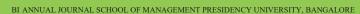
#### **Applied Management Perspectives**





# ASSESSMENT OF THE EFFECT OF SERVICE QUALITY ON CUSTOMER SATISFACTION IN THE PUBLIC INSTITUTION OF WEST HARARGE ADMINISTRATIVE ZONE, OROMIA REGION, ETHIOPIA

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#### **ABSTRACT**

This study aimed to assess the effect of service quality on customer satisfaction in the selected public service sector of the West Hararge zone. To achieve the objective of the study, a explanatory research designs was used. Regarding to research approach, researchers used both quantitative and qualitative. This study was conducted using 384 respondents, which was selected using convenience sampling techniques customers of selected public sectors of West Hararge zone. Both primary and secondary source of data were used. The necessary data was collected from the respondents through questionnaires and interviews. The collected data was analyzed using the Statistical Package for Social Sciences (SPSS) version 24 and its outputs using descriptive and inferential statistics. The study has found that all service quality dimensions (Empathy, Assurance, Tangibility, Responsiveness, and Reliability) affect customer satisfaction. The study also identified the major challenges of public service delivery of public sectors. These were summed up into to lack of skilled and experienced leaders and managers, structural and technological problems, behavioral and ethical problems, and budgetary concerns. Finally, the study recommends that public sectors should enhance customer satisfaction by enhancing tangibles, responsiveness, assurance, empathy, and reliability. To do so, they have to be equipped with leadership skills, resources, technological adequacy, and behavioral and ethical adherence.

Keywords: Customer satisfaction, Empathy, Assurance, Tangibility, Responsiveness, Reliability, and service quality



#### 1 INTRODUCTION

#### 1.1 Background of the Study

The service industry is among the highly dynamic industries as customers often demand change (Smith, 2007). Demand changes drive the service provision and delivery forward with increasing demand for quality service. Since services are intangible in nature their success and failure are not easily quantified (Minazzi, R, 2008). The success of any service-providing organization can be measured in terms of its customer's attitude towards the service delivery activity; which means that service quality is the dominant element in customer's evaluations of a given service (Awoke, 2015).

Customer satisfaction is about relationships between the customer, product, or service as well as the provider of a product or service(Giese J, 2000). Customer satisfaction is a highly personal assessment that is greatly influenced by individual expectations (Girum, et al., 2018). Quality in service is very important, especially for the growth and development of service sector business enterprises (Sachdev SB, 2004).

Service quality delivery is becoming a global concern that demands continuous reform to fit the turbulent environment and changing customer needs. Effective service delivery is now a prominent agenda of most countries including Ethiopia (Teshome, Z.,2020). The demand for effective and efficient delivery of services requires fundamental change involving both institutional and cultural changes. Hence, measuring the level of satisfaction indicates how successful organizations are at providing services, and is taken as the effective outcome measure. (Zewdu T., Behailu B., Girma G. and Muluken M., 2020). Therefore, this study aimed to assess the effect of service quality on customer satisfaction in the selected public service sector of the west Hararghe zone.

#### 1.2 Statement of the problem

Public organizations have responsibility accountability for delivering efficient and effective services to communities and societies as customers. Though public service institutions, nowadays, have an ever-increasing demand to deliver the best services and improve efficiency relatively compared to previous times, demands are changing in their quality requirements in the government and private sectors (Alemseged, 2019). According to Benjamin (2012), stated that public organizations agree that providing customer service is one of the most important factors that contribute to the establishment of reputation and credibility among the public. They also argued that the public- complaints of long queues, poor service delivery, and insufficient physical facilities affect the image and level of service quality delivered in public organizations. Many studies have been done about Service quality and Customer Satisfaction (Besfat, 2019).

However, the literature tells us that the studies done on the subject of service quality and customer satisfaction appear to be mostly focusing on the private sector. Nevertheless, if we take the context of developing countries like Ghana the public organizations are mainly the dominant players in service delivery which requires research attention (Benjamin, 2012), and the context of Ethiopia is not different from this fact. From the Ethiopian perspective, several studies have been conducted on service quality dimensions and customer satisfaction. Several research studies on the issue indicated that the service performance of the sectors is not up to the satisfaction level of the public (Tilahun B., 2017). Service quality delivered by public service organizations is inundated with several challenges (Emnet & Habtamu, 2011).

