# Assessment of Clients' Satisfaction with the Branches of Taamin Ejtemaei Organization Based on SERVQUAL Model

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**Abstract:** This study aims to assess clients' satisfaction with the branches of Taamin Ejtemaei Organization based on SERVQUAL Model. Current study is applicable in terms of objective and is descriptive-survey in terms of method. Population is the clients of Taamin Ejtemaei Organization in the area of Tehran and receives its services. Sampling approach was random and sample size was estimated 384 according to Morgan table. As sampling, 8 branches selected randomly among 32 branches of Taamin Ejtemaei Organization. To collect data, the standardized questionnaire of SERVQUAL was employed. The questionnaire was presented in terms of 22 pared-item using Likert scale. Since, the questionnaire was standardized, its validity is acceptable and its reliability was confirmed by Cronbach's coefficient. All the coefficients were more than the cut-off value of 0.7. To analyze data, non-parametric binomial test was conducted using SPSS software. The spectrum of answers had a 7.1 in which the mean was considered 4 and test ratio was 0.4 or 0.57. The results indicated that the satisfaction level of clients with service quality was average for reliability, above average for tangibles, below average for empathy, above average for assurance and above average for responsiveness.

## INTRODUCTION

Today's, customer satisfaction is a fundamental element of competition in customer oriented organizations. It is obvious that no business can survive without customer. Meanwhile, satisfaction and loyalty can be guarantee through high quality products or services. Research indicated that high quality services can affect positively behaviors, organization admiration, corporate preference, increasing volume and quantity of purchase, agreement on more payment and finally, customers' intention and decision. Kotler (2007) has considered quality in two dimensions: functional and technical. Technical quality refers to tangible aspects of services and what is delivered to the customer. Functional quality refers to intangible aspects and how the services are delivered. In particular, functional quality refers to service employees' behavior and their interactions with customers during service delivery process. Internal marketing is a factor that can direct skills, attitudes and behaviors of customers to provide suitable service quality and customer-orientation. Internal marketing is an important activity in the development process of a customer-orientation organization. The purpose of internal marketing is to develop the awareness of internal and external customer as well as removing task barriers in

the path of giving value to the service quality and organization effectiveness. SERVQUAL Model as a tool for measuring service quality, has been developed in 1985 by Parasuraman and was revised in 1988, 1991 and 1994. The five-dimension SERVQUAL Model (tangibles, assurance, reliability, empathy, credibility) provides measures for assessment of service quality by the customers. Assessment of SERVQUAL indicates that there is a significant focus on human interactions in service delivery (Jenaabadi *et al.*, 2011). According to the widening services provided by Taamin Ejtemaei Organization and increasing referrals to its branches, the importance and necessity of service quality assessment in Taamin Ejtemaei Organization, the identification of its strengths and weaknesses, their success level, the degree of expectations and perceptions about services, would be doubled in an attempt to improve the quality of services provided by its branches. Hence, this study tries to clients' satisfaction with the branches of Taamin Ejtemaei Organization based on SERVQUAL Model.

**Servqual:** SERVQUAL Model is a subset of mental models that considers perceptions and ideas of customers. The model is a famous method for measuring service quality developed. SERVQUAL is critical point in assessment of service quality and a pioneer method. The

