

**“AN EXAMINATION OF THE EFFECTS OF SERVICE DELIVERY ON CUSTOMER SATISFACTION IN PUBLIC SECTOR: THE CASE OF FINOTE SELAM TOWN ADMINISTRATION CIVIL SERVICE OFFICE”**



**DEBRE MARKOS UNIVERSITY COLLEGE OF  
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## **Declaration**

Hereby declare that this thesis intitled “An examination of the effects of service delivery on customer satisfaction in public sector: The case of Finote Selam town administration Civil Service office” is prepared by me with the guidance of my advisor Dr Habtamu. The work contained herein is my own except where explicitly stated otherwise in the text and that this work has not been submitted to any other degree or professional qualification at the Debre Markos University or any other learning institution.

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## **Approval Page**

This is to certified that the thesis prepared by Yayehu Siraye entitled “The effect of service delivery on customer satisfaction in public sectors “The case of Finote Selam town administration Civil Service office” and submitted as a partial fulfilment for the award of the degree of Master of Business Administration in Debre Markos University and meets the accepted standards with respect to originality, content and quality.

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## **List of Abbreviations and Acronyms**

ANOVA	Analysis of variance
NGO	Non-Governmental Organization
SDR	Service Deliver Reform
SPSS	Statistical Package for Social Sciences
VIF	Variance Inflation Factor

## **Abstract**

*The most significant contests facing services organizations now is to deliver consistently high-quality services. The main purpose of the study was an examination of the effects of service delivery on customer satisfaction in the case of Finote Selam Civil Service office. The study had four specific objectives. The study used descriptive and explanatory research design with quantitative and qualitative research approach. The population of the study comprised a total of 703 customers. Accordingly, 255 sample respondents selected using simple random sampling technique. The study used both primary and secondary data sources. The primary data sources collected using questionnaires and interview. The validity and reliability of the questionnaires tested using pilot study. The data analyzed using descriptive statistics, correlation and multiple regression by using statistical package for social sciences (SPSS) version 26. The result showed that, customers dissatisfied with service quality delivered by Finote Selam civil service office. Results showed that staffs rudeness, lack of staff promptness, inappropriate complaint handling systems and corruption are the major problems of service delivery in the study area. Findings also indicated that customer satisfaction had strong positive significant relationship with responsiveness, reliability, tangibility and empathy but assurance have moderate relationship. The study concluded that the five service delivery dimensions i.e., responsiveness, reliability, assurance, tangibility and empathy have a positive and significant effects on customer satisfaction. The study recommended that, management bodies should give due emphasis and work on the service delivery dimensions to achieve customer satisfaction.*

**Keywords:** *Service quality, Service Delivery Dimensions, Customer Satisfaction*

# CHAPTER ONE: INTRODUCTION

This chapter spells out the need for the study. This study seeks to examine the effects of service delivery on customer satisfaction in the case of Finote Selam town administration Civil Service office. This chapter presents salient issues relating to the study title. It presents background of the study, statement of the problem, research question, objective of the study, significance of the study, scope of the study, definition of significance terms and organization of the paper.

## 1.1. Background of the Study

According to Lovelock and Wirt (2004), a service is "an act or performance done by one party to another." Because services are intangible, their success or failure cannot be easily measured or quantified. A service is any activity or benefit that one party can offer to another that is essentially intangible and does not result in the ownership of anything (Kotler, 2003).

According to Huffman & Bateson (2001) the achievement of any service providing organization can be measured in terms of its clients' anticipation towards the service distribution practice. Which means service quality, will be the central component in clients' evaluations of a given service. Clients 'go to service providers expecting to get a respectable service and the level of expectation between each individual differs. Finding out what clients expect is indispensable in providing a quality service.

New managerial approaches clarify quality as the customer satisfaction, for that reason all the organizations must know the high quality and quick service offering impediments and solve them (Ghasemi, kazemi and Esfahani, 2012). Client satisfaction is defined as clients overall feeling of contentment with a client interaction. Client satisfaction recognizes the difference among client expectation and client perception. Likewise, client satisfaction is a result that emerges from the delivery of quality service. That is if the organization know how to keep its clients comfortably be serving them quality service there is no reason for the client to be dissatisfied.