In addition, according to, Tewodros A. (2015). the fact that civil service in many cases has not been able to properly address the rights of service users to get public service equitably has contributed to the prevailing negative perception among the public about the efficacy of government institutions and civil



servants. In Ethiopia, customers usually complain about efficiency and lack of quality excellence in Public Service (Tilahun B., 2018). The service delivery and grievance handling systems of most of the public service organizations are not in a position to fully satisfy the large number of customers (Besfat, 2022). Problems have been observed in delivering services to the public in a manner that satisfies customers (Yoseph, 2011).

A research conducted by Biruktait (2017) one of the major problems in the civil service institutions of Ethiopia was low service delivery systems which could lead to low performance of service delivery. However, most of them were focused on private sectors such as insurance, banks, hotels, and the like (Shimekit, Kelkay Eshetie, Wondoson Seyoum & Seid Hussein Ali, 2016), (Addisalem Tadesse and Desta Yohannes, 2019). Few studies have been done on service delivery and customer satisfaction in public organizations (e.g. Assessment of Service Quality and Customer Satisfaction in Public Service: Evidence from the selected public organization (Tilahun B.,2018), Perceived Service Quality and Patients' Satisfaction: The Case of Wolaita Sodo University Teaching Hospital (Biruktait Girma, 2017). To overcome this problem few published studies conducted in Ethiopia focused on service quality and customer satisfaction at the regional level and sub-cities of Addis Ababa. But, on the zonal level, there is a scant study.

According to researchers Addisalem Tadesse and Desta Yohannes (2019), the dimensions of service quality vary from country to country, from one organization to another organization, and even from culture to culture. So, those studies that were made at the regional and federal level cannot exactly represent the public services of the West Hararge zone.

Furthermore, as far as the researcher's knowledge is concerned, there is no study so far conducted to assess the effect of service quality on customer satisfaction of the West Hararghe Zone Public Service organizations. Therefore, this research was

conducted to fill the gap in this regard by assessing the effect of service quality on customer satisfaction in the selected public service sector of the West Hararge zone.

#### 1.3 Research Questions

Based on the identified research problems, this study tried to answer the following questions.

- 1. What are the levels of customer satisfaction in the public service sector of the West Hararghe zone?
- 2. What are the relationships between the service quality dimension and customer satisfaction in the public service sector of the West Hararghe zone?
- 3. What is the effect of service quality dimensions (tangibility, reliability, responsiveness, assurance, and empathy) on customer satisfaction in the public service sector of West Hararghe zone?
- 4. What are the major challenges that face service delivery in the public service sector of the West Hararghe zone?

#### 1.4 Objective of the Study

#### 1.4.1 General Objective of the Study

The general objective of the study was to assess the effect of service quality on customer satisfaction in the selected public service sector of the West Hararge zone.

#### 1.4.2 Specific Objectives of the Study

The specific objectives of the study are;

- To assess the level of customer satisfaction towards quality service delivery of selected public service organizations
- To assess the effect of service quality dimensions (tangibility, reliability, responsiveness, assurance, and empathy) on customer satisfaction,
- To determine the relationship between service quality dimension and customer satisfaction of selected public service organizations and
- To identify the major challenges that face service delivery of selected public service organizations of West Hararge zone.



### 2 Review of Literature2.1 Concept of Service

The service concept is adapted to the current society's life and is as old as the history of humans. Considered from this viewpoint, there is no generally accepted and complete definition of services. International Business Machine (IBM), in their ongoing research program Services science, lists a random selection of efforts to define services from the literature and suggests that service is a provider-client interaction that creates and captures value (Yuan, 2013).

In review of a wide variety of definitions Hermen (2009) summed it up when he said, "A service is an activity which has some element of intangibility associated with it which involves some interaction with customers or with property in their possession, and does not result in a transfer of ownership. A change in condition may occur and production of the service may or may not be closely associated with a physical product."

In simple terms "Services are deeds, processes, and performances" (Jayaraman et al., 2010). However, in a broader definition, Enyonam (2011), and Benjamin (2012) indicate that "services include all economic activities whose output is not a physical product, and is generally consumed at the time of production, and provides added value in forms such as convenience, amusement, timeliness, comfort, or health which are essentially intangible in nature". Ahmad (2011), on the other hand, defines services as "any act or performance that one party can offer to another that is essentially intangible and does not result in the ownership of anything". He affirms the view that "services are intangible, inseparable, variable and perishable and also added that services normally require more quality control, supplier- credibility, and adaptability".

