Service Quality Dimensions and Its Impact on Customer Satisfaction on Private Bank in Ethiopia

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Abstract: *Service quality is an attitude or global judgment about the superiority of a service. To be globally competitive, service industries must achieve a quality service that exceeds customers' expectation. Service quality determines an organizations success or failure. In a competitive marketplace where businesses compete for customers, customer satisfaction is seen as a key differentiator and increasingly has become a key element of business strategy. The main objective of the study was to assess the service quality dimensions and its impact on customer satisfaction on private bank in Ethiopia, Dashen Bank, Kombolcha branches. In order to address the objective of the study, descriptive and Causal study design were used in which data was collected across a sample population through convenience sampling. 315 questionnaires were filled and returned back. Data were analyzed using frequency, percentage, mean, standard deviation, and correlation presented in the form of tables. Results show that The SERVQUAL score at Kombolcha branch on average shows a negative variance except for Reliability and Tangibility having a positive variance of 0.06 and 0.08 respectively. This indicates that the bank is somehow good in meeting its customer expectation in terms of providing visually appealing features and the different materials associated with the service. The branch shows a sincere interest in solving the problem of its customer and it can provide its service at the time it promise to do. The branch should make the necessary investments to improve its service quality dimensions' such as, the appearance of the company's physical facilities and updating its equipment. The customers of the banks expect immediate help and answer for their problems and questions from front line employees. So, the employee of the branches shouldn't be get busy to treat their customers.*

Key words: *SERVQUAL, Service Quality, Customer Satisfaction*

I. Introduction

The Ethiopian government promulgated the Monetary and banking proclamation No.83/1994 to liberalize the financial sector through reforms by bestowed banking laws that encourage the entry of private banks into the financial system in order to stimulate competition with the public banks which significantly promoted the development of the banking sector is tremendous. Accordingly, many private banks have already been established and their number is increasing from year to year. Due to this fact, a fierce competition among banks has come to exist. Hence, it is vital for banks to improve on their service quality. Provision of high quality of service will result in higher customer satisfaction and enhance customer loyalty.

Business firms realize that marketing is a core element of management philosophy and key to its success lies in focusing more and more on the customers. It is the customer who decides where the firm is hedging. Customer satisfaction is an evaluation by the customer, after buying their goods and services. The most popular view of customer satisfaction in academia is that customer   satisfaction is the judgment born out of the comparison of pre–purchase expectations with post purchase evaluation of the product or service experience (Kotler et al., 2012).

Quality is an ability of any product to meet customers' expectations and requirements. It is a set of features, characteristics or attributes that are required or expected by the customers. There are several studies that found a relationship between the service quality offered by banks and its consequences as satisfaction level among customers. It is reported that quality is observed as a major factor in reference to customer acquisition and retention (Galloway and Ho, 1996). Because of this, being service is intangible, it is difficult to measure the satisfaction level of customer as a result its quality is measured by SERVQUAL which was developed by Parasuraman et al. (1997). Thus, service quality is defined as the gap between customers' expectation of service and their perception of the service experience. The gap theoryis the method for calculating the service quality that involves subtracting a customer's perceived level of service received from what was expected, Clow and Kurtz, 2003. This gap model is one of the best-received and most heuristically valuable contributions to the service literature according to Brownlie et al (1995).

1.1. Statement of the Problem

Any organization whether it is service providing or manufacturing company, the key for the existence of success lays its ability to satisfy its customer (Hallowell, 1996) and because of this, any organization needs to conduct customer satisfaction survey so as to get resolve their problem related with how to improve customer satisfaction and retention rate, increase market share, gain feedback from customers about products, services and support. In the present globalized world, when the customers are technically sound, banks find it challenging to survive. When customer demands are not met, customers have an option to select those banks that are making a real effort of providing high quality, fast and efficient services. These services are provided through all the channels such as ATMs, voice, Internet and physical branches etc.

As cited by G. Mihelis, et al (2001), customer satisfaction survey repeatedly shows that perceived poor customer service is one of the most common reasons why customers are not willing to repurchase the service; rather they search other provider (supplier). The more customers are satisfied with all aspects of the company's service, the higher the reward for the business. As the competitive environment becomes more turbulent, the most important issue the sellers face is no longer to provide excellent, good quality products or services Sustainable and continuous survival of an organization mainly depends on its business relation with its customers. When business firms direct their resources and all their efforts for better accomplishment of their intended purposes, growth and profitability is entirely influenced by the quality and reliability of their service. These could be done through delivering a service that could increase the acceptance of the organization in the face of the customers.

