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APPENDICES

ST.MARY'S UNIVERSITY COLLEGE
BUSINESS FACULTY
DEPARTMENT OF MANAGEMENT

AN ASSESSMENT OF CUSTOMER SERVICES DELIVERY
PRACTICE: THE CASE OF
MEHAL KETEMA AND PAULO'S BRANCHES

BY:
MEDHANIT GARED

JUNE 2010
SMUC
ADDIS ABABA

**AN ASSESSMENT OF CUSTOMER SERVICES DELIVERY
PRACTICE: THE CASE OF
MEHAL KETEMA AND PAULO'S BRANCHES**

**A SENIOR ESSAY SUBMITTED
TO THE DEPARTMENT OF MANAGEMNT
BUSINESS FACULTY
ST.MARY'S UNIVERSITY COLLEGE**

**IN PARTIAL FULFILLMENT OF THE REQUIREMENTS
FOR THE DEGREE OF BACHELOR OF ARTS IN
MANAGEMENT**

**BY:
MEDHANIT GARED**

**JUNE 2010
SMUC
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**AS ASSESSMENT OF CUSTOMER SERVICE DELIVERY PRACTICE:
THE CASE OF
MEHAL KETEMA AND PAULOS BRANCHES**

**BY:
MEDHANIT GARED**

**FACULTY OF BUSINESS
DEPARTMENT OF MANAGEMENT**

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DEPARTMENT HEAD

SIGNATURE

ADVISOR

SIGNATURE

INTERNAL EXAMINER

SIGNATURE

EXTERNAL EXAMINER

SIGNATURE

Appendix A

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3. "Ä,eðLÑ>'~ Ÿ,"É uLÄ SMe SeÖf Ä%oLM:: ‚T^B K}cx†"< ØÁo-< SMe u;õf x -< uSéö ÄSMc<::

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›"ÅÖulf

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8. ¾=fÄâÁ "ÓÉ v"i Å"u— ÿ] < U" ÁIM Ñ>²? Æ]* M?

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ÿ11-15 ~Sf

ÿ15 ~Sf uLÃ

9. uÑMÓKAf ›c×Ø LÃ Å"u™, uSËS]Á Å[í }kwK" < ¾T>Áe}“ÓÆ W^}™, ÿ²=1 u < u}²[²]f SKÿ=Á-< "Èf ÆS"“E†ªM?

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10. ›ŇMÓKAƒ KTÓ–ƒ c=SÖ< ¾T>“eÉxƒ Ň>? Ý'f ôLÔƒ ‚é' "Èƒ ĀSKŸ– M?

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11. uT>Ÿ}K<ƒ Seð' „< ¾v"Ÿ<" Ňè u 'c- >e}Á¾ƒ "Èƒ ĀSKŸ– M?

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uG^{AL} (Local Transfer) uĀ"u™< ¾T>VL SÖĀp (13-14)

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15. uLöV H>Xw ;ðM vK"< ¾Y^ H>Āƒ" SÖĀp Ÿ²=1 u < u}Ökc<ƒ ›ŇMÓKA „< ¾ 'f >e}Á¾ƒ U" ĀSeLM?

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Ň"²w "Ū c=]"				
Ň"²w c=kSØ (c=ÁeŇu<)				

16. G/ uLöV H>Xw LĀ Ÿ²=1 uòƒ ¾ŇÖS-ƒ el}ƒ ›K?

›- ¾KU

K/ uØÁo 17 LĀ K}Ökc"< ØÁo SMe- ›- "Ÿ' el}~ ¾}ðçS"< uT" "'<?

u 'c- uv"; uG<K <G<U

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uxU uõØ'f 2ÓÃ,,
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17. ulÖv H>Xw ;õM “<eØ ÔM,, Ã ÁK< ¾T>K<f T”——“<”U ‹Ó’ ”K u=ÑMèM”?-----

18. u}”kdni H>Xw ;õM ÝT>cÖ<f ›ÑMÓKA,, Ý²=1 u ‹ u}’c<f ’Øx LÃ ¾ ‘f ›e}Á¾f U” ÃSeLM?

	uxU Ø\	Ø\	S”ÝK—	Ã”T
¾}”kdni H>Xw c=Ýðf				
Ñ”²w }kTß c=J”				
Ñ”²w c=ÝðM				
¾v”Ý< H>Xw SÓKÝ c=cØ				

19. G/ u}”kdni H>Xw LÃ Ý²=1 uòf ¾ÑÖS-f el}f ›K?

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u ‘c- uv”i <K ‹G<U

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uxU uõØ'f 2ÓÃ,,

uõØ'f ›M}e}”ÝKU

20. u}”kdni H>Xw ;õM “<eØ ÔM,, Ã ÁK< ¾T>K<f T”——“<”U ‹Ó’ ”K u=ÑMèM”? -----

21. v”Ý< “<Ö? T ¾j’< ²S“©“ ›ÇÇ=e ¾v”i ›ÑMÓKA,,” ¾SÖks< MUÉ ›K wK“< ÁevK<?

›- ›LewU

22. Ý?+;?U (ATM) ›ÑMÓKAf U” ÃÖkTK<?_____

›ScÓ“KG<!!

Appendix B
St. Mary’s University College
Business Faculty
Department of Management
Questionnaire to be filled by customers

Dear study participant

Here is questionnaire for you it is prepared by a student researcher, prospective graduate of year 2010 in the field of Management from St. Mary's University College. The outcome of this questionnaire is meant to support a research report to be presented for St. Mary's University College the answer to be given by a respondents and the other than strictly research and harmless to the respondent, any data to be obtained from you is for use of the student researcher only. You are invited respectfully to provide genuine to each question.

Thank you in advance for your sincerely cooperation.

- NB:-**
1. It is not required to write your name
 2. Indicate your answer by putting "✓" in the boxes of your choice
 3. Provide brief answers for the open ended questions

Part I. General Characteristics of the Respondents

- | | | | | |
|---------------|----------------------------------|--------------------------|---------------------|--------------------------|
| 1. Sex | Male | <input type="checkbox"/> | Female | <input type="checkbox"/> |
| 2. Age | Below 25 | <input type="checkbox"/> | From 26-30 | <input type="checkbox"/> |
| | From 31-35 | <input type="checkbox"/> | From 36-40 | <input type="checkbox"/> |
| | Above 40 years | <input type="checkbox"/> | | |
| 3. Education | Less than grade 12 | <input type="checkbox"/> | | |
| | 12 grades complete | <input type="checkbox"/> | | |
| | Certificate | <input type="checkbox"/> | | |
| | Diploma | <input type="checkbox"/> | | |
| | 1 st degree and above | <input type="checkbox"/> | | |
| 4. Occupation | Government employee | <input type="checkbox"/> | Merchant/trader | <input type="checkbox"/> |
| | Broker | <input type="checkbox"/> | Other specify _____ | |