#### 2.2 Customer Satisfaction

Several researchers emphasized the importance of customer service as a key to organizational success. Arshi et, al. (2013) propound that the most productive output of an organization is the production of customer satisfaction. The real value lies in delivering customer satisfaction which precedes customer retention and profits. Although most organizations understand the importance of this stakeholder, few can commit themselves to achieving customer satisfaction. For them, customer service is an attitude and not a department or competency.

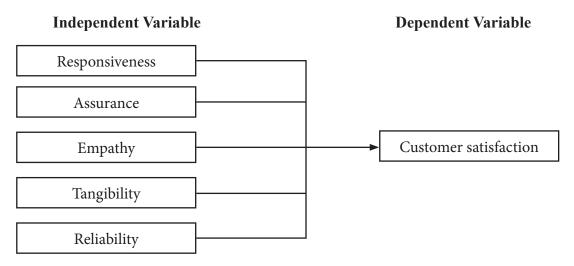
A customer-led company recognizes that its only true assets are satisfied customers. Without satisfied customers, the balance sheet assets are merely scrap. The notion of customers as assets is not a philosophical point, but a hard, economic one. Companies can measure the lifetime value of customers and estimate the potential revenues they will generate. The results can be staggering and should open the eyes of management to the profit implications of being customer-led (Douglas, 2003).

Organizations that understand what customers want and provide a product or service to meet these requirements can gain a competitive advantage and profit. Generally speaking, if organizations improve their communication with their customers commit themselves to delivering customer service, and develop the necessary competencies for it, they will be able to deliver the desired level of customer satisfaction and meet organizational goals (Minazzi R., 2008).

#### 2.3 Conceptual Framework

The conceptual framework shown below revealed independent variables reliability, responsiveness, assurance, empathy, and tangibility with dependent variable customer satisfaction.





Source: Research Model adapted from Parasuraman, et al, 1988

Figure 1. Conceptual framework

#### 3. Research Methodology

#### 3.1 Research Design

This study employed explanatory research design as a main research design for studying the situations under study to realize the intended research objectives. This study used explanatory research design to understand (get a clearer view of), explain, predict, and control the relationship between variables of the study.

To effectively achieve the objective of the study, the researchers employed a mixed research approach. These approaches were used to create a better understanding of the research problem.

#### 3.1. Target Population of the study

The target population of the study was the total number of customers who accessed services in the selected public services office of three towns of the West Hararge zone.

## 3.2. Sampling technique and Sample size3.2.1. Sampling Technique

A purposive sampling technique was used to select three towns from all total towns of the West Hararghe zone. The selected towns namely Chiro, Hirna, and Badesa towns because of their convenient

accessibility and proximity to the researchers. In addition, researchers selected three public service institutions by purposive sampling technique. These institutions were: the Revenue Authority, Water and Sewage Authority, and Land Development and Management Office. The selection of these institutions was based on some criteria like high number of customers, large budget allocation, and their importance in the social and economic setting of the town's administration.

The researchers also used a convenient sampling technique to choose customers from these three sectors. In a population where it is difficult to determine the number of population and exactly spot a sample at a time in a given place like customers, using this sampling method is very appropriate to access respondents easily.

#### 3.2.2. Sample Size Determination

To determine the sample size of the customers, the researchers used the unknown population sample size determination formula. This is because of the reason that the numbers of customers getting services in the selected public sectors are not specified and sometimes very specific customers are regularly visiting and revisiting public organizations.



Therefore, the researchers prefer to use the unknown population sample size determination formula of (Kothari, 2004) was used for this study to determine sample size of the study.

$$n=\frac{(Z)^2pq}{(e)^2}$$

Where:

n = sample size,

Z= the normal distribution value of 95% confidence level

p= prevalence of people who have a similar attribute (probability value of 50%)

q=1-p=50% (expected non-prevalence)

e=error terms

Therefore, the calculation for sample sizes is the following.

$$n = \frac{1.962 \times 0.5 \times 0.5}{(0.05)^2}$$
$$= 384$$

#### 3.3. Sources of Data

The study has used both primary and secondary types of data. Primary data was first-hand information or data originally obtained by the researchers on the variables of interest for the specific purpose of the study. Secondary data refers to information or data that was collected by another person and is readily available.

