

**THE ROLE OF QUALITY SERVICE DELIVERY ON
CUSTOMER SATISFACTION (IN CASE OF WOLKITE
TOWN)**



WOLKITE UNIVERSTY
COLLEGE OF BUSINESS AND ECONOMICS
DEPARTMENT OF MANAGEMENT
ARESEARCH PAPER SUBMITTED TO DEPARTMENT
OF MANAGEMENT IN FULFILLMENT OF THE
REQUIREMENT FOR BA DEGREE IN MANAGEMENT

BY: MESENBET DESSALEGN

ADIVISOR: TILAHUN D (MSE)

DECEMBER,2020

WOLKITE, ETHIOPIA

Declaration

I, the under signed, declare that this thesis is my original work and has not been presented for any degree in this or any other University and that all sources of materials used for the thesis have been duly acknowledged.

By: Mesenbet Dessalegn

Signature _____

Date _____

Statement of Certificate

This is to certify that Mesenbet Dessalegn has carried out his research work on the topic entitled “The Role Quality Service Delivery On Customer Satisfaction: the case of Wolkite Town Municipality” In the partial fulfillment For BA Degree In Management at Wolkite University.

Advisor’s Name

Date & Signature

Approval Sheet

As an examining member of the final research defense program I certify that I have read and evaluated the research prepared by **Mesenbet Dessalegn** entitled: “the role of quality service delivery on customer satisfaction (in case of Wolkite town)”, and recommended that it is accepted as fulfilling the research requirements for BA degree in Management.

Name of Examiner: _____

Signature: _____

Date: _____

Acknowledgement

First, words were not enough to express the favor of the almighty God; secondly, we would like to express our heart gratitude and appreciation to our advisor instructor Tilahun for his sincerity and faithfulness in all processing of the research and his continued provisions of many help full valuable idea and suggestions. Finally, we would like to thanks all our families and friends for their financial and moral support.

Abstract

This research is designed to the role of quality service delivery on customer satisfaction by taking Wolkite town municipality as case were. The objective of this study is to assess the role of quality service delivery on customer satisfaction and toward the possible solution to the problems addressed by findings. During the study lack of respondents accessibility and financial constraints which have a negative impact on the research. This research was conducted through both primary and secondary data. According to the findings that responded by the majority of the respondents the cause of dissatisfaction customers of Wolkite town municipality were corruption, the employee was not knowledgeable, not punctual, lack of computer file system. The subjects of the study were customers of Wolkite town municipality. The data were collected from 100 customers of Wolkite town municipality for the study and simple random sampling method was used in the study

Acronyms

EAL: Ethiopian airlines

SPSS: statistical package for social science

TQM: Total quality management

SERVQUAL: Service quality

IATA: International air transportation association

SQ: Service quality

Table of Contents

Declaration.....	i
Statement of Certificate.....	ii
Approval Sheet.....	iii
Acknowledgement.....	iv
<i>Abstract</i>	v
Acronyms.....	vi
CHAPTER ONE	1
1.1 Background of the study.....	1
1.2 Background of the Werea.....	1
1.3 Statement of the problem.....	2
1.4 Research Questions.....	2
1.5 Objective of the study.....	3
1.5.1 General objective of the study.....	3
1.5.2 Specific objectives of the study.....	3
1.6 Significance of the study.....	3
1.7 The scope of the study.....	3
1.9 Organizations of paper.....	4
CHAPTER TWO	5
REVIEW OF LITERATURE	5
2.1 Definition of service.....	5
2.2 Characteristics of service.....	5
2.3 Classification of service.....	6
2.4 Scope of Service.....	6
2.5 Service Quality.....	7
2.6 The Need for Service Quality.....	7
2.7 Benefits of Services Quality.....	7
2.8 Managing service Quality.....	8
2.9 Customer handling skills.....	8
2.10 Measuring Customer Satisfaction.....	8
2.11 The Service Profit Chain.....	9
2.12 Research on customer satisfaction Measurement.....	9
2.13 Overcoming the Obstacles in service marketing.....	9
2.14 Definitions of Customer Satisfaction.....	11

