

The relationship between service quality and customer satisfaction: A study of service recipients of *Pradeshiya Sabha* in Kalutara District

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Introduction

The service industry plays an increasingly important role in all the economies. In today's global competitive environment delivering a quality service is an essential strategy for success and survival. The public sector has become more vital for serving to the society. Public sector services are responsible and accountable to citizens and communities as well as to its customers. As with most "new" management practices, private sector organizations have adopted the principles of service quality at a much faster rate than those in the public sector. In particular, the primary objective of most public sector organizations is to provide a social benefit within a limited budget and minimum costs. According to Ranaweera (2015) the government administration faces critical circumstances in providing a quality government service. Further, a study carried out by the Asian Development Bank in the year 2006 has revealed significant weaknesses exist in the Sri Lankan public administrative system in terms of its productivity and quality. This is applicable to the local governments as well. However, service quality practices in public sector organizations is slow and is further exacerbated by difficulties in measuring outcomes, greater scrutiny from the public and press, a lack of freedom to act in an arbitrary fashion and a requirement for decisions to be based in law (Criado et al., 2002). In past years, sector efficiency, performance and service quality had become key issues of government administration. When going to public sector for public affairs, people often had to visit various departments, repeating filling out the similar forms or going to departments with documents in the section system with unclear responsibility division. The government service quality improvement must be evaluated in view of customer, enlarger the scope, not only some units, departments, but learn success experience of private sector, and transfer to public sector application (Hsiao & Lin, 2008). Service quality can be measured in five dimensions which include tangibility, reliability, responsiveness, assurance and empathy (SERVQUAL instruments). Reliability, responsiveness, assurance and empathy are treated as the human related factors and tangibility is the non - human related factor (Hennayake, 2017). In addition, Bitner and Zeithmal (2008) stated that "Service

quality is a focused evaluation that reflects the customer’s perceptions of specific dimensions of quality: reliability, responsiveness, assurance, empathy and tangible”. With the above literature researchers proposed SERVQUAL instrument for the conceptual framework of the present study.

The effect of service quality on satisfaction of service seekers in local governments in the public sector is relatively an unattended area by researchers. Hence this study was carried out to evaluate the relationship between service quality and customer satisfaction in the *Pradeshhiya Saba* (Local governments).

Methodology

This research was aimed to examine the relationship between service quality and customer satisfaction on the services delivered by *Pradeshhiya Saba*. The study mainly followed a deductive research approach and quantitative and explanatory research design. The target population of the study was general public who received various services from *Pradeshhiya Saba* in Kalutara District. The sample selection was done in two stages. In the first stage, four (4) *Pradeshhiya Saba* were selected using simple random sampling method and then, a sample of 100 service recipients was selected through convenience sampling method. Data were collected through questionnaire survey method. The questionnaire was basically based on “SERVQUAL” attributes and it comprised with two sections and 29 closed ended questions. All closed ended constructs used in the study were measured by various items on Likert Type five – point scales ranging from 1- Strongly disagree, to 5 – Strongly Agree. Descriptive statistics, correlation analysis and regression analysis were employed in the data analysis.

Results and discussion

Table 1 shows the descriptive statistics and result of correlation analysis. The mean values indicate that all the quality dimensions are not in a good standing and service recipients are not much satisfied with the services provided by selected *Pradeshhiya Saba*.

Table 1 Descriptive statistics and results of correlation analysis

variable	A	B	C	D	E	F
A.Customer satisfaction	(2.52)					
B. Reliability	.455**	(2.59)				
C. Responsiveness	.441**	.643**	(2.34)			
D. Assurance	.483**	.634**	.749**	(2.65)		
E. Empathy	.593**	.598**	.612**	.738**	(2.542)	
F. Tangibles	.542**	.395**	.424**	.567**	.622**	(2.84)

**. Correlation is significant at the 0.01 level (2-tailed), (xxx) mean

The correlation result reveals that there is a positive relationship between reliability of the services and customer satisfaction ($r=.455, p<.05$). The result further signifies that other quality dimensions such as responsiveness ($r=.441, p<.05$), assurance ($r=.483, p<.05$), empathy ($r=.593, p<.05$) and tangibles ($r=.542, p<.05$) are also significantly and positively correlated with customer satisfaction.

Table 2 Result of regression analysis

Adj. R ² = 0.386		F Value = 13.466		Sig F = .000	
Variable	Unstandardized coefficients		Standardized Coefficient	t	Sig.
	B	Std. Error	Beta		
Constant	.305	.283		1.076	.284
Reliability	.494	.098	.455	5.055	.000
Responsiveness	.510	.105	.411	4.865	.000
Assurance	.509	.093	.483	5.460	.000
Empathy	.683	.094	.593	7.281	.000
Tangibles	.551	.086	.542	6.392	.000

Adjusted R² value, 0.386, indicates that predictor variables for the test have ability to explain 38.6 percent variation in customer satisfaction. Therefore, it can be concluded that this regression model is reasonably fit to the data. F value further reveals that overall model is significant at 0.05. The regression coefficients indicate that all the quality dimensions; reliability, responsiveness, assurance, empathy and tangibility, have a significant positive effect on customer satisfaction.

Conclusion

This study found that customer satisfaction of *Pradeshia Saba* is determined by the service quality dimensions as such reliability, responsive, assurance, empathy and tangibles. Moreover, the result signifies that quality of the services provided by *Pradeshia Saba* at is not up to the level as perceived by the customers. Thus, *Pradeshia Saba* should pay attention to provide a reliable service characterized with high responsiveness, assurance and empathy. *Pradeshia Sabha* can improve some facilities with use of modern information and communication technology to ensure fast service delivery with minimizing human interaction in public services.

Keywords: *Customer satisfaction, service quality, reliability, responsiveness.*

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