

**ASSESSING THE IMPACT OF CORE BANKING SYSTEM ON
CUSTOMER SATISFACTION IN SOME SELECTED COMMERCIAL
BANKS WOLKITE TOWN**

By

YONAS ENDALE GELAN

**A THESIS SUBMITTED TO THE DEPARTMENT OF MANAGEMENT,
COLLEGE OF BUSINESS AND ECONOMICS, SCHOOL OF GRADUATE
STUDIES WOLKITE UNIVERSITY IN PARTIALS FULFILLMENT OF
THE REQUIREMENTS FOR THE DEGREE OF MASTER OF BUSINESS
ADMINISTRATION**

SEPTEMBER, 2018

WOLKITE, ETHIOPIA



**WOLKITE UNIVERSITY
SCHOOL OF GRADUATE STUDIES**

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DECLARATION

I, Yonas endale, here by declare that this thesis entitled “Assessing the impact of core banking system on customer satisfaction in some selected commercial banks wolkite town ”has been carried out by me under the guidance and supervision of Dr. Zerihun and Mr. Amdemichael. The thesis is original and has not been submitted for the award of any degree or diploma to any university or institutions. It is offered for the partial fulfillment of the degree of Masters of business Administration.

Researcher Name

Date

Signature

Yonas Endale

CERTIFICATE

This is to certify that Yonas Endale has completed his thesis work entitled “**Assessing the impact of core banking on customer satisfaction in some selected commercial banks wolkite town**”. As we have evaluated, his research is appropriate to be submitted as a partial fulfillment requirement for the Award of Degree in Master of Business Management.

Advisor

Signature

Co-advisor

Signature

SCHOOL OF GRADUATE STUDIES
Wolkite UNIVERSITY
EXAMINERS' APPROVALSHEET

This is to certify that the thesis prepared by YONAS ENDALE, “Assessing the impact of core banking on customer satisfaction in some selected commercial banks” submitted in partial fulfillment of the requirement for the Degree of Master of Business Administration (MBA) complies with the regulations of the university and meets the accepted standard with respect to originality and quality.

External Examiner

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Internal Examiner

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External Examiner

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Date

SGS Approval

Signature

Date

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ABBREVIATIONS AND ACRONYMS

CORE	Centralized Online Real Time Environment
CB	Core Banking
CBS	Core Banking Service
IT	Information Technology
ICT	Information Communication Technology
ATM	Automated Teller Machine
CBE	Commercial Bank of Ethiopia
NIB	Nib International Bank
DGB	Debab Global Bank
AB	Abysinia Bank
MIS	Management Information System
KPI	Key Performance Indicator
SPSS	Statistical Package for Social Science
SERVQUAL	Service Quality
SERVPERF	Service Performance

ABSTRACT

Financial institutions across the globe are re-examining how they meet their customer satisfaction and developing plan needed to align them strategically to remain competitive & Profitable in the future. Core banking service has networking of branches which enables customers to operate and manage their accounts and avail themselves of banking services from any branches of banks irrespective of the branch with which they maintains their accounts. Customer Satisfaction leads organization to gain loyalty and achieve the desired objectives. Formerly commercial banks use manual & Obsolete technologies. This becomes cause for customer dissatisfaction on day to day financial institution service quality. Therefore this research focus on recognizing the impact of Core banking system on Customer Satisfaction at some selected commercial banks which is commercial bank of Ethiopia, Nib international bank, Abyssinia bank & Dehub global bank. The main objective of this study is to assess the impact of Core banking on Customer satisfaction in Commercial banks. A sample of 398(three hundred ninety eight) customers were selected using probability sampling technique and among these 360(three hundred sixty) was collected. Questionnaire & interview was used to collect primary data for the study and data was analyzed using descriptive statistics and inferential statistics. The result of this study shows that, there was significant relationship between core banking & customer satisfaction and also there was significant relationship between service quality & customer satisfaction. From the service quality dimensions; reliability, empathy & tangibles are positive and significant impact on customer satisfaction & the remaining assurance, responsiveness are positive but insignificant impact on customer satisfaction. Thus it is suggested that application of Core banking technologies and service quality on Commercial banks have many contributions regarding Customer satisfaction.

Key words: Core banking , Service Quality, Customer satisfaction

CHAPTER ONE

INTRODUCTION

This chapter deals with background of the study, statement of problem, objective , significance scope, limitation and organization of the study.

1.1 Background of the study

Keeping pace with current technological advancements; people today are choosing a new approach to banking services. They are well informed and sensitive for service rendered by organizations. Technology has found a prominent place in our everyday banking. A useful form of technology innovation implemented to deliver services by banks to customers is core banking services (Kalagarwamy,2013).Core Banking refers to the services of networked branches that allow to their clients to access their funds and to perform simple transactions from any place (Kamaplreet & Mandeep,2011).

Core banking service (CBS) is one of the recent developments in the field of banking and it has proved to be very useful. Centralized on line real time environment (CORE) banking enables any where banking. Bank's customers can operate their accounts from any branch of the bank (Manjushree, 2014).

The present scenario in banking industry is once a customer opens his/her account he/she becomes the customer of the bank but not the branch alone. This increase the importance of improving service quality to organizations for their survival and growth and also it could help them to resist the challenges they face in the competitive markets. Core Banking service provides for online banking services everywhere to fulfill the needs of the customers (Manjushree,2014). Appearing of core banking technology makes significant difference from manual system in making excellency or quality of service to customers. Due to implementing core banking; the customer become satisfy by minimizing waiting time, cost at the time of delivering service and also the customer become accessing their account from any place. Business Organizations, especially the banking industry of the 21st century operates in a complex and competitive environment characterized by these changing conditions and highly unpredictable economic climate.

Information technology is considered as the key driver for the changes taking place around the world. Due to a pervasive growth of information and communication technology, the world banking industry is entering into new phenomena of unprecedented form of competition supported by modern information and communication infrastructure. (Akturan & Tezcan ,2012).

E-commerce has become a slogan for companies over couple of years with increased awareness about the use of computers and internet. The Internet is the driving force for the growth of e-commerce (Bhaskar, 2011).

The information and communication applications are paramount concern to the banks in today's business environment and internet has become the major platform for all financial, banking and commercial transactions in the present scenario. A strategic use of ICT helps on organization gain a competitive advantage through its contribution to the strategic goals of an organization and/or its ability to significantly increase performance and productivity. Banking system occupies an important place in a nation's economy. It plays a vital role in accelerating the rate of economic growth by mobilizing the existing or potential savings and by making the disbursement of credit to commercial undertaking and priority areas. Banking industry is marked by aggressive competition and ever changing their customer demands .As a result, banks need to adopt themselves to the changing environment (Bitner, 1990).

It is essential for the banks to adopt appropriate various strategies to merge as the preferred bank of customers interms of service quality. Technology gives the cutting edge to come out with customer centric products and delivery channels in time (Biju, Devand & sreechari, 2012).

In Ethiopia Banking has changed over the years and evolved with the needs of Ethiopian economy. The use of information communication technology (ICT) in banking industry is a recent phenomenon. The use of core banking is also limited to commercial banks.

Commercial Banks dealing in retail banking Industry is consequently put into lot of pressures due towards increase in global competition. Different strategies are formulated to satisfy and retain the customer and the key of it is to increase the core banking service quality. Typically, customers perceive very little difference in the banking products offered by commercial banks dealing in core banking services as any new offering is quickly matched by competitors (Tirngo, 2016).

Numerous private banks, insurances and micro financial institutions were established (Deborah cited in Derby, 2012).

According to National Bank of Ethiopia, Currently there are 18(eighteen) banks who have acquired core banking solutions that are required to interface with the National Bank and the national bank of Ethiopia has the mandate to License, supervise and regulate the operations of banks, insurance companies and other financial institutions. The new IT infrastructure will also enable banks to strengthen and extend their relations with credit card providers such as visa and master card as well as roll out new mobile and internet banking services. Thus the bank's customers will enjoy reduced waiting time and greater choice of banking channels and services (<http://www.nbe.gov.com>).

Before decade of years commercial banks in Ethiopia used manual system. This affected customer service quality. Recently commercial banks implemented core banking technology. This raised satisfaction of their customers. So the study identifies the contribution of this technology on customer satisfaction regarding commercial banks in Ethiopia.

1.2 Statement of Problem

Financial institutions across the globe are re-examining how they can meet their customer satisfaction and developing plan needed to align them strategically to remain competitive & profitable in the future (Anderson, Fornell & Lehmann,1994). Customer Satisfaction leads organization to gain Loyalty and achieve the desired objectives. It is the mission and purpose of any business organization. It is when customers are satisfied the organization achieves higher sales, profit and market share and vice versa. Regardless of whether these organizations provide goods or services, they recognize that satisfied customers are the key to their success. Therefore, it is important for organizations to satisfy their customers promptly so that they can achieve what they plan. Banks as a business organization should provide a great care for its customers to attract, retain and gain their loyalty (Kumbhar, 2010).

According to Vijay, (2010) shows that the relation between core banking and customer satisfaction in public and private bank in india. His finding indicates that customers are highly satisfied with core banking services.

Biju & Sreehari,(2012) also shows that there is very strong relationship between core banking and customer satisfaction. Biju & sreehari in their research shows that as the bank employs core banking in its banking service customers are highly satisfied.

James & Rupa, (2012) investigated the implementation of CBS in private bank sector of india. The authors said that, “Banking sectors are passing through a serious of innovative changes and CBS is the word most repeatedly heard among the latest changes. In the tough competition to survive among commercial banks by implementing CBS. Implementation of CBS have caused for big changes in the business of banks that are deposit, advances etc.”

Rrezarta,(2014) investigated the impact of core banking on commercial bank performance. The researcher said that,”The majority of banks nowadays are offering it & consumers most important find it useful. In customers perspective, it meant less time to spend. The majority of consumers at the beginning were confronted with some difficulties but after period it was very productive.

Banking service is heterogeneous and intangible hence measuring banking service quality is difficult than physical product providing organizations outputs. However measuring its current situation and examining the gap is mandatory in order to have a better improved banking service (Gilmore, 2003).

Moreover, In Ethiopia according to Tirngo,(2016) study on “The implementation of core banking system on customer satisfaction the case in commercial bank Ethiopia Gurdsholla branch” shows that there is positive and significant relationship between core banking and customer satisfaction.

The study conducted by Deborah,(2014) on measuring the service quality of united bank s.c and its relationship with customer satisfaction shows the five service quality measurement dimensions (reliability, responsiveness, tangibles, assurance& empathy) contribute positively to customer satisfaction.

The study conducted by Tesfaye, (2015) on “Effects of service quality on customer satisfaction in banking service the case commercial bank of Ethiopia” shows that the positive relationship between service quality dimensions (reliability, responsiveness, tangibles, assurance& empathy) with customer satisfaction.

Commercial Banks in Ethiopian have technological gap to serve their customers. This Leads them to use manual or obsolete technologies and a problem related to the system regarding quality, waiting time for services in order to accessing customers account. This become a cause for uncomfortable or dissatisfaction on customers. Simply customers of the bank have not being satisfying its services. This is due to poor service quality of the bank that results from absence of new and improved technologies which means in the earlier operations of commercial banks are not centralized or run their operation through manual.

Commercial banks applied core banking technologies recently to integrate the services delivered in its all branch banks and to improve the quality of its services. The Application of this technology is believed to have many contributions for the bank. (Kaur , 2012).The researcher assessing the contribution of CB technology on satisfying customers of commercial Banks.

Consequently, all studies indicated above are tried to know separately either CB or Service Quality on Customer Satisfaction at branch level or in single commercial bank level or as a comparative study of public and private banks. Therefore the purpose of this study is to assess the impact of Core Banking and Service Quality on customer satisfaction in the context of commercial banks-Wolkite Town.

The following are the basic research questions that the study will answer :-

1. What is the level of customer satisfaction in commercial Banks?
2. What are the changes that have come after the application of core banking?
3. How satisfied are customers with the application of core banking service in commercial banks?
4. How satisfied customers with service quality in Commercial banks?

1.3 Objective of the Study

1.3.1 General Objective

The general objective of this research is to assess the impact of core banking & service quality On customer satisfaction in commercial banks.

1.3.2 Specific Objectives

This study addressed the following specific objectives:

- ❖ To analyze the customer satisfaction level in commercial Banks.
- ❖ To examine the change that comes after the application of Core banking service.
- ❖ To identify the impact of core banking on customers satisfaction of commercial bank.
- ❖ To identify the impact of service quality on customer satisfaction of commercial bank.