In Ethiopia, many customers voice concerns about inefficiency and lack of quality excellence in the banking sector. However, there are inadequate published studies which demonstrate if indeed the quality of banking service in Ethiopia is poor. This study aims to examine the gap between customers' expectations and perceptions of banking service in Ethiopia using the SERVQUAL model. The bank which is included in this study is Dashen Bank, Kombolcha branch. In our current situation ,because of a fierce competition all over the world and the effect of globalization, being reluctant to accept relationship marketing or unable to provide quality service will cost the organization a big deal of lose in many directions like: losing a potential customers and market share, letting down the reputation of the organization, lagging behind industry leaders, shortage of information from customers that could give big advantage, failure of employees to understand customers nicely and many more will be the negative impact of bad service.

1.2. Objectives of the Study

General Objectives: The general objective of the study was to assess the service quality dimensions and its impact on customer satisfaction on private bank in Ethiopia, Dashen Bank, Kombolcha branches.

Specific Objectives: The specific objectives of this study were:-

* To determine the extent of customer's satisfaction with quality of banking services on the basis of different constituent factors like service quality dimensions.
* To determine the gap in customers perceptions and expectations in each of the fivedimensions of service quality for the bank.
* To understand the company's commitment to its customer, and pinpoint the continuous improvement of the bank.
* To assess the level of importance ranked to each of the five dimensions of service quality by the banks customers.

II. Review Of Related Literature

Today's consumers have more choices for their financial needs than ever before. Technology, globalization, increased competition and increased consumer mobility have dramatically changed the way people bank (Harwood, 2002). For example, Gale et al (2002) explained how customers make purchase decisions between competing providers. The author argued that customers buy on value; they do not simply buy products. Interestingly, it was observed that customers learn to think objectively about value in the form of preferred attributes, attribute performance, and consequences from using a product in a use situation. Thus, banks must be able to provide "up-close" personal service for customers who come with high expectations. For customers who value convenience most, banks must offer the latest product such as electronic banking, touch-tone phone account access and internet banking. Clearly, customer value can be a strong driver of customer retention. Customer satisfaction has for many years been perceived as key in determining why customers leave or stay with an organization. Organization need to know how to keep their customers, even if they appear to be satisfied. Reichheld et al (1996) suggests that unsatisfied customers may choose not to defect, because they do not expect to receive better service elsewhere. Additionally, satisfied customers may look for other providers because they believe they might receive better service elsewhere. However, keeping customers is also dependent on a number of other factors. These include a wider range of product choices, greater convenience, better prices, and enhanced

income (Storbacka et al., 1994). Fornell (1997), in his study of Swedish consumers, notes that although customer satisfaction and quality appear to be important for all firms, satisfaction is more important for loyalty in industries such as banks, insurance, automobiles etc…

Ioanna (2002) further proposed that product differentiation is impossible in a competitive environment like the banking industry. Banks everywhere are delivering the same products. For example, there is usually only minimal variation in interest rates charged or the range of products available to customers. Bank prices are fixed and driven by the marketplace. Thus, bank management tends to differentiate their firm from competitors through service quality. Service quality is an imperative element impacting customers' satisfaction level in the banking industry. In banking, quality is a multi-variable concept, which includes differing types of convenience, reliability, services portfolio, and critically, the staff delivering the service.

Customer satisfaction is a person's felling of pleasure or disappointment resulting from comparing a products perceived performance (outcome) in relation to his/her expectation.

Customer satisfaction, a business term, is a measure of how product and service supplied by a company meet or surpass customer expectation. In a competitive marketplace where businesses compete for customers, customer satisfaction is seen as a key differentiator and increasingly has become a key element of business strategy. (www.satisfactionstrategies.com).

