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**Measuring customer satisfaction with
the quality of banking services in Libya**

Group5

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CHAPTER 1

ABSTRACT

The purpose of this paper is to evaluate the customer satisfaction of the banks sector of bank of commerce (tajara tanmia) in Libya, based on customer perception regarding service quality. This is an empirical study using mainly primary data collected through a well-structured questionnaire. The questionnaire has been personally administered on a sample size of 50 customers & returned the questionnaire and response rate was 100% from the customers of the bank

This paper makes a useful contribution as there are only a few studies dealing with the assessment of service quality in banking sector of Libya. The findings based on five different dimensions (tangibility, reliability, respondents, warranty and sympathy) showed that all these dimensions influenced consumers Satisfaction in Libyan banking sector.

1.1 INTRODUCTION

The issue of service quality is a critical one throughout service industries as businesses attempt to sustain their competitive advantage in the marketplace. Owing to the financial services like banks" competition in the marketplace through undifferentiated products, this highlights service quality as the basic competitive tool. In other words, a banking organization may attract customer through the provision of high quality services. As such structural modifications have led to banks being enabled to carry out various activities which in turn, allow them to be more competitive even against non-banking financial institutions. In addition, technological advancements are helping bank develop their service strategies being offered to individual as well as commercial customers. Moreover, banks offer in quality services own a distinctive marketing edge because enhanced quality service is associated with higher revenue customer retention and higher cross-sell ratios. Banks are also well aware of the fact that customer's loyalty lies in the banks" production of greater value compared to their competitors

Libya is a country extending over an area of 1, 759, 54 square kilometers and is ranked 17th nation in the world according to size. In the context of land area, Libya is smaller compared to Indonesia and approximately akin to the size of Alaska, U.S. To the north, it is bound by the Mediterranean Sea, to the west by Tunis and Algeria, to the southwest by Niger, to the south by both Chad and Sudan and finally to the east by Egypt. The Libyan economy is primarily dependent on oil sector revenue which makes up almost all export earnings and around a quarter of the GDP (gross domestic product). The Libyan banking sector has experienced significant

developments particularly following the issuance of laws concerning banks and money by the Central Bank of Libya. In 2005, the Central Bank of Libya played a key role in organizing banks and restructuring capitals inducing them to look for investment opportunities in order to compete in the provision of services akin to that of international banking services and in order to attract depositors and investors to increase the equities and complete the capital. These laws urged banks to have a capital not less than 30 million Libyan dinars. Consequently, banks initiated their new marketing services that used to be lacking in Libya including the Visa Card, Electronic Bank Services, Mobile bank, Western Union and Money Gram. In addition, top financial institutions looked to satisfy the customers' needs and demands for their survival and successful competition in the current dynamic corporate marketplace

1.2 PROBLEM

The main issue being faced by the Libyan banks is that most of them are still being driven under the operation of the outdated programs. Another issue is the lack of qualified and Experienced workforce which eventually explains the low quality service delivery to their customers.

1.3 OBJECTIVES

Hence for this study following objectives have been formed:

1. To know the various important service quality dimension in banking industry.
2. To know the satisfaction level of customers of bank in each service dimension.

The main object of the research is to measure the performance of the bank and to ensure that the customers are satisfied with the bank services or not

1.4 HYPOTHESIS:

This research is conducted to address the following null hypotheses and alternative hypotheses:

H0 = there is no relation between overall satisfaction and sympathy

H1 = there is relation between overall satisfaction and sympathy

H0 = there is no relation between overall satisfaction and warranty

H1 = there is relation between overall satisfaction and warranty

H0 = there is no relation between overall satisfaction and respondents

H1 = there is relation between overall satisfaction and respondents

H0 = there is no relation between overall satisfaction and reliability

H1 = there is relation between overall satisfaction and reliability

H0 = there is no relation between overall satisfaction and tangibility

H1 = there is relation between overall satisfaction and tangibility .

H0 = there is no difference between Overall satisfaction with Gender according to Quality of services

H1= there is difference between Overall satisfaction with Gender according to Quality of services

H0 = there is no difference between Overall satisfaction with Education according to Quality of services

H1= there is difference between Overall satisfaction with Education according to Quality of services

H0 = there is no difference between Overall satisfaction with Age according to Quality of services

H1= there is difference between Overall satisfaction with Age according to Quality of services

H0= there is no difference between gender with overall satisfaction

H1= there is difference between gender with overall satisfaction

H0 = customers are not satisfied with the quality services of Bank

H1 = customers are satisfied with the quality services of Bank

1.5 Literature view

According to **Anderson and Zeithaml 1 (1984)**, the notion of service quality has become increasingly important because competition in service industries has increased. Service quality has been identified as a determinant of market share, return on investment and cost reduction.