Part II. Comments on the service

5. What was your reason for being customer to CBE?
- Nearness to my home
-

Information from relatives

Information from bank staffs

Their excellent service

Attracted by its advertisement

Other specify _____

6. What were your perceptions of the bank before becoming a customer?

Very good Good Poor Very poor

7. How did do you get the actual performance?

More than my expectation

As I expect

Lower than my expectation

No response

8. How do you rate your satisfaction with the front line employees as per the following parameters?

Parameters	Very much satisfied	Satisfied	Dissatisfied	Very much dissatisfied
Personality				
Attitude				
Skill				
Courtesy				

9. How long have you been a customer of CBE?

1-5 Years 6-10Years 11-15 Years Above 15 years

10. Promptness of services of the bank is

Very good Good Fair Poor

11. What is your opinion on the environment of the bank?

Parameters	Very	Good	Fair	Poor
------------	------	------	------	------

	good			
Waiting space				
Physical facilities of customer service				
Waiting time				
Behavior of employees				
Employee willingness to listen to your compliant				

12. How do you see the operation hours of the bank?

Sufficient Not sufficient

To be filled by users of local transfer only (12-14)

13. How do you rate the timelines of the transfer service?

Very good Good Fair Poor

14. Could you mention some of the improvements that should be made in the local transfer service? If any _____

15. Can you state the problems that are prevalent in the local transfer section? _____

To be filled by users saving account one (15-17)

16. What is your opinion regarding the requirements and procedures that need to be fulfilled for the following activities?

Parameters	Very good	Good	Fair	Poor
Opening of account				
Making withdrawal				
Making deposit				

17. a/ Have you realized any irregularity on your saving accounts?

Yes No

b/. If your answer is “yes” for question no. 17, the error was made by:

By myself By the bank Both by my self and the bank

c/. How were the errors amended?

Very quickly Quickly Late Not at all

18. Can you state the problems observed in the saving account section frequently?

Questions to be filled by customers of demand or current account only (18-)

19. How do you rate the service rendered by the current account section as per the following activities or parameters?

Parameters	Very good	Good	Fair	Poor
Opening of checking account				
Making deposit and check clearance				
Making payment				
Issuing bank statement				

20. a/ Have you realized any irregularity on your current accounts?

Yes No

b/ If your answer is “yes” for question the above question the error was made by:

By myself By the bank Both

c/ How were the errors amended?

Very quickly Quickly Late Not at all

21. Can you state the problems observed in the current account section frequently?

22. Do you believe CBE is effective in updating and introducing new innovation and new banking service?

Yes No

23. What is the benefit that you acquired from the introduction of ATMs service in CBE?

_____.

Thank You!

Appendix C
St. Mary's University College
Business Faculty
Department of Management

Interview check list for front line employees

1. How many years are you working in CBE?
2. What is your educational background?
3. What types of activities are you performing?
4. Is the working environment and salary convenient to you?
5. Have you taken customer handling training?
6. How do you manage customers' complaints?
7. Could you mention what problems you have been experiencing in dealing with customers?
8. How do you evaluate your branch's effort to improve customer service?
9. Please mention any other comments, if you have _____

Interview checklist for bank officials

1. To what extent are you sensitive to customer's complaints?
2. How do you take appropriate measures?
3. How do you collect customers' complaints?
4. What constraint does your branch encounter while performing the banking service?
5. What do you intend to enhance customer service?
6. Please mention any other comments, if you have _____

DECLARATION

I, the undersigned, declare that this senior essay is my original work, prepared under the guidance of Ato Aschalew Tamiru. All sources of materials used for the manuscript have been appropriately acknowledged to best of my knowledge.

Name Mehanit Gared

Signature _____

Place of submission St. Mary's University College

Department of Management

Date of submission _____

SUBMISSION APPROVAL SHEET

This senior research paper has been submitted to the Department of Management in partial fulfillment for the requirements of BA Degree in Management with my approval as an advisor.

Name: Aschalew Tamiru

Signature: _____

Date of submission: _____

CHAPTER ONE

1. Introduction

1.1. Background of the Study

Customer service is giving what we promised on time, it refers to every thing a company does to satisfy its customers and to help realize the greatest possible value from the goods and services they are purchasing. It is the action company can take to add value to the basic goods and services. (Kotler, 2006:291)

Supplying quality goods to the market is nothing, to hand over supreme satisfaction. Since customers have much opportunities of getting the required items from competitors. Customers' care would rather contribute at large in creating a demand for a specific organization than others with similar services. The standards of goods can be tested in various quality control measurements where as the degree of excellence for a customer service is always evaluated by users' perception that differ satisfaction of one person from the other. (CBE unpublished)

The issue of customer service delivery is becoming a global concern that demands continuous reform to fit the turbulent environment and changing customer needs. In today's complex, dynamic and competitive environment, most financial institutions make emphasis on marketing strategies that will improve their overall customer handling techniques as well as achievement of organizational goals.

Customer service is whatever enhances customer satisfaction. Customer satisfaction is one of the vital factors that determine the competitiveness of the organization. Thus, to demonstrate what management should do to satisfy customers, a study will be conducted in Commercial Bank of Ethiopia (CBE) on North and West Addis Ababa District sample branches.

1.1.1. Historical Background of the Commercial Bank of Ethiopia

The history of Bank in Ethiopia goes back to establishment of the bank of Abyssinia in 1905; this bank was the first bank in the Ethiopian History, established under partnership of the government of Ethiopia and National Bank of Egypt.

The Bank continued to operate until 1931. Late on, it was wholly purchased by government of Ethiopia and renamed to become the Bank of Ethiopia. The Bank of Ethiopia was operated until the Italian invasion of 1936. Years 1936-1942 were marked by the Italian occupation where only a few Italian Banks were operating. After victory of over fascist Italy, the State Bank of Ethiopia was established in 1936 based on a proclamation issued in august 1942. Although the intention was to establish it as a full fledged Commercial Bank, a year later, in 1943, it was given additional Commercial Banking duties.

Thus, the State Bank of Ethiopia had provided central banking and commercial banking functions until it was splinted in 1963 to form the two banks National Bank of Ethiopia and Commercial Bank of Ethiopia. Accordingly, with the issuance during this period CBE had to go through several changes to scope with environmental turbulence created by the country is policy redirection.

The first privately owned bank, Addis Ababa Bank Share Company, was established on Ethiopians initiative and started operation in 1964 with a capital of 2 million in association with National and Grindlay Bank, following the declaration of socialism in 1974 the government taken in order to create stronger institutions by merging those that private owned banks, Addis Ababa bank. Bank of Diroma and Banco Napoli merged in 1976 to form the second largest Bank in Ethiopia called Addis bank.

After a few years by Proclamation No. 184 in the country of august 2, 1980 form the sole, Commercial Bank in the country tills the established of Private Commercial Banks 1994.