2.15 Themes in the Financial Services Sector	11
2.16 Understanding the Services Environment	11
2.17 Empirical Review	12
CHAPTER THREE	14
RESEARCH METHODOLOGY	14
3.1 Research Design	14
3.2 Source and Type of Data	14
3.3 Data Collection Techniques	14
3.4 Population of the study	14
3.5 Sample size	14
3.6 Sampling Technique	14
CHAPTER FOUR	15
Conclusion and suggestion of literature review	15
4.1 Conclusion	15
4.2 Recommendations	16
Reference.....	17

CHAPTER ONE

INTRODUCTION

1.1 Background of the study

Customer satisfaction is one of the most important aspects of any organization. Satisfaction is a customer post purchase evaluation of a product or service offering. A customer is satisfied when an offering performs better than expected and is dissatisfied when expectations exceed performance. (Danny, 2004). Customer satisfaction is in terms of an emotional state that usually arises in response of evaluating a particular service. (Westbrook, 2001). Service quality is referred to as the difference between perceived service performance and the expected service level. And it is high when the performance is perceived to be higher than the expectation of the delivered service. (Donthu and Yoo, 1998).

Successful organizations of the future will be those that can provide goods and services to the customers who want it and in the quantity and at the price they want it, thereby delighting rather than merely satisfying customers (Parker and Mathews, 2001). Service quality has also been defined as the difference between expected service and perceived service. (Pai and Chary, 2012)

The relationship with the customer is based on the promise that customer satisfaction is achieved through providing standard quality of service. The high quality demand on customer end is becoming prominent due to the growing fact that high level of service quality leads to sustainable. (Suresh hander, 2002)

So the role of quality service delivery has a positive effect on customer satisfaction

The researcher believes that this study will be significant for the organization in having the role of quality delivery on customer satisfaction which leads to the increment of efficiency and effectiveness of the organization

1.2 Background of the Woreta

The Wolkite town is located in SNNP Region of Ethiopia in Guragie Zone. The Wolkite town is far away 159 kilometers from Addis Ababa. To see Wolkite town is grown and has favorable living and working conditions and a beautiful and model town in the region by being an industry sector. To ensure that the population is a customer by developing a performance and ensuring good governance through designing resource attainment methods and rendering equal services by eliminating the social and economic problems of the town.

1.3 Statement of the problem

In a customer centered service organizations were focused to provide high quality services that generate customer satisfaction, loyalty, enlarge market shwere and improve their performance results. (Pantouvakis, 2010)

Service quality plays a significant role in understanding customer satisfaction and repeated patronage because customers generally evaluate service based on the provide service quality and their own expectation. (Zeithmal, 1998)

Customers were increasingly awwere of the options an offer in relation to the rising standards of service. (kirshnaveni and Divyaprava, 2004)

Customer needs and expectations were changing when it comes to governmental service and their quality requirements. However, service quality practices in public sector organizations is slow and is further exacerbated by difficulties in measuring outcomes, greater scrutiny from the public and press, a lack of freedom to act in an arbitrary fashion and a requirement for decisions to be based on law. (Teicher, 2002)

Satisfied customers improve business and dissatisfied customers impair business. (Anderson and Zemke, 2007)

Speed of service as compwered to expectations. If customers have to wait longer than they think is reasonable, they was tend to be dissatisfied with the organization. Responsiveness of customer service, customers who try to get help or to register complaints tend to become dissatisfied if they feel the company does not respond to them in a way that shows caring.(Bo Edvardson, 2003)

Service quality is a key to achieve customer satisfaction. The municipality provides service quality for many customers every day and many customers depends on them to deliver service in a good way in the municipality. The general concepts of customer that dissatisfied the municipality can create bad image because of long time to deliver service, corruption and the employees were not fully knowledgeable.

1.4 Research Questions

The study was try to answer the following basic questions:

1. What were the causes of customer dissatisfaction?
2. What is the role of quality service delivery on customer satisfaction?
3. What types of services the municipality provides for its customer either in suplly of pure water or avoiding waste product properly?

1.5 Objective of the study

1.5.1 General objective of the study

The general objective of the study was focus on the aspects of quality service delivery system and customer satisfaction in GubriaMunicipality.