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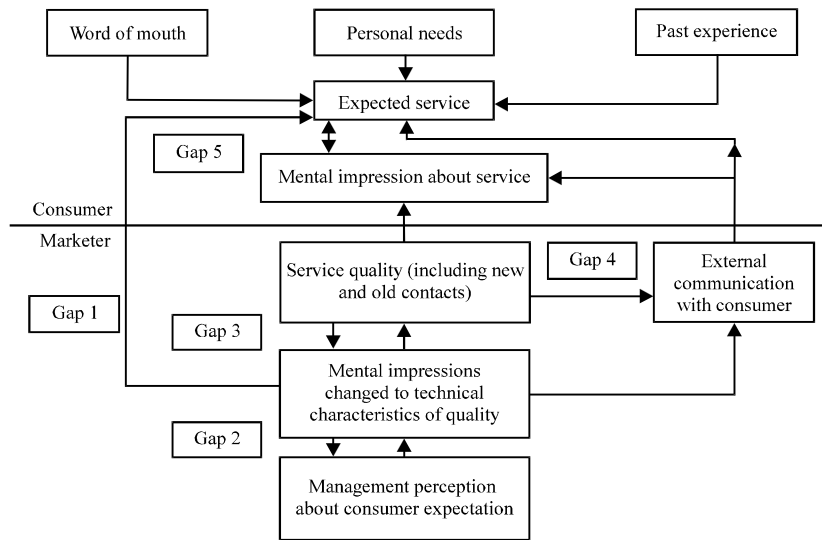
Fig. 1: Service quality model

model attempts to measure service quality in the environments that service quality is a necessity for understanding customers. Parasuraman model has some characteristics that can be used for a wide range of service environments. In service quality technique, there are several gaps that are (Fig. 1):

- Gap 1: Gap between management perceptions about what customers expect and the real expectations of customers
- Gap 2: Gap between management perceptions and the characteristics of service quality (service quality standards)
- Gap 3: Gap between the characteristics of service quality and real service delivery whether standards have been implemented?
- Gap 4: Gap between service delivery and what is considered out of firm whether commitments have been performed continuously?
- Gap 5: Gap between what customers expect and what receive in practice

Firstly, ten components were identified as the determinants of service quality including reliability, responsiveness, competence, access, courtesy, communication, credibility, security, understanding and Tangibles. However, as the result of a study in 1990s, its components declined to five components. Further, research has shown that "assurance" is a more influential factor on satisfaction (Mittal and Lassar, 1998). The five components based on customers' score (up to 100) are:

- Tangible dimension (11 scores) includes physical arrangement of equipments, employees, being modern and suitable furniture, equipment quality as well as training tools
- Assurance dimension (32 scores) includes ability to provide promised services in a complete, high quality and in time way, correct answers to questions and tendency to train experts and employees which in turn meet the expectations of customers
- Responsiveness dimension (22 scores) includes experts and employees' willing to help customers, provide quick and assured services, responsiveness speed, employees' tendency towards customers' problem solving, having opportunities to answer them and receiving customers' feedback
- Credibility dimension (19 scores) including system ability and credibility for providing reliable services, having knowledgeable employees, familiarity with using new technologies and equipments which in turn indicate the capability and ability of employees to generate a sense of trust and credibility in customers
- Empathy dimension (16 scores) including respecting to customer personality, personal attention towards them, their interests, utilizing understandable words for customers and attention to their spirits in a way that they feel that the firm realize them and are important

**Literature review:** Sajadi *et al.* (2011) compared service quality provided by private and public sport clubs (body building and fitness) in Tehran province in the view of customers. Instrument was Yi-Chin Liu's questionnaire based on SERVQUAL Model. Findings indicated that

there is significant difference in the quality of services provided by private and public clubs in Tehran. Further, there was significant difference in service quality components such as tangibles, assurance, responsiveness, empathy and reliability in public a private clubs. In all components, service quality in private clubs was better that public clubs.

Janaabadi *et al.* (2011) investigated the gap between perceptions and expectations of patients from service quality of health centers in Zahedan Province using SERVQUAL Model. The study was descriptive-analytical one that 200 patients (with minimal three days settlement) were selected using object-oriented sampling by a SERVQUAL questionnaire in pre-and post-care process and they were asked to state their perceptions and expectations about health service quality. According to their findings, there are differences between mean score of perceptions and expectations in all quality dimensions. That is health centers could not answer to the patients' expectations in all five dimensions of SERVQUAL Model and the perceived quality is always lower than the expected quality. The most average was for tangibles and the lowest average was for empathy.