Gronroos2 (1984) identified two dimensions of service quality (technical quality and functional quality). He defined technical quality as “what the consumer receives as a result of interactions with a service firm” and identified employees’ technical ability, employees’ knowledge, technical solutions, computerized systems and machine quality as its five attributes. He defined functional quality as “the way in which the technical quality is transferred” and

identified behavior, attitude, accessibility, appearance, customer contact, internal relationships, service-mindedness as its seven attributes. He concluded that the technical and functional quality of service built up the corporate “image” of the company.

Schmenner³ (1986) classified the retail banking industry as a mass service. Mass service industries have a low degree of variation in customer interaction/customization. Mass service firms face several challenges including the problem of making their services “warm” or responsive (dimension of SQ), developing innovative marketing practices to attract and retain customers and paying attention to physical surroundings (the tangible dimension of the SQ construct). These firms are also faced with managing a fairly inflexible workforce and work procedure hierarchy with the need for standard operating procedures that ensure correct and reliable service delivery (knowledge and reliability dimensions).

Denton and Chan⁶ (1991) state that numerous attempts have been made to examine the relationship between bank choice and socio-demographic characteristics. In these studies significant differences in attitudes and opinions between the sex, language, age, income and level of education are revealed. Furthermore, consumers with a higher income level will choose a bank which provides a wider range of services than consumers with a relative low income.

According to **Parasuraman et al. ⁷ (1991)**, customers judge the accuracy and dependability (i.e., reliability) of the delivered service, but they judge the other dimensions as the service is being delivered. It is found that although reliability is the most important dimension in meeting customer expectations, the process dimensions (especially assurance, responsiveness and sympathy) are most important in exceeding customer expectations

1.6 Methodology:

To understand the savings preference, bank preference, services taken, time period since becoming customer and to identify the information sources influencing bank selection, a questionnaire was designed and the respondents were asked to mark their preferences on a ranking scale. The questionnaire contains 22 items that affect the customer satisfaction. These factors are divided into 5 major Delivery Service Dimensions These dimensions are:

Tangibility, reliability, response, warranty and sympathy

1.7 Sampling

There is requirement to provide better value service to their customer so customer can become loyal. Now a day customer satisfaction and customer retention are the most important challenges faced by most of banking.

A systematic and coherent approach has been adopted for the research study. First, the objectives of the study were chalked out on the basis of focus group discussion and exhaustive literature review. Based on literature review, items were identified to assess the satisfaction level of Bank customers. Apart from the items from the SERVQUAL model (in a modified form), for identifying the satisfaction factors, the respondents were asked to rate their bank on various categories. All the items were put on a five-point Likert scale ranging from strongly disagrees to strongly agree. For the data collection, sample of 50 customers who have their accounts in bank. Thereafter, the questionnaire was administered to customers for giving their response on banks service quality.

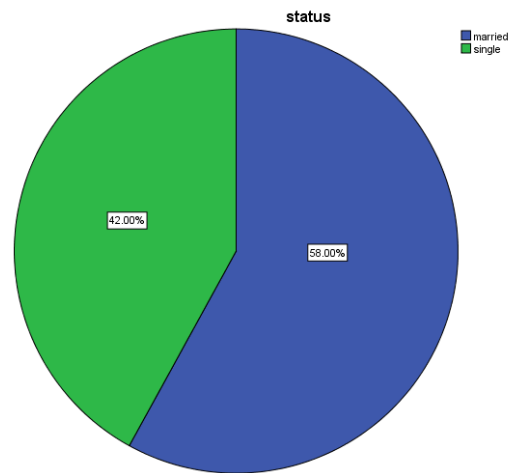
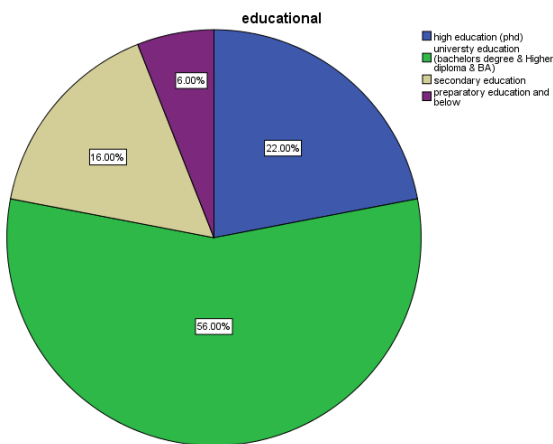
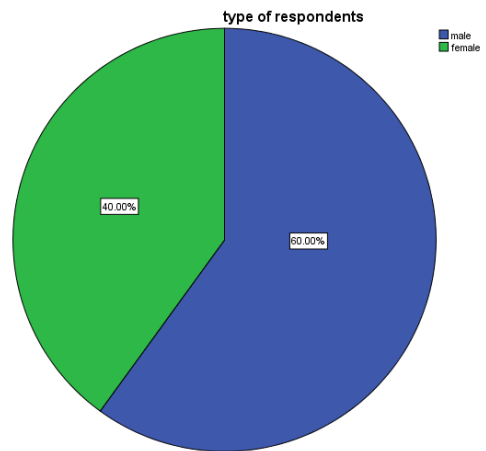
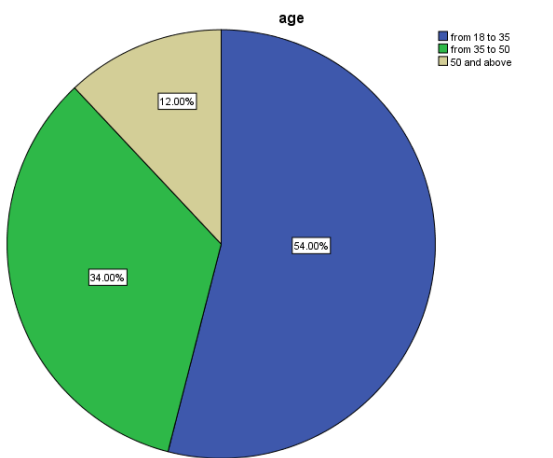
1.8 Measurement & variable

