

Is the Quality of Service Related to Job Satisfaction? Study of Commercial Banks of Sukkur Region, Sindh, Pakistan.

Author's Details:

⁽¹⁾Mohammad Salih Memon-Assistant Professor, Department of Business Administration, Shah Abdul Latif University, Khairpur, Sindh, Pakistan-⁽²⁾Urooj Talpur-Assistant Professor, Department of Economics, University of Sindh, Jamshoro, Pakistan-⁽³⁾Dr. Khalid Noor Panhwar-Assistant Professor, Department of Public Administration, University of Sindh, Jamshoro, Pakistan-⁽⁴⁾Mohammad Ali Pasha Panhwar-Lecturer, Department of Economics, University of Sindh, Jamshoro, Pakistan

Abstract

Study of quality of service and job satisfaction in commercial banks is not carried out before in Pakistan, so because of the competitive environment and saturation of markets financial service providers are of the opinion that they want to add the value in their services for which they can improve the job satisfaction level which again linked with their market share, in this connection study was carried out from the commercial banks working in the Sukkur region, data collected through designing a questionnaire and analyzed through SPSS. 16. Finally concluded that service quality is highly correlated with the job satisfaction of employees, it is also positively and significantly related to the job satisfaction.

Key Words: Service Quality, Job Satisfaction, Operations Management

Introduction

In the response to global pressure and tough competition in financial service providers, many organizations are devoting their most of the time in value addition to their services and trying their level best to improve the quality of their service. The attention towards operations management (OM) is burning issue for them for delivering value to their customers and trying to meet the customer expectations. In this connection research was carried out to identify the relationship service quality which commit/not to commit their employee's towards job satisfaction.

Literature Review

Lot of research on operations management was conducted to identify the relationship between the quality, customer satisfaction and business performance just like (Heim & Sinha, 2001; Balasubramanian, Konana, & Menon, 2003; Nagar & Rajan, 2005), research on impact of quality of service is relatively scare.

Roth & Jackson III (1995), examined that knowledge of organization is residing in the employees is the basic determinant of superior service quality, affecting on market performance. On the part of total factor productivity, for example: effort to become leaner and efficient may be the reason to diminish the service quality. Lee & Miller (1999), stated that dedicated and loyal employees may serve as an asset. It is a general consensus that the service employees are the initiators to represent the complete service firm and they are pivotal to design the perception of customers about the quality of service (Parasuraman, Zeithaml, & Berry, 1985; Hartline & Ferrell, 1996).

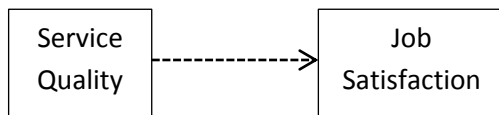
Voss, Tsikriktsis, Funk, Yarrow, & Owen (2005), developed a model to workout the impact of employee job satisfaction on service quality and customer satisfaction as well. Although such type of research is very much rare in Pakistan, it also provides some grounds and evidence for the importance of employee job satisfaction in service operations. High contact service industries are specifically involved in those activities in which customers and service employees have very much and direct relationship for longer period of time (Chase, 1981). A highly contacted environment of services is characterized by longer communication time, intimacy of communication, and how rich information is to be exchanged (Kellogg & Chase, 1995).

Through the highly developed contacts, customers and service employees have opportunities to set up their ties and exchange information regarding purchase. This will boost the ability of service employees to provide a high level of service quality and influence their customer's purchasing decisions, ultimately contributes to the sales performance. Researchers concluded that satisfied employees are more committed to serving customers (Loveman, 1998; Silvestro & Cross, 2000; Yoon & Suh, 2003).

Yoon & Suh (2003), stated that if employees are satisfied most likely they work hard and trying to provide better services through the organizational citizenship behavior. Employees who are satisfied from their job are mostly trying to involve in their employing organization, and more dedicated in delivering services with the high level of quality. Researchers have argued that service quality is influenced by job satisfaction of employees (Bowen & Schneider, 1985; Hartline & Ferrell, 1996). Hartline & Ferrell (1996). Found evidence that the job satisfaction can be felt by the customer-contact employees and is associated with the quality of service.

In the light of social exchange theory, when an employer offers favorable working conditions which made its service employees satisfied. In the return they committed to making an extra effort to the organization as a mean of reciprocity for their owner (Wayne, Shore, & Linden, 1997; Flynn, 2005), leading to a top level of service quality. Depending on the theory of equity in social exchanges, we perceive that employee satisfaction leads to higher service quality.

Research Model



Diagnostic Test

$$JS = \alpha + SC (\beta) + \mu$$

Methodology

Data was collected through designing a set of 54 questionnaires from the 205 respondents working in officer grades of different commercial banks (public and private) working in Sukkur region, data was analyzed through SPSS. 16. Before checking the relationship between the above said variables reliability analysis of instrument along with data was checked through cronbach’s alpha, and than all other tests namely: factor analysis, Pearson 1-tailed correlation, and finally the regression was applied.