#### 3.4. Data Collection Instruments

Primary data was collected by using questionnaires and interviews. An open-ended and close-ended questionnaire was used to collect data from customers of the selected public offices of WHZ. The interview was conducted by using a structured interview with the leaders of selected public services offices of three selected towns of WHZ. Secondary data was also collected by reading and reviewing from annual reports of selected public offices of West Hararge

Zone.

#### 3.5. Methods of Data Analysis

The collected data was analyzed using quantitative and qualitative approaches. Quantitative data analysis was done by the use of the Statistical Package for Social Scientists (SPSS) software version 24. Descriptive statistics such as frequencies and percentages, mean, standard deviation and range were used to analyze and present the results. Furthermore, inferential statistics like multiple linear regression, and ANOVA were used.

#### 3.6. Model specification

In this study, a multiple linear regression model will be used to achieve research objectives. The basic objective of using multiple linear regression analysis in this study was used to make the research more effective in assessing the impacts of independent variables (tangibility, reliability, responsiveness, assurance, and empathy) on the dependent variable (customer satisfaction) a regression function is as follows:

 $Y = \beta 0 + \beta 1\beta 1 + \beta 2\beta 2 + \beta 3\beta 3 + \beta 4\beta 4 + \beta 5\beta 5 + ui$ 

Where; Y is the dependent variable (customer satisfaction)

 $\beta 0 = constant$ 

 $\beta 1-5=$  the coefficient of independent variables,

β1–5 =Independent variables (tangibility, reliability, responsiveness, assurance, and empathy)

*ui*=error term.

#### 4 Results and Discussion

## 4.1 Demographic Characteristics of the Respondents

The demographic information of the respondents includes sex, age, level of education, marital status, and customer experience in the organizations. This aspect of the data analysis deals with the analysis of the personal data of the respondents to whom the questionnaires were given. The table below shows the details of the demographic information of the respondents and their percentages.

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**Table 1. Demographic Characteristics of the Respondents** 

S.No.	Items	Indicator	Frequency	Percentage
1.	Sex			
	Male	219		61.9
		Female	135	38.1
		Total	354	100
2.	Age	18-35	138	39.0
		36-55	185	52.3
		Above 55	31	8.8
		Total	354	100.0
3.	Marital Status	Married	236	66.7
		Single	81	22.9
		Other	37	10.5
		Total	354	100
4.	Respondents Educational Level	Illiterate	81	22.9
		Primary School	94	26.6
		High School	75	21.2
		Diploma	53	15.0
		Degree	48	13.6
		Master Degree	3	.8
		Total	354	100.0
5.	Respondents Occupation	Private	119	33.6
		Gov't employee	102	28.8
		Farmer	74	20.9
		Student	55	15.5
		Unemployed	3	.8
		Other	1	.3
		Total	354	100.0
6.	Respondents Organization Experience	Less than 1 month	19	5.4
		2-3 months	66	18.6
		4-5 months	110	31.1
		More than 6 months	159	44.9
		Total	354	100.0

Source: Survey data (2023

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#### **Prof. Nehawi Mohammed Jemal**

The result of the sex of the respondent from the above table 1 shows that 61.9 % (219) of the respondents were male and 38.1% (135) of the respondents were female. This implies that the number of male customers was higher than female customers.

The above table 1 illustrates the age profile of the respondents. The result shows that 52.3% (185) of the respondents were aged from 36 to 55 years old, whereas 39.0% (138) of the respondents were aged between 18 and 35 years. The remaining 8.8% (31) of the respondents were found aged above 55 years old. Therefore, the majority of the customer of the public organizations were aged between 36-55 years old. This implies that from the total sample of the study youth age groups were more involved in public organizations service delivery.

The result of marital status of the respondents from the above table 1 shows that 22.9 % (81) of the respondents were single, while about 66.7 % (236) were married. About 10.5% (37) of the respondents were in other relationships. This implies that married customers were higher than single customers.

In the above table, 1 shows the educational level of the respondents. The result indicates that 21.2% (75) of the respondents were high school graduates, while 26.6% (94) of the respondents were in primary school. Whereas 15% (53) of the respondents were diploma holders and 13.6% (48) of the respondents were first-degree holders. The result also indicates that 22.9% (81) of the respondents were illiterate and 0.8% (3) of the respondents were master's degree holders.