Public sector is, communally, the world's major service provider entity. In other word, the final goal of public sector is to sustain the quality of the public service and to boost the

capacity to carry out main government functions so as to promote a continued economic and social development in the environment of its operation (Theodore, 2003).

According to Benjamin, (2012) as cited in the study of Alemseged Gerezgiher Hailu and Hailay Gebretsadik Shifare (2019) all over the world, public service organizations have responsibility for providing adequate service to customers as per their request. The public sector has responsibility and accountability for delivering efficient and effective services to communities and societies as a client. Though public service organizations, now days, have an ever-increasing demand to deliver best services and improve efficiency relatively compared to prior times, demands are changing in their quality necessities in government and private sector.

Despite the fact that the current Ethiopian government implemented various reform initiatives to improve customer satisfaction and service delivery. But there are many challenges and problems in the public sector. Many research studies on the issue shown that the service performance of the sectors is not up to the satisfaction level of the community (Emnet & Habtamu, 2011). Poor integration and a sequential approach were also mentioned by Mesfin (2009). Moreover, according to Murali (2019) there are a lot of challenges that professionals are currently facing in providing quality service to customers, which would ultimately lead to client dissatisfactions.

In this regard the above existing experiences and reports have also exposed in Finote Selam town administration Civil Service office, which is supported by 2022 and 2023 human resource deployment inspections feedbacks of West Gojjam Zone Civil Service. In fact, there are immense complaints concerning in the service delivery process of Finote Selam town administration Civil Service office. Customer satisfaction and Service excellence are significant ideas to academic researchers studying customer assessments and to practitioners as a means of generating competitive advantages and client loyalty. So, the main purpose of this study is to examine the effect of services delivery on customer satisfaction in Finote Selam town administration selected public sector.

## **1.2. Statement of the Problem**

One of the most important contests facing services organizations now is to deliver dependably high-quality services. The delivery of reliable service quality is arguably the most vigorous factors that donate to the formation of credibility and reputation of the

organizations in the eyes of the public. It is well known that providing high quality services has a useful effect on the bottom-line performance for the organization. Indeed, an increasing amount of empirical data shows that offering high-quality services increases market share and return on investment, boosts productivity, increases profitability, spreads good word- of mouth, and lowers expenses (Sachdev SB, Verma HV, 2004).

Service excellence particularly in the public sector organizations has become ever more significant in improving client satisfaction. Quality service delivery and client satisfaction are found having positive relationship. Client service is a system of activities that comprised client support system, compliant processing, ease of reporting grievance and friendliness when reporting compliant (Hanif M., 2010).

According to Hussein, (2009), however public organizations are supposed to give quality service in a way that is well-organized, effective, impartial, transparent, dependable, and responsive that meets client satisfaction. In turn lack of these service delivery qualities meets customer dissatisfaction.

It is a renowned fact that quality service delivery by public sector organizations is beset with a lot of contests in Ethiopia. In this regard, Yoseph (2011) claimed that poor service delivery mechanisms, which might result in inefficient service delivery, were one of the primary challenges facing Ethiopia's civil service organizations.

Moreover, Siyum (2022) as cited by Berihu Asgele Siyum (2024) in Ethiopia service delivery practice in public organizations are always attended by grievance and complaint. Citizens complain every day on every media platform about the poor service delivery by the public sector. Additionally, according to Haile (2018) the Ethiopian civil service faced several issues that impede achieving the desired result. Such as, the failure to effectively care to the equal rights of service users to access public services has resulted in a negative perception of government institutions and civil servants among the public.

According to the contemporary experiences, feedbacks and reports, this is currently experienced in Finote Selam town administration Civil Service office. According to the West Gojjam Zone Civil Service Office inspection team feedback reports of 2022 and 2023 customers reflected their grievances directly and indirectly since the office did not meet service needs of its customers and requirements. Additionally, the 2023 second quarter's report of the office displays those seventy-nine customers manifested their dissatisfaction

orally and in written due to the poor quality of the services given. Moreover, the 2014 E.C and 2015 E.C complaint receiving notebooks of the Finote Selam town administration Civil Service office evidently display a significant number of customers exposed their dissatisfaction in written due to the unsuitable service delivery process of the organization. Also, media, public hearing, the knowledge and experience of the researcher and conference held every year displayed how deeply clients were dissatisfied with the perceived quality of public service delivery in the study area. This would tell us public service delivery and customer satisfaction needs a scientific investigation.