The final questionnaire was developed and modified based on the customer satisfaction. It included five parts with 22 items designed to assess the five different components: tangibility, reliability, responsiveness, warranty and sympathy the part contained 4-5 items related to customer satisfaction. For every variable, we asked the respondents to indicate their agreement with each statement using a five-point Likert scale ranging from “1-strongly disagree” to “5-strongly agree” based on their experiences, expectations and perceptions. Finally, the other part contained multiple-choice questions related to the demographic profiles of respondents.

CHAPTER 2

2.1 Demographic analysis:

Demographic analysis we found after statistically analyzed the data according to their status, age, gender, graduation we found it as below and we have discussed briefly in our report about each and every demographic data with details.



Empirical studies:

Reliability Analysis

Scale: ALL VARIABLES

Reliability test instrument can be done by using Cronbach Alpha. The instrument has a high degree of reliability if the value of Cronbach Alpha obtained as follows:

- 2.1 If Cronbach's Alpha > 0.90 = very high Reliability
- 2.2 If Cronbach's Alpha 0.70 to 0.90 = high Reliability
- 2.3 If Cronbach's Alpha 0.50 to 0.70 = reliability is quite high
- 2.4 If Cronbach's Alpha 0.50 = low Reliability

Table (1) show Alpha Reliability of 22 items

Reliability Statistics

Cronbach's Alpha	N of Items
.709	22

Value of Alpha .709 which means high reliability and to increase the reliability we should delete the items whose value < 20 or in –

Table (2) showing of all Items below:

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
the bank has modern equipment	55.60	90.082	.120	.711
the material facility in the bank are good looking	55.64	86.643	.257	.700
the appearance of the customers service staff at the bank is beautiful	55.78	85.196	.302	.696
Credit cards, sukuk And similar banking tools	55.76	88.758	.165	.707
beautiful appearance when the bank promise to do something excecute it	55.06	84.792	.353	.691
when customer face problem with the bank , employees do their duties with pleasure and reassurances	55.40	85.510	.361	.691
the bank provide its services in a distinguished manner and for the first time	55.30	85.031	.327	.693
the bank provide it service with the time specified	55.08	85.626	.317	.694
the bank confirms the lake of errors in the bank record	55.26	91.625	.072	.713
bank employees tell customer exactly when their transactions will be complete	55.42	88.983	.164	.707
the banks employees provides immidiate service to customer	55.28	85.308	.298	.696
employees are all ready to help customers	55.46	86.213	.315	.695
employees do not seem to be too busy when customer ask	55.32	89.773	.148	.708

Table (3) also showing all of the items

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
bank employees care about the privacy of customers	55.44	84.700	.347	.692
bank employees provide sufficient confidence to customers	55.16	83.443	.395	.687
bank employees always respect customers	55.78	81.073	.542	.674
bank employees has the knowledge to answer customer's questions	55.64	86.153	.263	.699
the bank give personal care/ interest to customers	55.58	90.289	.096	.713
the bank has business hours that suits all customers	55.62	87.465	.229	.702
the bank has employees who get personal attention to each customer	55.10	89.439	.141	.709
the bank cares about the customers requirments	54.98	85.449	.316	.694
employees at the bank understand the personal needs of the customers	55.18	87.171	.267	.699