The Commercial Bank of Ethiopia commenced in operation with a capital of birr 65,000 million, 128 branches and 3,633 employees. Commercial Bank of Ethiopia is the biggest bank in the country. It is currently operating through 210 branches scattered all over the

country, among which about 50 of them are in capital city, Addis Ababa. Recently number of employees 8,312 and its capital 5 Billion. These branches give services for public or customers. CBE is still the leading bank in the country interims of its market share, customer base, branch network, and capital base. Its contribution to the GDP of the country is increasing from time to time.

1.2. Statement of the Problem

According to Kotler, (2003) service is any activity or benefit that one party can offer to another that is essentially intangible and does not result in the ownership of anything.

Service quality is become a source of competitive advantage in the banking industry through out the global. Once who are effective in customer handling and in delivering quality of service for the customer who is be the most desirable in the banking industry and enjoyed by several advantage that originated as result of delivering quality to day there is a number of banks in Ethiopia with different technologies and new banking service.

Commercial Bank of Ethiopia is much known in its liquidity and number of customers. Knowing this fact, the preliminary assessment shows that sufficient attention is not given to:-

- Service delivery time;
- The employees procedure;
- Customer handling system.

So this research study was conducted to confirm the above mentioned problems and to investigate another problems of the bank.

1.3. Research Questions

This study tried to answer the following questions:-

- What does customer's satisfaction with the service deliver practice of Commercial Bank of Ethiopia look like?

- ✚ To what extent does motivation procedure was used in order to promote the quality service?
- ✚ To what extent does the system established to measure customer satisfaction?
- ✚ Is there any gap between what customers expected and received?

1.4. Objectives of the Study

1.4.1. General Objective

The general objective of the study is to assess the practice of customer service delivery in CBE, Mehal Ketema and Paulo's Branch.

1.4.2. Specific Objective

This paper attempt to address the following objectives:-

- ✚ To identify the gap between customer expectation and perception and about service quality of CBE.
- ✚ To see employee motivation procedure of the bank.
- ✚ To see the established system to measure customer satisfaction.

1.5. Significant of the Study

Commercial Bank of Ethiopia, being in a competitive world, needs to implement different strategies of customer handling so as to be unique and differentiate itself from other competitors. Improved customer service delivery is the most important means of providing quality service to customers. This study is helpful for all commercial Banks to identifying problem areas and get significant market in this commutative Banking industry. The researcher believes that the result of the research would have the following significances:-

- ✚ This research paper is enables potential manager to be aware of what is the expected of him as professional, manager about effective quality service.
- ✚ This study is helping the concerned bodies be aware of the existing problem of customer handling and attracting new customers.

- ✚ Maintain the existing customer and attracting new customer.
- ✚ The study is help as additional reference for the students who may wish to conduct research.

1.6. Scope (Delimitation) of the Study's

Customer service delivery covers all aspects of an organization's performance. However, this study is aimed in investigating the customer services and the effort made to attain customer satisfaction, especially in three main service areas namely Saving Accounts, current Accounts and Local Transfer sections of Mehal Ketema and Paulos Branches of Commercial Bank of Ethiopia and thereby identifying existing problems with the system and suggestions possible ways to solve them and giving insight to the concerned ones on what must be done to overcome these limitations. Mehal Ketema and Paulos branches of CBE are selected for study because of business area and nearness for study. And the secondary data was used for the past five years (2004-2009).

1.7. Research Design and Methodology

1.7.1. Research Design

In this study, descriptive survey research method was used, because the intention of the study focuses on the describing of the existing situation of customers service delivery in CBE.

1.7.2. Population and Sampling Technique

Based on the information obtained from the Bank's MIS Department, there are 50 branches under the Addis Ababa region of Commercial Bank of Ethiopia (CBE). From the branches, Mehal Ketema and Paulos are selected as a sample study. In both branches, the front line workers are totally 140.

Job Title	Paulos	Mehal Ketema	Total
Maker	80	60	140
Total			140

Source: Annual report 2009

As per the data obtained from Mehal Ketema and Paulos branches about 1460 customers are served on average by counting number of tickets from 1460 customers 30% (438) and from 140 front line employees 30% (42) of selected as a sample using probability simple random sampling techniques. 100 questionnaires are prepared for respondents. Out of 100 questionnaires, 40 were distributed to Mehal Ketema branch customers and 60 were distributed to Paulos branch customers by using lottery method. And also interview was made with the selected front line employees of both branch workers.

1.7.3. Types of Data Used

For this study primary and secondary data are used. The study mainly depends on primary data such as questionnaire and interview. Secondary data such as magazines, annual and quarterly manuals and other relevant books would conduct to make the study more realistic. The source of this data is categorized in saving, current, and local foreign transfer customers who were filled the questionnaire.

1.7.4. Methods of Data Collection

The research was undertaken using both primary and secondary data for the study. Primary data is collected through interviewing and use of questionnaire for customers in saving account section, current account section, and local transfer sections. In addition to this the researcher is secondary data from CBE reports, Manuals and related books.

1.7.5. Method of Data Analysis

Tables and chart are used to analysis and present the data. In order to facilitate the analysis simple statistical measures such as percentage are used for analysis of the study data since the nature of the data is more descriptive.

1.8. Limitation of the Study

The researcher has come across a number of problems that have done in fact on the study customers did not cooperate to fill the questionnaires and some of them are not returned questionnaires. In addition to the front line employees and CSM are not willing to give answer due to shortage of time.

1.9. Organization of the Study

This research study paper incorporated four chapters:-

The first chapter is consisted an introduction that covers the background of the study, statement of the problem, objectives of the study, research questions, and significance of the study, scope of the study and delimitation of the study, methodology that covers the research type, method of data collection sampling techniques, population and sample size, data gathering tools, data sources and method of data analysis. The second chapter is contains related literature review. The third chapter is provides data presentation, analysis and findings. And finally, the fourth chapter consist the summary, conclusion and recommendation for problems encountered by CBE.

Chapter Two

REVIEW OF RELATED LITERATURE

2.1. Definitions and Concepts

Firms have different goals depending on the reason of their establishment. Private firms have the major goal of profit making, while non-profit and public organizations aim at the survival and attraction of enough funds to perform their work. Whatever the goal of the organizations could be, it is the customer's satisfaction that enables the attainment of the pre-determined objectives. Hence, customer satisfaction is the out come felt by customers who experience a company performance that fulfills expectations. (Mc Nell, 1994, P. 116)

In relation to customers satisfaction there are five competing concepts under which business and other similar organizations can conduct their marketing activity. (Davis, and Kenneth W. 1994:86)

There are:-

- ✚ The production concept which focuses on achieving high production efficiency and wide distribution cover page.
- ✚ The product concept that gives priority to superior products and improving them over time.
- ✚ The selling concepts in which organizations undertake aggressive selling and promotion effort in order to sale their products in a market.
- ✚ The marketing concept is the idea of maximizing long-term profitability whole integrating marketing department with other parts of the company and meeting customer's needs and wants.