Even though several researches have been conducted on the subject matter; but, most of them were focusing on private sectors such as automotive industry; public owned National Alcohol and Liquor Factory; Micro Finance Institutions; NGO; Insurance Company; and the like (Ramdhani, A., Mnyamana, X., and Karodia, A. M, 2017; Tibebe Zeleke 2012; Kibret Tekeba & Ermias Worku Mengistu, 2018; Baruah, P., and Barthakur, B. J 2013; Lensa Kuma, 2015). Few are studied on public service organizations like, Service Delivery System and Customer Satisfaction at Rural Health Centers: The Case of Two Health Centers in Wuchale Woreda, Oromia Regional State of Ethiopia by Zewdie Asfaw (2019); Impact of Service Quality on customer Satisfaction Liberia Revenue Authority by Johnson, E. C and Karlay, J.S (2018); The Impact of Service Quality on Customer Satisfaction: A Case Study on Nekemte Municipality, Oromia Region, Ethiopia by Abdissa Gemechu Gobena (2019). However, up to the researcher best knowledge there is no empirical research conducted formerly in the study area to examine the effect of quality service delivery on customer satisfaction. Whereby the research paper would like to fill this gap.

### **1.3. Research Questions**

This study was tried to answer the following basic and major questions, which are based on the specific objectives.

1. What is the level of customer satisfaction in the study area?
2. What challenges do customers face in relation to Finote Selam town Administration Civil Service office service quality?
3. What is the relationship among service delivery dimensions and customer satisfaction?
4. How service delivery dimensions (Responsiveness, Reliability, Assurance, Tangibility and Empathy) affect customer satisfaction?

## **1.4. Objectives of the Study**

The study has both general and specific objectives which achieved at the end of the study.

### **1.4.1. General Objective**

The main objective of the study is to examine the effect of service delivery on customer satisfaction in the case of finote Selam town Administration Civil Service Office.

### **1.4.2. Specific Objectives**

The specific objectives of this research are:

- To know the level of customer satisfaction in the study area.
- To analyze the major challenge in the service delivery process of Finote Selam town Administration Civil Service office.
- To describe the relationship among service delivery dimensions and customer satisfaction in the study area.
- To examine the effect of service delivery on customer satisfaction in terms of service delivery dimensions (Responsiveness, Reliability, Assurance, Tangibility and Empathy).

## **1.5. Significance of the Study**

Studies are mainly established either to solve practical social problems and/ or add valid knowledge to the existing ones. The result of this study effects of service delivery on customer satisfaction, determined by the disparity among the hopes of the customers and its insights of the service delivered can provide an organization with a lasting competitive benefit. Specifically, this study is believed to have the subsequent significant:

It helps to identify the level of customers satisfaction or dissatisfaction in Finote Selam town Civil Service office and to recommend possible solutions on the reasons or displeasing issues. Similarly, it helps to describe the relationship among quality service dimensions and customer satisfaction in the case study area. Correspondingly, the research is significant to Finote Selam town Civil Service office to know the gap among customers expectation and their insight towards the service. The findings of the study will be given Finote Selam town administration civil service office management to use as an input to improve the customer satisfaction regarding service delivery dimensions. The findings of

the study also will provide an insight to the policy makers of service organizations. So, it can be concluded that the study can significant to civil service office management, employees, customers, stakeholders and other service sectors because service delivery dimensions positively or negatively affect all parties directly or indirectly. So, it is difficult to ensure customer satisfaction without giving considerable attention to service delivery dimensions. Apart from these, it improves the practical knowledge of the researcher through creating a link between the theoretical and empirical knowledge and what is going on real life in the Finote Selam town administration Civil Service office. It may also serve as a source of reference material for future researchers on other related topics.