After Deleting the Items from the Above Table what the value we got of Alpha will show in the table below:

Cronbach's Alpha	N of Items
.716	15

After deleting some values, we got the value from Alpha .709 to Alpha .716

Deleted items from the first table are below

a1, a4, b1, b5, c1, c4, e1, e3

2) Reliability analyze

The Cronbach's Alpha for comparing the internal reliability items of tangibility

Table (4) shows the rate of alpha of tangibility

Cronbach's Alpha	N of Items
.593	4

Value of Alpha is .593 which means reliability of tangibility is quite high

Table (5) shows the reliability

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
the bank has modern equipment	6.94	7.527	.266	.598
the material facility in the bank are good looking	6.98	6.428	.414	.490
the appearance of the customers service staff at the bank is beautiful	7.12	6.312	.392	.509
Credit cards, sukuk And similar banking tools beautiful appearance	7.10	6.418	.428	.480

3) Reliability analyze

The Cronbach's Alpha for comparing the internal reliability items of reliability

Table (6) shows the reliability of alpha

Cronbach's Alpha	N of Items
.517	5

Value of alpha is .517 which means reliability of reliability items is quite High

Table (7) shows the reliability of items

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
when the bank promise to do something excecute it	11.12	6.802	.443	.351
when customer face problem with the bank , employees do their duties with pleasure and reassurances	11.46	8.294	.237	.490
the bank provides its services in a distinguished manner and for the first time	11.36	6.970	.383	.392
the bank province it service with the time specified	11.14	7.470	.325	.435
the bank confirms the lake of errors in the bank record	11.32	9.732	.044	.584

4) Reliability analyze

The Cronbach's Alpha for comparing the internal reliability items of respondents

Table (8) shows the reliability of alpha

Reliability Statistics

Cronbach's Alpha	N of Items
.540	4

Value of alpha is .540 which means reliability of respondent's items is quite High

Table (9) shows the reliability of respondents

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
bank employees tell customer exactly when their transactions will be complete	8.06	5.772	.331	.464
the banks employees provides immidiate service to customer	7.92	4.851	.445	.351
employees are all ready to help customers	8.10	6.418	.233	.541
employees do not seem to be too busy when customer ask	7.96	6.202	.302	.488

5) Reliability analyze

The Cronbach's Alpha for comparing the internal reliability items of warranty

Table (10) shows the alpha warranty

Reliability Statistics

Cronbach's Alpha	N of Items
.533	4

Value of alpha is .533 which means reliability of warranty items is quite high

Table (11) shows the reliability of warranty

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
bank employees care about the privacy of customers	7.54	6.580	.307	.472
bank employees provide sufficient confidence to customers	7.26	6.931	.229	.539
bank employees always respect customers	7.88	6.189	.409	.386
bank employees has the knowledge to answer customer's questions	7.74	6.196	.346	.438

6) Reliability analyze

The Cronbach's Alpha for comparing the internal reliability items of sympathy

Table (12) shows alpha of sympathy

Reliability Statistics	
Cronbach's Alpha	N of Items
.605	5

Value of alpha is .605 which means reliability of sympathy items is quite High

Table (13) show the reliability of sympathy

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
the bank give personal care/ interest to customers	11.28	9.634	.299	.583
the bank has business hours that suits all customers	11.32	10.018	.253	.605
the bank has employees who get personal attention to each customer	10.80	9.020	.415	.521
the bank cares about the customers requirments	10.68	8.712	.443	.504
employees at the bank understand the personal needs of the customers	10.88	9.373	.398	.531

2.2 Descriptive analysis

Table (14) shows Descriptive of Dimensions or measurement of Customer Satisfaction

Descriptive Statistics

	N	Mean
tangibility	50	2.35
Reliability	50	2.82
Response	50	2.67
warranty	50	2.54
sympathy	50	2.75
overall	50	2.51
Valid N (listwise)	50	

Table 14 show average of Dimensions or measurement of Customer Satisfaction using the 5-point Likert scale (starting with 1- totally agree, 2- agree, 3-don't now, 4-disagree, and 5- totally disagree) mean of tangibility 2.35 out of 5 which means people agree with tangibility of Bank of commerce which alarms the people are

closely to agree Mean of Reliability is 2.82 out 5 which means people between agree and don't know about the reliability of the bank of commerce and closely don't know

Mean of Respondents is 2.67 out of 5 which means people agrees with the respondents of the Bank of commerce and closely to Don't know about the Respondents

Mean of Warranty is 2.54 out of 5 which means people agrees with the warranty provided by the Bank of Commerce and closely to Don't know about the Warranty