Customer satisfaction is individual's perception of the performance of the product or service in relation to his/her expectation. The concept of customer satisfaction is the concept/function of customer expectation. A customer whose experience falls below its expectation will be dissatisfied. The overall objective of providing values to customer continually and more effectively than the competitor is, to have and to retain with satisfied customers. This strategy of customer retention makes the bank in the best interest of customers to stay with the company rather than switch to another firm

2.1. Service Quality

Service quality is an attitude or global judgment about the superiority of a service. To be globally competitive service industries must achieve a quality service that exceeds customers' expectation. Service quality determines an organizations success or failure. Companies and organizations that virtually every industry employs customer satisfaction measures for the straightforward reason that satisfied customers are essential for a successful business.

Service quality also determines a customer's satisfaction. However, the determinants of service quality are complicated with the dynamic business environment. Therefore, this measurement dimensions depend on the industry itself.

Research identifies many characteristics that are associated with service quality. Business researchers Bharadwaj et al 1993 assert that "service organizations must meet three key customer needs to deliver service excellence:" security, esteem, and justice.

In businesses where the underlying products have become commodity-like, quality of service depends heavily on the quality of its personnel. This is well documented in a study by Leeds (2002), who documented that approximately 40 percent of customers switched banks because of what they considered to be poor service. As cited by Hallowell 1996, Leeds further argued that, nearly three-quarters of the banking customers mentioned teller courtesy as a prime consideration in choosing a bank.

Kotler, as cited by Mohanty&Lakhe (2002), also defines service as any kind of performance that one party can offer to another that is essentially intangible and does not result in the owner ship of anything. Its production may or may not be tied up with a physical product. Customer satisfaction differs depending on the situation and the product or service. A customer may be satisfied with a product or service, an experience, a purchase decision, a salesperson, store, service provider, or an attribute or any of these.

2.3. Dimensions of Service Quality

Good service delivery creates increased profit through enhanced revenues, reduced costs to acquire customers, lower customer-price sensitivity, and decreased costs to serve customers familiar with a firm's service delivery system. The service management literature argues that customer satisfaction is the result of a customer's perception of the value received in a transaction or relationship – where value equals perceived service quality relative to price and customer acquisition costs (Blanchard et al 1994;) – relative to the value expected from transactions or relationships with competing vendors (Zeithaml*et al.,* 1990).

Parasuraman*et al.* (1997)investigated the different service industries and explored 10 dimensions of service quality i.e. tangibility, responsiveness, reliability, courtesy, access, credibility, communication, competence, understanding, and security. They continued their research to purify the dimensions of service quality and developed a widely used research instrument called SERVQUAL. It is equally applicable in different service industries including banking industry. They refined these dimensions and summed up into five dimensions like reliability, responsiveness, tangibility, assurance and empathy.
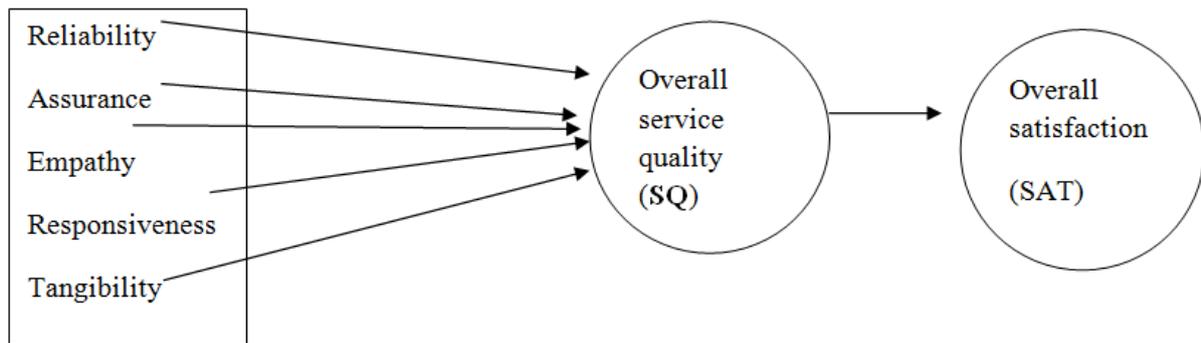
Figure 1.1: The Impact of Service Quality Dimensions on Overall Satisfaction
Source: (Rust et al, 1999).

Tangibles: Physical facilities, equipment, and appearance of personnel
Reliability: Ability to perform the promised service dependably and accurately
Responsiveness: Willingness to help customers and provide prompt service
Assurance: Knowledge and courtesy of employees and their ability to inspire trust and confidence
Empathy: Caring, individualized attention the firm provides to its customers.