Marketing is the process of planning and executing the conception, pricing promotion and distribution of goods, services and ideas to create exchanges that satisfy individual and organizational goals. (Evans, 1990: PP 10)

In relation to marketing activities, business organizations need to do three things; such as:

- ✚ Sensitivity to customer needs and wants

✚ Long term profitability

✚ Functional integration.

2.2. Meaning of Quality

It is difficult to define quality like beauty, love, freedom and leadership. Because it is sensed than talked. How ever money authors have tried to define what quality is all about. Among others choose and Aqualon (1989) defined quality as “fitness for use” Similarity, Oakland (1993) define quality as simply “Meeting the customer requirements” Gedye (1968) expressed quality as “general excellence” so the customer it implies excellence in the properties he or she expects and look for.

2.3. Bank

A bank is an institution which deals with money and credit. Thus bank is an intermediary, which handles other people money both for there advantage and to its own profit. But Bank is not angrily a trader is money but also unimportant manifactures of money. In other words a Bank is a factor of credit kandasami and other. (2003:5)

2.4. Banker

Kindasami and others (2003:4-5) said that the bankers as one who in the ordinary course of business honors cheques drawn up on him by person from and for whom he receives money or current accounts.

Some expertise in the banking industry defined as the establishment for the custody of money which it pays out on customers order. However it's not every satisfactory definition, since it ignores the most important factions of a bank that of creating money or creating credit.

2.5. Special Relationship Between Banker and Customers

Kandasami and others (2003:18) remarks the relationship between the bank and the customer creates certain obligation on the part of the banker these obligation along with the rights of the banks creates special relationship. Finally, based on John Paget, the

various special features of the relationship are Banker has on obligation to honor the cheques of the customer up to amount stand by the credit of the customer account, the banks can general excuses general line over the document and articles lift out the bank.

2.6. Characteristics of Services

Services have a number of distinctive characteristics, which create special marketing challenges and opportunities. There are four major characteristics that greatly affect the design of marketing programs:

- **Intangibility:** Service is performance or an action rather than objects they can be seen, felt, tested or touched and the same manner that we can sense tangible goods.
- **Inseparability:** Both the service provider and the customer must normally meet at a mutually convenient time and place.
- **Variability:** Product or service that can be measured by on a continuously variable scale.
- **Perish ability:** Refers to the fact that services can not be saved, stored, resold or returned.

2.7. Customer Satisfaction and Customer value

2.7.1. Customer Satisfaction

Satisfaction is the level of a persona's felt state resulting from comparing a product's perceived performs ace in relation to the person's expectations. (Kotler, 1994, P. 40)

Since, satisfaction level is a function of the difference between perceived performance and expectations, a customer could experience one of the broad levels of satisfaction, if the performance falls short of expectation, and the customer information's and promises, if marketers raise expectations to high, buyer is likely to be disappointed. On the other hand, if the company sets expectations too low, it would not attract enough buyers.

2.7.2. Customer Value

Customer value is the value that customer expects to receive from the goods or service him/her buys to compensate the payment he/she makes for the products.

“Customer value is the difference between total customer’s value and total customer cost. And total customer value is the bundle of benefits customers expect from given product or service.” (Kotler 1994, P. 37)

2.7.3. Measuring Customer Satisfaction

Organization needs to monitor customers’ satisfaction in order to check if their attempts to their customers are achieved and to know what their competitors deliver to their customers.

2.7.4. Methods of Measuring Customer Satisfaction

A company’s tools measuring customer satisfaction range from the primitive to the sophisticated. These methods are:

Complaint and Suggestion Systems

A customer centered organization would make it easy for its customers to deliver suggestions and complaints. They establish suggestion boxes and “customer hot lines” with many free telephone lines.

Customer Satisfaction Survey

A company must not conclude that it can get a full picture of customer satisfaction and dissatisfaction by simply running a complaint and suggestion system.

Therefore, responsive companies obtain a direct measure of customer satisfaction by conducting period surveys. They send questionnaires or make telephone calls to random samples of their recent customers to find out how they feel about various aspects of the company’s performance.

Ghost Shopping

Another useful way to gather a picture of customers satisfactions is to hire persons to pose as potential buyers to report their findings on strong and weak points they experienced in buying the company's and competitors' products. These ghost shoppers can even pose certain problems to test whether the company's sales personnel handle the situation will.

Lost Customer Analysis

Companies should contact customers who have stopped buying or who have switched to other supplier to learn why this happened.

2.7.5. Cautions in Measuring Customer Satisfaction

When customer's rate satisfaction with an element of the company's performance, we need to recognize that customers will vary in how they define good delivery it could mean early delivery, on time deliver, order completeness, and so on. Yet if the company had to spell out every element in detail customers would face a huge questionnaire.

2.7.6. Importance of Customer Satisfaction

Satisfied customers are the source of the company's profit and they are the reason why companies that could be private or public, monopolistic or competitive are in business. Even the monopolistic business firms have to think of effective means of customers handling because monopolist has becomes no more good strategy. Delivering first rate customer service allows a company to have a number of significance:

- Building competitive barriers
- Ensuring customer loyalty
- Service differentiation
- Decreasing marketing costs

2.7.7. Sources of Dissatisfaction

Dissatisfaction can stem from various sources by which customers take their business elsewhere. (Mac Neill, 1994:25) some of the reasons why customers get dissatisfied include the following:-

Promises not delivered; Services that was rude and inefficient; Conflicting messages from employees; Feeling of being victimized by the business operation; Misinformation from an employee; Delays and long waits; Lack of communication between parties in dispute; Treatment as being uniformed, wrong, or unimportant; Defective or inferior products; Feelings of being dismisses or discounted by the personal; Business integrity or honesty that was questionable.

2.7.8. Steps to Increase the Customer Satisfaction

The first measures of customer satisfaction are whether the company lives up to the expectations of customers. Therefore, the logical place to start is by understanding just that those expectations of customers are. The company establishes goals to help focus the company's energy on the area most important to customers. Naturally, the service goals for a give company depend on its customer's expectations and its own service customer strategy. Although it is important to identify the specific standards of customer satisfaction you need to meet for each market segment, the following provide good starting points:

Value (price ration)

The value is a measure of how much value customers gets in exchange for the price paid. Company can improve their ration either by raising the value or lowering the price.

Product Quality

It doesn't matter whether the customer are buying a finical service or a good, there want the product to conform to their expectation.

Warranties and Guarantees

No body wants to purchase a product with out some reassurance that the supplies will make good on promises of performance and quality.

Problem Resolution: Customers who have a problem and are satisfied with the company resolve it is likely to be even more loyal than customers who commonly experience on an ordinary, trouble free service.