### **1.6. Scope of the Study**

This study was delimited on geographical, conceptual, methodological and time constraints. Geographically the study was delimited in Amhara region west Gojjam zone particularly in Finote Selam town administration Civil Service Office. The rationale for selecting this particular office is more accessible to the researcher due to customer availability and their openness to data sharing and the existence of more service users complain. Also, has more customers with different background. Content wise, the study was covered the effect of service delivery on customer satisfaction. Specifically, the study encompassed five service delivery dimensions which are; responsiveness, reliability, assurance, tangibility and empathy. So, this study doesn't emphasize the effect of other variables on customer satisfaction. Since it is unthinkable to involve all the variables influencing customer satisfaction in the study. Methodologically, the study was used explanatory and descriptive research design with quantitative and qualitative research approach. Timely the study adopts the cross-sectional time horizon due to the time period available which is about four month that is the data was collected one point at a time.

### **1.7. Conceptual Definition of Key Terms**

To keep the common understanding of the variables that were used in the study significant terms was defined contextually.

**Service quality:** judged in the context of customers expectation and experience. It is the result of an assessment of process where the customer compares their expectations with the service, they received from Finote Selam town administration Civil Service office.

According to Seth, Deshmukh & Vrat (2005) defined service quality as the ability for service providers to match expected service with perceived service to attain client satisfaction.

**Customers:** any employees and management bodies of the Finote Selam town administration public sectors that demand service from the Finote Selam town administration Civil Service office.

**Service provider:** the Finote Selam town administration Civil Service office as a general or employees in the Finote Selam town administration Civil Service office who provide service for the customers.

**Service delivery:** is any service delivered to customers by employees of Finote Selam town administration Civil Service office.

**Customer satisfaction:** is customers assessment of a service in terms of whether the service received from Finote Selam town administration Civil Service office has met their needs and expectations. It is the ultimate customers' decision of service that is providing by the Finote Selam town administration Civil Service office. According to Girum et al., 2018 customer satisfaction is associations among the client, product or service as well as the provider of a product or service.

## **1.8. Organization of the Paper**

This research paper was organized into five chapters. The first chapter include background of the study, statement of the problem, research questions, objectives, significance of the study, scope of the study, conceptual definition of key terms, and organization of the paper. Chapter two devote to review related literature of the study. Chapter three deals with methodology of the study. Chapter four includes data analysis and interpretations. Finally, chapter five was consisted summary of the findings, conclusions, recommendations of the study and future research implication.

## **CHAPTER TWO: LITERATURE REVIEW**

### **2.1. Concepts of Public Service and Customer Satisfaction**

#### **2.1.1. Public Service**

According to Naidoo (2004), a public service is any service that the government offers to citizens inside its borders, either directly, through the public sector, or by funding service delivery. Kibret Tekeba and Ermias Worku Mengistu (2018) reference Kotler and Armstrong (2006) as saying that a service is any benefit or activity that one party can provide to another that is essentially intangible and does not lead to the ownership of anything.

Similarly, Frauendorf, (2006) defined services as the means of delivering intangible economic activities that add value to clients implying contact among service provider and customer through a process of transaction. As of client's perspective, Johnston and Clark (2008), describe service as the mix of customers' experience and their insight of the result of the service. The way the customer is treated by the service provider is referred to as the customer experience, and it is the direct experience of the customer with the service process. It comprises the client's personal contact with the organization, its client facing staff, technology and facilities.

According to Gowan et al. (2001), service delivery in the public sector is more complex since it not only satisfies acknowledged desires but also looks into unexpressed ones, establishes priorities, allocating resources, and publicly justifying and secretarial for what has been finalized.

Furthermore, service delivery necessitates that the service provider communicates with the client and be receptive to the needs of the populace, according to Ramakrishnan (2013).

According to RLGA, (2010) Public services have all-inclusive character that is non-rivalrous and non-excludable apart from the present norms that assume be provided by the market. Similarly, Parasuraman et al., (1985) stated that, inseparability, intangibility, Perishability and heterogeneity are the key known features for understanding service quality. Inseparability which refers to the client participates in the production process, being able not only to participate inactively, but also as a co-producer of the service. Intangibility means it has no physical existence, cannot be viewed or touched, which

prevents the formation of precise specifications. Perishability implies the production and consumption occur simultaneously.

