms will impact on wider public reputation and standing of the organization.

2.1.6 Organization as open systems

The system suggested that organizations and their sub systems are share number of common features that explain how they are organized and function. The properties are described below:

Environment: organizational environments are everything beyond the boundaries of the system that can directly or indirectly affect the performance and outcomes of the organization. The environmental factors are labour and human capital, raw material, customer demand, competition and government regulation. Better complaint handling is help to improve and maintain the effectiveness of the organization.

Inputs, transformations and outputs: any organizational system is composed of three related parts: inputs, transformation and outputs. Inputs consist of human resources or other resources, such as information, energy, and materials, coming into the system. Inputs are part of and acquired from the organization's external environment. Transformations are the processes of converting inputs into outputs. The operations function of the organization is composed of both social and technological components generally carries out transformations. The social component consists of people and their work relationships, whereas the technological component involves tools, techniques and methods of production or service delivery. Banks, for example, transform deposits into mortgage loans and interest income. **Outputs** are the results of what is transformed by the system and sent to the environment. Thus, inputs that have been transformed represent outputs ready to leave the system.

Feedback: not all information's are a feedback. But, the information which is used to control the future functions of the system. The feedback is collected from all department or employees or customers of the organization. The feedback is playing an important role in the organization development.

As Thomas and Christopher, (2008) written on their book, the feedback will analysed according to the goal clarity, task structure, group composition, team functioning and performance norms.

2.2 Empirical studies

Results of previous studies regarding the compliant handling and its influence, published in various journals.

Bashir (1969), his title was impact of consumer complaints handling on complainant satisfaction and behavioural outcomes: a study among the telephone service providers in Mogadishu, Somaliato examine the relationship between customer satisfaction, loyalty, trust and positive word of mouth with apology, attentiveness, atonement, facilitation, effort, explanation and promptness Methodology was using questionnaires` to collect the data and analysing by SPSS program. Responses to complaints that have significant positive impact on complainant satisfaction

Hummamand Olena. (2014),the impact of complain management on customer retention to examine or inspect the aftermath of effective complain management structure in relevance to

customer retention in Banking industry Quantitative approach and distributed questioners for the selected sample size of the population. Then, analysed the collected data by using SPSS Complaint management influences customer retention; they were able to exert three formulas to determine the linear relationships between the variables that stimulate the calculation process.

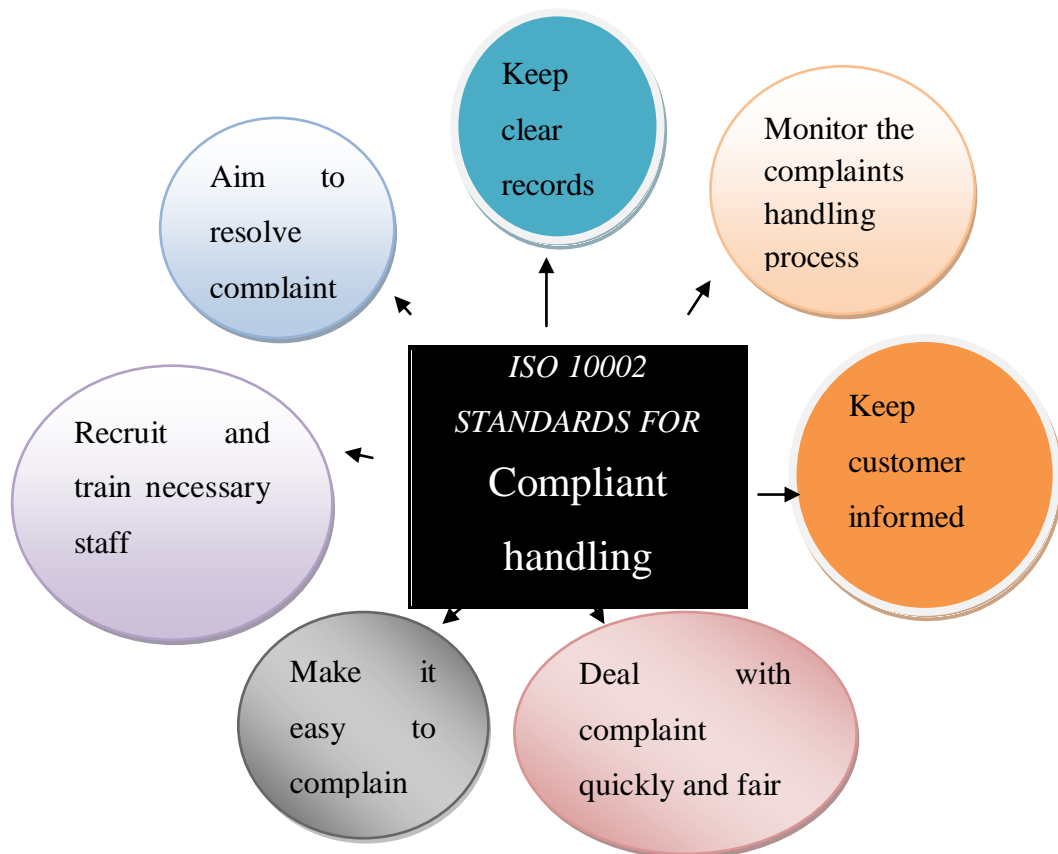
Joelet A. (2012), Effects of distributive justice complaints resolution strategies on Customer satisfaction in Kenya's banking industry to establish the effect of customer complaint resolution strategies on customer satisfaction. Customers was selected using systematic sampling techniques , collect primary data and both descriptive and inferential statistics were used for data analysis. The results indicates that distributive justice strategies have a significant positive effect on customer satisfaction

2.3. Conceptual framework

The previous studies were assessed compliant handling related with customer satisfaction. But, this study was assessed complaint handling at United Bank S.C. based on ISO 10002, (2008) standards. The study assessed compliant handling on the stated standard. The standard which was set by the ISO should help the bank to be good in handling of compliant in business area. The standards were stated in the table below.