2.4. Underlying Principles of Service Quality

According to Clow et al (2003), receiving a high level of service is important to consumers but understanding how to evaluate the service quality received is more difficult. Two consumers receiving what appears to be the exact same service e form a company may evaluate the quality of the service differently. One consumer may feel the service was good while the other may feel the service was performed poorly.
The Origins of Service Quality Theory: The foundation of service quality theory lies in the product quality and customer satisfaction literature. Early conceptualizations (e.g.,Gronroos 1982, 1984; Parasuraman, Zeithaml, and 1985) are based on the disconfirmation paradigm employed in the physical goods literature. This suggest that quality results form a comparisons of perceived with expected performance as is reflected in Gronroos's (1982,1984) as cited by Brady and Cronin(2001), similar conceptualization of service quality that "puts the perceived service against the expected service" (Gronroos 1984,p.37, emphasis in original.) As cited by Brady and Cronin (2001), In addition to adapting the disconfirmation paradigm to the measurement of service quality, Gronroos (1982) identifies two service quality dimensions i.e., Functional quality and Technical quality. *Functional quality* represents how the service is delivered; that is, it defines customers' perceptions of the interactions that take place during service delivery. *Technical quality* reflects the outcome of the service act, or what the customer receives in the service encounter. Gronroos (1982) . Levesque's and his colleagues (1996) survey indicated that the bank's features (e.g. location), the competitiveness of the banks interest rates, the customers' judgments about the bank employees' skills and whether the customer was a borrower were all factors that drove customer satisfaction, while bank features and competitive interest rates were important contributors.

III. Methodology

Research Design: The research design that was used in this investigation is a survey approach. Descriptive approaches had been used to investigate service quality and customer satisfaction using survey study. The survey was designed to obtain information about the determinants of customer's bank selection criteria.
Data Source and Collection Methods: The study had largely depends on primary data, which was collected through Questionnaire method by using SERVQUAL instrument. The respondents were asked to rate each statement using Likert scales but as a whole, the relevant data for this study were collected from both primary and secondary source of data, in which the primary data was collected by using questionnaires (structured). The questioner was already a developed model question on service quality but the investigator has made little amendment and also to alleviate the problem of language barrier, the researcher had interpreted the questionnaires in to understandable language i.e. Amharic. The questionnaire had comprise three parts; part one had contain demographic questions (respondents profile), part two had questions related to the level of importance of the five dimensions service quality- Tangibility, Reliability, Responsiveness, Assurance, and Empathy. The third Part had questions related to respondents' expectation of service quality and perception of the services of the bank based on their actual experience using the five dimensions of service quality, and interview (unstructured) which was administered by investigator/researcher and the secondary data was gathered from manuals of the bank, books, documents, journals, and different articles.

Sampling Design and Techniques: The sampling design that was used in this research was non-probabilistic distribution with a sampling technique of convenience sampling. This is because of since the population were too large and do not arrive at the same time, it was impossible to include and give equal chance for every individual and also, The researcher had used a non-probability i.e. purposive/judgmental sampling technique this is aimed for the advantage of getting in-depth information with limited time and money.

Sample Size Determination method: As cited by Zelalem (2005) the sample size determination method developed by Carvalho (1984) is presented in table below.

Table 3.1 Sample size determination method

Population size	Sample size		
	Low	Medium	High
51-90	5	13	20
91-150	8	20	32
151-280	13	32	50
281-500	20	50	80
501-1200	32	80	125
1201-3200	50	125	200
3201-10000	80	200	315
10001-35000	125	315	500
35001-150000	200	500	800

(Source: Zelalem, 2005)

Respondents were taken as a sample based on Carvalho (1984) sample size determination method. Once the total sample size was determined, the appropriate samples from the respondent were determined by using the convenience sampling method. Accordingly, the samples from the branch were taken based up on the ranges given in the above table that means in which range that the total population belongs. As indicated in the above table, the population size of the study was 5648 for Kombolca. So, for the branch, which ranges between 3,201-10,000, according to Carvalho's sample size determination indicated in table 1.1., the selected sample were 315 (High range). Therefore, from the banks customer, 315 customers were taken for Kombolca branch.