Additional, variability of service refers to their performance varies from person to person, from customer to customer and from day to day. As stated by J. Quinn, (1992) all major service quality studies approve that service quality is so subjective that it can only be measured in terms of what clients want or define as quality. As stated by A. Parasuraman, V. Zeithaml, L. Berry (1988), the main objective of the SERVQUAL model is to design measurement scales that allow evaluating the quality of services based on the difference among anticipations and insights of clients. The standard or "benchmark" by which experiences are evaluated is the service that the client expects; when performance surpasses expectations service quality increases and vice versa.

### **2.1.2. Customer satisfaction**

According to Abd El Salam et al., (2013) and Chen (2010) as cited by Ehigie C. Johnson and Jesse S. Karlay (2018) propose that client satisfaction is the outcomes of a client's comparison of perceived service quality and real service performance. Kaura et al., (2012) suggest that client satisfaction reflect the degree to which a customer believes that the use or possession of a specific service will evoke a positive feeling. Client satisfaction is essentially how happy the clients are with the services provided and can be determined through surveys and ratings to comprehend their needs and make modifications where pertinent (Machirori et al., 2011).

Moreover, according to Gyasi & Azumah (2009) client satisfaction is "the procedure of client's overall subjective assessment of the product/service quality against his/her expectation over a time period".

Research has shown that unfavorable evaluations and client discontent have had a number of detrimental repercussions on business (Munusamy, 2006). According to some, perception leads to contentment (Karatepe et al., 2005).

According to Zenithal and Bitner (2000) defined client satisfaction as the clients' assessment of a product or service in terms of whether that product or service has met their desires and hopes. Similarly, according to Buttle, (2004) cited in Tibebe Zeleke (2012), Client satisfaction may be defined as the client's fulfillment response to a consumption experience, or some part of it. Client satisfaction is a pleasurable fulfillment response while

dissatisfaction isn't a pleasurable one. Satisfaction and dissatisfaction are two ends of a continuum, where the location is defined by a comparison among expectations and result. Additionally, according to Looy, Gemmel, and Dierdonck (2003), customers will be happy if the service matches their expectations. When the service quality exceeds the expectations, the service provider has won a delighted client. Dissatisfaction will happen when the perceived overall service quality does not meet expectations.

Likewise, Minazzi (2008) emphasized that the comparison of the client's expectations and perceptions leads to the client's happiness. In other words, client satisfaction is seen as the deference among expected quality of service and clients' experience or perceptions after getting the service.

According to Bateson and Hoffman, (2011) Client satisfaction dependence on service quality dimensions such as reliability, responsiveness, assurance, empathy and tangibles and on additional elements like price, personal and situational factors that may happen during the service supply. The most accurate way to gauge customer happiness is via the SERVEQUAL scale.

## **2.2. Service quality**

Service quality is the outcome of an assessment process, in which customers compare their expectations with the service. A long-term comprehensive assessment is represented by the attitude of service quality (Adil, 2013). The degree to which a service fulfills the expectations of the client is a measure of its quality. It usually determines the impression will have of a product or service (Abd Ghani et al., 3017). Providing good service quality will give the impression that is embedded in the customer's mind for the company.

Increasing customer numbers and giving a business a competitive edge over rivals are two strategic advantages that can be attained through service quality (Khamis & AbRashid, 2018). Client perceptions of quality are assumed to happen at various levels in a service setting. Customers initially evaluate the quality of interactions with service providers at the level of individual attributes. Service quality, has sub-indicators of cost-effectiveness, user-friendliness, and technical support (Li et al., 2021). According to (Boonlertvanich, 2019) Service quality is measured based on five dimensions, namely Reliability, Assurance, Tangibles, Empathy, and Responsiveness. The five dimensions will offer customer responses to many aspects of service quality provided by the company.

### **2.3. SERVEQUAL Model**

SERVQUAL Scale is one of the most acknowledged service quality valuation scales, it was advanced by Parasuraman, et al., 2005.