Buying Experience: Making the buying process fast, convenient, trouble free and enjoyable is a powerful way to sale the company's products.

Establish Customer Priority: A company can not be all things to all people, and this is true especially with regarding to customers service. A company's most important customers distinguished from the rest by their long term value. The important point is that every customer service package has a business mission, and what service offered to which group must be worked out carefully.

Define Service Goal: One the companies have analyzed customers' expectation and picked the specific customer segments he wants to serve, he can define has customer service goal.

Get Internal Commitment from Top to Bottom: Not only the chief executive, marketing department and front-line employee but also the financial and managerial support is committed to customer service. The point is that every one in the organization has to be committed.

Set Customers Expectations: If the customer's perception of service received is less then his/her expectation, the result is dissatisfaction. If the service matches expectations the customer is probably relived but not overjoyed. On the other hand, if the service exceeds expectations, the company creates a satisfied delight customer.

Establish a Service Infrastructure: Before a company can deliver a satisfactory service, if has to have the necessary infrastructure in place. The type of infrastructure need is dependent on the nature of the company's business and the type of customer service.

Develop Employees: The right employees supported by the right management system are the key to satisfy customers. The company has to pay attention to four important fundamentals for the performance of employees:-

Selection: Not every employee is a good fit for customer service position, particularly; front-line employees are the backbone of the service delivery system.

Training: with out the necessary training from top to bottom the change in corporate culture is unlikely to occur. This is because every one needs to know not only what to do but also how to do it.

Support: companies who want to delivery good customer service must give up some of the power to font line employees to make decisions.

Compensation (Motivation): Rewards and recognition are the way to motivate employees to perform better.

2.8. Qualities and Customers Service

Quality is a measure of how closely a product confirms to customers' needs, wants and expectations. It is the degree to which a product conforms to customer expectations and specifications.

Customer service quality expectations are formed by their past experiences, word-of-mouth, service firm advertising and personal needs. They compare the perceived service with the expected service. Clearly, customer will be satisfied if they get what they want when they want it, there want it, and how they want if (Ibid). Hence, service providers must deals their best to identify the expectations of their target customers with respect to each specific service.

For example, Banking service companies are where customer centered marketing has a great use. These companies sell finical services by creating the facilities, provisions and process for what we can label as banking products, such as:

- Depositing funds in to saving accounts;

- Withdrawing funds from saving accounts;
- Depositing funds into current accounts;
- Drawing funds from current accounts;
- Lending funds;
- Loan repayment;
- Transfer of collection;
- Selling and buying foreign currencies exchange of notes or coins.

Thus, quality refers to the satisfaction of their expectation and is with in the domain of the core or basic products. Although meeting quality standards promotes customers satisfaction from the point of view of the companies, it does not substitute customer service.

Chapter Three

Data Presentation Analysis and Interpretation

This chapter deals with the presentation and analysis of data collected from different customers of CBE. All the data were obtained through questioners containing close ended questions and open ended questions. 100 questioners were distributed to customers of Mehal Ketema and Paulo's branches out of the distributed questionnaires 76(76%) copies were properly filled and returned by customers. Besides interview conducted with front line employees and customer service manager (CSM) of the bank.

The analysis is made based on the responses in the questionnaires filled by customers and interview made with front line employees and CSM of the bank. The gathered data are analyzed using table and percentage.

3.1 General Background of the Respondents

Table 1 General background of the respondents

No	Item	Number of respondent	
		No	%
1	Sex		
	Male	50	66
	Female	26	34
	Total	76	100
2	Age		
	below 25	10	13
	26-30	30	39
	31-35	20	26
	36-40	12	16
	Above 40	4	6
	Total	76	100
3	Education level		
	<12	8	11
	12 Grade completed	10	13
	Certificate	16	21
	Diploma	22	29
	First Degree and above	20	26
	Total	76	100
4	Occupation		
	Business man	46	61
	Gov. employee	13	17
	Broker	7	9
	Other	10	13
	Total	76	100
5	Relation with the bank		
	Regular customer	51	67
	Non regular	25	33
	Total	76	100

Table 1 Item 1 indicates that male and female respondent customers account for 50 (66%) and 26(34%) respectively. This indicates that the majority of the respondents are male.

Item 2 in table 1 indicates that from the total groups of respondent customers 30(39%) and 20(26%) are in the age group of 26-30 and 31-35 respectively, 10 (13%), 12(16%) and 4(6%) are between the age range of below 25, 36-40 and above 40 respectively. This implies that the majority of the respondent customers of the bank are between the ages of 26-35.

Concerning educational level of customer respondents in item 3 of table 1 shows that 20(26%) of the customers are 1st degree and above 22(29%) are diploma holder 16(21%) are certificate and 10(13%) are 12 complete. This indicates that, majority (89%) customer respondents of CBE are educated and they may know well about standard of service quality. As a result, it is safe to say that they can give reliable information about the service quality of the bank.

Regarding occupation of respondents item 4 of table 1, the business may be the greater proportion of the occupation category by scoring 46(61%) of the whole customer respondents. The remaining sample units 13(17%) and 7(9%) are giving. Employees and brokers respectively, while the rest 10(13%) were occupied in different jobs. One can possibly say that the majority customers of CBE are business men who are involved in trading activities (enterprisers) and they are crucial for the arrival of the bank. As well as banks and business man are inspirable.

Items in table 1 depicts that 51(67%) of the respondents are regular customers where as 25(33%) are non regular customer. Therefore, they can give adequate and reliable information.

3.2 Comments on the service

Table 2 Respondents Motivation for Choosing CBE

No	Item	Number of respondent	
		No	%
1	Reason for being customer to CBE		
	-Nearness to home	25	33
	-Information from relatives	20	26
	- Information obtained from the banks employee	10	13
	-Their excellent service	7	9
	-Attracted by its advertisement	5	7
	- Other	9	12
Total		76	100
2	Perception before becoming a customer		
	-Very good	40	53
	-Good	20	26
	-Moderate	15	20
	-Poor	1	1
Total		76	100
3	Actual performance		
	-Higher than expected	30	40
	-Matches expected	35	46
	-Lowe than expected	11	14
	-No responses	0	0
Total		76	100
4	promptness of the services delivery of the bank		
	- Very good	35	46
	- Good	30	39
	- Fair	8	11
	- poor	3	4
Total		76	100

On the table 2 item 1 as a motive of joining the bank the 25(33%) and 20(26%) of the respondents selected the bank on the basis of nearness to home and information from relatives respectively. However 10(13%) and 7(9%) of the respondent's information obtained from the banks employee and their excellent service, the rest 5(7%) and 9(12%) of the respondent chosen the bank due to Attracted by its advertisement and other sources respectively. Therefore, the table depicted that nearness to home and information from relatives has played an essential role in attracting customers towards the bank.