Gorji *et al.* (2013) evaluated the service quality gap in Iman Khomeini Health and Training Center of Tehran using difference between perceptions and expectations of services and SERVQUAL Model. Findings indicated that in all dimensions of service quality, there is negative gap; the most gap was in accessibility and the lowest gap was in assurance and patients' expectations were not met in any dimension. Further, no contextual variable such as gender, marital status, insurance, referral frequency, age and education level had not significant relationship with service quality gap.

Amirkhani and Kalantari investigated service quality provided by Taamin Ejtemaei Organization in Varamin and Homeh based on SERVQUAL model. Results of comparing branches' performance indicated that the performance of the branches could not meet clients' expectations and there is a significant gap in service quality dimensions (tangibles, reliability, assurance, empathy, responsiveness). The highest gap was for empathy dimension and the lowest gap was for tangible dimension.

Du *et al.* (2012) conducted a survey on service quality in Nigeria Airlines. Results showed that Nigeria Airline has an acceptable service quality. In the cases, that service quality was damaging some improvements should be implemented. They suggested that airline managers should use SERVQUAL Model to assess service quality and to improve their services based on the customers' perspectives.

Islam (2012) evaluated customer satisfaction with health centers of Bangladesh in terms of service quality. The researcher found that surveyed sample had low level of satisfaction with different dimensions. The major limitation of the study was small size of selected sample.

Witkowska and Lakstutiene (2014) aims to determine the service quality level of social insurance institutions from the view of customers. According to their findings, the level of customer expectation from insurance institution services was more than reality of the services. However, service quality of the institutions was assessed in an acceptable level. They concluded that aged customers and knowledgeable about the insurance services are more satisfied with the services.

**Research hypotheses:**
- Clients' satisfaction with service quality in tangible dimension is acceptable
- Clients' satisfaction with service quality in reliability dimension is acceptable
- Clients' satisfaction with service quality in responsiveness dimension is acceptable
- Clients' satisfaction with service quality in empathy dimension is acceptable
- Clients' satisfaction with service quality in assurance dimension is acceptable

## MATERIALS AND METHODS

This study is applicable in terms of objective and is descriptive-analytical in terms of method. Statistical population is the clients of Taamin Ejtemaei Organization in the area of Tehran and receives its services. Sampling approach was random and sample size was estimated 384 according to Morgan Table. As sampling, 8 branches selected randomly among 32 branches of Taamin Ejtemaei Organization. To collect data, the standardized questionnaire of SERVQUAL was employed. The questionnaire was presented in terms of 22 pared-item using Likert scale. Total 22 items were designated for assessing customers' expectations of services and the next 22 items were presented to evaluate perceived level of received services. Service quality is calculated by the difference between values of each paired item (perceptions minus expectations). Since the questionnaire was standardized, its validity is acceptable and its reliability was confirmed by Cronbach's coefficient. A pilot test with 30 respondents was conducted to confirm the reliability. All the coefficients were more than the cut-off value of 0.7. To analyze data, non-parametric binomial test was conducted using SPSS software. The spectrum of answers had a 7.1 in which the mean was considered 4 and test ratio was 0.4 or 0.57.

## RESULTS AND DISCUSSION

**Hypothesis one:** Clients' satisfaction with service quality in tangible dimension is acceptable. According to the results, the satisfaction level of clients with service quality in tangible dimension was above average and for the sub-indices; satisfaction level for the index of modern equipment was below average (Table 1).

**Hypothesis two:** Clients' satisfaction with service quality in reliability dimension is acceptable. According to the results, the satisfaction level of clients with service quality in reliability dimension was average and for the sub-indices; satisfaction level for the indices of doing promises, on-time tasks, communication and working knowledge was below average (Table 2).