1.4 Significance of the study

Assessing the satisfaction level of Customers' is an important task of a service giving Organization. This study will identify the gap between what customer thinks about customer satisfaction and what actual customer satisfaction look likes in the bank. It will provide a cue bank mangers how to rectify problems and provide better service and hence satisfy customers. It will also help other researcher to conduct further studies on impact of core banking and its effect on customer satisfaction. In addition this Study will have beneficial to commercial banks to assess whether its application of core banking service enhance the level of customer satisfaction.

1.5 Delimitation of the Study

This study evaluated customer satisfaction on core banking and service quality in commercial banks. Therefore it was delimited to the changes that come after the introduction of core banking in the commercial bank. Moreover, the study was focus on commercial banks in wolkite town by selecting 4(four) branches i.e Commercial bank of Ethiopia, Abyssinia bank, Nib international bank & Dehub global bank that are selected based on the service year which is greater than four years and questionnaire respondents were account holders of commercial banks. The thesis were done from june,2017 up to june,2018. This study will adopt descriptive form.

1.6 Challenges of the study

Actually, it is rare to conduct a study without any limitations and challenges. The major challenges are collection of data or questionnaire from respondents and entered the data into SPSS software.

1.7 Organization of the study

The paper consists five chapters. The first chapter deals with the introduction part that consists of background of the study, statements of the problem, objectives of the study, significances of the study, scope of the study and limitation of the study. Second Chapter contains a review of the related literature. The research design and methodology is presented in chapter three. In fourth chapter, the results and findings of the study is discussed. Finally, the last chapter deals with the summary of findings, conclusions and recommendations that is forwarded both by the respondents and by researcher based on the result obtained.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

INTRODUCTION

This chapter deals with the review of related literature regarding variables which are Core banking, Service quality, Customer satisfaction with empirical and conceptual framework.

Today banks have centralized operations and are increasingly moving towards core banking solutions network-based computing, new delivery channels such as networked ATMS, internet banking, smartcards based products etc, change is coming at banks from many directions and each change can trigger many more. Delayed or inadequate responses often make it even harder to overcome threats and capture opportunity. However, banks those reach this stage of core system transformation can start to dynamically respond to change. The use of information Technology (IT) in the banking sector has been a phenomenal growth on commercial banks (Akturan & Tezcan, 2012).

2.1 IT In Banks

The financial services sector, banking in particular relies heavily on information technology for its growth and development. Technological interventions among banks have delivered a host of benefits that can be consumed by customers of any geographical space. Information Technology has marked a turning point in the history of global banking and services with ever increasing availability of international band with and powerful workflow management. It is now possible to disaggregate any banking process, execute the sub- processes in multiple locations around the world, and resemble it, at another location. Technology has opened up new markets, new products, new services and efficient delivery channels for the banking industry. Online banking, Core banking, electronics banking, mobile banking and internet banking are just a few examples (Akturan & Tezcan, 2012).

Innovations in information technology have changed the way financial transactions are done in banking industry globally. Banks perceive online banking as a powerful value added tool to attract and retain new customers while helping to eliminate costly paper handling and teller interactions (Nafis & Murali, 2010).

2.2 Customer Satisfaction

According to Kendall, (2006) a customer is defined as those customers who buy goods and/or services provided by companies it can be internal or external to the organization and are the foundation of any business. In other words, a customer is a stakeholder of an organization who provides payment in exchange for the offer provided to him by the organization with the aim of fulfilling a need and to maximize satisfaction.

Customer satisfaction is a critical issue in the success of any business system, traditional or online .It also a critical issue in the success of any business , let alone a business in the financial sector. In a highly competitive environment such as the banking sector in Ethiopia, Commercial banks need to understand how to satisfy its customers in order sustain growth and market share since customer satisfaction is critical for establishing long term client relationships.

According to Emrah, (2010) customer value perceptions are best assessed by means of customer satisfaction. In an increasingly competitive environment, companies must be customer oriented and customer satisfaction represents a modern approach for quality in business life and serves the development of a truly customer-oriented culture and management. There is no doubt that customer satisfaction has vital role for every organization among business life. It can be said that measuring customer satisfaction in this competitive business environment is "must".

Organizations which want to meet customers' expectations should use this marketing tool properly. In a turbulent commercial environment in order to sustain the growth and market share, customer satisfaction is critical for establishing long term client relationship. (Peterson, 1997).It allows an organization or company to understand the key drivers that create satisfaction or dissatisfaction, and what is really driving their satisfaction during a service experience. It always shows positive effect on an organization's profitability.

Satisfied customer of any business repeatedly consume products, give word of mouth etc , which increase company's value in the competitive market which reflects its results as profit. It is considered the primary intervening constructs in the area of service marketing because ultimately it leads to the development of consumer loyalty or re-patronization of a product or services.

Customer satisfaction plays especial role in highly competitive industries, where there is a tremendous difference between the loyalty of merely satisfied and completely satisfied or delighted customers. To improve its customer satisfaction levels, a company must first find out how satisfied or dissatisfied its current customers actually are (Love lock & Wright, 1999).

To understand satisfaction, we need to have a clear understanding of what is meant by customer satisfaction. Customer satisfaction is defined as a result of a cognitive and affective evaluation, where some comparison standard is compared to the actually perceived performance. If the perceived performance is less than expected, customers will be dissatisfied. On the other hand, if the perceived performance exceeds expectations, customer will be satisfied (Lee & Lee, 2003).

Most researchers agree that satisfaction is an attitude or evaluation that is formed by the customer comparing their pre-purchase expectations of what they would receive from the product to their subjective perceptions of the performance they actually did receive (Oliver,1980).

According to Oliver, (1997) Customer satisfaction is an evaluation by the customer, after buying goods and services.

Yi, (1990) defined Customer satisfaction as a collective outcome of perception, evaluation and psychological reactions to the consumption experience with a product/service. The more customers are satisfied with products or services offered, the more are chances for any successful business as customer satisfaction leads to repeat purchase, brand loyalty, and positive word of mouth marketing. Customer satisfaction leads to repeat purchases, loyalty and to customer retention (Zairi, 2000).

Satisfied customers are more likely to repeat buying products or services. They will also tend to say good things and to recommend the product or service to others. On the other hand dissatisfied customers respond differently.

Dissatisfied customers may try to reduce the dissonance by abandoning or returning the product, or they may try to reduce the dissonance by seeking information that might confirm its high value.

Moguluwa, (2013) stated that customer satisfaction is actually a term mostly used in the business and commerce industry. It is a business term explaining about a measurement of the kind of products and services provided by a company to meet its customer's expectation.

To some, this may be seen as the company's key performance indicator. 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.

Companies that have a more satisfied customer base also experience higher economic returns (Bolton, Drew, 1998 & Munusamy, 2010). Consequently, higher customer satisfaction leads to greater customer loyalty which in turn leads to higher future revenue (Bolton & Drew, 1998). Hence, many market leaders are found to be highly superior customer- service orientated, and have been equally rewarded with high revenue and customer retention. Organizations in the same market sector are compelled to assess the quality of the services that they provide in order to attract and retain their customers.

S.Sivesan, (2012) Customer satisfaction is the feeling or attitude of a customer towards a product or service after it has been used.

Customer satisfaction is defined as an overall emotional response to an entire service experience for a specific service encounter after purchasing consumption (Oliver, 1997). Hansemark & Albinson, (2004) also defined as an overall customer attitude towards a service provider, or an emotional reaction to the difference between what customers anticipate and what they receive, regarding the fulfillment of some needs, goals or desire.

In general, satisfaction is a person's feelings of pleasure or disappointment that result from comparing a product's perceived performance or outcome to expectations. If the performance falls short of expectations, the customer is dissatisfied.

If performance matches expectations, the customer is satisfied; if it exceeds expectations, the customer is highly satisfied or delighted. Khalid, (2011) pointed out that customer satisfaction and retention are critical factors for retail banks, and they investigated that the major determinants of customer satisfaction. Such as service quality, service features, situational factors and customer compliant handling. And they also suggested that, if customers perceive that they are obtaining additional benefits from their relationship with employees of the sector their satisfaction level with the service provider will increase. Customer satisfaction is actually a term most widely used in the business and commerce industry. It is a business term explaining about a measurement of the kind of products and services provided by a company to meet its customer's expectation.

To some, this may be seen as the company's key performance indicator (KPI). 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 (Munusamy, 2010 & Chinwuba, Egene, 2013).

Consumer satisfaction is the most efficient and least expensive source of market communication because consumers who are satisfied with a product or service will be more likely to disseminate their favorable experience to others (Omar, 2009).

The goal for every company should be to make its customers satisfied. Satisfied customers will come again and might stay as customers for a longer period of time. It is clear that if the company can make the customer satisfied, the customer will come back again and the customers might also tell to some of their friends about the good service they got. So through satisfied customers it is possible to save in marketing expenses. The services provided to customer will reflect the bank's image.

Research has shown a higher percentile of customers who retain certain bank services because of the good services provided. In other words, one of the factors that boost the market shares is by improving the quality of the provided services (Razak , 2013).

Satisfaction can also be a person's feelings of pleasure or disappointment that results from comparing a product's perceived performance or outcome with their expectations (Kotler&Keller,2009). As a matter of fact, satisfaction could be the pleasure derived by someone from the consumption of goods or services offered by another person or group of people; or it can be the state of being happy with a situation. Byambaa & Chang, (2012) Customer satisfaction is defined by how satisfied with product/services.

Thus satisfaction is extremely important to marketers of product and services because a satisfied customer has a positive purchase intention such as a repurchase, positive word-of-mouth and loyalty in the long term. Naser, (1999) point out that, customer satisfaction is often related to factors such as service quality and service features (such as, convenience, competitiveness, and location of service provider).

According to Hansmark & Albinson, (2004) as cited in Zekiri, (2011) "Satisfaction is an overall customer attitude towards a service provider, or a emotional reaction to the difference between what customers anticipate and what they receive, regarding the fulfillment of some needs, goals or desire".

Kotler & Kelkler, (2006) defines satisfaction as a person's feelings of pleasure or disappointment resulting from comparing a product's or service's perceived performance or outcome in relation to his or her expectations.

On the other hand faizan, (2011) cited that customer satisfaction holds significant importance in corporate sector because with out satisfied and loyal customers, you don't have a business.

A single unsatisfied customer can send away more business from your organization than 10(Ten) highly satisfied customer. The more you focus on Customer satisfaction and retention, the more long term business you will get.

The importance of customer satisfaction cannot be dismissed because happy customers are like free advertising. Many of us have heard of the current trend for businesses to become highly customer-centric, that is to put the customer at the centre of our business in terms of our strategies, actions and processes.

For most of us, old truths still hold good, such as it is easier and more profitable to sell to existing customers than to find new ones. In practice, organizations are increasingly setting themselves strategies to measure and ensure customer retention, and charging their staff to be more customer-focused and service-oriented.

In the context of this study, customer satisfaction is defined from process perceptible because the researcher believe that in core banking arena, customers' evaluation of core banking service quality take place primarily during the service delivery process and continuous , but not just an outcome that customers strive to achieve.

2.3 Factor that cause customer satisfaction

The quality of service is one of the major determinants of the customer satisfaction, which can be enhanced by using ICT available to survive (Vijay, 2012).The kinds of products that banks offer to its customers can cause customer satisfaction or dissatisfaction. The service delivery process also plays a key role in customer satisfaction. When the process of service delivery is too long. It lengthens customer waiting time.

The physical evidence also plays a role in customer satisfaction. The physical evidence includes the edifice or buildings and its decorations, an imposing banking hall with comfortable seats etc.

The technology being used by the bank in service delivery could be a source of satisfaction to customers. When electronic delivers like computers are used, they tend to speed up the processing time of transactions.

2.4 Customers Satisfaction in the Banking Industry

The interaction or the relationship between customers and service organizations induce perceptions' of customers' quality. The attitude of service provider can also serve as quality indicators for customers.

According to owusufrimpong (1998), the reception attitude of workers is a key ingredient for giving customers a good impression about a bank and its service. The physical environment in terms of the infrastructure, the design and the general atmosphere are also considered by customers in assessing the quality of services of banks. Likewise the duration of the service delivery give a good impression about the bank that its services of quality or vice versa (Moah-Mensah,2010).Reichheld & sasser,(1990) have recognized the benefits that customers satisfaction provide by the retention of bank customers. They advocated that the longer a customer stays with a bank, the More utility the customer generates.

This is based on a number of factors that relate to the amount of time a customer spends with a bank. These included a high preliminary cost of introducing and attracting a new customer, increase in both the value and amount of purchases, the customer's better understanding of the bank and positive word- of- mouth promotion (Shah,2012).

Therefore, enhancing customer satisfaction should be a key driver for banks in maintaining a long term relationship with their customers. In the banking industry, a key element of customer satisfaction is the nature of the relationship between the customer and the provider of the products and services. i.e banks. Thus, both product and service quality are commonly noted as a critical prerequisite for satisfying and retaining valued customers (Mohsan, 2011).