1.5.2 Specific objectives of the study

- To find out factors that affect customer satisfaction on part of customer associated with service provided by the municipality.
- To identify the types of services that is being delivered by the municipality for its customers.
- To Asses the role of quality service that source of satisfaction

1.6 Significance of the study

For the researchers, the study serves as a path to relate their academic knowledge with what is really being practiced in real work environment.

For the organization or the municipality, the findings and recommendations serve as an indicator of major problem werea that solve with in short or long period of time.

For customers the findings and recommendations of the researchers highly contribute for effectiveness and quality of service.

For other researchers, the research held as reference for other researchers who like to study the same issue in wide.

1.7The scope of the study

The scope of the study wasfocus on geographically Wolkite town municipality and conceptually the study to assess the role of quality service delivery on customer satisfaction. The researchers conducted the study from October to June and the researchers consider of time and cost constraint.

1.8 Limitation of the Study

Even though the researchers using their maximum effort to make the study their face some limitation. This were occurred during the study. Limitation includes:

- ✓ The research was focused only quality service delivery on customer satisfaction but may be other problems that affect customer satisfaction.
- ✓ The research was focused on only customers.
- ✓ The respondent is involuntary to fill the questionnaire due to intensity of work load.
- ✓ The researchers have no experience for doing the research before this research.
- ✓ Lack of reference books.
- ✓ Lack of sufficient finance.

1.9 Organizations of paper

This paper contained four major chapters. Chapter one dealt with background of study, statement of problems, objectives of the study, research questions, significance of the study, scope of the study and limitation of the study. Chapter Two dealt with review of literature. Chapter Three dealt with methodologies of the research. Chapter four dealt with conclusion and recommendations

CHAPTER TWO

REVIEW OF LITERATURE

2.1 Definition of service

A service is any activity or benefits offered for sale that is essentially intangible and do not result in the ownership of anything. For instance includes banking, airline, hotel, tax preparation and other services. (Gray, 2006)

The American marketing association has defined service as service product, such as bank loan, or home security that is intangible or least sustainable. If totally tangible, they were exchanged directly from producer to user, cannot be transported or stored and were almost instantly perishable. Since they come into existence the same time, they were bought and consumed. They were composed of intangible elements that were inseparable, they usually involve customer participation in some important way cannot be sold in the sense of ownership transferred have no title. (Zeintesta, 1998)

A service as any deed, performance or effort carried out the customer. (Jobber, 2001)

Services were products which were essentially intangible cannot be owned. (Palmer, 2000)

2.2 Characteristics of service

Service possesses several unique characteristics that often have significant impact on marketing program development. These special features of service may cause unique problems and often result in marketing mix decision that were substantially different from these fund in connection with marketing of good, some of the most important characteristics of service company must consider when designing marketing programs were intangibility, inseparability, variability and perishability. (Kottler, 1999)

Service Intangibility: a service is intangible and cannot be seen, tasted, felt, heard or smelled before it is bought. For example, a person receiving a haircut cannot see the result before purchase.

Service Inseparability: services were first sold, then produced and consumed at the same time. Service inseparability means, service cannot be separated from their providers, whether the providers were people or machine. If service employee providers the service, then the employee is the part of the service. Because the consumer is also present as thus the services is produced, provided in customer interaction is special of service marketing. Both the provider and the customer affect the service outcome.

Service variability: services were highly variable as they depend on who provides them and when and where they were provided. For examples, although branches of a particular bank

may be selling and delivering the same service, the quality may not be uniform or homogenous from branch to branch.

Service perishability or fluctuating demand: services were highly perishable since they cannot be stored for the later sale.

2.3 Classification of service

Service can be classified in several ways. These include the way the service is delivered, the type of organization providing the service and the type of customers they target.

Means of delivering the service: this may be equipment based. In other words, services may be delivered primarily by equipment, as in the case of movies theatres and airlines or they may be delivered primarily by people, as in the case of janitorial service and accounting.

The means of delivery influence where qualities most at stake in the product mix. For equipment based service, marketers must be concerned that the equipment is of good enough quality to meet customers need.