Mean of Sympathy is 2.75 out of 5 which means People agrees with the sympathy of Bank of commerce and are closely to don't know either

Mean of Overall is 2.51 out of 5 which means the Overall satisfaction of the people who has the account on bank of commerce is agrees with the services they provide and are satisfied

Frequencies Statistics

Table (15) shows the Participants age of customers

age		
	Frequency	Percent
Valid	from 18 to 35	27 54.0
	from 35 to 50	17 34.0
	50 and above	6 12.0
	Total	50 100.0

Table show details of frequencies and percentage of age

From age 18 to 35 the frequency is 27 and the percentage is 54%

From age 35 to 50 the frequency is 17 and the percentage is 34%

From age 50 and above the frequency is 6 and the percentage is 12%

Conclusion:

Most of the people have the account on the Bank of commerce are the age of 18 to 35

Pie Chart

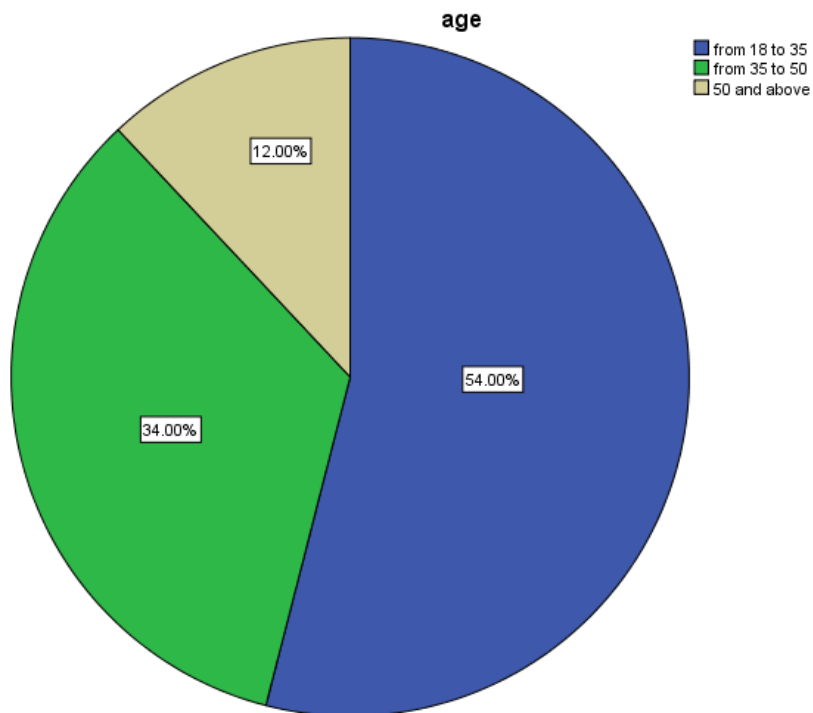


Table (16) show details of frequencies and percentage of types of respondents

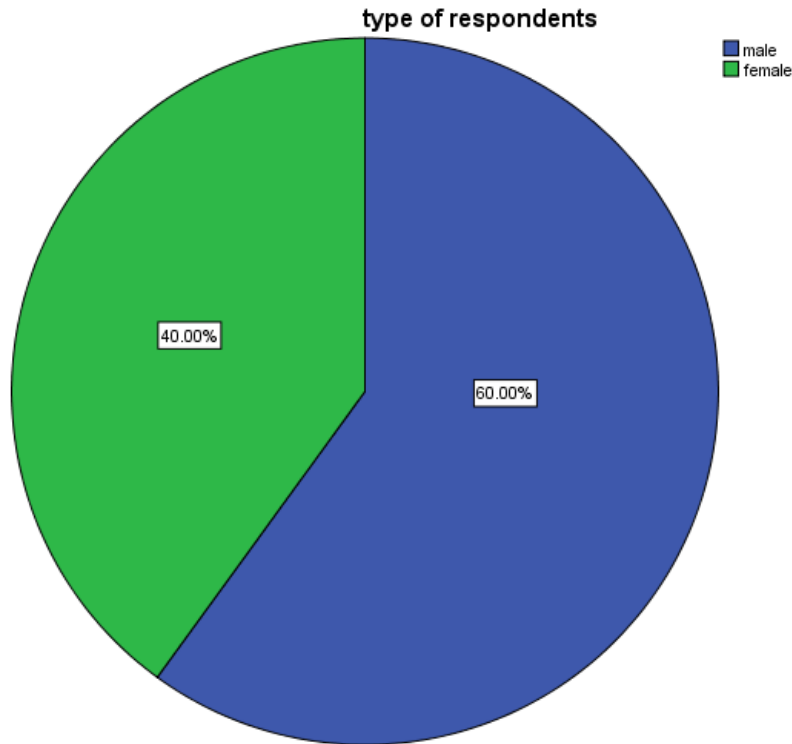
type of respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Male	30	60.0	60.0	60.0
Valid female	20	40.0	40.0	100.0
Total	50	100.0	100.0	