2.5 Core banking

The CBS system is a very important software solution for commercial banks. Increased business agility and operational efficiency coupled with the use of core banking systems (CBS) can help banks meet the challenges that face them. (Hedvicaková & Soukal,2012).

Core banking is a general term used to describe the services provided by a group of networked bank branches. Bank customers may access their funds and other simple transactions from any of the member branch offices. CBS has networking of branches which enables customers to operate and manages their accounts and avails themselves of banking Services from any branches of banks irrespective of the branch with which he maintains his accounts.

CB is all about knowing customers' needs; providing them with the right services at the right time through the right channels. The banking applications on a platform enabling a phased, strategic approach that is intended to allow banks to improve operations reduce costs and be prepared for growth is known as core banking solution. Here computer software is developed to perform core operations of banking like recording of transactions, passbook maintenance, and interest calculations on loans and deposits, customer records, balance of payments and withdrawal are done (Manjushree,2014).

This software is installed at different branches of bank and then interconnected by means of communications lines like telephones, satellite, internet etc. It allows the user (Customers) to operate accounts from any branch if it has installed core banking solutions .This new platform has changed the way of working in the banks.

CBS enables banks to consolidate their technology platforms across functions and geographies leveraging cost and at the same time acquiring flexibility and scalability to adopt to a fast changing and competitive environment (Hedvicaková & Soukal,2012).

2.6 Importance of Core Banking

Core banking important to both customer as well as bank. Bander & Charles, (2006) pronounce that the benefit of core banking for commercial banks is cost savings, for customers are practicality.

2.6.1 Importance to Customers

After the application of core banking and other services using internet it is assumed to bring Significant change on customer service improvement by reducing the time that each customer Will spend in the bank.

The customers can operate his account from any of the branch and also Consume banking services of 24*7 through E-banking technology such as CBE-birr, Visa card, Mobile banking, Internet banking etc In addition to this customers gets immediate credit if the transaction is between the branches of the bank. Even extension counters can provide all services to the customers.

2.6.2 Importance to the bank

Centralized Customer Account Management

Any customer becomes the customer of the bank rather than of a branch. With unique ID / Account Number the accounts of the customers can be viewed centrally by the bank. As such, customer profile, details of the services availed by him and customer behavior about business of the bank can be well understood. Convenience in opening accounts processing cash, servicing loans, calculating interest, implementing change in policy like charging interest rate etc (Shaikh,2016).

Introduction of Technology Based Services

Service channels such as ATM, either on-site or off- site, can be started. Cheque Deposit Machines (CDM) can be installed. Such machine in WAN connectivity can allow any customer to deposit the cheque for collection at any branch (KULKARNI, 2012).

Centralized Accounting

All the transactions of the bank directly impact the General Ledger and Profit and Loss Account. This provides a real time total picture about the financial position and situation of the bank. This helps for timely effective decision making for financial management; a very critical and dynamic function in today's banking (KULKARNI, 2012).

Centralized Reporting

Presence of centralized data constantly live up-dated at any time ensures comprehensive report / statement generation. This tremendously helps in decision making as well as submission to various authorities. Improved management of documentation and record centralized database results in quick gathering of data & MIS reports (Shaikh, 2016).

Centralized Product Control & Monitoring

Centralization helps in better product analysis, monitoring and rollout. Aspects like interest rate modifications, product modification and interest application can be done centrally from one place for all the branches. Bank can quickly respond to market scenario and customer needs. This gives competitive edge to the bank (KULKARNI,2012).

Centralized System Administration

Centralized system / I. T. administration enhances system security and user management. There is reduction in man-power need and cost. Due to single point resource available IT manpower is utilized properly (KULKARNI, 2012).

2.7 Threats and Risks of Core Banking

Due to application of core banking technology; the commercial banks become integrate. Their services delivered in its all branch banks and improve their service quality but This technology have its own threats and risk such as Excessive reliance on technology, Any failure in computer system can cause entire network to go down, if data is not Protected Properly or proper care is not taken, hackers can gain access to the sensitive data etc...

2.8 Core banking service quality

Banking industry has revolutionized the core banking services with the help of technology. Core banking has become one of the widely used banking services among commercial banks in Ethiopia. Despite its attractiveness, customer Satisfaction towards core banking service has become an issue due to stiff competition among commercial banks in Ethiopia. Previously all the operations such as keeping a ledger of various transactions, Maintaining customer information, interest calculations of Loans and deposits etc were done manually.

With the advent of information and communication Technology (ICT) all the above core operations are done through the computers. CBS has been effective in bringing about a radical change in the field of banking (Ramanarayanan & Geetha, 2015).

CBS from the customer's perspective simplify their banking operations by allowing them to conduct common frequently used banking transactions without visiting bank's branches, thus saving a lot of time. On the other hand banks have improved up on their operational efficiency after the introduction of CBS.

A study in customer behavior towards banking services with special reference to public sector banks' started the customer satisfaction towards the recent banking technology towards the services given by banks (S.Wilson, 2013).

Banks in Ethiopia are using information Technology (IT) not only to improve their own internal process but also to increase, facilities and to provide quality services to their customers. Particularly, in the banking sector ICT is one of the important tools, because it provides many suitable alternatives banking channels to the customers. It brings connivance, customer centricity, enhance service quality and cost effectiveness in the banking services (Vijay, 2012).

Even now, customers are evaluation their banks based on availability of high-teach services. Therefore, implementation of ICT in the banking business continues to improve the banking service.

The researchers conduct this study to evaluate factors for the performance of core banking services in the bank. Those factors include the followings:-

Customer Service delivery Satisfaction

Commercial banks in Ethiopia before using this recently coming core banking; it used obsolete or traditional technology. This becomes negative impact on service delivery and also customer satisfaction. In bids to overcome this challenge, most of these banks have moved away from using traditional Approaches in customer service delivery and have introduced information and communication technology in their place to enable effectively and satisfactory service delivery. Thus, the proliferation of new core banking application within the financial industry has significantly influenced, the way banks deliver services to their customers (Grönroos, 2000).

Speed

Core banking makes transactions faster through dissemination of required information or data at a quicker and faster rate.

Accessibility

The uses of core banking in commercial banks are making its services that can be accessed easily. It helps to promote customer retention, convenience and satisfaction for customer in which the bank mightn't be got without the use of the system.

Reducing risks and error

The security issue is special concern in the financial institution, as banking is highly based on trust from its customers. Hence, the risk of hackers, denial of service attacks, technological failures, breach of privacy of customer information, and opportunities for fraud they created by the anonymity of the parties to electronic transactions all have to be managed.

2.9 Service Quality

Service quality has become a major area of attention during the past few decades for managers, researchers, practitioners because of its huge impact on business performance of firms. Customers judge service quality relative to what they want by comparing their perceptions of service experiences with their expectations of what the service performance should be. Marketers described and measured only quality with tangible goods, where as quality in services was largely undefined and not researched (Parasuraman, 1985).

Service quality has become a key strategic factor for companies to differentiate their products and services from other competitors by using service quality as a process that customers evaluate. Many researchers suggest that customers' asses service quality by comparing what they feel a seller should offer and compare it against the seller's actual service performance (Gronroos, 1984). The importance of quality to firms and customers is unequivocal because of its benefits contributing to market share and return on investment (Parasuraman, 1985).

Service quality has been defined in literature as an overall assessment of service by the customer.

Perceived service quality is believed to be resulting from comparison between customers' prior expectations about the service and their perceptions after actual experience of service performance (Parasuraman, 1985).

Service quality has been increasingly recognized as a critical factor in the success of any business (Parasuraman, Zeitham & Berry, 1998). Also Ladhari (2008) supported the role of service quality and stated that it is considered as an important tool for a firms struggle to differentiate itself from its competitors.

Service quality has been defined by many researchers through time. Parasuraman et al, (1985) defined service quality as a function of the differences between expectations and performance along the quality dimensions. Roest & Pieters', (1997) also share a similar definition that service quality is a relativistic and cognitive discrepancy between experience based norms and performance concerning service benefits.

Another definition of service quality is by Bitner, (1994) stated that service quality as the consumer's overall impression of the relative inferiority/superiority of the organization and its services.

Parasuraman et al., (1985) stated that service quality is more difficult for the consumer to evaluate than goods quality, service quality perceptions result from a comparison of consumer expectations with actual service performance and that quality evaluations are not made solely on the outcome of a service, they also involve evaluations of the process of service delivery.

2.10 Characteristics of Service

According to Mudie & Pirrie, (2006), Kotler, (2002), Gilmore, (2003) services have the following four key distinguishing characteristics:

Intangibility

Intangibility is the main feature of service. Service cannot assure the quality because it cannot be counted, measured, tested, verified and inventoried in advance of sale. Most of the firms find it difficult to understand how customers consider their services and evaluate the quality of their services (Siddiqi, 2011).

Even though many services include tangible aspects such as an airline seat, a classroom, a restaurant table and food the service performance leading to a customer's experience is intangible. The benefits of buying a product are based on its physical characteristics whereas the benefits of buying a service are from the nature of the performance. In comparison to physical goods, services cannot be stored or readily displayed. They are difficult to communicate, cannot be protected through patents and prices are difficult to set.

The intangible nature of services often means that customers have difficulty in evaluating and comparing services.

As a result they may use price as a basis for assessing quality and they may place greater emphasis on personal information sources. This all leads to customers having higher levels of perceived risk. The intangibility of services makes them very different from the traditional product mix that is frequently analyzed in terms of tangible design properties. Similarly, physical distribution management may not be an important element of the 'place' mix decisions because there is no tangible product (Gilmore, 2003).

Inseparability of Services

According to Mudie & Pirrie, (2006), there is a marked distinction between physical goods and services in terms of the sequence of production and consumption.

Physical goods

Production ----- Storage ----- Sold ----- Consumed

Services

Sold ----- Produced and consumed at the same time

Whereas goods are first produced, then stored and finally sold and consumed, services are first sold, then produced and consumed simultaneously (Mudie & Pirrie, 2006). Because services are processes, deeds or acts, customers are involved in the production of a service. Also other customers may be involved in the production environment and centralized mass production is difficult, particularly if the service is more complex or customized. For most services both the buyer and the seller need to be at the same place at the same time for the service to occur. Because centralized mass production is difficult, customers often have to travel to the point of service production. For example, it is hard to imagine a haircut without both customer and hairdresser or barber present. Also promotion by the service personnel may take place (Mandal & Bhattacharya, 2013). For a bank clerk or hairdresser the manner in which the service is produced is an essential element of the total promotion of the service. Often customers are co-customers of a service with a small or large number of others. Thus the behavior and attitude of other customers may impact upon the nature and experience of a service. For example, a loud or over-demanding customer can deflect service staff's attention and impact on the quality of service delivery to other customers. In this circumstance it may be difficult for the service providers to control the quality and consistency of the service, unless staffs have been trained to deal with such situations in a precise and effective manner (Gilmore, 2003).

Variability(heterogeneity)

According to Mudie & Pirrie,(2006), an unavoidable consequence of simultaneous production and consumption is variability in performance of a service. The quality of the service may vary depending on who provides it, as well as when and how it is provided. Again the intangible nature of services means that standardization and quality are difficult to control.

Given that people are involved in providing the actual services in most sectors and that people are unlikely to operate as reliably and constantly as machines it is often difficult to measure and control quality.

Therefore it may be difficult for customers to evaluate quality and for employers to measure and control quality. It can be done but is more difficult than measuring and controlling product quality. Also evaluations often depend largely on attitude, opinions and expectations of customers and potential customers (Mudie & Pirrie, 2006).

Perishability

Services cannot be stored for later sales or use. As services are performances they cannot be stored. If demand far exceeds supply it cannot be met, as in manufacturing, by taking goods from a warehouse. Equally if capacity far exceeds demand, the revenue and/or value of that service is lost. A lawyer cannot store parts of his or her knowledge for others to use while the lawyer is in court or on holiday. The hairdresser cannot store haircuts so that when a rush occurs on a Saturday morning all customers can have their hair cut at once. Thus the availability of enough opportunities for service delivery at relevant times is important for service managers. In the competitive business world, service quality is considered as a competitive factor of the organizations. Moreover, it is also considered as an essential determinant factor that allows an organization to differentiate from other organizations. It helps an Organization to gain sustainable competitive advantage (Mudie & Pirrie, 2006).

2.11 Service quality dimensions

Service's unique characteristics of intangibility, heterogeneity, and inseparability lead them to possess high levels of experience and credence properties which in turn make them more difficult to evaluate than tangible goods (Bitner 1990 & Zeithaml 1981). "Identification of the determinants of service quality is necessary in order to be able to specify measure, control and improve customer perceived service quality" (Johnston, 1995).