They must ensure that the employees who keep the equipment operating or come into contact with users were skilled and interested in meeting customer needs. Thus, the quality of computer programming service depends on both the user and the programmers themselves.

Type of providers: this is another way of classifying service and it is in terms of the kind of organization providing them. Service providers may include businesses, government and non-government or not-for-profit making organizations. Business organizations offer goods and services in order to earn a profit.

Government organizations also provide service; include mass transport, state lotteries and the military.

The not-for-profit making organizations also use marketing to help them identify needs and target services build support for causes and solicit contributions.

The purchase decision for service: This describe the way in which consumers and organization buyers arrive at their purchasing decision.

2.4 Scope of Service

The wide range of services marketed by profit-making firms is reflected in the following classification by industry:

- ❖ Housing Rentals of hotels, motels, apartment house and farms.
- ❖ Household operations like utilities, house repairs, repairs of equipment in the house, lands scalping and household cleaning.

- ❖ Recreation and entertainment such as theatres, spectator sports, amusement parks, rental and repairs of equipment used to participate in recreation and entertainment activities.
- ❖ Personal cwere such as laundry, dry cleaning, beauty cwere.
- ❖ Medical and other health cwere including all medical services, dental nursing, hospitalization and other health cwere services.
- ❖ Insurance, banking and other financial services such as personal and business insurance, credit and loan services and investment.
- ❖ Business and other professional services such as legal, accountancy, and management consulting.
- ❖ Transport including flight and passenger services.

2.5 Service Quality

Service is typically assumed to make consumers evaluations of quality more difficult than for tangible products. This views based on the natural hesitation of people to evaluate things they cannot touch. The intangibility of services make them much more subjective product. Quality is a matter of how we feel and of our particular taste. This dependence on subjective feelings means that what is perceived as high quality service may differ between individuals.

2.6 The Need for Service Quality

The need for service quality is driven by customers, employees and a changing business environment. Customers, be the individuals, households or organizations were increasingly awwere of alternatives of the financial services on offer, provider organizations and also of rising standard for service. Consequently, expectations rise and consumers become more critical of quality of service received and so companies can be complacent.

Furthermore, knowledge of the cost and benefits of keeping existing customers relative to attracting new ones draws company's attentions to looking after present customers, responding to their needs and problem developing long-term relationships.

2.7 Benefits of Services Quality

without the focuses on service quality, financial service organizations may face complaints from customers, further, a proportion of dissatisfied customers was complain and tell a number of others, generally it is stated that, if a financial company gives a service to one customer, hence it is better to gains three than looing nine, generated adverse word monthly publicity and sum may switch to companies. However, with focus on service quality, an organization can expect a number of benefits.

Customer loyalty through satisfaction increased business and this may lead to attract new customers; hence customer retention is more cost effective than trying to attract new customers.

Customer satisfaction lead to increase in opportunities for cross-selling, comprehensive and up to date service knowledge and techniques among employee, combined with developing relationships.

Good service quality enhance corporate image and may provide insulation from price competition.

2.8 Managing service Quality

One of the major ways to differentiate a service firm is to deliver consistence higher quality service than competitions. The key ways to meet or exceed the target customer service were formed by their basis and after receiving the service and they compwered the perceived service with what they expect. Clearly customer was be satisfied if they get what they want, when they want, where they want and how they want parasuman, faith man and berry formulated service delivery, high service quality, model highlights highest the main requirements for service delivery high service quality.

Based on the service quality model these researchers identified the following five determinants of service quality regarding to the importance of service such service quality models were reliability, responsiveness, empathy and intangibles.(Median, 2006)

2.9 Customer handling skills

Many customer handling skill advices have been previously experienced as the technical and product knowledge and complain handling. (Ketteir and kevin, 2006)

2.10 Measuring Customer Satisfaction

Satisfaction is a person's feeling of pleasure or disappointment resulting from comparing a product perceived performance meets the expectations, the customer is satisfied. Although the customer centered firm seeks to create high customer satisfaction that is not it's mitigate goal. If the company increases the customer satisfaction, customer satisfaction by lowering price for increasing its service, the result may be lower profit. (Ketter, 2003)

The company might be able to increase its profitability by means of the other increase satisfaction by improving manufacturing process or investing more in research and development. Many companies were systematically measuring customer satisfaction and factor sharing it.