Information nearness to home has a significant influence on the behavior of an individual to be a customer on the contrary bank need to improve an advertisement in order to attract new customer.

The second item of the above table shows that 40(53%) and 20(26%) of the respondent has a very good perception for the bank before joining it where as 15(20%) of them had moderate participation and 1(1%) of have bad poor perception above the bank.

In table 2 item 3 in terms of actual performance 30(40%) of the respondents said that in some extent less than perception, 35(46%) of customers responded that the banks performance method their perception before becoming a customer. The rest 11(14%) of the respondents said that lower than expected respectively. Therefore, customer satisfaction is the function of expectation. If the performance falls show of their perception the customer will be come dissatisfied if it much or exceeds the perception then the customer will be satisfied.

In the table 2 item 4 indicates that 35(46%) and 30(39%) are very good and good respectively 8(11%) and 3(4%) of the respondents are fair and poor respectively. Therefore, speed of service delivery in the basic issue in customer satisfaction 85% of services delivery is very much satisfied.

Table 3 Respondents Response for Length of Customer’s and Service Hour

1	Length of customer’s relation with the bank		
	- 1-5 years	16	21
	- 6-10 years	20	26
	- 11-15 Years	18	24
	- Above 15 years	22	29
Total		76	100
2	Operation hours of the bank		
	- Sufficient	31	41
	- Not sufficient	45	59
Total		76	100

Length of customer relations with the bank table 3 item 1 shows that 22(29%) of the respondents have been with the bank above 15 years, 20(26%) and 18(24%) of them for loyal for a range 6-10 years and 11-15 years respectively and the rest 16 (21%) of the respondents 1-5 years. The above table implies that the bank has a number of loyal customers. Therefore, attracting and retaining customers are very important to the bank and there is a promising trend with this regard.

In the table 3 item 2 indicates that 31(41%) of the respondents related that operation hour of the bank is sufficient where as the rest 45 (59%) said not sufficient. This implies that the bank service hour should be improved.

Table 4 Customer Satisfaction with Front Line Employee’s Services

Rated	Personality		attitude		skill		courtesy an ability	
	No	% age	No	% age	No	% age	No	% age
Very Much satisfied	50	66	39	51	30	40	30	39
Satisfied	20	26	25	33	35	46	25	33
Dissatisfied	6	8	10	13	10	13	15	20
Much dissatisfied	0	0	2	3	1	1	6	8
Total	76	100	76	100	76	100	76	100

Regarding employee's personality the above table shows that 50(66%) of the respondents are Very much satisfied 20(26%) of them are satisfied and 6(8%) of the customers are dissatisfied. This implies that 92% of customers are very much satisfied with employee's personality.

The above table that 39(51%) and 25(33%) of the respondents are very mach satisfied and satisfied by the attitude of the front line employees respectively where as 10(13%) and 2(3%) of respondents are dissatisfied and very mach dissatisfied respectively. Therefore, from the above table one can see that front line employee (84%) have attracted a good attitude from customers but reasonable (16%) of customers have not good attitude to wards front line employees.

As can be seen from the above table 30(40%) of respondents are very mach satisfied with employees skills 35(46%) are satisfied 10(13%) are dissatisfied and 1(1%) and very mach dissatisfied.

As shown the above table 30(39%) of the respondents were very much satisfied 25(33%) satisfied 15(20%) dissatisfied and 6(8%) were very much dissatisfied. Based on this it can be inferred that most of the front line employees demonstrate their pleasure at serving customers and also they have a feeling of politeness respect and friendliness.

Table 5 Customer Opinion on the Working Environment of the Bank

Rating	Waiting space		Physical facilities		Behavior of employees		Employees willingness	
	No	%age	No	%age	No	%age	No	%age
Very good	35	46	25	33	15	20	20	26
Good	20	26	38	50	25	33	30	39
Fair	14	19	12	16	30	39	20	26
Poor	17	9	1	1	6	8	6	8
Total	76	100	76	100	76	100	76	100

Waiting space; - the table indicate that 35(46%) of the respondents are very much satisfied, 20(26%) satisfied 14(19%) fair satisfied and the rest 17(9%) very much dissatisfied. This implies that more satisfied with the waiting space of the bank.

Physical facilities:- as shown in the above table 25(33%) of the respondents are very much satisfied 38(50%) are satisfied 12(16%) are fairly satisfied 1(1%) are dissatisfied. This impales mach of the respondents are satisfied.

Behavior of employees: - the table depicted 15 (20%) of the respondents are very mach satisfied 25 (33%) satisfied 30 (39%) are fairly satisfied and the remaining 6 (8%) are dissatisfied. This infers that the behavior of the employee is good in average. Hence the behavior of employees plays a vital role in service delivery.

Employee willingness to listen customer compliant:- As we can see the above table 20(26%) of the respondents said that very mach satisfied 30(39%) of satisfied 20(26%) fairly satisfied and the remaining 6(8%) of are not satisfied. Therefore, the employees in some extent are not listen customer compliant.

3.3. Findings from customer of local transfer section

Table 6 Findings from Customer of Local Transfer Section

No	Item	Number of respondent	
		No.	%
1	Time taken for money transfer		
	V. good	1	2
	Good	5	8
	Fair	23	39
	Poor	30	51
	Total	59	100

Some of possible sources of dissatisfaction on local transfer section

According to the data founded in the open ended questionnaires, some possible sources of dissatisfaction or problem are:-

- Sometimes the bank made error the name of the beneficiary properly reading up on transfer.
- The name of the beneficiaries does not properly written on computer.
- Error of coding and decoding
- Sometimes a customer is asked two ID card
- Problems related to telephone lines. That is fully depending on telephone cable.
- Do to carelessness lost the message.
- Sometimes more attention is not given very light errors made by the customer.

3.4. Findings from customer of saving account section

Table 7 Users Saving Account

No.	Item	Number of respondents	
		No	%
1.1	Opining of account		
	V. good	8	14
	Good	10	17
	Fair	28	48
	Poor	12	21
	Total	58	100
1.2	Making withdrawal		
	V. good	30	52
	Good	18	31
	Fair	6	10
	Poor	4	7
	Total	58	100
1.3	Making deposit		
	V. good	34	58
	Good	16	28
	Fair	7	12
	Poor	1	2
	Total	76	100

2.1	Irregularity found		
	Yes	5	16
	No	27	84
Total		32	100
2.2	Error was made by		
	Self	2	40
	Bank	3	60
	Both	-	-
Total		5	100
2.3	The bank reifies the error		
	Very quickly	3	60
	Quickly	2	40
	Not at all	-	-
Total		5	100

As shown in the above table item 1;-

In the above table Item 1.1; as can be seen 8(14%) of respondents are very much satisfied 10(17%) satisfied 28(48%) fairly satisfied and the rest 12(21%) are dissatisfied by saving account opening procedure from this shown that the opening of S/A is not good.