Frequency of Male is 30 and Percentage is 60%

Where Frequency of Female is 20 and Percentage is 40%

Conclusion: The most type of Respondents having their Account on Bank of commerce is Male which is 60%



Tables (17) show details of frequencies and percentage of Education

educational

	Frequency	Percent	Valid Percent	Cumulative Percent
high education (phd)	11	22.0	22.0	22.0
universty education (bachelors degree & Higher diploma & BA)	28	56.0	56.0	78.0
Valid secondary education	8	16.0	16.0	94.0
preparatory education and below	3	6.0	6.0	100.0
Total	50	100.0	100.0	

Frequency of High education is 11 and Percentage is 22%

Frequency of University Education is 28 and Percentage is 56%

Frequency of Secondary Education is 8 and Percentage is 16%

Frequency of Preparatory Education and below is 3 and Percentage is 6%

CONCLUSION: University Education Students are the most who has the account on Bank of commerce which are 56% which is more than others.

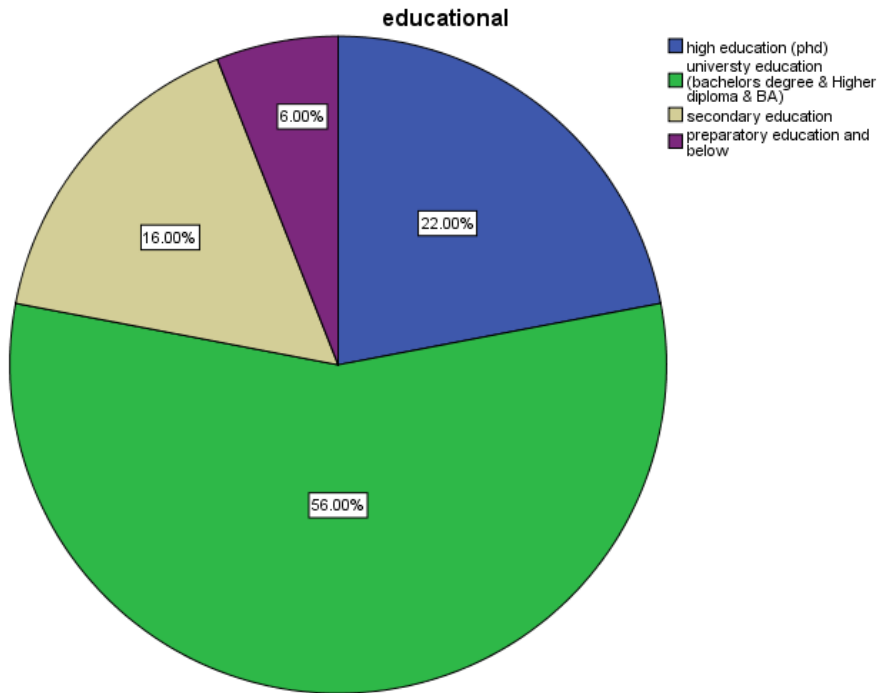


Table (18) shows that the Frequency and percentage of Status related to Bank of Commerce

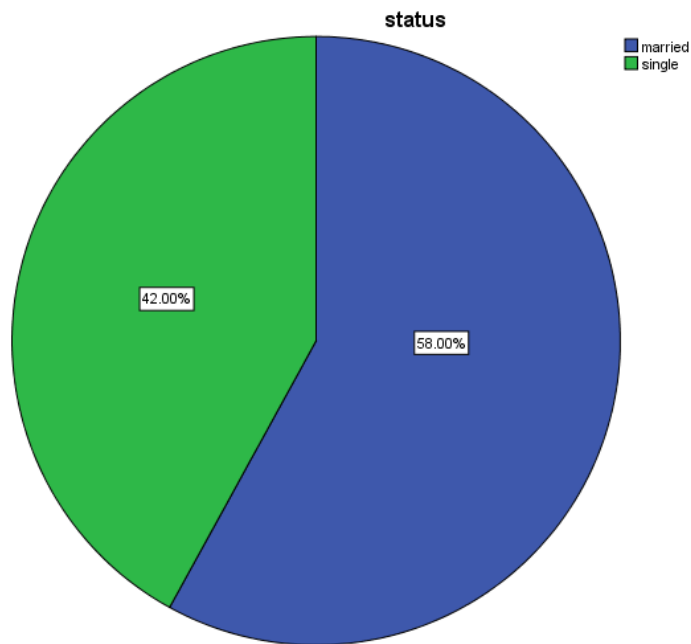
Status

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid married	29	58.0	58.0	58.0
Valid single	21	42.0	42.0	100.0
Total	50	100.0	100.0	