The SERVQUAL anticipations minus perceptions gap is the most widely used model in service quality research, according to Jones & Shandiz (2015), as cited by Berihu Asgele Siyum (2024). It suggests that service quality is determined by comparing customers' expectations of the service they receive with their perceptions of a company's service performance.

For measuring levels of service quality, the SERVEQUAL gap score idea of assessing the difference among expectations and insights has proven to be very helpful (Shahin, 2010). Moreover, according to Markovic and Raspor, (2010); Parasuraman et al., (1988) SERVEQUAL model has five dimensions: assurance, responsiveness, tangibility, reliability and empathy.

Furthermore, based on whether the clients' expectations are higher or lower than their experiences, the model calculates the difference between what they expect and what they achieve, which can have either positive or negative effects (Daniel & Berinyuy, 2010). Additionally, according to Mok et al., (2017) the quality of services exceeds their early expectation, clients are satisfied; however, when performance less than expectations they are displeased.

According to Brysland and Curry (2001), the research amply supported the use of SERVEQUAL in the public sector because service delivery is the primary output of the majority of public sector companies. Also, Gowan et al. (2001), emphasized that service delivery is more complex in the public sector since it is not simply a matter of meeting expressed needs, but of finding out unexpressed needs, setting priorities, allocating resources and publicly justifying and accounting for what has been done were take on in the public service sector and they establish the relationship among service delivery and client satisfaction. In this study the researcher incorporates a slightly modified SERVEQUAL instrument in a comprehensive questionnaire in examining the association between and or effects of service quality on customer satisfaction in public sector organization which offer free service. Since SERVEQUAL have several importance.

According to Naceur Jabnoun, Azaddin Khalifa (2005), as cited by Abdissa Gemechu Gobena (2019) the popularity of the SERVQUAL is since have many advantages the model offers, explicitly that it is accepted as a standard for assessing diverse dimensions of service quality. Is revealed to be valid across many service industries. Also, it has proved reliability in that diverse respondents interpret the questions similarly. Is miserly in that it has a limited number of items and so it can be finalized swiftly. Moreover, it has a standardized analysis procedure to aid in the interpretation of outcomes.

## **2.4. Dimensions of SERVEQUAL Model**

### **1. Assurance**

Assurance has been defined as the “employees” knowledge and courtesy and the service earner’s ability to motivate trust and confidence” (Zeithaml et al 2006, p.119). According to Bateson & Hoffman (2011) add that competence pertains to the organization’s knowledge and skills in implementing the promised service and refers to how the organization’s employees interact with the client and the client’s possessions. Moreover, according to Parasuraman et al., (1994) assurance is the ability to convey trust and confidence through courteous knowledgeable behavior. This comprises competence, respect, communication and good interpersonal relationships. Results from Parasuraman, et al. (1988) as cited in Ehigie Clifford Johnson and Jesse S. Karlay (2018), found that assurance is one of the core dimensions of service quality that effects client satisfaction since it implants a favorable perception of an organization in the mind of a client. Thus, encouraging the likelihood of word-of-mouth activity especially in financial institutions. This dimension is facilitated through the people aspect of service quality (Kaura, et al., 2012).

### **2. Responsiveness**

Responsiveness is simply the willingness to offer prompt service in different scenarios, just like a hotel's customer service system. It is readiness of the staff to help customers in a sense of motivation and commitment at each service delivery unit. As customers often have special requests, questions, or grievances; the service provider, especially front-line employees, should be aware and equipped to respond smartly. This dimension necessitates the ability to customize, communicate, innovate, and focus on the notion of flexibility through training (Johnston, 1997).

According to Bateson & Hoffman (2011) Responsiveness reflects a service organization's commitment to deliver services in a timely manner. The responsiveness feature in and of itself relates to the preparedness and willingness to offer a service. Occasionally, clients may encounter a situation in which employees are involved in their own conversations with one another while disregarding the needs of the client.