These standards are crucial to maintain the customer as well as the bank development, that's why the study is needed. The researcher assumed that the increasing of closed and dormant account numbers were due to poor handling of complaint.

Fig. 2.1 conceptual frame work



Source: *ISO 10002, (2008)*

CHAPTER THREE

RESEARCH METHODOLOGY

This chapter presents the research design and methodology. This includes the research design, sample size and sampling technique, data source and collection method and procedure of data collection. At the end the method of data analysis was presented.

3.1. Research Design

The approach used in this research was a mixed research approach which makes the use of both quantitative and qualitative descriptive methods. Quantitative method was used to apply frequency, percentage, mean and standard deviation of respondents' data collected through questionnaire. The research strategy is a plan of how to answer the research questions that have been set. The method helps to avoid bias and helps to measure variables in objective manner. To this end, the data collected was coded into SPSS software and the frequency and percentage of the data were generated for analysis and interpretation.

Qualitative method was also employed to describe and analyse the information obtained through interview from department managers of the bank. When used along with quantitative methods, qualitative research can help to interpret and better understand the complex reality of a given situation and the implications of quantitative data. Due to these facts, therefore, a mixed approach of research methods was employed in this study.

3.2. Population and Sampling Techniques

Sampling helps to get information about large populations with less cost, time and more accuracy. There searcher used dormant, closed and active account holders as a total population for the study. Because, the researcher believed that this account holders could give reliable data to final conclusion. According to this, the total population were 6895. Active account holders are customers with three and above years' as customers at the branches. The sample size was selected by simple random sampling techniques which increases accuracy. This sampling technique helps to reflect the population by more proportional representation. Which creates equal chance for the population and also the large sample size will give accurate information to conclude the study.

The researcher used the following Naresh Malhotra, (2007) sample size equation.

Sample size determination

Population Size	Target Population		
	Low	Medium	High
51-90	5	13	20
91-150	8	20	32
151-280	13	32	50
281-500	20	50	80
501-1,200	32	80	125
1,201-3,200	50	125	200
3,201-10,000	80	200	315
10,001-35,000	125	315	500
35,001-150,000	200	500	800

Table 3.1 Sample size determination

Source: Naresh Malhotra, (2007)

However, the population of the study between the ranges of 3,201- 10,000at medium target population a sample size of 200would be selected. The selected sample sizes were fair and easily manageable.

According to Taro Yamane (1967), hence, the total sample size is 200. Number of samples for each type of customers was calculated by the following formula.

$$n = \frac{N}{1 + N(a)^2}$$

Where **n** = total number of samples

N = total number of population

a = number of samples in each types of customers

Table 3.2 sample determination by types of customers

NO	Type of customers	Population	Sample
1	Dormant	950	28
2	Closed	1560	45
3	Active (not include dormant account)	4385	127
	Total	6895	200

For qualitative approach the researcher used purposive sampling technique. The sample selected an arbitrary number in the table of random numbers. The structured interview questions were collected by department managers that were purposely selected. It's included Manager of risk management and compliance department, marketing manager, manager, domestic banking manager, credit manager, finance manager, card payment manager, were included in the interview. The interview increases the accuracy and reliability of the collected data.

3.3. Types of Data and Tools/Instruments of Data Collection

According to the study design, data were collected from primary and secondary sources. The primary data was collected in the form of questionnaire survey and interview. The Questions in the questionnaire were open and close ended since it is easier to generate statistical analysis on a larger number of participants. The questionnaire used a 5 point Liker's scale ranging strong agree(5), agree (4), neutral (3), disagree (2), and strongly disagree (1). The secondary data in terms of company information and background history was used in this study in order to get a deeper understanding about the company.

3.4. Procedures of Data Collection

The questionnaires were distributed to the active account respondents when they were arrived at the branches. Also, the researcher used phone No of Closed and dormant account holders from the bank database to find the respondents and to collect survey data. Collection of responded questionnaire was started after a week from date of administration and continued for a month. The interview was conducted face to face with the appointed managers. It took one to two weeks.

3.5. Methods of Data Analysis

The data collected through questionnaire were carefully encoded and interpreted and the result generated was tabulated. Thus, frequencies, percentages, mean and standard deviation of the counted responses of the variables were used for descriptive analysis of the data. Interview responses were also described and combined with the questionnaire response descriptions. Data analysis methods play an important role for the accuracy of the finding. The quantitative data that were collected by closed ended questionnaires analysed through SPSS.

Statistical Package for Social Science used for the descriptive statistical results. Although, the analysis presented by tables, frequency distribution and percentage. This includes the means, standard deviations. Values are computed for each variable.