A company would be wise to measure customer retention as customer satisfaction. Highly satisfied customer generally becomes loyal, longer buys more of as a company produce and introduce new products and upgrades existing products.

Pays less attention to computing brands and taking favorable condition about the company. The company also takes less sensitivity to price, less to service then new customers because, these transaction routine. (Kellin Lane, 2006)

2.11 The Service Profit Chain

A successful service companies focus their attention on both their customers and their employees. They understand the service profit chain which links service firms profit with employee and customer satisfaction. This chain consists of:-

Internal service quality: superior employee's selection and training, quality work environment and strong support for those dealing with customer.

Satisfied and productive service employees: more satisfied logical and hardworking employees give better service for their customers.

Great service value: more effective and customer value and service delivery.

Satisfied customer: satisfied customer who remains loyal, repeat purchase and not refer other customer.

2.12 Research on customer satisfaction Measurement

Research on these topics generally focus on to key issue, understanding expectations and requirements of other customers and determining how well company and major competences were succeeding in satisfying these expectations were requirements. Organizations approach to measuring service quality through customer satisfaction measurement and effectively implementing programs derived from results the measurement. (Petter and Donnelly, 2005)

2.13 Overcoming the Obstacles in service marketing

The factors of intangibility and inseparability as well as difficulties in coming up with objective definitions of all acceptance of service quality. Make comprehension of service marketing is difficult. However, in our company, considerable innovation and ingenuity were needed to make high quality services were available at the environment locations for customer as well as business people. In fact, the werea of service marketing probably often more opportunities for imagination of creative innovation than does goods marketing. Unfortunately, many service firms still age in the wereas of creative marketing even today,

those service firms that has done creatively good job have been slow in recognizing opportunities. The following reasons, connected to past practices can be given for the lack of innovativeness of marketing on the part of service marketers.

Limited view of marketing, because of the nature of their service many service industries depends on the great degree on population growth to expand sales.

Service comparison must meet the changing and needs of the customer by developing new service and new channel and altering the existing channels to meet changing composition and needs of population for many service industries of distribution.

Limited competition: - a second major cause of lack of innovative marketing in many service industries was the lack of competition obviously in an environment characterized by little competition, there was not likely to be graduated deal of innovative marketing.

In dynamic framework, the customer's satisfaction with specific service encounter depends on pre-existing contemporaneous attitude about service quality. (Andeson, 1992)

The customer post usage attitude depend on satisfaction service that encounter satisfaction and perceived service quality were positively rated on behavior intentions.

Marketing's conceptualizations of customer's satisfaction and service quality critically affect their measurement. Survey items cannot distinguish between these two constructs simply by asking customers questions that include either the word "satisfaction" or "quality". In fact, certain conflicting empirical results can be reconciled by examining the different measures used in different studies. Different scale items may be appropriate for different service context.

Since perceived service, many researchers have relied on single overall quality question with a poor or excellence scale. The identification of multiple measures of perceived service quality has been turned out to be problematic.

Since different service dimensions were relevant in different customer need, manager would be interested in the relationship between internal and external measures, they would predict how service changes was affect customer satisfaction and ultimately revenue or profit and diagnose how customers ratings to evaluate effectiveness of personal and organizational units.

Non-creative management: - the management of service industries has been cited for not being progressive and creative. More recently, however many service industries become leading innovators of service.

Non-obsolescence:- great advantages for many service industry is that many service, because of their intangibility were less object to obsolescence than goods since service firms not faced with obstacles, they often failed to recognize the need for change.

2.14 Definitions of Customer Satisfaction

Customer satisfaction is to degree at which the product or services rich the standard of the buyer in his or her expectations. It deals with what people cold as surprise quotient. This is extending at which firms give out an expected technical characteristics or personal service to a customer.

2.15 Themes in the Financial Services Sector

The fact that a service is intangible means that people who supply the service, the process by which it is supplied and the associated physical evidence was be the key factors in creating satisfaction.