Thus, the majority of the customers of the organizations were primary school graduates and illiterate followed by high school graduates. This implies that the public organizations had a significant number of illiterate customers. This might be one of the challenges for public organizations in providing

quality services to their customers as these groups of customers may not know about the service delivery policies and strategies.

Regarding the type of occupation that the respondents have, the majority of the respondents 33.6% (119) were in private jobs. The result from the following table indicates that about 28.8% (102) of the respondents have government employees, while 20.9% (74) of the respondents were farmers. About 15.5% (55) of the respondents were students while 0.8% (3) of the respondents were unemployed and the remaining 0.3% (1) were in another type of occupation. This implies that the majority of customers of public organizations had participated in private jobs.

The above table 1 demonstrates the length of time that respondents use or are customers of the selected public organizations. Accordingly, 5.4% (19) of the respondents had less than one month experience as a customer of the selected public organizations. Whereas 18.6% (66) of the respondents were a customer of the selected public organizations for a period ranging from two to five months. About 31.1% (110) of the respondents were customers of the selected public organizations for four to five months, while the majority 44.9% (159) of the respondents were a customer of the selected public organizations for more than 6 months. Thus, the data presented in above Table 1 indicates that most of the customers of the selected public organizations in the study area were customers of the selected public organizations for a period of more than six months.

#### 4.2 Level of Customer Satisfaction

Customer satisfaction requires fully meeting customer expectations of services. When performance matches or exceeds customer expectations for service, they are satisfied. If not, they are not satisfied. In premise to this concept, the study tried to analyze customers' level of satisfaction using a five-scale satisfaction level on the service provided by the organization.



Table 2. Respondent's level of satisfaction with the organization's service quality

Item	Mean	Std. Deviation
I am satisfied with the complete range of services of the public office.	2.57	1.349
I am satisfied with the performance of the employees of the public office.	2.69	1.400
I am satisfied of being a customer of the public office.	2.51	1.409
I am satisfied with the public office employee's professional competence.	2.62	1.425
I am satisfied with the quick service of the public offices	2.60	1.343
I am satisfied with the respectful behavior of the employees of the public offices.	2.57	1.370

Source: SPSS output from own survey, (2023).

As presented in above table 2, the mean value failed between 2.51 and 2.60. Except for two items all attributes of the mean showing the majority of respondents disagree with customers' overall satisfaction with the organization's service quality. Therefore, from the analyzed data and obtained information we can conclude that the level of customer satisfaction of those samples selected respondents was not satisfied by the service quality delivered by the selected public organization of WHZ.

#### 4.4 Multiple Regression Analysis

Multiple regression analysis is a form of statistical analysis that seeks the equation representing the impact of two or more independent variables on a single dependent variable. For this study, multiple regression analysis was used to determine the strength of the relationship between the overall service quality dimensions those are contracted on the conceptual framework and customer satisfaction.

**Table 3. Model Summary** 

Model	R	R Square	Adjusted	R	Std.	Error
			Square		of	the
					Estin	nate
1	.848a	.719	.715		.1334	13

a. Predictors: (Constant), Empathy, Assurance, Tangibility, Responsiveness, Reliability b. Dependent Variable: Customer Satisfaction

Source: SPSS output from the survey, (2023).

From the above Table 3, regression analysis of the overall service quality dimensions (independent variables) and customer satisfaction, the model summary revealed that 71.9% (R2=0.719) of the variation in customer satisfaction can explained by the overall service quality dimensions which were constructed under our conceptual framework. Thus, 71.9% of the variation in customer satisfaction can be explained by the 5 service quality dimensions, while the remaining 28.1% (1-R2=0.281) variation in customer satisfaction may be explained by unexplored variables. Therefore, service quality dimensions have a positive effect on customer satisfaction.

#### **4.4.1 ANOVA**

The ANOVA table shows the overall significance/acceptability of the model from a statistical perspective with a p-value is less < than 0.05 which indicates the variation explained by the model is not due to possibility. The F-ratio determines whether the model is good for the data. The F-ratio is calculated by dividing the average enhancement in prediction by the model by the average difference between the model and the observed data. If the improvement due to appropriate the regression model is much greater than the inaccuracy within the model then the value of F will be greater than 1 and SPSS calculates the exact probability of obtaining the value of F by chance (Pedhazur, 1982).