CHAPTER FOUR

DATA ANALYSIS, RESULTS, AND DISCUSSIONS

4.1 Introduction

The purpose of this study was to critically assess compliant handling practice of United Bank S.C. Data were collected from customers and managers of the bank. Two hundred questionnaires were distributed to the three branches of the bank; all questionnaires were fully collected by three members of staff additional to the researcher. In this section, the analysis and interpretation of the collected data through questionnaires and interviews are resented.

4.2. Findings and Discussion of the Study

4.2.1 General information of the respondents

The general information of the respondents of the questionnaires contains six variables: gender, age, level of education, account status, number of years as a customer and service type. As table 4.1 shown, from the total numbers of respondent 98 (49%) were male and 102 51(%)were female.

Table 4.1 General Information of respondents

		Frequency	Percent (%)	Valid Percent	Cumulative Percent
Gender	Male	98	49.0	49.0	49.0
	female	102	51.0	51.0	100.0
age	below 25	54	27.0	27.0	27.0
	25-35	78	39.0	39.0	66.0
	36-45	39	19.5	19.5	85.5
	above 46	29	14.5	14.5	100.0
level of education	masters	10	5.0	5.0	5.0
	degree	105	52.5	52.5	57.5
	diploma	17	8.5	8.5	66.0
	below 12	68	34.0	34.0	100.0
Account status	closed	45	22.5	22.5	22.5
	dormant	28	14.0	14.0	36.5
	active	127	63.5	63.5	100.0
Number of years	3 to 5 years	109	54.5	54.5	54.5
	6 and above	91	45.5	45.5	100.0
service type	ATM users	35	17.5	17.5	17.5
	Mobile Banking users	9	4.5	4.5	22.0
	Internet Banking users	7	3.5	3.5	25.5
	Agent Banking users	7	3.5	3.5	29.0
	Loan service users	23	11.5	11.5	40.5
	Foreign exchange users	16	8.0	8.0	48.5
	All service/product users	103	51.5	51.5	100.0

Source: Source: Researcher's Survey Result from Primary Data Sources

As revealed in the table the above, the majority of the customers (39percent) range from 25-35, while 27%fall below 25 years, 19.5%of the customers age between 36 to 45 and the remaining 14.5%customers above 46 years. It also shows that the youth populations are superior users of the bank service. Highest level of education recorded was at degree level which is 52.5%. About 34%of the respondents have education at or below grade 12. The remaining 8.5%and 5%of the respondent were diploma and masters, respectively.

The table shows 22.5% of respondents were closed account status, 14%of the respondents were dormant account status and 63.5%of the respondents were active account status. According to table 4.5 below, 54.5%and 45.5%of the respondent were 3 to 5 years and 6 years and above respectively.

The bank branches give different types of service to their customers. The table below shows 51.5%of the respondent use all types of the bank service, 17.5%of the respondent uses ATM service, 11.5%of the respondent uses loan / credit service of the bank, the remaining 4.5percent, 3.5%and 3.5%of the respondent uses mobile banking, internet banking and agent banking service.

4.2.2 Survey information of the respondents

The survey part of analysis described about the seven ISO standards that filled by the respondents. The result was analysed through frequency, percentage, mean and standard deviation.

4.2.2.1 Close ended survey

a) *Make it easy to complain*

Table 4.2 make it easy to complain survey analysis

		Frequency (percentage)					mean	Standard deviation
		Strongly agree	agree	neutral	disagree	Strongly disagree		
A	The customers can complain freely	23(11.5%)	82(41%)	49(24.5%)	25(12.5%)	21(10.5%)	2.69	1.15
B	The way of forwarding the complaint is clearly known by customers	15 (7.5%)	98(49%)	9(4.5%)	56(28%)	22(11%)	2.86	1.2
C	The complaint forms are available to the customers	195 (97.5%)	0%	0%	5(2.5%)	0%	2.05	0.31
D	The complaint format have familiar words for all type of customers	24 (12%)	76(38%)	5(2.5%)	49(24.5%)	46(23%)	3.09	1.42
E	The format is clear and easy to fill down	24 (12%)	53(26.5%)	7(3.5%)	84(42%)	32(16%)	3.24	1.33

Source: Source: Researcher's Survey Result from Primary Data Sources

As indicated in table 4.2item (A) Respondents were asked whether the customers can complain freely. In that regard, 11.5% of the respondents strongly agreed with the issue while 41% agreed, 12.5% of them disagree,10.5% of them strongly disagree and 24.5% of the respondents are uncertain. Which implies that, majority of the customers is agreed freely complaining.

In the same table item (B) respondents were asked the way of forwarding the complaint is clearly known by customers. In this regard, 7.5% of the respondents strongly agreed and 49% of them also agreed. Oppositely, 28% of the respondent disagree, 11% of them strongly disagree. The remaining 4.5% were neutral. As it can be seen on item (C) of table 4.2, 97.5% of respondents strongly agreed the complaint forms are available to the customers where as 2.7% disagreed. The survey result also shows 2.05 mean and 0.31 Standard Deviation. This means, the complaint form is available in the counter.