The most frequently used scales in the measurement of perceived service quality are SERVQUAL (Parasuram, Zeithaml, & Berry, 1988) and SERVPERF (Cronin & Taylor, 1992). Both are the result of research work from the US school of quality. SERVPERF directly measures the customers' perceptions of service performance and assumes that respondents automatically compare their perceptions of the service quality levels with their expectations of those services. The SERVPERF scale is identical to the SERVQUAL scale in its dimensions and structure.

Cronin & Taylor,(1992) argued on the framework of Parasuraman,(1985), with respect to conceptualization and measurement of service quality and developed performance only measurement of service quality called SERVPERF by illustrating that service quality is a form of consumer attitude and the performance only measure of service quality is an enhanced means of measuring service quality. They argued that SERVQUAL confounds satisfaction and attitude. They stated that service quality can be conceptualized as “similar to an attitude”, and can be operationalized by the adequacy-importance model. In particular, they maintained that Performance instead of “Performance-Expectation” determines service quality.

Service quality is evaluated by perceptions only without expectations and without importance weights. The SERVPERF model was carved out of SERVQUAL by Cronin & Taylor in 1992. SERVPERF measures service quality by using the perceptions of customers. Cronin & Taylor argued that only perception was sufficient for measuring service quality and therefore expectations should not be included as suggested by SERVQUAL (Baumann, 2007). The SERVPERF scale is found to be superior not only as the efficient scale but also more efficient in reducing the number of items to be measured by 50% (Hartline & Ferrell, 1996; Babakus & Boller, 1992; Bolton & Drew, 1991). In this study, the SERVPERF scale is used to measure to service quality in retail banking.

2.11.1 The Five - Service quality dimensions

Previous researches have shown strong linkages between service quality dimensions and overall customer satisfaction (Anderson & Sullivan, 1993). Service quality is accepted as one of the basic factors of customer satisfaction (Parasuraman , 1988).

Tangibles

Those things which have a physical existence and can be seen and touched. In context of service quality, tangibles can be referred to as Information and Communications Technology (ICT) equipment, physical facilities and their appearance (ambience, lighting, air-conditioning, seating arrangement); and lastly but not least, the services providing personnel of the organization (Blery, 2009). These tangibles are deployed, in random integration, by any organization to render services to its customers who in turn assess the quality and usability of these tangibles.

Reliability

Reliability means the ability of a service provider to provide the committed services truthfully and consistently (Blery, 2009). Customers want trustable services on which they can rely (Kahn & Fasih, 2014).

Reliability is an outcome measure because customers judge it after the service experience: Either the service was delivered as promised or it wasn't. The other four dimensions of quality—tangibles (physical evidence), responsiveness, assurance, and empathy are process dimensions because they can be evaluated by customers during service delivery. These dimensions provide companies with the opportunity to delight customers by exceeding their expectations during interactions with employees and the service environment (Lovelock & Wright, 1999).

Assurance

Assurance is developed by the level of knowledge and courtesy displayed by the employees in rendering the services and their ability to instill trust and confidence in customer (Blery, 2009).

Empathy

Empathy means taking care of the customers by giving attention at individual level to them (Blery, 2009).

Responsiveness

Responsiveness concerns the willingness and readiness of staff to deliver the service and respond to customers' requirements. It may involve mailing information or transaction details immediately, calling customers back promptly when promised, and giving prompt service (Gilmore, 2003).

2.12 Theoretical Review

Theory of Technological adoption

Leading firms often seek to shape the evolution of technological applications to their own advantage (Lovelock, 2001; Lai, 2007). With the advanced and dynamic growth of technologies, how fast the consumers are accepting these technologies depends on a number of factors such as availability of technology, convenience, consumers' need, security etc.

Hoening, (1995) as well as Lai, (2016) noted that the rate at which payment systems develop depends largely on a struggle between rapid technological change and natural barriers to new product or service acceptance.

Rogers, (1995) proposed that the theory of 'diffusion of innovation' was to establish the foundation for conducting research on innovation acceptance and adoption. The theory explicates "the process by which an innovation is communicated through certain channels over time among the members of a social system" (Rogers, 1995, p. 5). Basically, it's the process of the members of a social system communicated an innovation through certain channels over time known as diffusion. The Rogers', (1995) diffusion of innovation theory explained that the innovation and adoption happened after going through several stages including understanding, persuasion, decision, implementation, and confirmation that led to the development of Rogers (1995).

2.13 Empirical Review

After the application of core banking and other services using internet it is assumed to bring significant change on flexibility of the bank and reduce the time that each customer will spend in the bank and as a result it will lead to customer satisfaction.

Customer satisfaction measurement allows an organization to understand the key drivers that create satisfaction or dissatisfaction and what is really driving their satisfaction during a service experience. Customer satisfaction is the state of mind that customers have about a company when their expectations have been met or exceeded over the lifetime of the product or service.

Various empirical researches show that there is significant and positive relationship b/n core banking service and customer satisfaction.

According to Vijay M. Kumbhar shows the relation between core banking and customer satisfaction in Public Banks and Private Banks in India. His finding indicates that customers are highly satisfied with core banking services. So that one can concludes that as the bank implement core banking in its services it can create high customer satisfaction.

James & Rupa, (2012) investigated the implementation of CBS in private bank sector of india. The authors said that, “Banking sectors are passing through a serious of innovative changes and CBS is the word most repeatedly heard among the latest changes. In the tough competition to survive among commercial banks by implementing CBS. Implementation of CBS have caused for big changes in the business of banks that are deposit, advances etc.”

According to Biju & Sreehari, (2012) there is very strong relationship between core banking service and customer satisfaction. Biju K.D. Devandhiran & Sreehari R. in their research shows that as the bank employs core banking in its banking service customers are highly satisfied.

Rrezarta,(2014) investigated the impact of core banking on commercial bank performance. The researcher said that, “The majority of banks nowadays are offering it & consumers most important find it useful. In customers perspective, it meant less time to spend.

The majority of consumers at the beginning were confronted with some difficulties but after period it was very productive.

Alhawary,(2011)The four service quality dimensions (tangibility, reliability, assurance,and responsiveness) have a positive and significant effect on customer satisfaction. Empathy has a negative and significant effect on customer satisfaction.

Mohammad & Alhamadani,(2011) The five service quality dimensions(tangibility, reliability, responsiveness, assurance and empathy) have a positive and significant effect on customer satisfaction.

Malik,(2011) The two dimensions of service quality (reliability, assurance) have a significant and positive effect on customer satisfaction. However, the rest three service quality dimensions (tangibility and responsiveness and empathy) have no contribution to customer satisfaction.

From the above discussion one can easily concludes that as the bank implements core banking solution, customers can get improved and quality services and as a result enjoy greater satisfaction in their stay in the bank. Thus the Researcher investigated by assessing the impact of Core banking on customer satisfaction at Ethiopian commercial banks level and Reviewing Service Quality Dimension beside to Core Banking variable.

Tirngo,(2016) study on “The implementation of core banking system on customer satisfaction the case in commercial bank Ethiopia Gurdsholla branch” shows that there is positive and significant relationship between core banking and customer satisfaction.

Deborah,(2014) on measuring the service quality of united bank s.c and its relationship with customer satisfaction shows the five service quality measurement dimensions (reliability, responsiveness, tangibles, assurance& empathy) contribute positively to customer satisfaction. Tesfaye,(2015) on “Effects of service quality on customer satisfaction in banking service the case commercial bank of Ethiopia” shows that the positive relationship between service quality dimensions (reliability, responsiveness, tangibles, assurance& empathy) with customer satisfaction.

2.14 Conceptual framework

The conceptual model that is intended to show the relationship between core banking and customer satisfaction is developed by the researcher from different findings. (Biju, D. Devandhiran & Sreehari , 2012).

Core banking and Service Quality is a vital antecedent of customer's satisfaction (Cronin & Taylor, 1992).Following from the literature review done above, the relationship between core banking, service quality variables and customer satisfaction can be shown as follows. In this conceptual model the five Service quality dimensions study conducted by Parasuraman,(1985). In turn customer satisfaction is believed to affect post-purchase, perception and future decisions. Therefore the researcher employs these factors to conduct this research. Conceptual framework for the impact of core banking and service quality on customer satisfaction.



Source: Parasuraman,(1985) & Biju,(2012)

CHAPTER THREE

RESEARCH METHDOLOGY

Introduction

This chapter deals with research design ,source & type of data, population & sample size of the study ,Sampling Techniques, Tools of data collection and Method of data analysis. At the end Validity and reliability test are present.

3.1 Research Design

The main objective of this study is to assess the impact of core banking on customer satisfaction at some selected commercial banks in wolkite town and this study had adopted descriptive-correlational form of research design to provide solutions to the research problems. Descriptive research involves gathering data that describe events and then organize, tabulates and describe the data collection.

3.2 Sources and type of Data

Data were collected from both primary and secondary sources and used for this study which are qualitative and quantitative in nature. To achieve the objectives of this study both primary and secondary sources of data are gathered.

3.2.1 Primary data

Primary data is a type of data, which are collected as fresh and for the first time, and thus happen to be original in character. This can be collected from sources such as questionnaire, interviews, etc. Primary data were collected from customers in the form of questionnaires at selected commercial banks.

3.2.2 Secondary Data

Secondary data involves the collection of information from studies that other researchers have conducted on a given issues or phenomenon (Catherine, 2007).The secondary data were gathered from review of organizational documents such as reports, surveys, periodicals.

3.3 Population and sample size of the Study

The total population of the study are customers of selected commercial banks in Wolkite town which is Commercial bank of Ethiopia, Abyssinia bank, Nib international bank & Debut global bank. Numerically, the total numbers of selected branch customers are 65,000(Sixty-five thousand).

-When it is shown in table:

Table 3.1 Total No of Customer in Commercial Bank

Commercial Banks	Total No of Customers
CBE	39,000
NIB	11,000
AB	8,000
DGB	7,000
Total commercial bank customers	65,000

Source: Branch data June, 2018

To get sample size by using Yamane, 1967 Sample size formula:

$$n = \frac{N}{1 + Ne^2}$$

Where n= Sample Size
N= Population Size
e= Error limit (5%)

$$= \frac{65000}{1 + 65000(0.05^2)}$$

$$= \underline{398}$$

3.4 Sampling Techniques

Sampling techniques provide a range of methods that enable One to reduce the amount of data needed for a study by considering only data from a sub-group rather than all possible elements (Saunders , 2009).

The sampling techniques of the study are Convenience sampling techniques. In order to acquire sufficient information on both quality and quantity, the researcher are employed Stratified random sampling which is used to take representative samples from heterogeneity or various population.

Since the number of people in each branch is not the same, the numbers of samples for each branch are calculated by the following formula:

$$n_1 = \frac{nN_1}{N}$$

Where **n**= total number of samples

N= total number of population within Sample Branches

N₁= total number of population in each Branch

n₁= number of samples in each Branch

Table 3.2 Sample size & Proportional distribution for each bank

Commercial branch	Sample size
CBE	239((39000*398)÷65000)
NIB	67
AB	49
DGB	43
Total	398

3.5 Data collection tools

Data collection tool that has been employed was Structured questionnaire that comprises close ended and open ended question. In order to obtain relevant data about the study the researcher used questionnaire as a major tool of data collection.

The questionnaire is being preferred as it enables to gather data about situation, practices and problems from large number of respondents within a relatively short period of time. Organized Questionnaires to the selected commercial bank customers are used as primary data collection. It is distributed to the Customer of selected four Commercial banks which is Commercial Bank of Ethiopia, Abyssinia bank, Nib International bank and Dehub Global bank.

3.6 Method of data analysis

After collecting the required data from the target population through questionnaire, the data are checked for completeness and internal consistency. Then the collected data were entered into SPSS version 16 software & analyze by using descriptive statistics. Descriptive analysis is going to be chosen because of its simplicity and clarity to draw inferences. Descriptive statistics such as mean, standard deviation are used to describe the nature of data.

Inferential statistics are used to analyze the existing relationship between core banking & customer satisfaction. The researcher used the customer satisfaction as dependent variable and core banking as independent variable.

3.7 Validity and Reliability

Reliability is defined as be fundamentally concerned with issues of consistency of measures. (Bryman and Bell, 2003). According to Hair, (2006), if α is greater than 0.7, it means that it has high reliability and if α is smaller than 0.3, then it implies that there is low reliability. Cronbach alpha has been employed to evaluate the reliability scale of construct and dimension of each construct. In order to test the validity and reliability of the questionnaires, researcher conducted a pilot study by thirty respondents.