Table 4. ANOVA table ANOVAa

Model	Sum of Squares	df	Mean Square	F	Sig.	
1	Regression	15.857	5	3.171	178.142	.000b
	Residual	6.195	348	.018		
	Total	22.052	353			

a. Dependent Variable: Customer Satisfaction

b. Predictors: (Constant), Empathy, Assurance, Tangibility, Responsiveness, Reliability

Source: SPSS output from the survey, (2023).

The above of Table 4 is to test the fitness of the model in estimating the effects of the independent variables on customer satisfaction, two way ANOVA was carried out where the statistic (F) =178.142, p-value=0.000 which is below the alpha level, i.e. 0.05 was implying that the model was significantly used in predicting the effects of independent variables on customer satisfaction of WHZ Public organization. And the F-ratio for the above model is 178.142, which is very unlikely to have happened by chance.

4.4.2 The Regression Coefficient

The below multiple regression coefficients pertained to the contribution or the effect of each service quality dimension on the dependent variable. From the below table, the beta coefficients indicate how and to what extent the independent variables influence the dependent variable. The predictor variables which have a higher beta coefficient with a lower p-value (p<0.05) have a significant contribution or effect on the dependent variable. Otherwise, predictor variables that have a small beta coefficient and higher p-value have little or no effect on the model.

**Table 5. The Regression Coefficient** 

Model	Unstandardized Coefficients	Standardized Coefficients	Т	Sig.		
	В	Std. Error	Beta			
	(Constant)	.504	.086		5.873	.000
	Tangibility	.203	.016	.365	12.649	.000
1	Reliability	.133	.016	.242	8.318	.000
	Responsiveness	.201	.016	.361	12.491	.000
	Assurance	.147	.010	.430	14.910	.000
	Empathy	.145	.012	.338	11.870	.000

Source: SPSS output from the survey, (2023).

The above coefficient table 5 shows the constant beta value ( $\beta$ ) and the p-value of the variables to study the significance. Accordingly, the significance level of each variable (P- value) has indicated that tangibility (beta = .203, t=12.649, p=.000) has an influence or significant effect on customer satisfaction followed by responsiveness (beta = .201, t=12.491, p=000), and

assurance (beta = .147, t=14.910, p=.000), empathy (beta = .145, t=11.870, p=.000), and reliability (beta = .133, t=8.318, p=>.000) value have a relatively lower effect on customers satisfaction. The p-values of all the service quality dimensions (independent variables) are below 0.05. This implies that all service quality dimensions (Empathy, Assurance,



Tangibility, Responsiveness, and Reliability) have a significant relationship with the dependent variable (customer satisfaction).

#### 4.4.3 Multicollinearity Diagnose

The multicollinearity test means measuring the correlation between independent variables. The most widely used method of testing multicollinearity is by using the tolerance statistics and variance inflation factor (hereinafter, VIF). As a rule of thumb, if the tolerance statistics is below 0.1 (10%) there is a multicollinearity problem. Also, if the VIF value of variables are more than 10, there will be a multicollinearity problem.

**Table 6. Coefficients** 

	Coefficients					
Model		<b>Collinearity Statistics</b>				
		Tolerance	VIF			
1	(Constant)					
	Tangibility	.969	1.032			
1	Reliability	.954	1.048			
	Responsiveness	.968	1.033			
	Assurance	.970	1.031			
	Empathy	.994	1.006			

## **a.** Dependent Variable: Customer Satisfaction Source: SPSS output from own survey, (2023).

In this study, table 6, shows that the VIF of all the variables was below 10. In addition, the tolerance statistics were more than 0.1 (10%). Thus, there is no multicollinearity problem or there is no perfect correlation among the predictors. This indicates that our data were correct, and the structured equation model we were doing is valid.

## 4.5 Major Challenges that Prevailed in the Service Delivery Process of WHZ Public Service Organizations

The study investigates the major challenges facing customers to get quality service from selected public sectors of WHZ Administration. The data gathered through open-ended survey questions and interviews showed that the major challenges of the service

delivery in WHZ Administration were connected with leadership and managerial problems. Hence, the Lack of skilled and experienced leadership, the lack of proper and participatory planning and implementation mechanisms, instability of officials, inability to lead and make decisions strategically, frequent meetings during working hours, lack of timely response, reluctancy to keep appointments to provide services, inconsistent follow-up, and monitoring, absence of regular consultation with customers and stakeholders, and the presence of political interference in each and everything.