**Hypothesis three:** Clients' satisfaction with service quality in responsiveness dimension is acceptable. According to the results, the satisfaction level of clients with service quality in responsiveness dimension was above average and for the sub-indices; satisfaction level for the indices of helping to clients and suitable working time was below average (Table 3).

**Hypothesis four:** Clients' satisfaction with service quality in empathy dimension is acceptable. According to the results, the satisfaction level of clients with service quality in empathy dimension was below average and for

the sub-indices; satisfaction level for the indices of understanding needs and helping to solve problems was below average (Table 4).

**Hypothesis five:** Clients' satisfaction with service quality in assurance dimension is acceptable. According to the results, the satisfaction level of clients with service quality in assurance dimension was above average and for the sub-indices; satisfaction level for the indices of work speed, accuracy and trust was below average (Table 5).

Table 2: The results of binomial test for $H_2$

| Groups | Category | N | Observed prop. | Test prop. | Exact Sig. (1-tailed) |
|---|---|---|---|---|---|
| **Reliability** | | | | | |
| Group 1 | ≤4 | 221 | 0.575521 | 0.570000 | 0.435 |
| Group 2 | >4 | 163 | 0.424479 | | |
| Total | | 384 | 1.000000 | | |
| **Doing promises** | | | | | |
| Group 1 | ≤4 | 257 | 0.669271 | 0.570000 | 0.000 |
| Group 2 | >4 | 127 | 0.330729 | | |
| Total | | 384 | 1.000000 | | |
| **Doing tasks** | | | | | |
| Group 1 | ≤4 | 256 | 0.666667 | 0.570000 | 0.000 |
| Group 2 | >4 | 128 | 0.333333 | | |
| Total | | 384 | 1.000000 | | |
| **On-time tasks** | | | | | |
| Group 1 | ≤4 | 158 | 0.411458 | 0.570000 | 0.000[a] |
| Group 2 | >4 | 226 | 0.588542 | | |
| Total | | 384 | 1.000000 | | |
| **Communication** | | | | | |
| Group 1 | ≤4 | 259 | 0.674479 | 0.570000 | 0.000 |
| Group 2 | >4 | 125 | 0.325521 | | |
| Total | | 384 | 1.000000 | | |
| **Working knowledge** | | | | | |
| Group 1 | ≤4 | 256 | 0.666667 | 0.570000 | 0.000 |
| Group 2 | >4 | 128 | 0.333333 | | |
| Total | | 384 | 1.000000 | | |

Table 1: The results of binomial test for $H_1$

| Groups | Category | N | Observed prop. | Test prop. | Exact Sig. (1-tailed) |
|---|---|---|---|---|---|
| **Tangible** | | | | | |
| Group 1 | ≤4 | 167 | 0.434896 | 0.570000 | 0.000[a] |
| Group 2 | >4 | 217 | 0.565104 | | |
| Total | | 384 | 1.000000 | | |
| **Instruments** | | | | | |
| Group 1 | ≥4 | 256 | 0.666667 | 0.570000 | 0.000 |
| Group 2 | >4 | 128 | 0.333333 | | |
| Total | | 384 | 1.000000 | | |
| **Physical equipments** | | | | | |
| Group 1 | ≤4 | 171 | 0.445313 | 0.570000 | 0.000[a] |
| Group 2 | >4 | 213 | 0.554688 | | |
| Total | | 384 | 1.000000 | | |
| **Suitable clothes** | | | | | |
| Group 1 | ≥4 | 171 | 0.445313 | 0.570000 | 0.000[a] |
| Group 2 | >4 | 213 | 0.554688 | | |
| Total | | 384 | 1.000000 | | |
| **Cleanness** | | | | | |
| Group 1 | ≤4 | 176 | 0.458333 | 0.570000 | 0.000[a] |
| Group 2 | >4 | 208 | 0.541667 | | |
| Total | | 384 | 1.000000 | | |

[a]Alternative hypothesis states that the proportion of cases in the first group <0.57