Results and Discussions

Pearson 1-tailed Correlation

		Job Satisfaction	Service Quality
Job Satisfaction	Pearson Correlation	1	.795*
	Significance 1-tailed		.000
Service Quality	Pearson Correlation	.795*	1
	Significance 1-tailed	.000	

* Correlation is significant at 0.01 level (1-tailed)

By looking at the Pearson (1-tailed) correlation results which clearly stated that both variables service quality and job satisfaction are highly and significantly correlated to each other and they can not be avoided in financial services providers specifically talking about the banking sector and concluded that when organizations are increasing the quality of services they provide to their customers is directly linked with job satisfaction of employees.

Model Summary

Model	R	R-Square	Adjusted R-Square
1	.795	.632	.625

Model summary states that Model 1 which is the only model proposed by the researchers is fit and for checking the overall fitness of the model/equation/diagnostic test we refer to the value of Adjusted R-Square which is .632: states that over all model comprises of one independent and one dependent variable in that condition is 63.2% fit and remaining 36.8 % is the error term and that is is further research area to work it out.

ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	33.477	1	33.477	89.169	.000
Residual	19.523	52	.375		
Total	53.000	53			

Again the ANOVA states that the model of regression is almost fit and significant by using the job satisfaction as a dependent and service quality as an independent variables and it can see from its significance level.

Coefficients

Model	Unstandardized Coefficients		Standardized Coefficient	t	Significance
	B	Std. Error	Beta		
1 Constant	9.285E-17	.083		.000	1.000
Service Quality	.795	.084	.795	9.443	.000

Results of coefficient table regarding standardized coefficient states that service quality is positively and significantly related to the job satisfaction and it cannot be separated from each other may be some other variables may affect the job satisfaction but the contribution of service quality provided to the customers is interconnected with the job satisfaction of employees, which further clarify that if the service provided are of the worth and appreciated by users than it would be the proud for workers that they are linked with the organization whose major concern is the customers.

Limitations

The study of job satisfaction and organizational commitment was carried out in the commercial bank (public and private) of Sukkur region only

References

Balasubramanian, S., Konana, P., & Menon, N. M. (2003). Customer satisfaction in virtual environments: A Study of online investing. . *Management Science* 49(7), 871-889.

- Bowen, D. E., & Schneider, B. (1985). Boundary-spanning-role employee and the service encounters: Some guidelines for management and research. *Heath and Company, Lexington, MA: D. C* , 127-147.
- Chase, R. B. (1981). The customer contact approach to services: Theoretical bases and practical extensions. *Operations Research* 21 (4), 698-705.
- Flynn, F. J. (2005). Identify orientation and forms of social exchange in organizations. *Academy of Management Review* 30 (4), 737-750.
- Hartline, M. D., & Ferrell, O. C. (1996). The management of customer-contact service employees: an empirical investigation. *Journal of Marketing* 60 (4), 52-70.
- Heim, G. R., & Sinha, K. K. (2001). Operational drivers of customer loyalty in electronics retailing: An empirical analysis of electronic food retailers. *Manufacturing and Service operations management* 3(3), 264-271.
- Kellogg, D. L., & Chase, R. B. (1995). Constructing an empirically derived measure for customer contact. *Management Science* 41 (11), 1734-1749.
- Lee, J., & Miller, D. (1999). People Matter: commitment to employees, strategy and performance in Korean firms. . *Strategic Management Journal* 20(6), 579-593.
- Loveman, G. W. (1998). Employee satisfaction, Customer Loyalty, and Financial performance: An empirical examination of the service profit chain in retail banking. *Journal of service Research* 1 (1), 18-31.
- Nagar, V., & Rajan, M. V. (2005). Measuring customer relationships: The case of the retail Banking industry. *Management Sciences* 51(6), 904-920.
- Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1985). A conceptual model of service quality and its implications for future research. *Journal of Marketing* 49 (3), 41-50.
- Roth, A. V., & Jackson III, W. E. (1995). Strategic determinants of service quality and performance: Evidence from the banking industry. *Management Science* 41(11), 1720-1733.
- Silvestro, R., & Cross, S. (2000). Applying the service-profit chain in the retail environment: challenging the satisfaction mirror . *International journal of service industry management* 11 (3), 244-268.
- Voss, C., Tsikriktsis, N., Funk, B., Yarrow, D., & Owen, J. (2005). Managerial choice and performance in service management-A comparison of private sector organizations with further education colleges. *Journal of operations management* 23 (3), 179-195.
- Wayne, S. J., Shore, L. M., & Linden, R. C. (1997). Percieved Organizational support and leader-member exchange: A social exchange prespective. *Academy of Management Journal* 40 (1), 82-111.
- Yoon, M. H., & Suh, J. (2003). Organizational Citizenship Behaviors and service quality as external effectiveness of contact employees. *Journal of Business Research* 56 (8), 597-611.