The followings are listed below:-

Table 3.3 Validity and Reliability

Variable	Cronbanch's alpha
Core banking	0.732
Service Quality	0.961
Customer satisfaction	0.905

Source : own survey,2018

CHAPTER FOUR

DATA ANALYSIS AND DISCUSSION OF RESULTS

4. Introduction

The previous chapters of the study addressed descriptive aspects of the study. This section focus on analyses the field data and examines the findings in the light of the objectives of the study. In addition to this, background information of respondents will be presented. Finally, the statistical methods of analysis were discussed, which included a descriptive analysis, a correlation analysis through SPSS version 16.

4.1. Data Analysis

4.1.1 Background information from Respondents

Three hundred ninety eight questionnaires were distributed to the respondents and out of the total questionnaires 360 of them were collected with a response rate of 90.45 percent. However, only 360 responses were valid with complete answers. The demographic characteristics include: gender, age, level of education, and frequency of usage of the respondent. This aspect of the analysis deals with the personal data on the respondents of the questionnaires given to them. The table below shows the details of background information of the respondents.

Table 4.1 Demographic characteristics of respondent

CHARACTERSTICS		Frequency	Percentage	Chi-square test
Gender of the respondent	Male	197	54.7	(df =1) 3.211**
	Female	163	45.3	
Total		360	100	
Age of the respondent	Below 20	52	14.4	(df =3) 64.733***
	20-30	123	34.2	
	31-40	133	36.9	
	Above 40	52	14.4	
Total		360	100	
Education background of the respondent	Below diploma	68	18.9	(df = 3) 119.22***
	Diploma	147	40.8	
	Degree	129	35.8	
	Masters & above	16	4.4	
Total		360	100	
Frequency of usage of respondent	Daily	50	13.90	(df = 3) 36.467***
	Twice a week	89	24.7	
	Weekly	131	36.4	
	Monthly	90	25	
Total		360	100	

Source : own survey,2018

** statistically significant at 5%, *** statistically significant at 1%

The leading characteristics present about gender of the respondents. Male respondents represent 197(54.7 Percent), and the rest 163(45.3 percent) were females. The data was subjected to chi-square test and the difference in proportion of males and females is statistically significant at 5%. The resulted showed that there were more respondents of male as compared to females.

The Other characteristics are age of respondent; 52(14.4 percent) of the respondents are in the range of below 20 years, 123(34.2 percent) of the respondents are in the range of 20-30 years, 133(36.9 percent) are in the range of 31-40 years, and 52(14.4 percent) of the respondents are under the age of above 40 years. The survey include all the age group & indicates that majority of respondent were from the age group of 31 up to 40. The data was subjected to chi-square test and the difference in age of respondent is statistically significant at 1%. This is inferred that majority of respondent categorize under youngster.

In relation to educational level of respondents, below diploma represents 68(18.9 percent) of the customer, Diploma holders represent 147(40.8 percent) of the customers, degree holders represent 129(35.8 percent) & the remaining Masters and above represent 16(4.4 percent) of the customers. With regard to the above; majority of respondents have education level of diploma & degree holders. The data was subjected to chi-square test and the difference in proportion of education level of respondent is statistically significant at 1%. Therefore this is inferred that the respondents are highly qualified & capable to respond relevant information.

Regarding frequency of usage of customers, 50(13.9 percent) of the respondents uses the service Daily, 89(24.7 percent) of the customer uses the service twice a week, 131(36.4 percent) of the customers uses the service weekly, and 90(25 percent) of the respondents uses the services monthly. With regard to the above analysis: majority of customers uses their services weekly. The data was subjected to chi-square test and the difference in frequency of usage of customers is statistically significant at 1%. This is inferred that majority of respondents are not walking customer.

4.2. Customer Satisfaction in Commercial banks

The customers satisfaction from the perspectives of customers age, sex, frequency of use and customers educational background has been summarized below.

Descriptive statistics Analysis

Table 4.2 Customer satisfaction

Summary Statistics of Customer Satisfaction					
Variable	N	Minimum	Maximum	Mean	Std. Deviation
Customer Satisfaction	360	3.14	5.00	4.4472	.36697

Source : own survey,2018

The minimum score of the customer satisfaction construct is 3.14 whereas the maximum score is 5. The mean score of the same construct is 4.45. This shows that, on average, the respondents agreed to the customer satisfaction constructs alike.

Table 4.3 Customer satisfaction by Sex, Age, Education and Frequency of Use

No	Variable	Mean	Std. Dev
1	Sex	Male	.37307
		Female	.36057
2	Age	Below 20	.36773
		20-30	.37477
		31-40	.37037
		Above 40	.31408
3	Education	Below diploma	.35929
		Diploma	.38468
		Degree	.34923
		Masters & above	.36468
4	Frequency of Use	Daily	.36274
		Twice a week	.37543
		Weekly	.33390
		Monthly	.40909

Source : own survey,2018

As shown in item 1 of table 4.3 Customer satisfaction is compared with the respondents sex. The male customers mean satisfaction is 4.4496 shown that they have agreed on the higher satisfaction level on the bank services while the female respondent mean satisfaction level is 4.4443 feeling satisfied with service provided. The standard deviation of male & female customer response are 0.37307 and 0.36057 respectively.

As shown in item 2 of table 4.3 regarding comparison of customer satisfaction with the respondents age. Customers within the age of below 20 has a mean satisfaction level of 4.5659 Shown that those customers are well satisfied. In another way those customers in age of between 20-30 have mean satisfaction level value of 4.4611. The third comparison rated with the age between 31-40 has been also shown to have better mean satisfaction of 4.4178 and finally those customers age of above 40 were found to have mean satisfaction level of 4.3709. The standard deviation of the customers at age comparisons has been shown ranging from 0.31408 to 0.37477 indicating lower deviation of responses among customers at different age levels.

As shown in item 3 of table 4.3 Customer satisfaction is compared with the respondents educational background. Customers that have below diploma a mean satisfaction level of 4.5189. The second comparison are those customers that have diploma a mean score of 4.4354. In another way customers with degree educational background have a mean satisfaction level of 4.4319. Finally those customers that have educational background of masters & above have a mean satisfaction level of 4.3750. The standard deviation of customers at educational background comparisons has been shown ranging from 0.34923 to 0.38468 indicating lower deviation of responses among customers at different educational background levels.

As depicted in item 4 of table 4.3 regarding comparison of customer satisfaction with the frequency of respondents use. Customers with frequency of use have a mean satisfaction level of 4.4343 for daily, 4.4559 for twice a week, 4.4635 for weekly and 4.4222 for monthly frequency of usage of service provided. The standard deviation of customers at frequency of use comparisons has been shown ranging from 0.33390 to 0.40909 indicating lower deviation of responses among customers at different frequency of use levels.

4.3 Core Banking Practice in commercial banks

The core banking from the perspectives of customers age, sex, frequency of use and customers educational background has been summarized below.

Table 4.4 Core Banking

Summary Statistics of Core Banking					
Variable	N	Minimum	Maximum	Mean	Std. Deviation
Core banking	360	3.38	5.00	4.4531	.30249

Source : own survey,2018

Table 4.4 indicates that the minimum CB rate level is 3.38 while the maximum rating has been shown to be 5. The mean rate of CB is 4.4531 indicating that the majority of respondent at different demographic level have been satisfied. The standard deviation of respondent is 0.30249 indicating that there is lesser deviation among respondents response or similar response among perception of CB.

Table 4.5 Core Banking by Sex, Age, Education and Frequency of Use

No	Variable	Mean	Std. Dev
1	Sex	Male	4.4473 .30593
		Female	4.4601 .29908
2	Age	Below 20	4.4688 .33014
		20-30	4.4106 .31302
		31-40	4.4962 .28988
		Above 40	4.4279 .27042
3	Education	Below diploma	4.4871 .31751
		Diploma	4.4090 .27275
		Degree	4.4816 .32102
		Masters & above	4.4844 .32234
4	Frequency of Use	Daily	4.4375 .26153
		Twice a week	4.4213 .31779
		Weekly	4.4981 .29863
		Monthly	4.4278 .31073

Source : own survey,2018

As shown in item 1 of table 4.5 Core banking is compared with the respondents sex. The male customers mean satisfaction is 4.4473 shown that they have agreed on the core banking services while the female respondent mean satisfaction level is 4.4601 feeling satisfied with core banking service provided. The standard deviation of male & female customer response are 0.30593 and 0.29908 respectively.

As depicted in item 2 of table 4.5 regarding comparison of Core banking with the respondents age. Customers within the age of below 20 has a mean satisfaction level of 4.4688 Shown that those customers are well satisfied. In another way those customers in age of between 20-30 have mean satisfaction level value of 4.4106. The third comparison rated with the age between 31-40 has been also shown to have better mean satisfaction of 4.4962 and finally those customers age of above 40 were found to have mean satisfaction level of 4.4279. The standard deviation of the customers at age comparisons has been shown ranging from 0.27042 to 0.33014 indicating lower deviation of responses among customers at different age levels.

As shown in item 3 of table 4.5 Core banking is compared with the respondents educational background. Customers that have below diploma a mean satisfaction level of 4.4871. The second comparison are those customers that have diploma a mean score of 4.4090. In another way customers with degree educational background have a mean satisfaction level of 4.4816. Finally those customers that have educational background of masters & above have a mean satisfaction level of 4.4844. The standard deviation of customers at educational background comparisons has been shown ranging from 0.27275 to 0.32234.

As depicted in item 4 of table 4.5 regarding comparison of Core banking with the frequency of respondents use. Customers with frequency of use have a mean satisfaction level of 4.4375 for daily, 4.4213 for twice a week, 4.4981 for weekly and 4.4278 for monthly frequency of usage core banking service provided. The standard deviation of customers at frequency of use comparisons has been shown ranging from 0.26153 to 0.31779.

4.4 Service Quality Dimensions

The Service quality dimensions (reliability, responsiveness, assurance, tangibility, empathy) from the perspectives of customers age, sex, frequency of use and customers educational background has been summarized below.

Table 4.6 Service Quality Dimensions

Summary Statistics of Service Quality Dimensions					
Variable	N	Minimum	Maximum	Mean	Std. Deviation
Service Quality	360	2.75	5	4.3640	.38108

Source : own survey,2018

Table 4.6 indicates that general satisfaction towards service quality dimensions with a minimum & maximum score of 2.75 & 5 respectively. The mean & standard deviation score is 4.36 & 0.38 respectively. This shows that the respondents agreed with regard to service quality dimensions which is reliability, responsiveness, assurance, empathy & tangibility.

Table 4.7 Service Quality Dimensions by Sex, Age, Education and Frequency of Use

No	Variable	Mean	Std. Dev	
1	Sex	Male	4.3675	0.3592
		Female	4.3598	0.4057
2	Age	Below 20	4.4269	0.3944
		20-30	4.3333	0.3959
		31-40	4.3872	0.0328
		Above 40	4.3144	0.3138
3	Education	Below diploma	3.4926	0.3025
		Diploma	3.4200	0.2820
		Degree	4.3821	0.32439
		Masters & above	1.7187	0.229826
4	Frequency of Use	Daily	2.5778	0.3645
		Twice a week	0.3881	0.3823
		Weekly	4.3664	0.025
		Monthly	4.3638	0.4159

Source : own survey,2018

As depicted in item 1 of table 4.7 Service quality dimensions is compared with the respondents sex. The male customers mean satisfaction is 4.3675 shown that they have agreed on the higher satisfaction level on the bank services while the female respondent mean satisfaction level is 4.3598 feeling satisfied with service provided. The standard deviation of male & female customer response are 0.3592 and 0.4057 respectively.

As shown in item 2 of table 4.7 regarding comparison of Service quality dimensions with the respondents age. Customers within the age of below 20 has a better mean satisfaction level of 4.4269 Shown that those customers are highly satisfied. In another way those customers in age of between 20-30 have mean satisfaction level value of 4.3333. The third comparison rated with the age between 31-40 has been also shown to have a mean satisfaction level of 4.3872 and finally those customers age of above 40 were found to have mean satisfaction level of 4.3144. The standard deviation of the customers at age comparisons has been shown ranging from 0.0328 to 0.3959.

As depicted in item 3 of table 4.7 Service quality dimensions is compared with the respondents educational background. Customers that have below diploma a mean satisfaction level of 3.4926. The second comparison are those customers that have diploma a mean score of 3.4200. In another way customers with degree educational background have a mean satisfaction level of 4.3821. Finally those customers that have educational background of masters & above have a mean satisfaction level of 1.7187. The standard deviation of customers at educational background comparisons has been shown ranging from 0.2298 to 0.3243.

As shown in item 4 of table 4.7 regarding comparison of Service quality dimensions with the frequency of respondents use. Customers with frequency of use have a mean satisfaction level of 2.5778 for daily, 0.3881 for twice a week, 4.3664 for weekly and 4.3638 for monthly frequency of usage of service provided. The standard deviation of customers at frequency of use comparisons has been shown ranging from 0.025 to 0.4159.