The heterogeneity features of a services required that considerable emphasis is attach to the service providers and the process to ensure customer satisfaction.

2.16 Understanding the Services Environment

The economic competitive, regulatory, social and technological elements generally affect the marketing of goods and services.

However, there were a few special considerations that apply only to service as the following section points out:

Economic Element: as national and global economies grow more complex the demand for services continues to increase. For examples, manufacturing firms that wants to expand its market by selling in other countries may need the services of international freight handlers, export consultants, translators and government lobbyists.

Competitive Element: service providers can find themselves competing with companies that were outside the service sector. A common source of competition is from goods.

Regulatory Element: internationals marketers have to observe laws in each of the countries in which they operate. Services providers were particularly affected by regulation because governments regulate many services to ensure consistency and reliability. The regulation can be as simple as licensing services providers or as invasive as controlling and professional practices throughout an entire industry e.g. insurances.

Social Element: social forces can play a big role in service marketing. To start with the public's acceptance, skepticism or rejection of a profession affects demand.

Technological Element: companies that provide these services have responded to changes in their technological environment.

Advancement in science and technology create many opportunities to improve services quality and productivity.

2.17 Empirical Review

The study conducted by Roza Gtahun, Natanel Gizachew, Salim Yimam, Sirgut (MAY, 2018). This research is designed to the role of quality service delivery on customer satisfaction by taking Wolkite town municipality as case werea. The objective of this study is to assess the role of quality service delivery on customer satisfaction and toward the possible solution to the problems addressed by findings. During the study lack of respondents accessibility and financial constraints which have a negative impact on the research. This research was conducted through both primary and secondary data. According to the findings that responded by the majority of the respondents the cause of dissatisfaction customers of Wolkite town municipality were corruption, the employee were not knowledgeable, not punctual, lack of computer file system. The subjects of the study were customers of Wolkite town municipality. The data were collected from 100 customers of Wolkite town municipality for the study and simple random sampling method was used in the study.

The study conducted by Million Tsegaye(2017) the effect of service quality on customer satisfaction in case of Ethiopian airlines cargo imports. The study has used the SERVQUAL model of service quality with the application of the five service quality dimensions. This five dimensions of service quality which were developed by Parasuraman namely tangibles, reliability, responsiveness, assurance, and empathy where used to measure the level of customers satisfaction in Ethiopian airlines cargo import section. The study use quantitative approach and done different correlation and regression analysis tools. This research is both descriptive and explanatory type research. Both primary and secondary methods of data collection were applied and questioner is used as a source of secondary data. From the total population of 420 a sample of 364 respondents was selected using a probabilistic sampling technique which is proportional stratified sampling. Both descriptive and inferential statistics have been used to find mean score and to test hypothesis and to investigate research problem, objectives and questions. According to the findings of the study all the five dimensions of service quality have shown a significant positive effect on customer satisfaction. The findings of the regression analysis indicate that empathy and tangibility have the largest impact on customer satisfaction. Person correlation analysis was conducted to examine the relationship between service quality dimensions and customer satisfaction and the results shows that all the five dimensions of service quality have a strong positive relationship with customer satisfaction. Though all the five dimensions were significant, empathy and tangibility were the first two dimensions of service quality that have a strong and positive significant impact on customer satisfaction. Accordingly Ethiopian airlines cargo section needs to give more emphasis and due attention to empathy and tangibility dimensions of service quality to improve the level of customer satisfaction.

The study conducted by Yeshitila Tefera (2018) Assessment of Service Quality And Customer Satisfaction The Case of Commercial Nominees PLC. Dimensions as adopted in SERVPERF model (tangibility, assurance, responsiveness, empathy & reliability), have been utilized as measurement

constructs to assess the level of service quality and customer satisfaction. A quantitative method has been applied to analyze the data collected from the service recipient in Addis Ababa. Descriptive statistics such as frequency, mean and correlation analysis techniques were applied to analyze background information of respondents. Respondents' perception on service quality and satisfaction as well as relationship between service quality dimensions and customers satisfaction were also analyzed under descriptive statistics. Besides, regression analysis technique is applied to investigate the impacts of service quality dimensions on satisfaction and at the same time test the hypothesis developed. The finding of the study shows that customers were satisfied on reliability, empathy and assurance while they were dissatisfied on responsiveness and tangibility. The finding on the base of correlation analysis also implies that the relationship between service quality dimensions and customer satisfaction is analyzed and the result shows all service quality dimensions have positive and significant relation with customer satisfaction. The finding also confirms the service quality dimensions have an impact on customers' satisfaction implying that the higher the quality of service, the higher is the level of customers' satisfaction. From this finding, it can be summarized that Commercial Nominees can improve its service by mostly focusing on responsiveness and tangibility of service quality dimensions.