In general, these findings indicated that there were problems of leaders and managerial, structural and technological, behavioral and ethical, and budgetary concerns were the major challenges affecting the provision of quality service and satisfying customers in selected public organizations in WHZ Administration. In line with this, respondents and interviewees articulated that though all these problems are manifesting at different levels, rentseeking behavior of service providers, shortage of finance, and weak WHZ Administration in general and in sample offices in particular, were the major challenges faced by improving service delivery. The above analysis results were supported by Fentahun, (2022), Muluken M., (2020), and Pradeep, (2011) as these authors also recognized these are the major challenges in decentralized public service delivery. This finding is similar to the finding of Gobena, (2019) that was done to determine the impact of quality service delivery and quality on client satisfaction in Nekemte municipality. Accordingly, the researchers summarized the findings that there were problems in the service delivery process and quality of service. These problems were showing that it was below the customer's expectations. and similarly, Zeritu, (2010) conducted research at Addis Ababa University on "service delivery and customer satisfaction" at Ethiopian Electric Power Corporation's Addis Ababa region customer service center. Finally, based on her results, as a result of the poor quality of service and performance of the organization, the needs, and expectations of customers were not met to the level that they had to be.



### 5 Conclusion and Recommendations 5.1 Conclusions

The study assesses the effect of service quality on customer satisfaction in the case of WHZ public organizations. The objective of the research was to assess whether service quality affects customer satisfaction by using five service quality dimensions assurance, reliability; tangibility, empathy, and responsiveness to measure customer satisfaction and service delivery. The research findings indicated that tangibility, reliability, responsiveness, assurance, and empathy were the determinants of service quality in public organizations.

Moreover, the result of the regression coefficients indicated that all the service quality dimensions have a statistically significant effect on customer satisfaction. The study result demonstrated that all the five SERVQUAL dimensions, which are, tangibility, reliability, responsiveness, assurance, and empathy, have a positive effect on customer satisfaction.

Also, the result indicated that the tangibility dimension contributes most towards customer satisfaction; while the empathy dimension contributes least towards customer satisfaction in WHZ public organizations. This means that WHZ public organizations cannot ignore any of the five dimensions of service quality since they all appear to influence customer satisfaction to different extents.

Further, the overall service quality dimensions can explain 71.9% of the variation in customer satisfaction. Therefore, it can be concluded that service quality dimensions as a whole independently contribute immensely to the satisfaction of customers in selected public organizations of WHZ.

#### **5.2 Recommendations**

Based on the conclusion of the study the researchers recommended the following possible recommendations for the concerned body.

• WHZ public organization leaders and employees should exert much effort on dimensions of service quality to satisfy its customers by introducing appropriate and easily dated equipment and technology such as computers, data capture systems, sound recorders and converters, information systems, etc). so that the organization delivers quality services to its customers, uses electronic services, and builds attractive and adequate physical and support facilities (such as modern record-keeping, waiting rooms, toilets, halls, parking lot, guest chairs, informative signs, brochures, and posters) to serve and feel comfort its customers until they finish their tasks. Further, they should work more to understand customers' specific needs, take responsibility for addressing problems faced by their customers, and give individualized attention to the interests of their customers.

- The leaders of WHZ public organization should work on the indicators of this dimension. Also, the organization should realize that the improvement of this dimension would enhance customer satisfaction which in turn results in better performance of the organizations.
- The WHZ public organization needs to give more emphasis to improving customer satisfaction power of the five service quality dimensions. In this regard, the organization should undertake continuous improvements and follow-ups that might enhance customer satisfaction levels in the organization's service. The organization in particular can conduct further customer opinion surveys regarding the status of their customer's views on the five service quality dimensions.
- To improve the service, organizations should install an ongoing research system that provides timely and relevant data. Similarly, there is a need to develop an information system in the organization, that helps to identify dissatisfied customers and frequent service failure causes, collect customer feedback on service delivery continuously, create customer forums to get ideas for further improvements, improve internal service quality by focusing on employee issues and concerns, improve customer services by measuring individual employee behavior to use in training, performance evaluations and rewards and analyze the organization's service performance compared with other service organizations to identify strengths and weaknesses.



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