On table 4.7 item (D) respondents were asked the complaint format have familiar words for all type of customers; 12% of the respondents strongly agree at the same time 38% of them agreed while 2.5% of the respondents were uncertain, 24.5% of them disagree and 23% strongly disagree. The result also included its 3.09 mean and 1.42 Standard Deviation. This means, the complaint formats have not familiar words for all type of customers.

Regarding the question presented whether the format is clear and easy to fill down on table 4.2 item (E) 12% of the respondents strongly agree while 26.5% of them agree and 3.5% of the respondents were uncertain where as 42% of respondents disagree and 16% of them strongly disagree. 3.24 Mean and 1.33 Standard Deviation were the result for item E. the mean and the Standard Deviation shows, the item have negative response from the respondent.

Referring the above table, about more than half of the respondent said that the format prepared for customer to fill their feeling was not easily understandable and clear.

b) Recruit and train necessary staff

Table 4.3 Recruit and train necessary staff survey analysis

		Frequency (percentage)					mean	Standard deviation
		Strongly agree	agree	neutral	disagree	Strongly disagree		
A	The customers know the responsible party for their complaint	27(13.5%)	144(72%)	3(1.5%)	17(8.5%)	9(4.5%)	2.19	0.93
B	Customer complaints are handled by trained staff	36(18%)	50(25%)	4(2%)	91(45.5%)	19(9.5%)	3.04	1.34
C	The staffs/employees whose handled the complaint are well known about how to handle it	36(18%)	45(22.5%)	4(2%)	98(49%)	17(8.5%)	3.08	1.33
D	The staff/employees are knowledgeable about all the service of the bank	11(5.5%)	58(29%)	4(2%)	122(61%)	5(2.5%)	3.26	1.08

Source: Source: Researcher's Survey Result from Primary Data Sources

As can be seen in table 4.3 item (a) respondents were asked the customers know the responsible party for their complaint. In this regard, 72% of the respondents agree and 13.5% of them strongly agree where as 8.5% of them disagree, 4.5% strongly disagree and 1.5% of the respondents were uncertain. 2.19 mean with 0.93 Standard Deviation. This means, the item has positive response.

Item (b) of table 4.3 Assessed whether Customer complaints are handled by trained staff 25% agree, 18% strongly agree, 45.5% disagree, 9.5% of the respondents strongly disagree with the statement where as 2% of them are uncertain. 3.04 mean with 1.34 Standard Deviation. The mean and the standard deviation reflect, the item needs high attention.

As it is shown on 4.8 above item (c), respondents were asked about the staffs/employees whose handled the complaint are well known about how to handle the

compliant. In this regard, 18% of strongly agree, 22.5% of the respondents agreed while 2% are uncertain and 49% of the respondents confirm their disagreement while 8.5% strongly disagree, with 3.08 and 1.33 mean and standard deviation, respectively. The mean and the standard deviation reflect, the item needs high attention.

Item (d) on table 4.3 show, respondents were asked about the staff/employees are knowledgeable about all the service of the bank. In this regard, 5.5% strongly agree, 61% disagree, 29% of them agree and 2.5% strongly disagree. The remaining 2% were neutral. 3.26 and 1.08 mean and Standard Deviation respectively. The mean and the standard deviation reflect, the item needs high attention than others item.

As shown in the table, above 61% of respondents said that the bank employees are not knowledgeable of all the services rendered by the bank. While, 5.5 % of respondents answered that employees of the bank have knowledge about the services of the bank this shows that most of employees of the bank are not knowledgeable of the all the bank services.

c)Keep customer informed

Table 4.4 Keep customer informed survey analysis

		Frequency (percentage)					mean	S. deviation
		Strongly agree	agree	neutral	disagree	Strongly disagree		
A	The bank gives awareness to the customers about how to complain	39(19.5%)	95(47.5%)	10(5%)	45(22.5%)	1(5.5%)	2.47	1.19
B	Complaints of customers are accepted in a positive manner	20(10%)	124(62%)	5(2.5%)	30(15%)	21(10.5%)	2.54	1.18
C	The customers feel good when complaining	72(36%)	73(36.5%)	5(2.5%)	42(21%)	8(4%)	2.21	1.25
D	The customers were coming back after complaining	35(17.5%)	125(62.5%)	1(0.5%)	16(8%)	23(11.5%)	2.33	1.19
E	The customers do not feel comfortable after complaining.	7(3.5%)	147(73.5%)	5(2.5%)	20(10%)	21(10.5%)	2.51	1.08

Source: Source: Researcher's Survey Result from Primary Data Sources

On table 4.4 item (A) respondents were asked whether the bank gives awareness to the customers about how to complain. In this regard, 19.5% of the respondents strongly agree at the same time 47.5% of them agreed while 5% of the respondents were uncertain, 22.5% of them disagree and 5.5% strongly disagree. The result also included its 2.47 mean and 1.19 Standard Deviation. The mean and the standard deviation reflect, the item needs less attention than item B and E.

Item (B) of table 4.4, Assessed whether Complaints of customers are accepted in a positive manner. In this regard, 26.5% agree, 16% strongly agree, 34% disagree, 20.5% of the respondents strongly disagree with the statement where as 3% of them are uncertain. 2.54 mean with 1.18 Standard Deviation. The mean and the standard deviation reflect, the item needs high attention than others. Regarding the question presented whether the customers feel good when complaining on table 4.9 item (C) 36% of the respondents strongly agree while 36.5% of them agree and 2.5% of the respondents were uncertain where as 21% of respondents disagree and 4% of them strongly disagree. 2.21 Mean and 1.25 Standard Deviation were the result for item C. The mean and standard deviation reflects, the item is positively acceptable.