In the above table Item 1.2; withdrawal of S/A 30(52%) of respondents are very much satisfied 18(31%) of responded satisfied 6(10%) of fairly satisfied and the remaining 4(7%) are not satisfied.

The result impales that 83% of the respondent's good service.

In the above table Item 1.3; the above table indicated that 34(58%) the respondents are very much satisfied 16(28%) satisfied and 7(12%) fairly satisfied. The rest 1(2%) are not satisfied from this result S/A deposit is very good in the bank.

In the above table Item 2 5(16%) of respondents found irregularity in their saving accounts where as 27(84%) are not funded irregularity. The errors was made 2(40%) by

the customers and 3(60%) by the bank. The bank reifies these errors 3(60%) of respondents said that very quick and the rest 2(40%) quick.

Some possible sources of dissatisfaction on saving account section.

According to the data founded in open ended questionnaires some possible sources of dissatisfaction or problems are:

- There is no on line system which enables customers to make withdrawal or deposit at any branch of the bank at any time.
- Interest is not up dated on the bass book
- Automatic Teller machine (ATM) is few in number.

3.5 Findings from demand or Current Account Customers

Table 8 Findings from Demand or Current Account Customers

No	Item	Number of respondents	
		No	%
1.1	Opining of account		
	V. good	5	19
	Good	8	31
	Fair	11	42
	Poor	2	8
Total		26	100
1.2	Making deposit		
	V. good	14	54
	Good	6	23
	Fair	4	18
	Poor	2	8
Total		100	100
1.3	Making payment		
	V. good	16	62
	Good	7	27
	Fair	3	11
	Poor	0	-
Total		26	100
1.4	Issues bank statement		
	V. good	13	50
	Good	10	38
	Fair	2	8
	Poor	1	4
Total		26	100

2	Irregularity found		
	Yes	11	31
	No	25	69
	Total	36	100
	Error was made by		
	Self	4	36
	Bank	7	64
	Both	-	-
	Total	11	100
	Amendment was take		
	Very quickly	4	36
	Quickly	6	54
	Late	1	9
	Not at all	-	-
	Total	5	100
3	Adoption of innovation and new banking service by CBE		
	Yes	47	62
	No	29	38
	Total	76	100

Based on the above table item 1 the following points are analyzed and interpreted as follows.

Item 1.1 opening of checking account; 5(19%) of respondents are very much satisfied, 8(31%) satisfied, 11(42%) fairly satisfied and the rest 2(8%) are dissatisfied with the procedure of opening account.

Item 1.2 making deposit; 14(54%) of respondents are very much satisfied, 6(23%) satisfied, 4(18%) fairly satisfied and 2(8%) are not satisfied. It implies most of the customers are satisfied with the procedure of making deposit.

Item 1.3 in making payment; 16(62%) respondents are very much satisfied 7(27%) satisfied 3(11%) fairly satisfied there for almost customers are satisfied.

Item 1.4 issuing Bank statement; from the above table 13(50%) are very much satisfied 10(38%) satisfied 2(8%) of them are fairly satisfied, and 1(4%) are dissatisfied this implies that the bank has good performance on the issuance of bank statement.

Table 7 item 2 shows that 11(31%) of the respondents found irregularity on their current account where as 25(69%) are do not formed. 4(36%) at the error was made by

customer or them self 7(64%) by employees of the bank 4(36%) of respondents said very quickly to respond 6(54%) quick and the rest 1(9%) are send enter.

Therefore the result implies that the errors are happened not frequently and most of the time happened not frequently and most of the time the bank rectifies the error is quickly

- Draw Backs Found On Current Accounts Section

Some of the complaints that are mentioned by the respondents are summarized as follows.

- Too much criteria are asked for opening of account
- Customer significances are verified seriously
- The bank is taken large process to any large amount of money are checker
- Much attention is given for very much light errors made by customers.
- Customer is requested submit one or more ID card to withdrawal money

It is easily observable the above table item 3, 47(62%) of the respondent customer believed that CBE has a culture in adapting innovations and new technologies. From this one conifer CBE is high adopts different technologies and new service scheme in dynamic Banking industry and 29(38%) of the above table of the respondents claimed that CBE is ineffective is using new technologies and innovation in the banking industry. For question what is the benefit that you acquired from the introduction of ATM by CBE in open ended part of the questioner. Most of the customer replied that ATM has a potential to save customers from time energy and cost wastage. According to the respondents customers ATM enables every customer of CBE to withdrawal money at any time on demand. Moreover ATM is safest and reliable way to receive fast withdrawal service from the bank. As the result users of ATM service are become very satisfied by the introduction of ATM by CBE and forwarded their suggestion to CBE to adopt new technologies and new Banking service by transaction in paper instead of paper money in the future.

3.6. Findings from the interview conducted with front-line employees of CBE

Interview was conducted with 15 front line employees and the result is presented as follows.

Regarding the experience of employee with the bank shows that a significant number of the front line employees has four to ten years of service in the bank. Regarding education qualification most of them are degree holder. Regarding types of activities they give in one window service all round banking activities, the general principle of the bank that is a fresh employee should start from junior level positions and gradually move to more challenging and senior assignment.

Asked the front line employees whether or not satisfied with the salary they are paid, they maintained that the resent adjusted salary scale not good relative work done. In relation of working environment respondents expressed that they are satisfied in BPR implement system including office furniture's, equipment, etc are have become favorable after the Change.

Regarding customer handling, some of the front line employee taken customer handling training, but more of them are not taken of it. There for, the major task of front line employees among other things is to treat customer of the bank at counter and ensure their satisfaction to highest level. So that employees at front line should need training particularly related to customer service delivery to give quality service. For service giving institution a proper compliant handling procedure is important to ensure satisfaction of customers. In relation to this the respondents replies that there is a suggestion box and suggestion registration book in each branch. Those complaints or suggestions of customers are to be collected. The complaints or suggestion are recorded and checked by an appropriate body of management and made a corrective action.

Regarding the major problems they face in dealing with customers at the time of payment. Inactive account and exceeded amount approved by C.S.M the other one also payment of local transfer amount when exceeded amount pay asking conformation of the

originating branch and in addition to lack of confidence to pay a slight error. On the other hand dalliance of telegrapher message.

The bank may have improved service by avoiding the above major's problems by finding new mechanized system to give quality service.

3.7. Interview from Managerial Staff CBE

Interview conduct with managerial staff of Mehal Ketema and Paulos branch.

Interview was made with four managerial staff and the results are presented as follows:- regarding response to customer compliant and taking appropriate measure, the respondents replied that they are listening to what customers, are saying and act promptly on each suggestion and compliant. This implies that the ban has given much emphasis to customer compliant enhanced satisfaction among users. This however results in favorable condition only if customers are giving there comment bias. Some times customers are going to the concerned body with compliant. To the end, managers make decision based on one side information. This results in discontent among employees and their care in the future.