4.5. Pearson Correlation analysis

To determine the relationship between core banking and customer satisfaction and also between service quality dimensions (tangibility, reliability, responsiveness, assurance, empathy) and customer satisfaction, Pearson correlation was computed. Table 4.6 below presents the results of Pearson correlation on the relationship between core banking and customer satisfaction & between service quality dimension and customer satisfaction.

Table 4.8 The relationship between core banking and service quality dimension and customer satisfaction

		Customer satisfaction
Core banking	Pearson Correlation	.390**
	Sig. (2-tailed)	.000
	N	360
Reliability	Pearson Correlation	.501**
	Sig. (2-tailed)	.000
	N	360
Assurance	Pearson Correlation	.446**
	Sig. (2-tailed)	.000
	N	360
Responsiveness	Pearson Correlation	.470**
	Sig. (2-tailed)	.000
	N	360
Empathy	Pearson Correlation	.500**
	Sig. (2-tailed)	.000
	N	360
Tangible	Pearson Correlation	.300**
	Sig. (2-tailed)	.000
	N	360

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

Source: own survey,2018

The results in table 4.6 indicate that, there is also positive and significant relationship between core banking and customer satisfaction ($r = 0.390$, $p < 0.01$).

On the other hand, there is positive and significant relationship between all service quality dimension and customer satisfaction. Tangibility and customer satisfaction ($r = 0.300$, $p < 0.01$), reliability and customer satisfaction ($r = 0.501$, $P < 0.01$), assurance and customer satisfaction ($r = 0.446$, $P < 0.01$), empathy and customer satisfaction ($r = 0.500$, $p < 0.01$) responsiveness and customer satisfaction ($r = 0.470$, $P < 0.01$).

4.6. Regression Analysis

Regression model was applied to test how far the core banking and service quality had impact on customer satisfaction. Coefficient of determination- R^2 is the measure of proportion of the variance of dependent variable about its mean that is explained by the independent or predictor variables (Hair, 1998). Higher value of R^2 represents greater explanatory power of the regression equation.

4.6.1. Impact of core banking and service quality dimensions on customer satisfaction

Table 4.9. Regression model for core banking and service quality dimensions

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.594 ^a	.352	.341	.29782

a. Predictors: (Constant), tangible, corebanking, assurance, responsiveness, reliability, empathy

Source: own survey,2018

The above table shows the R^2 value of 0.352. This result shows that the independent variable accounted for 35.2 percent of the variance in customer satisfaction. Thus 35.2 percent of the variation in customer satisfaction can be explained by core banking and service quality dimensions.

Thus 35.2 percent of the variation in customer satisfaction can be explained by core banking & service quality dimensions and the other unexplored variables may explain the variation in customer satisfaction which accounts for 64.8 percent.

4.6.2 ANOVA test

Analysis of variance in this study was used to determine whether the model was a good fit for the data. The F value of the test for the data in table 4.10 below is 32.011. The p-value associated with F value .000 which is lower than the alpha value 0.05. In addition, ANOVA table indicates that there was significant impact of the independent variables on the dependent variable and the model applied was significantly suitable to predict the dependent variable.

Table 4.10: ANOVA^b

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	17.035	6	2.839	32.011	.000 ^a
	Residual	31.309	353	.089		
	Total	48.344	359			

a. Predictors: (Constant), tangible, corebanking, assurance, responsiveness, reliability, empathy

b. Dependent Variable: customersatisfaction

4.6.3 Regression coefficient

To know about the effect of core banking & service quality on customer satisfaction multiple regressions was used as a model. It allows us to compare the predictive ability of particular independent variables and to find the best set of variables to predict a dependent variable.

As depicted below in table 4.9, from the unstandardized coefficient values listed as β , the researcher construct the following a regression equation:

$$CS = \alpha + \beta_1 CB + \beta_2 RE + \beta_3 A + \beta_4 RS + \beta_5 E + \beta_6 T + C + A + N + D + e$$

$$CS = 0.849 + 0.217CB + 0.199RE + 0.045A + 0.045RS + 0.236E + 0.079T + C + A + N + D + 0.285$$

Where,

CS = Customer satisfaction

CB= Core banking

RE= Reliability

A= Assurance

RS= Responsiveness

E= Empathy

T= Tangibility

α = Constant

β_1 , β_2 , β_3 , β_4 , β_5 and β_6 are unstandardized beta Coefficients of core banking, reliability, assurance, responsiveness, empathy and tangibility respectively.

Table 4.11. Regression model for Coefficients^a

		Coefficients ^a				
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	.849	.285		2.982	.003
	Corebanking	.217	.058	.179	3.730	.000
	Reliability	.199	.064	.203	3.122	.002
	Assurance	.045	.065	.044	.693	.489
	Responsiveness	.045	.063	.050	.708	.480
	Empathy	.236	.076	.221	3.118	.002
	Tangible	.079	.041	.090	1.950	.052

a. Dependent Variable: customersatisfaction

Source: own survey,2018

The results of multiple regressions, as presented in table 4.11 above core banking, reliability and empathy have a positive and significant effect on customer satisfaction with a beta value 0.217,0.199 & 0.236, at 99 percent confidence level ($p < 0.01$).

Table 4.11 further shows that, assurance, responsiveness and tangibility have a positive but insignificant effect on customer satisfaction with a beta value of 0.045 , 0.045 and 0.079 respectively, at 99 percent confidence level ($p < 0.01$).

In overall, the results revealed that on one hand, the independent variable (core banking and service quality dimensions) accounted for 35.2 percent of the variance in customer satisfaction ($R^2 = 0.352$). Thus, 35.2 percent of the variation in customer satisfaction can be explained by the core banking and service quality dimensions.

Moreover, from the findings of this study, the researcher found out that core banking has positive and significance impact on customer satisfaction. From service quality dimensions; reliability and empathy have positive and significant impact on customer satisfaction.

The remaining assurance, responsiveness and tangibility have positive and insignificant influence on customer satisfaction. From the above finding; empathy is the most important factor to have positive and significant effect on customer satisfaction, followed by core banking and reliability.

Analysis of open ended question

Majority of the respondent states their opinion regarding core banking service. From their suggestion it can be inferred that repeatedly occurrence of slowness or temporary failurity of connection on the delivering of service especially at the end of the month or at the payment of employee salary, pension. This problem is the major obstacle in the local deposit product and services which is quick transfer of fund, local money transfer, cash withdrawal & deposit and payment from all products of saving account and demand deposit account.

On the other hand some respondents stated their opinion regarding core banking services that inactive account system are problems after the application of core banking system which creates obstacle on the consumption of services.

In addition to the above; the other respondent stated their ideas, sometimes employees of commercial banks are not giving attention on jobs rather joking with the other staff at working time.

CHAPTER FIVE

FINDING, CONCLUSION and RECOMMENDATIONS

5.1. Discussion of Findings

The major findings are based on the collected data. The data were obtained through questionnaire from customers of the commercial banks. The study was planned at investigating the impacts of core banking on customer satisfaction at Commercial banks. Beside to this reviewed the service quality dimensions.

The results of the descriptive statistical analysis indicated that, customers are satisfied with the application of core banking and also the result of this study indicates that customers were satisfied with service quality dimensions of empathy, reliability, tangibility, responsiveness and assurance. The other things are respondents for Customer satisfaction, Core banking & Service quality dimensions (reliability, responsiveness, assurance, tangible, empathy) were satisfied from the perspectives of customers age, sex, frequency of use and customers educational background.

The correlation result show that there is a positive and significant relationship between core banking and customer satisfaction.

From service quality dimension; the correlation result show that there is a positive and significant relationship between tangibility and customer satisfaction, reliability and customer satisfaction, assurance and customer satisfaction, empathy and customer satisfaction & responsiveness and customer satisfaction. The finding also indicates that the highest relationship was found between reliability and customer satisfaction, while the lowest relationship was found between tangible and customer satisfaction.

The result of this study also indicates that core banking has a positive and significant effect on customer satisfaction. This finding is supported by Biju, D., (2012) he found that core banking has a positive and significant effect on customer satisfaction. This finding is also supported by Vijay Mm Kumbha, (2011). He reported that core banking has a positive and significant effect on customer satisfaction.

The result of this study indicates that reliability has a positive and significant effect on customer satisfaction. This finding is supported by Al-Hawary, (2011) He found that reliability has positive and significant relationship with customer satisfaction. Tizazu, (2012) also supported this study. According to him reliability has a positive and significant effect on customer satisfaction.

The finding of this study also indicates that assurance has a positive and insignificant effect on customer satisfaction. This result is different from the study by Malik , (2011) reported that assurance has a positive and significant effect on customer satisfaction.

However, the finding of this study indicates that responsiveness has a positive and insignificant effect on customer satisfaction. This finding is supported by Mohammad and Alhamadani (2011), found that responsiveness has a positive and insignificant effect on customer satisfaction.

The finding of this study further indicates that empathy has a positive and significant effect on customer satisfaction. This finding is supported by Mohammad & Alhamadani,(2011), reported that empathy has a positive and significant effect on customer satisfaction.

The finding of this study indicates that tangibility has positive and insignificant effect on customer satisfaction. This result is different from the study by Al-Hawary, (2011) reported that tangibles has a positive and significant effect on customer satisfaction.

In overall, the results revealed that all independent variables (core banking and service quality dimensions) accounted for 35.2 percent of the variance in customer satisfaction ($r^2 = 0.352$). Thus, 35.2 percent of the variation in customer satisfaction can be explained by the core banking & service quality dimensions factor. Thus, 35.2 percent of the variation in customer satisfaction can be explained by the core banking & service quality dimensions factor and other unexplored variables may explain the variation in customer satisfaction which accounts for about 64.8 percent.

5.2. Conclusion

Commercial banks are becoming more flexible, strong, quick to change innovated technologies, and satisfied their customer by supplying quality of service to become more profitable. This study reviews the literature the impact of core banking and service quality dimensions (reliability, responsiveness, assurance, tangible & empathy) on customer satisfaction. The descriptive analysis outcomes shows, commercial bank customers satisfied by application of core banking system and service quality dimensions.

The study was conducted to examine the impacts of the application of core banking on customer satisfaction at commercial banks. The finding of the study indicates that customers of commercial banks were satisfied by core banking and also the five service quality dimensions (tangibility, reliability, responsiveness, assurance and empathy).

The other things are respondents of Customer satisfaction, Core banking & Service quality dimensions (reliability, responsiveness, assurance, tangible, empathy) were satisfied from the perspectives of customers age, sex, frequency of use and customers educational background.

The correlation result shows that, core banking and also all service quality dimensions (tangibility, assurance, empathy, responsiveness and reliability) are positively and significantly related with customer satisfaction.

The findings of this study also indicated that core banking also have positive and significant impacts on customer satisfaction. From the service quality dimensions; reliability and empathy are positive and significant impact on customer satisfaction. The remaining assurance, responsiveness and tangibility are positive but insignificant impact on customer satisfaction.

The study also indicates that customers are satisfied by core banking system of the commercial banks. From the finding of this study the researcher concludes that core banking has positive and significant relationship with customer satisfaction and also service quality dimension has positive and significant effect on customer satisfaction.

Therefore, the finding of researcher concludes that the customers were satisfied by core banking system and service quality dimensions.

5.3. Recommendations

Based on the findings and conclusions of the study, the researcher forwards the following recommendations to the management of the commercial banks and suggestion for other researchers :

In general CB is the most important and recently innovated technology for the financial institution. The researcher raise ideas to advice the commercial banks regarding core banking and service quality dimension;

The commercial banks become more invest to the entire core banking, service quality dimensions in maintaining and improving the service quality of the bank provides. The study confirms the five dimensions of service quality (Tangibility, Reliability, Responsiveness, Assurance and Empathy.) are positively correlated with the commercial banks customer satisfaction. The other things are commercial banks put all the effort to satisfy their customers up to what is possible which are as shown in the finding and presentation part of the study.

Commercial banks becomes devote more to raise Customers level of satisfaction on Core banking, Service Quality Dimensions which are reliability, responsiveness, assurance, tangible, empathy from perspective of sex, age, educational background and frequency of respondents usage to raise their profitability.

The commercial banks create various mechanism to avoid or minimize slowness or temporary failurity of network as much as possible because this problem become negative impact on customer satisfaction in connection with service delivery.

Additionally, increase communications among staff members to update knowledge regarding core banking system and create a sense of teamwork. This enables the commercial bank employees have knowledge to answer all customer question related to operation and deliver service with care , attentiveness and capabilities.

The commercial banks become beneficial to develop appropriate programs and provide on-going training on the various attributes of responsiveness to strengthen employees' ability to improve customer service.