Frequency of Married is 29 and Percentage is 58%

Where Frequency of unmarried 21 and Percentage is 42%

Conclusion: Married Peoples have the account on the Bank of commerce more than unmarried has in the bank . Because the Percentage of Married people are 58% which is above from the unmarried peoples



Libyan satisfaction of their bank evaluation

Table (19) show the one-sample statistics of Overall Satisfaction

On-Sample Statistics

	N	Mean	Std. Deviation
overall	50	2.51	.437

One-Sample Test

	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
overall	-7.867	49	.000	-.486	-.61	-.36

The one-sample statistics table shows the mean of Overall Satisfaction, the standard deviation, and the number of participants in each condition, which is 50.

H0 is Null hypothesis

We reject H0 If $P = < 0.05$ then it means its significant.

H1 is alternative Hypothesis

We accept H1 If $P = > 0.05$ then it means it's not significant

Overall satisfaction .000 which is strong Significant which means the hypothesis of the Overall Satisfaction

H0 = customers are not satisfied with the quality services of Bank

H1 = customers are satisfied with the quality services of Bank

Table (20) shows the Test for different between overall and gender

type of respondents	N	Mean
male	30	2.53
female	20	2.49

	Levene's Test for Equality of Variances		t-test for Equality of Means	
	F	Sig.	t	df
Equal variances assumed	1.509	.225	.268	48
Equal variances not assumed			.259	36.403

Table show the Test for different between overall satisfaction with gender

H0 is Null hypothesis

We reject H0 If $P = < 0.05$ then it means its significant.

H1 is alternative Hypothesis

We accept H1 If $P = > 0.05$ then it means it's not significant

Overall satisfaction with gender is .225 which is not significant which means there is difference between Genders with Overall satisfaction

H0= there is no difference between gender with overall satisfaction

H1= there is difference between gender with overall satisfaction

2.3 Analysis of Variance (ANOVA)

Table (21) shows the different between overall satisfactions with age

Overall satisfaction

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.537	2	.268	1.429	.250
Within Groups	8.828	47	.188		
Total	9.365	49			

H0 is Null hypothesis

We reject H0 If $P = < 0.05$ then it means its significant.

H1 is alterative Hypothesis

We accept H1 If $P = > 0.05$ then it means it's not significant

Overall Satisfaction with Age is .250 which is not significant and which means there is difference between Age with Overall Satisfaction

H0 = there is no difference between Overall satisfaction with Age according to Quality of services

H1= there is difference between Overall satisfaction with Age according to Quality of services

Table (22) show the **different between** overall with educational

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.044	3	.015	.072	.975
Within Groups	9.321	46	.203		
Total	9.365	49			

H0 is Null hypothesis

We reject H0 If $P = < 0.05$ then it means its significant.

H1 is alterative Hypothesis

We accept H1 If $P = > 0.05$ then it means it's not significant

Overall Satisfaction with Education is .975 which is not significant and which means there is difference between Educations with Overall Satisfaction

H0 = there is no difference between Overall satisfaction with Education according to Quality of services

H1= there is difference between Overall satisfaction with Education according to Quality of services

Table (23) shows different between overall satisfaction with gender

Overall satisfaction

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.130	1	.130	.677	.415
Within Groups	9.235	48	.192		
Total	9.365	49			

H0 is Null hypothesis

We reject H0 If $P = < 0.05$ then it means it's significant.

H1 is alterative Hypothesis

We accept H1 If $P = > 0.05$ then it means it's not significant

Overall Satisfaction with Gender is .415 which is not significant and which means there is difference between Gender with Overall Satisfaction..

H0 = there is no difference between Overall satisfaction with Gender according to Quality of services

H1= there is difference between Overall satisfaction with Gender according to Quality of services

Table (24) shows The Relationship between overall and five dimensions

		Correlations				
		tangibility	Reliability	Response	warranty	sympathy
tangibility	Pearson Correlation	1	.285*	.190	.155	-.128
	Sig. (2-tailed)		.045	.186	.283	.375
	N	50	50	50	50	50
Reliability	Pearson Correlation	.285*	1	.181	.425**	.124
	Sig. (2-tailed)	.045		.210	.002	.391
	N	50	50	50	50	50
Response	Pearson Correlation	.190	.181	1	.260	.030
	Sig. (2-tailed)	.186	.210		.068	.838
	N	50	50	50	50	50
warranty	Pearson Correlation	.155	.425**	.260	1	.409**
	Sig. (2-tailed)	.283	.002	.068		.003
	N	50	50	50	50	50
sympathy	Pearson Correlation	-.128	.124	.030	.409**	1
	Sig. (2-tailed)	.375	.391	.838	.003	
	N	50	50	50	50	50
overall	Pearson Correlation	.517**	.684**	.563**	.725**	.454**
	Sig. (2-tailed)	.000	.000	.000	.000	.001
	N	50	50	50	50	50

H0 is Null hypothesis

We reject H0 If $P = < 0.05$ then it means its significant.