Data Analysis Method: The purpose of the study was to determine if the service quality dimensions have an effect on the customer satisfaction on Dashen Bank, Kombolcha branch. So, the data in this study were analyzed to determine if causality can be inferred from the relationship between the independent variable (the dimensions of service) and the dependent variable (customer satisfaction). And accordingly to analyze the gathered data, the researcher have used the software packages SPSS v. 20 and other statistical methods which help to analysis the five dimensions of the service quality dimensions' with each respective attribute.

IV. Major Findings
Table 1: Respondents profile for Kombolcha Branch

GENDER			
	Frequency	Valid Percent	Cumulative Percent
Female	129	41.0	41.0
Male	186	59.0	100.0
Total	315	100.0	
AGE			
	Frequency	Valid Percent	Cumulative Percent
18-30	118	37.5	37.5
31-50	163	51.7	89.2
above 50	34	10.8	100.0
Total	315	100.0	
Level of Education			
	Frequency	Valid Percent	Cumulative Percent
Below grade 12	95	30.2	30.2
Certificate	111	35.2	65.4
Diploma	56	17.8	83.2
Bachelor degree	45	14.3	97.5
Master's Degree and Above	8	2.5	100.0
Total	315	100.0	
Occupation			
	Frequency	Valid Percent	Cumulative Percent
Business	198	62.9	62.9
Government Employee	82	26.0	88.9
NGO, Private Organization Employee	35	11.1	100.0
Total	315	100.0	

Frequency of using the Bank			
	Frequency	Valid Percent	Cumulative Percent
Daily	2	0.6	0.6
Once a Week	43	13.7	14.3
Once a Month	112	35.6	49.8
Other's	158	50.2	100.0
Total	315	100.0	

(Source: Own Survey, 2017)

The result of Table 1 provides data on demographic characteristics of the respondents of Dashen bank, Kombolcha branch which includes variables like Gender, Age, Educational Qualifications, Occupation, and Frequency of use. The total sample selected from the branch is 315 customers. And accordingly, based up on the representation of the table, Females make 41% of the respondent, and the remaining 59% of the surveyed population makes male. Similarly, as it is depicted in the table, the largest group of respondents is aged between 31 and 50 i.e. 51.7% and the next largest group is aged between 18 and 30 which accounts 37.5% of the total sample. Smaller groups of respondents are aged above 50 i.e. 10.8%. With regard to educational level, Certificate holders are the largest group of respondents comprising 35.2 % of the total customer and the next largest groups are respondents which are below grade 12 which makes 30.2% of the total. The remaining 17.8%, 14.3% and 7.3 % are holders of diploma, bachelor degree and postgraduate degrees respectively. In relation to their occupation, more than half of the respondents are business peoples which accounts for 62.9% of the surveyed population, and the remaining 26% and 11.1% are government employee, and NGO, private organization employee respectively. Regarding the frequency of use, majority of the respondent are not frequent users of the bank i.e. 50.2%. This shows that, they use the service at most at any time they need money without exact interval. And the remaining 0.6,13.7& 35.6 % are daily, Once a week and once a month users respectively.

Table 2: SERVQUAL importance level corresponding to Overall Satisfaction with a point score at Kombolcha branch with its Mean and standard deviation

Service quality dimensions	Mean score	Std. Deviation
Tangible	2.04	0.866
Reliability	2.08	0.921
Responsiveness	2.17	0.959
Assurance	2.15	0.945
Empathy	2.03	0.829

(Source: Own Survey, 2017)

Table 2 indicates the five SERVQUAL model ranked by the customer of Kombolcha branch and accordingly Responsiveness has the highest mean value and Tangibility and Empathy have the least mean value. Therefore, it may be concluded from table 2 that respondents are most satisfied with Responsiveness dimensions with a mean and standard deviation of 2.17 and 0.959 respectively. This is followed by Assurance and Reliability. However, customers are less satisfied with Empathy and Tangibility with a mean score of 2.03 and 2.04 respectively. No matter how all the service quality dimensions are different based up on their priority i.e. ranking with which one have the utmost influence on customer satisfaction, they all have a direct or indirect impact on customer satisfaction which indicates that overall customers are slightly satisfied with the service quality of banks.