In relation to collecting of customer's complaints the respondent's explained that there is a suggestion box in the branches of CBE thorough which suggestions or complaints of customers are to be collected. In addition some time the dissatisfied or satisfied customer may directly complain to the customer compliant handing officials or branch managers.

Regarding the bank constraint faced to words quality service the respondents expressed that about the constraint while performing the banking service is:-

- Budget constraint for obtaining necessary equipments to promote the existing service delivery.
 - employee turnover
 - failure in coping up with the changing technology regarding to enhance customer service
- the officials responses are presented as follows.
- greater attention should be given to prominent customer.
 - up dating the ban policies and formulating law through the participation at superior and Subordinate.

- provide domestic and international banking service through innovative utilization of technology.

- Whenever the support is recorded it should be delivered on time for the overall performance of the bank.

In relation to any comments, they said service giving companies are companies that given intangible inseparable and heterogeneous ting that satisfies customers needs and wants, so the profitability and survived of the bank depend on the number of users of their service. If the customer satisfaction improved the number of customers increases time to time. This situation leads to increase service to be delivered as a result the profit of the bank increases.

Chapter Four

4. Summary of the findings conclusion and recommendation

This research is conducted to evaluate service quality and customer satisfaction analysis in current business practices of CBE. To successfully meet the objective of the research questionnaire were distributed to customers and collected it interview were made with employees and officials of the bank. I have tried to see the service quality and satisfaction in the perspective of customers, employees and managers based on their comparative exposure to the case under study

Now a days banking industry having complex, dynamic and competitive environment most financial institutions more emphases on marketing strategies, that will improve their over all customer handling techniques maximization of profit maintenance of market share as well as achievement of organization goal can be maintained and achieved with careful management of customer. Customer is a major function the success at banking business. Therefore, provision of substandard incomplete and reliable service by a bank an immediately trigger customers dissatisfaction and can be critical threat for the very existence of company itself so its market share may not be continual unless and otherwise such critical issues are considered in advance and put in to effect.

4.1 Summary

Based on the collection data summary of the major finding are prepared in the following manner.

- As a motive of joining the bank 33% and 26% of the respondents are selected the bank because of nearness to home and information from relatives and the rest 41% from other factors.
- The study reveals that almost all the respondents have good perception for the bank before becoming customer.
- The study shows that majority of the respondents are more than 5years of customer with in the bank.

- The results of study show that almost all respondent are satisfied with employees personally. However a few customers are not satisfied with courtesy of employees.
- A few customers are not satisfied with promptness of service delivery of the bank.
- As per finding of the study more than half of the respondents are not satisfied with in the money transfer.
- The study reveals that almost all of respondents are satisfied with the withdrawal and deposit procedure of the bank. But the opening procedure is not satisfied by them.
- Result of the finding indicates 84% of respondents are not found irregularity. However 16% of respondents found irregularity and the bank rectifies it very quickly.
- Regarding to working environment the employees expressed they are satisfied with it.
- In relation to proper compliant handling system employees replied that is a suggestion box through which complaints and suggestion are entertain.
- The results of the study show that the improvement of customer service delivery is underway in the bank.

4.2 Conclusions

According to the analysis and findings of the study the following conclusion are drawn:-

- Most of customers argued that information obtained from their relatives and near to home has a signified influence on the behavior of an individual to be a customers or make him/ her witch to other competing firm
- Even though CBE has a number of loyal customers thus it has to made adequate effort to attract new customer.
- Customer satisfaction by front line employees have been examined and rated based on customers judgment. Most of the customer argued that they are satisfied with the personality, attitude and skill of employees. However, they are

- dissatisfied with employees' courtesy. Thus many employees have good character.
- Presently adapted applicable working hours of the bank is not satisfactory by most customers. So it decreases satisfaction of customer.
 - In this time the fastest way of money transfer is very essential for customers but the bank giving local transfer is very much delayed, thus by most customers are too much dissatisfied on the time lines of money transfer. There fore the speed of money transfer of the bank is poor.
 - There is some source of dissatisfaction or problems related to LTS such as the bank depend on telephone cable, errors made on the name of the beneficiary, the lengthy process to under take the task, etc so, the bank create some dissatisfaction factor.
 - Based on different activities of saving account, the customer argued that the opening procedure of the bank is not good. However many customers who withdraw and deposit are satisfied with the procedure of withdrawal and deposit of the bank.
 - In relation to irregularity on most customers argued that there is no irregularity whereas few of theme claims that some errors were made and rectified by the bank very quickly.
 - There is some source of dissatisfaction related to SA such as there is no online system, few number of ATM, etc thus, lack of these technology decrease service delivery.
 - In line with current account most of customers are satisfied with the requirements and procedures of checking account such as opening of account, making deposit and issuing bank statements. However, reasonable number of customers is dissatisfied with the procedure of making payment.
 - Some of the drawbacks having in CAS such as the lengthy process to undertake to pay large amount of money.
 - Regarding to a proper compliant handling procedure employees replied that there is a suggestion box in each branch through which complaints and suggestions of

customers are made and take a corrective action. Thus, it helps for improving customer service delivery.

- The bank officials have replied that the customer complaint and suggestion is entertained appropriately in the bank. They also responded the branches are operating in condition full of challenges. They mentioned major problems such as employee turn over and failure in coping up with the changing technology. So, it create problem of service delivery.

4.3 Recommendations

Commercial bank of Ethiopia being one of the giant service giving institution with greater customer base, required to formulate and implement the most effective marketing strategy to meet needs and wants of customers. So the improving the quality of customer service is an important for the successful continuation and expansion of bank.

In line with the foregoing conclusion and on the based of the findings in the previous chapter, the following recommendations are forwarded:-

- CBE should expand new branches with in the country because it helps to attract new customer.
- CBE should take immediate corrective action for customer complaints and suggestions to ensure customer satisfaction.
- The bank should study and design efficient and effective service delivery system for the best satisfaction of customer
- CBE should offer delegation of authority and responsibility for front- line employees so as to shorten the elongated path of service delivery.
- The working hours have to be extended at least up to 5.00 pm and it has to start giving services on Saturday afternoon in all branches.
- Errors should be corrected immediately by the bank.
- The coding and decoding process in all three section (LT, SA &CA) has to be improves.
- Any time taken to complete the activity in the bank should be improved, as time is precious for customer.

- CBE should introduce an online system that enables customers to make withdrawal or deposit from any branch of the bank.
- CBE should increase the number of ATM on each branch.
- Top management commitment to quality service is essential and should be enhanced.
- It is essential for CBE to keep developing new strategies of servicing and should modify its current service to meet the changing customer needs and competitors actions.
- In general CBE should make all personnel aware of the way in which they can contribute to customer satisfaction. Any quality problems or customer complaints should also be discussed at all level and immediately solved the problem.