Table 3: The results of binomial test for $H_3$

| Groups | Category | N | Observed prop. | Test prop. | Exact Sig. (1-tailed) |
|---|---|---|---|---|---|
| **Responsiveness** | | | | | |
| Group 1 | ≤4 | 176 | 0.458333 | 0.570000 | 0.000[a] |
| Group 2 | >4 | 208 | 0.541667 | | |
| Total | | 384 | 1.000000 | | |
| **Helping clients** | | | | | |
| Group 1 | ≤4 | 262 | 0.682292 | 0.570000 | 0.000 |
| Group 2 | >4 | 122 | 0.317708 | | |
| Total | | 384 | 1.000000 | | |
| **Respect** | | | | | |
| Group 1 | ≤4 | 158 | 0.411458 | 0.570000 | 0.000[a] |
| Group 2 | >4 | 226 | 0.588542 | | |
| Total | | 384 | 1.000000 | | |
| **Personal attention** | | | | | |
| Group 1 | ≤4 | 174 | 0.453125 | 0.570000 | 0.000[a] |
| Group 2 | >4 | 210 | 0.546875 | | |
| Total | | 384 | 1.000000 | | |
| **Suitable working time** | | | | | |
| Group 1 | ≤4 | 260 | 0.677083 | 0.570000 | 0.000 |
| Group 2 | >4 | 124 | 0.322917 | | |
| Total | | 384 | 1.000000 | | |

[a]Alternative hypothesis states that the proportion of cases in the first group <0.57

Table 4: The results of binomial test for H$_4$

| Groups | Category | N | Observed prop. | Test prop. | Exact Sig. (1-tailed) |
|---|---|---|---|---|---|
| **Empathy** | | | | | |
| Group 1 | ≤4 | 248 | 0.645833 | 0.570000 | 0.001 |
| Group 2 | >4 | 136 | 0.354167 | | |
| Total | | 384 | 1.000000 | | |
| **Understanding needs** | | | | | |
| Group 1 | ≤4 | 259 | 0.674479 | 0.570000 | 0.000 |
| Group 2 | >4 | 125 | 0.325521 | | |
| Total | | 384 | 1.000000 | | |
| **Particular attention** | | | | | |
| Group 1 | ≤4 | 172 | 0.447917 | 0.570000 | 0.000[a] |
| Group 2 | >4 | 212 | 0.552083 | | |
| Total | | 384 | 1.000000 | | |
| **Personal services** | | | | | |
| Group 1 | ≤4 | 176 | 0.458333 | 0.570000 | 0.000[a] |
| Group 2 | >4 | 208 | 0.541667 | | |
| Total | | 384 | 1.000000 | | |
| **Problem solving** | | | | | |
| Group 1 | ≤4 | 259 | 0.674479 | 0.570000 | 0.000 |
| Group 2 | >4 | 125 | 0.325521 | | |
| Total | | 384 | 1.000000 | | |

Table 5: The results of binomial test for H$_5$

| Groups | Category | N | Observed prop. | Test prop. | Exact Sig. (1-tailed) |
|---|---|---|---|---|---|
| **Assurance** | | | | | |
| Group 1 | ≤4 | 169 | 0.440104 | 0.570000 | 0.000[a] |
| Group 2 | >4 | 215 | 0.559896 | | |
| Total | | 384 | 1.000000 | | |
| **Maintenance of documents** | | | | | |
| Group 1 | ≤4 | 170 | 0.442708 | 0.570000 | 0.000[a] |
| Group 2 | >4 | 214 | 0.557292 | | |
| Total | | 384 | 1.000000 | | |
| **Work speed** | | | | | |
| Group 1 | ≤4 | 260 | 0.677083 | 0.570000 | 0.000 |
| Group 2 | >4 | 124 | 0.322917 | | |
| Total | | 384 | 1.000000 | | |
| **Accuracy** | | | | | |
| Group 1 | ≤4 | 256 | 0.666667 | 0.570000 | 0.000 |
| Group 2 | >4 | 128 | 0.333333 | | |
| Total | | 384 | 1.000000 | | |
| **Trust** | | | | | |
| Group 1 | ≤4 | 259 | 0.674479 | 0.570000 | 0.000 |
| Group 2 | >4 | 125 | 0.325521 | | |
| Total | | 384 | 1.000000 | | |
| **Security** | | | | | |
| Group 1 | ≤4 | 170 | 0.442708 | 0.570000 | 0.000[a] |
| Group 2 | >4 | 214 | 0.557292 | | |
| Total | | 384 | 1.000000 | | |