On table 4.4 item (D), the respondents were asked whether the customers were coming back after complaining. In this regard, 22% of the respondents strongly agree at the same time 24% of them agreed while 0.5% of the respondents were uncertain, 35.5% of them disagree and 22% strongly disagree. The result also included its 2.33 mean and 1.19 Standard Deviation. The mean and standard deviation reflects, the item is positively acceptable. As table 4.4 item (E) show, the respondents were asked the customers do not feel comfortable after complaining. In this regard, 19.5% of the respondents agree and 5.5% of them strongly agree where as 37% of them disagree, 35.5% strongly disagree and 2.5% of the respondents were uncertain. 2.51 mean with 1.08 Standard Deviation. The mean and standard deviation reflects, the item is need attention with item B.

d) *Keep clear records*

Table 4.5 Keep clear records survey analysis

		Frequency /percentage					mean	s. deviation
		Strongly agree	agree	neutral	disagree	Strongly disagree		
A	The customers get his/her complaint form for follow-up	46/23%	31/15.5%	0	91/45.5%	32/16%	3.16	1.47
B	The customers can communicate their complaint orally.	52/26%	115/57.5%	0	18/9%	15/7.5%	2.15	1.13

Source: Source: Researcher’s Survey Result from Primary Data Sources

Table 4.5 item (A), the respondents were asked the customers get his/her complaint form for follow-up. In this regard, 15.5% of the respondents agree and 23% of them strongly agree where as 45.5% of them disagree and 16% strongly disagree. 3.16 mean with 1.47 Standard Deviation. The mean and standard deviation reflects, the item is need high attention or negatively acceptable.

On table 4.5 item (B), respondents were asked whether the customers can communicate their complaint orally. In this regard, 26% of the respondents strongly agree at the same time 57.5% of them agreed while 9% of them disagree and 7.5% strongly disagree. The result also included its 2.15 mean and 1.13 Standard Deviation. The mean and standard deviation reflects, the item is positively acceptable.

e) Deal with complaint quickly and fairly

Table 4.6 Deal with complaint quickly and fair survey analysis

		Frequency /percentage					mean	Standard deviation
		Strongly agree	agree	neutral	disagree	Strongly disagree		
A	Customer complaints get quick responses	14/7%	35/17.5%	0	91/45.5%	60/30%	3.74	1.25
B	The compliant of customers are treated equally and fairly.	14/7%	79/39.5%	0	64/32%	43/21.5%	3.22	1.35
C	The customers are satisfied for quick improvement of the service	52/26%	115/57.5%	0	18/9%	15/7.5%	2.15	1.13
D	The customers know the complaint process and how much time it takes	6/3%	26/13%	0	111/55.5%	57/28.5%	3.93	1.04
E	The customer's compliant gets response within one business day	24/12%	51/25.5%	7/3.5%	81/40.5%	37/18.5%	3.28	1.35

Source: Source: Researcher's Survey Result from Primary Data Sources

On table 4.6 item (A), respondents were asked whether the Customer complaints get quick responses. In this regard, 7% of the respondents strongly agree at the same time 17.5% of them agreed while 45.5% of them disagree and 30% strongly disagree. The result also included its 3.74 mean and 1.25 Standard Deviation. The mean and standard deviation reflects, the item is need high attention next to item D.

Item (B) of the same table, assessed whether the compliant of customers are treated equally and fairly. In this regard, 39.5% agree, 7% strongly agree, 32% disagree, and 21.5% of the respondents strongly disagree. 3.22 mean with 1.35 Standard Deviation. The mean and standard deviation reflects, the item is positively acceptable next to item C.

Regarding the question presented on table 4.6 item (C), whether the customers are satisfied for quick improvement of the service. In this regard, 26% of the respondents strongly agree while 57.5% of them agree where as 9% of respondents disagree and 7.5% of them strongly disagree. 2.15 Mean and 1.13 Standard Deviation were the result for item C. The mean and standard deviation reflects, the item is positively acceptable.

On table 4.6 item (D), respondents were asked whether the customers know the complaint process and how much time it takes. In this regard, 3% of the respondents strongly agree at

the same time 13% of them agreed while 55.5% of them disagree and 28.5% strongly disagree. The result also included its 3.93 mean and 1.04 Standard Deviation. The mean and standard deviation reflects, the item is need high attention than others.