Service Quality Gap Analysis

Table 3: Service Quality gap at Dashen Bank, Kombolcha Branch

	Actual and expectation by the customer. Questionnaire on SERVQUAL model	Actual service provided by the bank.		Expectation of service by the customer.		Variance between the actual and the expectation. (Gap score)	
		Mean	Std. Deviation	Mean	Std. Deviation	Mean variance	Std. deviation variance
TANGIBILITY							
1	The bank has modern looking equipment.	3.72	.818	3.61	.868	0.11	-0.05
2	The banks physical features are visually appealing.	3.60	.606	3.52	.674	0.08	-0.068
3	The bank reception desk employees are neat appearing.	3.46	.664	3.38	.705	0.08	-0.041
4	Materials associated with the service such as pamphlets are visually appealing at the desk.	3.94	.599	3.89	.595	0.05	0.004
	Average Score Dimension of Tangibility	**3.68**	**0.672**	**3.6**	**0.711**	**0.08**	**-0.155**

	RELIABILITY						
5	When the bank promises to do something by a certain time, it does so.	3.94	.615	3.89	.621	0.05	-0.006
6	When you have a problem the bank shows a sincere interest in solving it.	3.49	.796	3.34	.880	0.15	-0.084
7	The bank performs the service right the first time.	3.65	.944	3.74	.872	-0.09	0.072
8	The bank provides its service at the time it promises to do so.	3.50	.746	3.41	.770	0.09	-0.024
9	The bank insists on error free records.	3.73	.673	3.63	.713	0.1	-0.04
	Average Score Dimension of Reliability	**3.662**	**0.755**	**3.602**	**0.771**	**0.06**	**-0.0164**
	RESPONSIVENESS						
10	Employees in the bank tell you exactly when the services will be performed.	3.51	.688	3.44	.686	0.07	0.002
11	Employees in the bank give you a prompt service.	3.40	.919	3.64	.795	-0.24	0.124
12	Employees in the bank are always willing to help you.	3.87	.634	3.92	.600	-0.05	0.034
13	Employees in the bank are never too busy to respond to your request.	3.47	1.020	3.54	1.004	-0.07	0.016
	Average Score Dimension of Responsiveness	**3.563**	**0.815**	**3.635**	**0.771**	**-0.073**	**0.044**
	ASSURANCE						
14	The behavior of employees in the bank instills confidence up on you.	3.89	.841	3.97	.777	-0.08	0.064
15	You feel safe in your transactions with the bank.	4.21	.695	4.11	.716	0.01	-0.021
16	Employees in the bank are consistently courteous with you.	3.70	.909	3.73	.914	-0.03	-0.005
17	Employees in the bank have the knowledge to answer your questions.	4.00	.802	4.02	.788	-0.02	0.014
	Average Score Dimension of Assurance	**3.95**	**0.812**	**3.958**	**0.799**	**-0.03**	**0.013**
	EMPATHY						
18	The bank gives you individual attention.	3.95	.830	3.94	.815	0.01	0.015
19	The bank has operating hours convenient to all its customers.	4.15	.601	4.10	.637	0.05	-0.036
20	The bank has an employee who gives you personal attention.	3.85	.857	3.90	.831	-0.05	0.026
21	The bank has your best interests at heart.	3.99	.755	3.99	.749	0	0.006
22	The employees of the bank understand your specific needs.	3.83	.852	3.85	.839	-0.02	0.013
	Average Score Dimension of Empathy	**3.954**	**0.779**	**3.956**	**0.774**	**-0.002**	**0.0048**
	General about customers attitude towards the bank						
23	Overall, I am satisfied with the bank services.	3.84	.805	3.82	.833	0.02	-0.028
24	I say positive things about the bank to other people.	3.79	.931	3.75	.963	0.04	-0.032
25	I intend to continue being a customer of the bank for a long time to come.	4.00	.786	3.97	.802	0.03	-0.016
26	I will encourage friends and relatives to use the service offered by the bank.	3.95	.851	3.92	.861	0.03	-0.01
	Average Score of the Dimension	**3.895**	**0.843**	**3.865**	**0.865**	**0.03**	**-0.0215**

(Source: Own Survey, 2013)

As it is indicated in the above table (table 3), all service quality dimensions have negative variance except tangibility and reliability, which indicates that the fails to meet customers expectation which leads to customer dissatisfaction. While discussing each dimension separately, tangibility has the largest positive mean showing that Dashen bank, Kombolca branch is acting positively in terms of visibility of facilities i.e. the physical features like pamphlet's are visually appealing, the reception desk are neat, the equipment's are modern.