The relationship between customer satisfaction and service quality has received a good deal of attention in the literature Bolton and Drew; (1994). Defined service quality and customer satisfaction as "service quality is a global judgment, or attitude, relating to the superiority of the service, whereas satisfaction is related to a specific transaction" Satisfaction is a "post consumption experience which compares perceived quality with expected quality, whereas service quality refers to a global evaluation of a firm's service delivery system" (Parasuraman et al, 1988).

The key difference between service quality and customer satisfaction is that quality relates to managerial delivery of the service while satisfaction reflects customers' experiences with that service. They argue that quality improvements that were not based on customer needs was not lead to improved customer satisfaction (Iacobucci et al, 1995).

Bolton and Drew (1994) pointed out "customer satisfaction depends on pre-existing or contemporaneous attitudes about service quality".

There is also a lot of argument regarding whether customer satisfaction is the antecedent of service quality or the outcome of service quality. "Initially scholars take the position that satisfaction is an antecedent of service quality since to reach an overall attitude (service quality) implies an accumulation of satisfactory encounters" (Bolton & Drew, 1991). However, other scholars take the opposite view that service quality is the antecedent of customer satisfaction (Cronin & Taylor, 1992); (Ekinici, 2004); (Rust & Oliver, 1994); as cited on (Harr, 2008)

Empirical research by Cronin & Taylor, (1992) "showed that service quality has a significant effect on customer satisfaction." Similarly, recent studies by González & Brea, (2005); &Ekinici(2004) as cited on (Harr, 2008) using recursive structural models provided empirical support that service quality results in customer satisfaction. Customer satisfaction "is a broader concept than service quality which focuses specifically on dimensions of service (Zeithamlet al.2006)

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Research Design

The research design conducts through descriptive method of study. Descriptive survey is designed to show accurately the characteristics of particular individuals, situations or groups.

3.2 Source and Type of Data

The researchers were collected data from both primary and secondary source. The primary data was collected and analyzed by the researchers for the first time. The secondary data was collected from published documents to obtain relevant information about on quality service delivery on customer satisfaction in the municipality.

3.3 Data Collection Techniques

The data was collected by using questionnaire. For the questionnaire use both close ended and open ended questions. Open ended questions help the respondent to express their idea in unlimited way and reasonable manner, close ended questions is a set of questions to which respondents can reply in a limited number of ways. The questionnaire distributes was to the customers of the municipality.

3.4 Population of the study

The target population of the study was focused on customer of Wolkite town municipality. The total numbers of customers who were serve by the municipality were the whole population of Wolkite town The population is 28,866 out of which about 15,074 were male and about 13,792 were female.

3.5 Sample size

The total populations of the study are 28,866 customers out of 28,866 customers the researchers will take a sample size by using the formula. (Tayro Yamane, 1967)

$$n = \frac{N}{1+N}, \quad \text{where,} \quad N = \text{total population}$$

$$\text{Then, } N = 28,866 \quad n = \text{sample size}$$

$$e = 10\% \quad e = \text{margin of error out of } 90\% (10\%)$$

$$n = \frac{N}{1+N(e)^2} = 28,866 / 1 + 28,866 = 100$$

3.6 Sampling Technique

The researchers were taken 100 customers sample in the study and also researchers were used stratified random sampling technique. Stratified random sampling, also sometimes called proportional or quota random sampling, involves dividing your population into homogeneous subgroups and then taking a simple random sample in each subgroup.