As table 4.6 item (E) show, the respondents were asked the customer's compliant gets response within one business day. In this regard, 25.5% of the respondents agree and 12% of them strongly agree where as 40.5% of them disagree, 18.5% strongly disagree and 3.5% of the respondents were uncertain. 3.28 mean with 1.35 Standard Deviation. The mean and standard deviation reflects, the item is need attention next to item A.

f) Aim to resolve complaints satisfactorily

Table 4.7 Aim to resolve complaints satisfactorily survey analysis

		Frequency (percentage)					mean	Standard deviation
		Strongly agree	agree	neutral	disagree	Strongly disagree		
A	The customers compliant is investigated and solved without inflexible procedure	33/16.5	48/24	8/4	99/49.5	12/6	3.05	1.28
B	The bank is dedicated to respond the complaint of the customers	12/6	29/14.5	0	99/49.5	60/30	3.83	1.18
C	The customers get response to their complaints	13/6.5	40/20	0	87/43.5	60/30	3.71	1.27
D	The bank follows up the level of satisfaction of the customer on the solution of the complaint.	13/6.5	26/13	0	102/51	59/29.5	3.84	1.18
E	The solution or the improvement made by the bank meets customers request	14/7	33/16.5		93/46.5	60/30	3.76	1.24
F	The complaint response is satisfactory	36/18	63/31.5	10/5	75/37.5	16/8	2.86	1.31

Source: Source: Researcher's Survey Result from Primary Data Sources

As indicated in table 4.12 item (A), Respondents were asked whether the customers compliant is investigated and solved without inflexible procedure. In this regard, 16.5% of the respondents strongly agreed with the issue while 24% agreed in the meantime 49.5% of them disagree, 6% of them strongly disagree and 4% of the respondents are uncertain. The survey result also shows 3.05 mean and 1.28 Standard Deviation. The mean and standard deviation reflects, the item is positively acceptable.

In the same table item (B), respondents were asked the bank is dedicated to respond the complaint of the customers. In this regard, 6% of the respondents strongly agreed and 14.5% of them also agree. Oppositely, 49.5% of the respondents disagree and 30% of them strongly disagree. The survey result also shows 3.83 mean and 1.18 Standard Deviation. The mean and standard deviation reflects, the item is need attention next to item D and F.

As can be seen on table 4.12 item (C), 6.5% of respondents strongly agreed the customers get response to their complaints where as 43.5% disagreed. The survey result also shows 3.71 mean and 1.27 Standard Deviation. The mean and standard deviation reflects, the item is positively acceptable next to item A.

On table 4.12 item (D), respondents were asked the bank follows up the level of satisfaction of the customer on the solution of the complaint. In this regard, 6.5% of the respondents strongly agree at the same time 13% of them agreed while 51% of them disagree and 29.5% strongly disagree. The result also included its 3.84 mean and 1.18 Standard Deviation. The mean and standard deviation reflects, the item is need attention next to item F.

On table 4.12 item (E), respondents were asked the solution or the improvement made by the bank meets customer's request. In this regard, 7% of the respondents strongly agree while 16.5% of them agree and 46.5% of respondents disagree and 30% of them strongly disagree. 3.76 Mean and 1.24 Standard Deviation were the result for item E.

The last item of the standard question presented, the complaint response is satisfactory got 18% strongly agree, 31.5 agree, 5% neutral, 37.5% disagree and 8% strongly disagree. 2.86 Mean and 1.31 Standard Deviation. The mean and standard deviation reflects, the item is positively acceptable.

g) Monitor the complaints handling process

Table 4.8 Monitor the complaints handling process survey analysis

		Frequency (percentage)					mean	Standard deviation
		Strongly agree	agree	neutral	disagree	Strongly disagree		
A	The complaint of the customers are processed on time	36/18	71/35.5	10/5	60/30	23/11.5	2.86	1.31
B	The complaint is handled by the right person/place(box)	43/21.5	62/31	6/3	58/29	31/15.5	2.82	1.35
C	The complaint is handled and solved on time	14/7	35/17.5		91/45.5	60/30	3.74	1.25
D	Complaint handling of the bank is effectively monitored.	10/5	26/13		101/50.5	63/31.5	3.91	1.13

Source: Source: Researcher's Survey Result from Primary Data Sources

On table 4.8 item (A), respondents were asked the complaints of the customers are processed on time. In this regard, 35.5% of the respondents agree and 18% of them strongly agree where as 30% of them disagree and 11.5% strongly disagree the remaining 5% neutral. The 2.86 mean and 1.31 Standard Deviation reflects, the item is positively acceptable next to item B.

On table 4.13 item (B), respondents were asked whether the complaint is handled by the right person/place (box). In this regard, 21.5% of the respondents strongly agree at the same time 31% of them agreed while 29% of them disagree and 15.5% strongly disagree the remaining 3% neutral. The result also included its 2.82 mean and 1.35 Standard Deviation. The mean and standard deviation reflects, the item is positively acceptable.

Item (C) of the same table assessed, whether complaint is handled and solved on time. In this regard, 17.5% agree, 7% strongly agree, 45.5% disagree, and 30% of the respondents strongly disagree. 3.74 mean with 1.25 Standard Deviation. The mean and standard deviation reflects, the item is need high attention next to item D.

Regarding the question presented whether the Complaint handling of the bank is effectively monitored, on table 4.13 item (D), 5% of the respondents strongly agree while 13% of them agree where as 50.5% of respondents disagree and 31.5% of them strongly disagree. 3.91 Mean and 1.13 Standard Deviation were the result for item D. The mean and standard deviation reflects, the item is need high attention.

Finally, 50.5% of the respondents answered that customer complaints handling was not effectively monitored and 5% of them said they were strongly agreed on bank effectiveness on customer complaints handling, while none of the respondents say no or yes. By this, it can said that the bank did not handle customer complain effectively so as to improve its service.