Reliability dimension has an average mean gap score of 0.06 (table 3) which has the second largest mean next by tangibility. In terms of reliability the bank is performing better but the bank don't perform the service right the first time like providing core banking service is -0.09. But in terms of performing the promised service at a certain time, showing a genuine interest in solving the problem of the customer and insisting on error free records, the bank is acting even beyond the expectation of the customer.

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Responsiveness has an average mean score of -0.073 (table 3) indicating that the willingness of employee in treating the customer of the bank is not as of the expectation of the customer i.e. it is below their expectation. They can only tell them exactly when the service will be provided. That is, with positive variance (0.07). On the other hand, employee are too busy to respond to the request of customer (-0.07) and they don't give the customer a prompt service (-0.24).

The average gap score of assurance dimension is -0.03 indicating that employees in the bank are not working from their heart i.e. they are not courteous, they don't respond to the question of the customer with a good awareness because of lack of detail and good know about the banks service.

Empathy at Dashen bank, Kombolcha branch has an average score of -0.002, the third important service quality next by tangibility and assurance. In stipulations of empathy, the bank appears to be weak particularly in attributes like ''employees who give personal attention and employees of the bank understand the specific need of the customer '' with a mean value of -0.05 and -0.02 respectively, indicating the insufficient of the employee in meeting the need of the customer.

To put it in nutshell, in comparison with the other dimensions, attributes under Tangibility and Reliability have relatively a better variance score supporting that the bank has a better prospect of meeting or exceeding customer expectation which helps to create a good satisfaction with the customer. Over all Dashen bank, Komolcha branch is performing better in the service quality dimensions under study especially in terms of Tangibility and Reliability dimensions.

Table 4: Relationship between Service Quality Dimensions and Customer Satisfaction

	Reliability	Responsiveness	Assurance	Empathy	Tangibles
Customer satisfaction	.605	.602	.557	.544	.431

Correlation (Pearson) between customer satisfaction and service quality dimensions, significant at the 0.01 level (1-tailed)
(Source: SPSS Correlation output)

As it is indicated in the above table, table 4, there is positive correlation between service quality dimension and customer satisfaction I.e. customer satisfaction has positive relationship with all the SERVQUAL dimensions. From all the service quality dimensions, it is reliability which has a score of 0.605 that has the greatest linkage or correlation with customer's satisfaction. I.e. customers need the promised service to be provided dependably and accurately. Customers evaluate the promise of the banks and its execution from their own point of view. Responsiveness which has 0.602 is the second dimension that customers need at most. Customers need the employees of the bank to be willing to treat and need they get ready to treat the customer. The third is assurance with a value of 0.557. The fourth and the fifth dimension having slightly less correlation with customer satisfaction are Empathy and Tangibility.

V. Conclusion

With regarded to Kombolcha branch, the results of background information of respondents indicated that majority of the total respondents (59.0%) are male, (51.7%) aged in the range of 31-50 years, (35.2%) are certificate holders, and (62.9%) of the respondents are business peoples. The results of the descriptive statistical analysis also indicated that, customers were most satisfied with the Reliability (0.06) and Tangibility (0.08) dimensions of service quality. However, customers were less satisfied with Assurance (-0.03), Responsiveness (-0.073) and Empathy (-0.002) dimensions of service quality. In comparison with the other dimensions, attributes under Tangibility and Reliability have relatively a better variance score supporting that the bank has a better prospect of meeting or exceeding customer expectation which helps to create a good satisfaction with the customer.

The SERVQUAL score at Kombolcha branch on average shows a negative variance except for Reliability and Tangibility having a positive variance of 0.06 and 0.08 respectively. This indicates that the bank is somehow good in meeting its customer expectation in terms of providing visually appealing features and the different materials associated with the service. Dashen bank, Kombolcha branch shows a sincere interest in solving the problem of its customer and it can provide its service at the time it promise to do. And to the inverse, Responsiveness has the highest negative gap score of -0.073 demonstrating that the bank has some lacks in this dimension which indicates that, the bank is not good in terms of giving a prompt service and during the customer asks them something new, they would like to make them self-busy. The Empathy dimension also has a gap score of -0.002 showing that the employee of the bank doesn't give individualized attention to the customers of the bank. Assurance has a score of -0.03, indicating that the service provided to the customers is not dependably.

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