Moreover, the commercial banks evaluate employees' performance constantly & control employees to participate(attending) in scheduled training courses because behavior of employees is often instrumental in bringing about desired outcome. Learning involves both the development and modification of thoughts and behaviors, therefore the commercial banks become continuously redefine goals and policies, modify structures, re-engineer jobs, and track training, monitoring, and rewarding of employees.

In the present competitive banking environment, most of the commercial banks offer the same or similar products around the world and service quality is a vital means to differentiate themselves in the market place.

So the researcher advice to commercial banks become devote more on slowness or temporary failurity of connection of CBS & service quality dimensions because all the dimension are good, to achieve this higher perceived performance and get competitive advantage in the market & the organization requires to invest & improve on those weak areas.

5.4 Limitation and suggestion for future research

There were some limitation associated with this study that need to be discussed. The Assessment was done only in a few selected branches of commercial banks in wolkite Town which is Commercial bank of Ethiopia, Abyssinia bank, Nib international bank & Dehub global bank. Thus, it is difficult to conclude that the findings of the commercial bank sector of the country. The other things are the researcher weren't enter commercial bank respondents data separately into SPSS software.

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APPENDICE A

Questionnaire

Dear Respondents,

This questionnaire is designed to obtain information about impact of Core banking on Customer satisfaction and its aim at analyzing & assessing the application of core banking & its impact on customer satisfaction at Commercial banks level. For this project; i would like to gather some information from you which will help me to study the project. I would be indebted if you co-operate with me in filling the questionnaire. since the questionnaire is being used for academic purpose & the information will be kept confidential.

Yonas Endale

Part 1. Demographical information

- ❖ For this personal information where answer options are available please tick sign “X” in the appropriate box.

1. Sex

Male

Female

2. Age

Below 20

20 – 30

31 – 40

Above 40

3. Educational Level

Below Diploma

Diploma

Degree

Masters and above,

4. Frequency of Using the bank

- Daily
 Twice a week
 Weekly
 Monthly

Part 2. Please indicate your responses to each of the following statements regarding core banking, service quality dimension and customer satisfaction.

Indicate by surround on the appropriate number; according to the following code definitions which can be represented as :

5. Strongly Agree/ Strongly Satisfied
4. Agree/ Satisfied
3. Neutral/Neither satisfied Nor Dissatisfied
2. Disagree / Dissatisfied
1. Strongly Disagree/ Strongly Dissatisfied

Core Banking Questionnaire (CBQ)

Item	Scale				
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Core banking reduced error on transaction	1	2	3	4	5
Core banking enhances security of account information	1	2	3	4	5
Core banking facilitates speed of services	1	2	3	4	5
Core banking generally improves the way of doing business in the bank.	1	2	3	4	5
Core banking reduces the time spent in the bank.	1	2	3	4	5
Core banking provides more flexible services	1	2	3	4	5
Core banking brings low transaction cost	1	2	3	4	5
Core banking brings quick transfer of fund	1	2	3	4	5

Customer Satisfaction with relation to service quality dimensions

Item	Scale				
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
<u>Reliability</u>					
Banks fulfill its promise at the time indicated	1	2	3	4	5
Banks perform the service exactly at the first time	1	2	3	4	5
Banks show a keen interest in solving your problems	1	2	3	4	5
Bank insist on error free record	1	2	3	4	5
<u>Assurance</u>					
Banks staff behavior instills confidence in me	1	2	3	4	5
I feel safe in my transaction with the bank	1	2	3	4	5
Bank's staff are courteous with you	1	2	3	4	5
Banks staff have the knowledge to answer all my question	1	2	3	4	5
<u>Responsiveness</u>					
Bank's staff tell you exactly the time the service will be performed	1	2	3	4	5
Bank's staff give you prompt services	1	2	3	4	5
Bank's staff always willing to assist you	1	2	3	4	5
Banks staff are not too busy to respond to your question	1	2	3	4	5
<u>Empathy</u>					
Banks give you individuals attention	1	2	3	4	5
Banks operating hours convenient to you	1	2	3	4	5
The bank my interest at heart	1	2	3	4	5
Banks staff understand by specific needs	1	2	3	4	5
<u>Tangibles</u>					
The banks employees has Professional appearance	1	2	3	4	5
Material associated with the service like vouchers, pamphlets, statements are visually appealing at the bank	1	2	3	4	5
Bank physical facilities visually nice	1	2	3	4	5
Banks has modern equipment & tools	1	2	3	4	5

Customer Satisfaction Questionnaire (CSQ)

Item	Scale				
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
I am satisfied with bank's complete range of services	1	2	3	4	5
I am satisfied with the performance of the employees of commercial banks	1	2	3	4	5
I am satisfied of being a client of commercial bank	1	2	3	4	5
I am satisfied with the bank employees professional competence	1	2	3	4	5
I am satisfied with the quick service of commercial bank	1	2	3	4	5
I am satisfied with the respectful behavior of employees	1	2	3	4	5
General satisfaction towards core banking	1	2	3	4	5

What you recommended to the bank for further improvements?

APPENDICE B

መጠይቅ

ለተከበራችሁ መላሾች

የዚህ መጠይቅ መዘጋጀት ስለ ኮር ባንኪንግ በደንበኛ እርካታ ላይ ያለውን ተፅዕኖ በመረጃ ለመሰብሰብ እና ዓላማውም የኮር ባንኪንግ መተግበር ንግድ ባንክ ደንበኞች እርካታ ላይ ያለውን ተፅዕኖ እንዲሁም በባንኩ ውስጥ ያለውን የአገልግሎት ጥራት ለመተንተንና ለመገምገም ታስቦ የተዘጋጀ ነው ። ለዚህ ነገርጅክት ማጠናከሪያ ይህን ዘንድ ከደንበኛው የተወሰኑ መረጃዎችን ለመሰብሰብ ያቀድኩኝ ሲሆን ይህንን መረጃ በመስጠት ለሚተባበሩኝ ደንበኞች በቅድሚያ የከበረ ምስጋናዬን አቀርባለሁ ። መጠይቁ ለትምህርት አገልግሎት ብቻ በመዋሉ ምክንያት የምትሰጡኝ መረጃ በሚስጥር የምጠብቅ መሆኔን በትህትና እገልጻለሁ ።

ዮናስ እንዳለ

ክፍል 1 / የመላሹ/ሽዋ/ ግላዊ መረጃ

ይህ የመጀመሪያ ክፍል የእርስዎን ግላዊ መረጃ የሚጠይቅ ሲሆን በትክክል የእርስዎን በሚያመለክተው ሳጥን ውስጥ «X» ምልክት በማድረግ ምላሽዎች እንዲሰጡ በአክብሮት እጠይቃለሁ ።

1. ያታ

ወንድ

ሴት

2. ዕድሜ

ከ20 በታች

20 — 30

31 — 40

40 እና ከዚያ በላይ

3. የትምህርት ደረጃ

ከዲፕሎማ በታች

- ዲፕሎማ
- ዲግሪ
- ማስተርስ እና ከዚያ በላይ

4. ባንኩ የሚጎበኙበት ጊዜ

- በየቀኑ
- በሳምንት ሁለቴ
- በሳምንት
- በየወሩ

ክፍል ሁለት :- በዚህ ክፍል ምላሽ የምትሰጡት ከኮርባንኪንግ ፣ አገልግሎት ጥራት እና ደንበኛ እርካታ ላይ ነው ።

እባክዎ የሚከተሉትን ጥያቄዎች ካነበቡ በኋላ ትክክለኛ መልስ ይሆናል ባሉት ቁጥር የክብ ምልክት በማድረግ ምርጫዎትን ይግለፁ ፣ የቁጥሮቹም መግለጫ እንደሚከተሉት ናቸው ።

- 5. በጣም እስማማለሁ / በጣም እረክቻለሁ /
- 4. እስማማለው / እረክቻለሁ
- 3. አስተያየት የለኝም
- 2. አልስማማም/አልረክሁም
- 1. በጣም አልስማማም/ በጣም አልረክሁም

የኮር ባንኪንግ መጠይቆች

ተ.ቁ	ኮር ባንኪንግ ሥራ ላይ በመዋሉ ምክንያት	በጣም እስማማለሁ	እስማማለሁ	አስተያየት የለኝም	አልስማማም	በጣም አልስማማም
1.1	በገንዘብ ልውውጥ ላይ የሚያጋጥመው ስህተት ቀንሷል	1	2	3	4	5
1.2	የአካውንት መረጃ ደህንነት ጨምሯል	1	2	3	4	5
1.3	ፈጣን አገልግሎት አመቻችቷል	1	2	3	4	5
1.4	በባንኩ ውስጥ የስራ ሁኔታ ተሻሽሏል	1	2	3	4	5
1.5	ደንበኛው በባንኩ ውስጥ የሚያሳልፈው ጊዜ ቀንሷል	1	2	3	4	5
1.6	ቀልጣፋ አገልግሎት መጥቷል	1	2	3	4	5
1.7	ለገንዘብ ልውውጥ የሚያስፈልገውን ዋጋ ቀርቷል	1	2	3	4	5
1.8	ፈጣን የብር ማስተላለፍ	1	2	3	4	5

የደንበኞች እርካታ በአገልግሎት ጥራት ላይ

ተ.ቁ	አምስቱ የአገልግሎት ጥራት ክፍሎች	በጣም እረክቻለሁ	እረክቻለሁ	አስተያየት የለኝም	አልረካሁም	በጣም አልረካሁም
2.	ተግማኒነት በእነዚህ አምስቱ ነጥቦች ተደስተዋልን	1	2	3	4	5
2.1	የባንኩ ሠራተኛ በባንኩ ቃል በተገባው መሠረት አገልግሎት መስጠት	1	2	3	4	5
2.2	የባንኩ ሠራተኛ ስራውን በመጀመሪያ ደረጃ በአግባቡ ለደንበኛው አገልግሎት በመስጠት	1	2	3	4	5
2.3	የደንበኛውን ጥያቄ ለመመለስ ሰራተኛው ዝግጁ በመሆን	1	2	3	4	5
2.4	ከስህተት የነፃ ሪከርድ በመኖሩ	1	2	3	4	5

የደንበኞች እርካታ በአገልግሎት ጥራት ላይ

ተ.ቁ	አምስቱ የአገልግሎት ጥራት ክፍሎች	በጣም እረክቻለሁ	እረክቻለሁ	አስተያየት የለኝም	አልረካሁም	በጣም አልረካሁም
3.	እምነት ማሳደር ወይንም ማረጋገጥ በእነዚህ አራቱ ነጥቦች ይደሰታሉ፡፡	1	2	3	4	5
3.1	የባንኩ ሠራተኛ ደንበኛው በባንኩ አገልግሎት የራስ መተማመን እንዲፈጥር በማድረግ ረገድ	1	2	3	4	5
3.2	የባንክ ሠራተኛው በራሱ የባንክ ሂሳብ እንቅስቃሴ ላይ ሙሉ እምነት እንዲኖረው በማድረግ	1	2	3	4	5
3.3	የባንኩ ሠራተኛ ለደንበኛው የማይለዋወጥ አክብሮትና ትህትና በማሳየት ረገድ	1	2	3	4	5
3.4	የባንኩ ሰራተኛ የደንበኛውን ጥያቄ ለመመለስ በቂ እውቀት በመኖሩ ረገድ	1	2	3	4	5
4	ቀና ምላሽ በእነዚህ አራት ነጥቦች ይደሰታሉ	1	2	3	4	5

4.1	የባንኩ ሰራተኛ አገልግሎቱ መቻላቸውን እንደሚጀምር ለደንበኛው በመንገር ረገድ	1	2	3	4	5
4.2	የባንኩ ሰራተኛ ለደንበኛው በፍጥነት አገልግሎት በመስጠት በኩል	1	2	3	4	5
4.3	ደንበኛውን ለመርዳት የባንኩ ሰራተኛ ፍቃደኛ በመሆን በኩል	1	2	3	4	5
4.4	የባንኩ ሰራተኛ ለደንበኛው ጥያቄ ቀና ምላሽ ለመስጠት ሆን ብሎ በስራ የተወጠረ ባለመምሰል	1	2	3	4	5
5	ለደንበኛው ትኩረት መስጠት በእነዚህ አምስቱ ነጥቦች	1	2	3	4	5
5.1	የባንኩ ሰራተኛ የደንበኛውን ጥያቄ በጥሞና ሰምቶ ምላሽ በመስጠት	1	2	3	4	5
5.2	ባንኩ ለደንበኛው የሚሰጠው የአገልግሎት ሰዓት ምቹ በመሆን	1	2	3	4	5