4.2.2.2 Open ended survey

In open ended part, there was only one question, which provides a space if the customers have any comment on complaint handling process of the bank. Majority of the respondent (86%) suggested that the bank must improve the responding time of their complaint.

4.3 Data collected through interview

In order to get deep understanding about complaint handling practice of United Bank, in-depth interview was conducted with department managers and division heads. Accordingly, the interviewees' responses to the questions are depicted briefly as follows.

a) Summary of “How are customers forwarding their complaints on the bank service”

The customers forward their complaint directly to the managers or assistance manager of the branch orally. Complaining orally has less probability of getting response. Because, it's not recorded properly for follow up and monitoring purpose. In the other way, the customers sent the complaint by using suggestion box and the bank phone number.

b) Summary of “How many customer complaints are usually received by the bank in a week”

The numbers of the complaints was not specifically known by each department. Because, oral complain of the customers are missed from recorded. As the managers of department said, fewer complaints are received from the customers in a week except card payment department. Due to weak performance of the ATM the customers complained on its case. In the ATM case, 10 and more complaints of the customers deliver to the department from one branch per week.

c) Summary of “Did the bank recruit and train the necessary staff for complaint handling in each branch”

The bank didn't recruit and train compliant handling officer for each branch. Just the bank received complaint by any members of the staff. The bank has one compliant officer at head office. This can be creating load of work for the officer. Finally, solving or responding the customer's complaints are late in time.

d) Summary of “How does the bank inform customers about the procedures of complaint”

The bank has informed by every staff members at the counter. In addition, suggestion box and printed format is already available in each branch. And also the bank informs the customers by sending text message when withdrawal or deposit is made. The text messages provide additional phone numbers for the customers if any complain or suggestion they can forward freely.

e) Summary of “How does the bank handle a complaint that is forwarded orally”

The manager or other members of the staff could take a note if the complaint that's easy to solve, it would be solved on time. If the complaints are difficult to solve on time, it would be forward to the board of directors on meeting.

f) Summary of “Is customer's complaint handled fairly and quickly”

Yes. The success of the business is depending on their customer. So, the complaints of the customers are handled fairly and quickly as much as possible. Some complaints are face with rule and procedure of the bank. At this time, branch managers, assistance branch managers and other staff members are go to break it. It is difficult and risky for them.

g) Summary of “Is the process of complaint handling of the bank open and transparent”

All the managers of the department responses are agree the open and transparent of compliant handling practice of the bank.

h) Summary of “How long it has taken to solve the complaint of the customers”

The complaints of the customers are solved most of the time within 2 days except Card payment department. The complaint that related to ATM takes from one week to one month. Due to a lot of process and procedure the response of complaints would be late in time.

i) Summary of “Does the bank follow-up the complaint solution if satisfactory”

Due to small number of work force on complaint handling the bank couldn't follow-up compliant solution satisfactory. But, at a branch level the branch managers or staff members follow up the complaint solution satisfactory.

j) Summary of “How does the bank monitor the process of complaint handling”

The bank monitor the process of complaint handling by using complaint records that sent from the branches.

4.4 Summary of the finding

a) Make it easy to complain

The highest Mean of the stated items in the first ISO standard was the compliant format clearness and easiness to fill down. Majority of the respondent didn't agree regarding to this item. The item has 3.24 mean and 1.33 Standard Deviation.

b) Recruit and train necessary staff

As the survey collected data result shown, the bank didn't recruit and train necessary staff that dedicated to complaint handling in each branch. It has 3.26 Mean with 1.08 Standard Deviation. The interview data supported this result.

c) Keep customer informed

Regarding with informing how complaint is forwarding to the bank, the managers of the bank by interview data collection means as well as the survey result shown every customers are informed by SMS text message and all respondents are agreed the bank is highly working on it.

d) Keep clear records

The survey results shown that, the complaint of the customers are most of the time forwarded orally. The highest mean is 3.16 and 1.47 Standard Deviation for the customers complaints can't get when the customers follow up their complaint because of oral complaining.

d) Deal with complaint quickly and fair

Depending on the result of survey and interview data, the customer complaints were not responding quickly. The interview data reflected that, due to low manpower the responding compliant of customers took more time. The Mean 3.93 and 1.04 Standard Deviation, it has the highest mean from others items.

f) Aim to resolve complaints satisfactory

The results had shown 3.84 mean and 1.18 Standard Deviation. As stated in the previous finding, the bank didn't recruit and assign necessary staff for complaint handling process in each branch. Due to this, nobody can give attention for follow up of the resolved complaints satisfactory.

g) Monitor the complaints handling process

Customers are forwarding their complaint looking for quick solution and improvement on the bank service. Due to this, the respondent disagreed effective monitoring of complaints with 3.91 Mean and 1.13 Standard Deviation.

CHAPTER FIVE:

CONCLUSIONS & RECOMMENDATIONS

In this chapter the conclusions and recommendations were discussed. For clarity purpose, the conclusions are based on the research objectives of the study. Based on the findings of the study recommendations are made to the United Bank S.C.

5.1. Conclusions

The following conclusions are drawn based on Mean and Standard deviation of the finding.