Strata	No of the customer	Proportionate allocation of formula	Sample from each sex
Male	15,074	$100 \left(\frac{15,074}{28,866} \right)$	53
Female	13,792	$100 \left(\frac{13,792}{28,866} \right)$	48

CHAPTER FOUR

Conclusion and suggestion of literature review

4.1 Conclusion

Under the location of the municipality, the study showed that the majority of the respondents replied as it is not good. This shows that the location of the municipality is narrow and uncomfortable. Under the types of service the study showed that the majority of the respondents replied as it is good. This shows that the municipality is provided so many services to customers such as infrastructure, master plan, cleaning service and others. Under the worker treating customer, the majority of the respondents replied as it is low. This shows that the worker not respect to customers. Under the evaluation the service given by the municipality, more than half of the respondents replied as it is unsatisfactory. This shows that the municipality is give inadequate service to customers. Under the cause of customer dissatisfaction, the study showed that the majority of the respondents replied as it is corruption. This shows that the municipality is not to satisfy customers because of corruption. Under the role of quality service delivery on customer satisfaction, the majority of the respondents replied positively. This shows that delivery of quality service is a great role in customer satisfaction. The level of service provided by the municipality, more than half of the respondents replied unsatisfied. This shows that the municipality is not create the level of service to customer is satisfied. Under the service the municipality is good enough for customers, majority of the respondents were against with the idea of giving service is good enough. This shows that the municipality is not give full service to customers because of the time management and partiality. The length of time the customer spends in the municipality, more than half of the respondents replied negatively. This shows that the time to gain the service is long. The employees and manager were sincerity and patience in resolving compliant, more than half of the respondents replied negatively. This shows that the employee and manager were show boredom to solve the problem. Under the employee has good service ability, the majority of the respondents replied negatively. This shows that more of the worker of the municipality is give the service based on experience not knowledge. Under the employee and customers have friendly relationship, the majority of the respondents did not accept. This shows that the employee and customer were less friendly relationships. Under the employee understand customer need, majority of the respondents did not accept. This shows that the employees were because of lack of knowledge not understand the customer need. Under the employee and manager equal service to all customers, majority of

the respondents were against with the idea of giving service is equal to the employee and manager. Corruption is the major factor for this case as the response of the customer indicated. The research also found that, avoiding corruption, equality, punctuality and carefulness has a great role to improve the municipality high quality service as the response of the customer indicated.

4.2 Recommendations

The present study investigates how service quality influence on customer satisfaction and how customers define quality. The results of the survey were recommended to observe if the municipality needs to change or to improve its strategies and. It gives not only information for the municipality's possible operations, but it shows a perfect example of service quality from the customer's point of view. Since customers' loyalty behaviors were driven by their attitudes, loyalty must be managed through satisfaction rather than directly, emphasizing the importance of producing actionable outcomes from customer satisfaction surveys. Even with accurate and actionable information from surveys, it is extremely difficult to improve customer satisfaction. Many organizations attempt to achieve it 38 on the cheap, forcing the managers be responsible for quick wins rather than getting the target by not doing what matters for most customers. In the future, the study for the Municipality X could be carried so that all markets of the municipality would take part in the survey. Also the questionnaire could include other details and questions, and pay more attention to get the specific information which was be the most important.

Reference

- *Wale A. (2006), Factor affectively of customer service, 1st edition, Ethiopia.*
- *Anderson (1992), Introduction to management science, 5th edition.*
- *Army Strong (2006), Service profit chain, 6th edition, London.*
- *Climmer and Schneider (1998), Conceptualization of customers assessment of service, 15th edition, Japan.*
- *James and Donnelly (2004), Modern marketing, 2nd edition.*
- *Median (1996), Marketing and financial service, 10th edition, New York.*
- *Philip Kotler, Gray Armstrong, Prafulla Y.Agnihotri, Ehsan ul Haque(2010), Principle of marketing, 13th edition, USA.*
- *Zncota (1998), international marketing, 5th edition, USA.*
- *Bantie, Meseret and yigremew (2006), Introduction to management, Addis Ababa.*
- *Johnson (2003), Business and management research methodologies.*
- *C R Kothari, Gaurav Garg(2014), research methodology methods and techniques, 3rd edition, India.*