5.3	ባንኩ ደንበኛውን ፍላጎት በማስቀደም ረገድ	1	2	3	4	5
5.4	የባንኩ ሰራተኛ ለደንበኛ አገልግሎት ሲሰጥ የደንበኛውን የግል ፍላጎት በአግባቡ በመረዳት ረገድ	1	2	3	4	5
6	በተጨማሪም የሚታይ በእነዚህ አራት ነጥቦች ይደሰታል	1	2	3	4	5
6.1	የባንኩ ሰራተኛ አለባበስና ንጽህና	1	2	3	4	5
6.2	የባንኩ አገልግሎት አሰጣጥ በሚረዱ ቁሳቁሶች/ኮምፒዩተር ፣ ነገረንተር ፣ ፋክስ እና ሌሎች ፣	1	2	3	4	5
6.3	በአይን በሚታዩ የባንኩ ፋሲሊቲዎች (የመኪና ማቆሚያ ፣ የደንበኛ መቀመጫ እና ወዘተ)	1	2	3	4	5
6.4	በባንኩ ውስጥ ባሉ ቋሚ እቃዎች (ወንበር ፣ ጠረጴዛ እና ወዘተ)	1	2	3	4	5

2. የደንበኛ እርካታ መጠይቅ

ተ.ቁ	የደንበኛ እርካታ	በጣም እስማማለሁ	እስማማለሁ	አስተያየት የለኝም	አልስማማም	በጣም አልስማማም
1.1	በባንኩ የተሟላ አገልግሎት እረክቻለሁ	1	2	3	4	5
1.2	በባንኩ ሰራተኞች ብቃት እረክቻለሁ	1	2	3	4	5
1.3	የባንኩ ደንበኛ በመሆኔ እረክቻለሁ	1	2	3	4	5
1.4	በባንኩ ሰራተኞች ሙያዊ ክህሎት እረክቻለሁ	1	2	3	4	5
1.5	በባንኩ ፈጣን አገልግሎት እረክቻለሁ	1	2	3	4	5
1.6	በሰራተኞች የደንበኛ አክብሮት እረክቻለሁ	1	2	3	4	5
1.7	በኮር ካንኪንግ ላይ አጠቃላይ እርካታዎ ምን ይመስላል	1	2	3	4	5

ከዚህ በላይ ባለው ሠንጠረዥ ከተጠቀሱት ነጥቦች በተጨማሪ በባንኩ አገልግሎት አሰጣጥ ላይ ሌላ አስተያየት ካሎት እና እንዲሻሻል የሚፈልጉት አገልግሎት ካለ ከዚህ በታች ባለው ባዶ ቦታ ይግለጹ ::

APPENDICE C

sex

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	male	197	54.7	54.7	54.7
	female	163	45.3	45.3	100.0
	Total	360	100.0	100.0	

age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	below 20	52	14.4	14.4	14.4
	20-30	123	34.2	34.2	48.6
	31-40	133	36.9	36.9	85.6
	above 40	52	14.4	14.4	100.0
	Total	360	100.0	100.0	

educational level

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	below diploma	68	18.9	18.9	18.9
	Diploma	147	40.8	40.8	59.7
	Degree	129	35.8	35.8	95.6
	masters and above	16	4.4	4.4	100.0
	Total	360	100.0	100.0	

frequency of using the bank

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Daily	50	13.9	13.9	13.9
	twice a week	89	24.7	24.7	38.6
	Weekly	131	36.4	36.4	75.0
	Monthly	90	25.0	25.0	100.0
	Total	360	100.0	100.0	

Customer satisfaction

Item	Statements	Response	Response Categories				
			SD	D	N	A	SA
1	I am satisfied with bank's complete range of services	F	-	5	1	214	140
		%	-	1.4	0.3	59.4	38.9
2	I am satisfied with the performance of the employees of commercial banks	F	-	1	-	184	175
		%	-	0.3	-	51.1	48.6
3	I am satisfied of being a client of commercial bank	F	-	-	-	220	140
		%	-	-	-	61.1	38.9
4	I am satisfied with the bank employees professional competence	F	-	1	2	214	143
		%	-	0.3	0.6	59.4	39.7
5	I am satisfied with the quick service of commercial bank	F	-	4	1	222	133
		%	-	1.1	0.3	61.7	36.9
6	I am satisfied with the respectful behavior of employees	F	-	-	1	209	150
		%	-	-	0.3	58.1	41.7
7	General satisfaction towards core banking	F	-	-	1	85	274
		%	-	-	0.3	23.6	76.1

Source : own survey, 2018

F indicate frequency

CORE BANKING

Item	Statements	Response	Response Categories				
			SD	D	N	A	SA
1	Core banking reduced error on transaction	F	-	-	9	125	226
		%	-	-	2.5	34.7	62.8
2	Core banking enhances security of account information	F	-	1	1	100	258
		%	-	0.3	0.3	27.8	71.7
3	Core banking facilitates speed of services	F	1	9	2	223	125
		%	0.3	2.5	0.6	61.9	34.7
4	Core banking generally improves the way of doing business in the bank.	F	-	-	1	225	134
		%	-	-	0.3	62.5	37.2
5	Core banking reduces the time spent in the bank.	F	1	5	4	251	99
		%	0.3	1.4	1.1	69.7	27.5
6	Core banking provides more flexible services	F	-	3	1	258	98
		%	-	0.8	0.3	71.7	27.2
7	Core banking brings low transaction cost	F	-	-	2	172	186
		%	-	-	0.6	47.8	51.7
8	Core banking brings quick transfer of fund	F	-	2	-	113	245
		%	-	0.6	-	31.4	68.1

Source : own survey, 2018

F indicate frequency

SERVICE QUALITY DIMENSIONS

Item	Statements	Response	Response Categories				
			SD	D	N	A	SA
RELIABILITY							
1	Banks fulfill its promise at the time indicated	F	-	3	4	231	122
		%	-	0.8	1.1	64.2	33.9
2	Banks perform the service exactly at the first time	F	-	1	6	234	119
		%	-	0.3	1.7	65	33.1
3	Banks show a keen interest in solving your problems	F	-	1	2	270	87
		%	-	0.3	0.6	75	24.2
4	Bank insist on error free record	F	-	-	1	211	148
		%	-	-	0.3	58.6	41.1
ASSURANCE							
5	Banks staff behavior instills confidence in me	F	1	-	7	256	96
		%	0.3	-	1.9	71.1	26.7
6	I feel safe in my transaction with the bank	F	-	-	3	145	212
		%	-	-	0.8	40.3	58.9
7	Bank's staff are courteous with you	F	-	1	3	252	104
		%	-	0.3	0.8	70	28.9
8	Banks staff have the knowledge to answer all my question	F	-	1	10	241	108
		%	-	0.3	2.8	66.9	30

Source : own survey, 2018

F indicate frequency

Item	Statements	Response	Response Categories				
			SD	D	N	A	SA
RESPONSIVENESS							
9	Bank's staff tell you exactly the time the service will be performed	F	-	-	3	252	105
		%	-	-	0.8	70	29.2
10	Bank's staff give you prompt services	F	-	-	2	233	125
		%	-	-	0.6	64.7	34.7
11	Bank's staff always willing to assist you	F	-	7	6	258	89
		%	-	1.9	1.7	71.7	24.7
12	Banks staff are not too busy to respond to your question	F	3	18	19	236	84
		%	0.8	5	5.3	65.6	23.3
EMPATHY							
13	Banks give you individuals attention	F	2	13	20	260	65
		%	0.6	3.6	5.6	72.2	18.1
14	Banks operating hours convenient to you	F	-	-	-	138	222
		%	-	-	-	38.3	61.7
15	The bank my interest at heart	F	-	-	1	247	112
		%	-	-	0.3	68.6	31.1
16	Banks staff understand by specific needs	F	-	2	3	238	117
		%	-	0.6	0.8	66.1	32.5
TANGIBILITY							
17	The banks employees has Professional appearance	F	-	3	2	244	111
		%	-	0.8	0.6	67.8	30.8
18	Material associated with the service like vouchers, pamphlets, statements are visually appealing at the bank	F	-	4	2	82	272
		%	-	1.1	0.6	22.8	75.6
19	Bank physical facilities visually nice	F	-	6	1	77	276
		%	-	1.7	0.3	21.4	76.7
20	Banks has modern equipment & tools	F	-	5	1	63	291
		%	-	1.4	0.3	17.5	80.8

Source : own survey, 2018

F indicate frequency

Descriptive Statistics-corebanking

	N	Mean	Std. Deviation
core banking reduced error on transaction	360	4.6028	.53874
core banking enhances security of account information	360	4.7083	.47902
core banking facilitate speed of services	360	4.2833	.63135
core banking generally improves the way of doing business in the bank	360	4.3694	.48906
core banking reduces the time spent in the bank	360	4.2278	.56184
core banking provides more flrlexible services	360	4.2528	.49509
core banking brings low transaction cost	360	4.5111	.51158
core banking brings quick transfer of fund	360	4.6694	.50530
Valid N (listwise)	360		

Descriptive Statistics-Reliability

	N	Mean	Std. Deviation
banks fulfill its promise at the time indicated	360	4.3111	.53604
banks perform the service exactly at first time	360	4.3083	.51381
banks show a keen interest in solving your problems	360	4.2306	.45360
banks insist on error free record	360	4.4083	.49784
Valid N (listwise)	360		

Descriptive Statistics-Assurance

	N	Mean	Std. Deviation
banks staff are courteous with me	360	4.2750	.48307
i feel safe in my transaction with the bank	360	4.5806	.51079
banks staff behaviour instills confidence in me	360	4.2389	.50473
banks staff have the knowledge to answer all my question	360	4.2667	.51819
Valid N (listwise)	360		

Descriptive Statistics-Responsiveness

	N	Mean	Std. Deviation
banks staff tell you exactly the time the service will be performed	360	4.2833	.46940
banks staff give you prompt services	360	4.3417	.48652
banks staff always willing to assist you	360	4.1917	.55297
banks staff are not too busy to respond to my question	360	4.0556	.74805
Valid N (listwise)	360		

Descriptive Statistics-Empathy

	N	Mean	Std. Deviation
banks give me individuals attention	360	4.0361	.65608
banks operating hours convenient to me	360	4.6167	.48688
the bank my interest at heart	360	4.3083	.46843
banks staff understand by specific needs	360	4.3056	.51276
Valid N (listwise)	360		

Descriptive Statistics-Tangibility

	N	Mean	Std. Deviation
the banks employees has a professional appearance	360	4.2861	.51585
material associated with the service like pamphlets,statements are visually appealing at the bank	360	4.7278	.52599
bank physical facilities visually nice	360	4.7306	.55067
banks has modern equipment & tools	360	4.7778	.51231
Valid N (listwise)	360		

Descriptive Statistics-Customer satisfaction

	N	Mean	Std. Deviation
i am satisfied with banks complete range of services	360	4.3583	.56543
i am satisfied with the performance of the employees of this bank	360	4.4806	.51675
i am satisfied of being a client of this bank	360	4.3889	.48818
i am satisfied with the bank employees professional competence	360	4.3861	.51531
i am satisfied with the quick service of this bank	360	4.3444	.54668
i am satisfied with the respectful behaviour of employees	360	4.4139	.49883
general satisfaction towards core banking	360	4.7583	.43514
Valid N (listwise)	360		

Correlations

		corebanking	customersatisfaction
Corebanking	Pearson Correlation	1	.390**
	Sig. (2-tailed)		.000
	N	360	360
Reliability	Pearson Correlation	1	.501**
	Sig. (2-tailed)		.000
	N	360	360
Assurance	Pearson Correlation	1	.446**
	Sig. (2-tailed)		.000
	N	360	360
Responsiveness	Pearson Correlation	1	.470**
	Sig. (2-tailed)		.000
	N	360	360
Empathy	Pearson Correlation	1	.500**
	Sig. (2-tailed)		.000
	N	360	360
Tangible	Pearson Correlation	1	.300**
	Sig. (2-tailed)		.000
	N	360	360

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.594 ^a	.352	.341	.29782

a. Predictors: (Constant), tangible, corebanking, assurance, responsiveness, reliability, empathy

ANOVA^b

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	17.035	6	2.839	32.011	.000 ^a
	Residual	31.309	353	.089		
	Total	48.344	359			

a. Predictors: (Constant), tangible, corebanking, assurance, responsiveness, reliability, empathy

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
	B	Std. Error	Beta			
1	(Constant)	.849	.285		2.982	.003
	Corebanking	.217	.058	.179	3.730	.000
	Reliability	.199	.064	.203	3.122	.002
	Assurance	.045	.065	.044	.693	.489
	Responsiveness	.045	.063	.050	.708	.480
	Empathy	.236	.076	.221	3.118	.002
	Tangible	.079	.041	.090	1.950	.052

a. Dependent Variable: customersatisfaction