- a) The complaint format words are not familiar to all kind of customer. Which needs additional support from the staff members and the customers are not fill down by them.
- b) Majority of the respondents were disagreed the staff/employees knowledgeable about all the service of the bank. Employees are knowledgeable about only their position.
- c) The complaint of the customers are forwarded orally rather using the format. The bank has recorded less number of complaints on their system. The interview data also supported this conclusion.
- d) The customers did not know how much time it takes for getting solution for their complaint.
- e) Nobody can give attention for follow up of the resolved complaints satisfactory.
- f) Customers are forwarding their complaint looking for quick solution and improvement on the bank service.

5.2. Recommendation

On the basis of the results and conclusions of the study, the following recommendations were suggested so as to be considered future intervention strategies which are aimed at improving the complaint handling practice of the bank.

- a) Complaint format of the bank should be enrich with familiar words, it makes easy to the customer when filling.
- b) The bank must give attentions for recruiting and assigning necessary staff for complaint handling in each branch. Because, it's may the reason for late respond of the complaint. This can be the cause for customer dissatisfaction and closing their accounts.
- c) The survey result also recommend to keep going the good performance in customer informing how forwarding their complaint. Currently the bank is well done on informing its customers.
- d) The bank should solve the problem of lack of record keeping by hiring dedicated complaint handling officer and the officer record all oral complaint should follow up on time.
- e) The bank managers must improve time of complaint handling process by hiring additional complaint handling officer, it can minimize load of work on one officer at head office and also the responses can be faster than before.
- f) The bank should follow up and monitor all compliant status and the level of satisfaction of the customers.

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Appendices A

Dear Sir/Madam,

This Questionnaire is designed to be filled by customers of United Bank S.C. It is prepared to collect information about customers' complaint handling of the bank. Your response will be treated confidential and used for only academic purpose. In this regard, your kind and serious cooperation will have significant effect on the result of the study.

Note:-

- There is no need to write your name
- Please tick the appropriate box for your answers.
- Thank you in advance for your cooperation
- If you need more information don't hesitate you can contact me through E-mail mahlet.teshe@yahoo.com.

General Information

1. Sex Male Female
2. Age below 25 25-35 35-45 Above 45
3. Educational level
 Master Degree Diploma 12th and below
4. Your account status
 Closed Dormant Active
5. Number of years as a customer of United Bank S.C
 1 year – 2 years 3 years- 5 years 6years and above
6. Which service/s of the bank are you using?
 ATM Mobile Banking Internet Banking Agent Banking
 Loan/credit service Foreign exchange service
 Other _____ All

Survey information

I-In your opinion, how does the complaint handling of United Bank S.C meet your? Use these responses from 1 to 5 to answer, where: 1.**Strongly Disagree**, 2- **Disagree**, 3- **Neither Agree/nor Disagree**, 4-**Agree** 5-**Strongly Agree**.

S.No	Make it easy to complain	Strongly Agree	Agree	Neutral (I don't know)	Disagree	Strongly Disagree
		1	2	3	4	5
1	The customers can complain freely					
2	The way of forwarding the complaint is clearly known by customers					
3	The complaint forms are available to the customers					
4	The complaint format have familiar words for all type of customers					
5	The format is clear and easy to fill down					
	Recruit and train necessary staff					
6	The customers know the responsible party for their complaint					
7	Customer complaints are handled by trained staff					
8	The staffs/employees whose handled the complaint are well known about how to handle it					
9	The staff/employees are knowledgeable about all the service of the bank					
	Keep customer informed					
10	The bank gives awareness to the customers about how to complain					
11	Complaints of customers are accepted in a positive manner					
12	The customers feel good when complaining					
13	The customers were coming back after complaining					

14	The customers do not feel comfortable after complaining.					
	Keep clear records					
15	The customers get his/her complaint form for follow-up					
16	The customers can communicate their complaint orally.					
	Deal with complaint quickly and fair					
17	Customer complaints get quick responses					
18	The compliant of customers are treated equally and fairly.					
19	The customers are satisfied for quick improvement of the service					
20	The customers know the complaint process and how much time it takes					
21	The customer's compliant gets response within one business day					
	Aim to resolve complaints satisfactorily					
22	The customers compliant is investigated and solved without inflexible procedure.					
23	The bank is dedicated to respond the complaint of the customers					
24	The customers get response to their complaints					
25	The bank follows up the level of satisfaction of the customer on the solution of the complaint.					
26	The solution or the improvement made by the bank meets customers request					
27	The complaint response is satisfactory					
	Monitor the complaints handling process					
28	The complaint of the customers are processed on time					
29	The complaint is handled by the right person/place(box)					
30	The complaint is handled and solved on time					
31	Complaint handling of the bank is effectively monitored.					

32. Any comment on complaint handling process of the bank

Thank you for your time

Appendices B

This interview is prepared to obtain information about complaint handling process at UNITED Bank managers.

- a) How are customers forwarding their complaints on the bank service?
- b) How many customer complaints are usually received by the bank in a week?
- c) Did the bank recruit and train the necessary staff for complaint handling in each branch?
- d) How does the bank inform customers about the procedures of complaint?
- e) How does the bank handle a complaint that is forwarded orally?
- f) Is customer's complaint handled fairly and quickly?
- g) Is the process of complaint handling of the bank open and transparent?
- h) How much time it taken to solve the complaint of the customers?
- i) Does the bank follow-up the complaint solution if satisfactory?
- 10) How does the bank monitor the process of complaint handling?