[a]Alternative hypothesis states that the proportion of cases in the first group <0.57

## CONCLUSION

Here, a summary of findings and implications would be provided: The results of H$_1$ showed that clients' satisfaction with service quality in tangible dimension was average and for the sub-indices; satisfaction level for the index of modern equipment was below average. Hence, it is suggested that: developing branches and improving technological infrastructures for updating documents and their accessibility. Revising and modifying external view of branches and updating decoration and design of internal space of branches. Equipping branches to modern and advanced instruments including computer facilities, air conditioner and lighting system. Increasing the number of branches to facilitate the accessibility of clientsaccording to suitable distribution, regional density, traffic programs and so on. Establishing branches in a good geographical position to more accessibility and providing parking lots for patients as a main service gap in a macro city such as Tehran. Shortening the waiting time of patients and providing a relax environment for them. To this end, suitable and enough seats should be provided in the branches. Providing service employees with clean and unified uniforms in the branches and attending to their appearances.

The results of H$_2$ showed that the satisfaction level of clients with service quality in reliability dimension was average and for the sub-indices; satisfaction level for the indices of doing promises, on-time tasks, communication and working knowledge was below average. Therefore, it is suggested that: Employees of branches should provide clients with the promised services in a right time; if there was a problem, they should inform them about the problems and try to compensate the problems or to apologize clients. When employees promise to the clients, they are walking on a thick row that it identifies the boundary of doing promises and clients' pleasant or lying about promises and dissatisfaction.

Holding training courses for customers to perform their tasks correctly and to provide supporting facilities for doing services in a right time. Using advanced informational systems and high security to keep information secure and to prevent disseminating personal information of clients. Employees' behavior with clients should create this feeling that they have received the best services and an assurance is created in the mind of clients.

The results of H$_3$ showed that the satisfaction level of clients with service quality in responsiveness dimension was above average and for the sub-indices; satisfaction level for the indices of helping to clients and suitable working time was below average. Hence, it is suggested that: holding training courses for employees that interact with clients to be informed about various services of the branches, because the majority of clients claimed that they are not satisfied with the answering to their questions.

In addition to the performance quality of employees, an index should be defined to measure work speed of employees based on the referrals during a working day to prevent time-wasting in working hours and to deliver targeted services in a right time to the clients.

The results of H$_4$ showed thatthe satisfaction level of clients with service quality in empathy dimension was below average and for the sub-indices; satisfaction level for the indices of understanding needs and helping to solve problems was below average. Thus, it is

suggested that: selecting and employing capable personnel with customer-orientation spirit and communicational skills. Creating and promoting customer-oriented culture among employees and determining incentives to develop the culture and employees evaluation based on customer-oriented measures. Attending to customers' needs and investigating clients' wants in the process of referring to the branches.

The results of $H_5$ showed thatthe satisfaction level of clients with service quality in assurance dimension was above average and for the sub-indices; satisfaction level for the indices of work speed, accuracy and trust was below average. Therefore, it is suggested that: utilizing new methods of communication for insurance documents of clients particularly by SMS, audio messages and email. Designing a professional website that allow filling and sending documents and forms electronically. Communicating about the level of Taamin Ejtemaei Organization.

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