H1 is alterative Hypothesis

We accept H1 If $P = > 0.05$ then it means its not significant

If the value is significant we will say that there is Relationship

If the value is not significant we will say that there is no Relationship.

1- Overall satisfaction with Tangibility:

Overall satisfaction with Tangibility is .000 which is Significant which means there is no Relationship between overall satisfaction and tangibility

H0 = there is no relation between overall satisfaction and tangibility

H1 = there is relation between overall satisfaction and tangibility .

2- Overall Satisfaction with Reliability

Overall satisfaction with reliability is .000 which is Significant which means there is no Relationship between overall satisfaction and tangibility

H0 = there is no relation between overall satisfaction and reliability

H1 = there is relation between overall satisfaction and reliability

3- Overall Satisfaction with respondent

Overall satisfaction with respondents is .000 which is Significant which means there is no Relationship between overall satisfaction and respondents

H0 = there is no relation between overall satisfaction and respondents

H1 = there is relation between overall satisfaction and respondents

4- Overall Satisfaction with warranty

Overall satisfaction with warranty is .000 which is Significant which means there is no Relationship between overall satisfaction and warranty

H0 = there is no relation between overall satisfaction and warranty

H1 = there is relation between overall satisfaction and warranty

5- Overall Satisfaction with sympathy

Overall satisfaction with sympathy is .001 which is Significant which means there is no Relationship between overall satisfaction and sympathy

H0 = there is no relation between overall satisfaction and sympathy

H1 = there is relation between overall satisfaction and sympathy

CHAPTER 3

3.1 Conclusion:

Generally, this study can conclude that overall customer satisfaction has negative relationship with all the dimensions (tangibility, reliability, respondents, warranty and sympathy). This study also finds that sympathy the main factors influencing the level of customer satisfaction in bank of commerce (tajara tanmia) in Libya. Due to the wide variation of the responses, bank of commerce (tajara tanmia) need to consider the weak areas in order to meet customer requirements. Hence, to be successful in banking sector, bank must provide service to their customer that at least meets or better if exceeds their expectations, and this study provides some sort of guidelines to the policy makers (managers) of banks to take appropriate decisions to improve the quality of services in Libyan banking sector. In this study, we give the practitioners more motivation to find new ways to improve the services provided to customers, as well as the pursuit of change the services provided, for example Islamic finance services substitute for traditional services, as well as to speed up services in light of high quality banking services. We also give contribution to parties, individual or institutions. Hence the current research can be reference for further research in future, especially those researches related to service quality, customer satisfaction, customer loyalty and customer intention to switch.

3.2 Results: Results as we discussed in (Chapter 2) and the conclusion here we reach on the final result that customers are not satisfied with the services that their banks provide so the benefit should be taken of this research to improve their service quality.

3.3 RECOMMENDATIONS:

Customer satisfaction is a critical business requirement. Customer value is an asset to the organization. While, quality service is essential in today's competitive market. The objective of this study was to find our customer satisfaction on service quality with respect to service quality dimensions. A list of recommendations has been presented based on the findings of the survey conducted on customers of banking sectors of Libya.

- 1- The management needs to improve quality services so as to satisfy customer's needs. They needs to pay much attention on the customer complaints in order satisfy the customer's expectations
- 2- Since bank is a customer oriented organization, hiring potential human resource is a must. And for this reason, the bank should hire self-motivated,

enthusiastic employees who will like to deal with customer and will try to solve customer complaints and other issues in an effective manner.

3- The bank can set itself as a market leader in customer service by going beyond the conventional way of dealing with customers, such as, having customized working hour for every client delivering and accepting payment as per the convenience of the customer in times of difficulty

4- In order to retain the existing customers and to improve service quality, the bank should continuously maintain error-free transactions, since bank accounts and figures are very sensitive for each and every customer.

5- The management of the bank should regularly run research activities in order to keep a regular track of customer satisfaction level. As customer expectations and satisfaction are not static figures, regular research at sufficient intervals should be conducted.