### **3. Tangibles**

Tangible aspects of staff, written materials, and actual facilities. It is the facilities' look, use, and accessibility. In essence, tangibles are multipurpose physical facilities, supplies, and machinery that reflect the organization's image (Fitzsimmons, 2001). It is condition of surroundings, comprising equipment, ability level and skills of existing staff as well as cleanness of the staff. This dimension serves as the 'face' of the organization and its workforce, particularly to new clients (Davis et al., 2003). Companies should use this dimension to signal quality within the first thirty seconds and enhance their image (Wilson et al., 2008). Moreover, according to Bateson & Hoffman (2011) the tangibility dimension of SERVQUAL compares client expectations to client perceptions regarding the organization's ability to manage its tangibles. Comparing the perception scores to the expectation scores offers a numerical variable that shows the tangibles gap.

### **4. Reliability**

The capacity to deliver the promised service precisely and consistently is known as reliability. According to Rodriques, Bonar, and Sacchi (2011), the ability of service companies to provide the promised service precisely and consistently is referred to as the reliability measurement of service quality. This indicates the consistency and dependability of an organization's performance.

Furthermore, according to Wilson et al. (2008), an organization is considered reliable if it fulfills its commitments about problem-solving, service delivery, and service providing. Even if undependable service providers are enormously frustrating for clients, a disturbing number of organizations still fail to keep their promises about service delivery. In numerous instances, the client is ready to spend money if only the service provider will show up and conduct the transaction as promised (Bateson & Hoffman 2011). Results from Ibáñez, Hartmann & Calvo (2006) test on reliability of service and client satisfaction propose that a positive relationship do exist among the reliability of service, service quality,

performance (i.e., financial and nonfinancial) and client's satisfaction. This is made possible through the interactional activities among employees and clients. The people component of service quality facilitates this dimension (Kaura et al., 2012).

## **5. Empathy**

Iwaarden et al. (2003) define empathy as the capacity to attend to each client's needs one-on-one when offering services. Added, it is researched that understanding customer expectations better than competitors in providing the required customer service at any time without any inconvenience will strongly impact the level of customer satisfaction Parasuraman et al, (1988). Parasuraman, also suggest that convenient working hours, individualized attention, better understanding of customer's specific needs, improved communication among management and customers will have a positive result on customer satisfaction. Moreover, according to Habtamu & Abebe, (2016) empathy as one significant part of service quality, is helpful individualized consideration given to a customer. It is adequate provision of attention and ability to show kindness.

According to Bateson & Hoffman (2011), empathy is the capacity to feel another person's emotions as though they were one's own.

Ehigie Clifford Johnson and Jesse S. Karlay (2018) quote Ganguli & Roy (2011), who assert that empathy and client pleasure are positively correlated. He also understood that if there is no empathy, customers will continue to be unhappy with the quality of the services. So, empathy greatly influences client satisfaction (Al-Marri, Ahmed & Zairi, 2007). The client's long-term relationship with the business will be greatly aided by this dimension. Moreover, Wieseke, et al. (2012) study proves that empathy generates a condition of emotional connection with client and the service providers and motivates customer to do business with the company.

Similarly, empathy and customer satisfaction are positively correlated, according to Karatepe (2011). He pointed out that empathy was an easy way to win over a client's allegiance. The importance of empathy can be felt through service quality, client loyalty as well as satisfaction.

### **2.5. Problems that Exist in the Service Delivery Process**

Public service institutions in their service provision they have numerous challenges and obstacles. As concluded in the main findings of Alemseged Gerezgiher Hailu and Hailay

Gebretsadik Shifare (2019) the key challenges of public service delivery were lack of accountability, willingness to provide service as per request, sense of belongingness. Moreover, there are also inconsistencies in policies and procedure, lack of integration problem among different government service providers consequently customers unable to get proper service and disclosures them for confusion. They also, found that lack of awareness about the service, lack of information are challenges for public service delivery. The other challenges of public service delivery were lack of commitment, skilled ready to provide public interest at the right time and situation. The other challenges were related to customers caring because the organization does not have waiting room for customers until they get the service. They consequently don't feel valued.

Furthermore, according to Muluken Mengste et al (2020) in their findings the major challenges that prevailed in the service delivery process of public service organizations are as followed:

- ✚ The main issues were : a lack of experienced and qualified leadership; instability of officials; a lack of ability to lead and make strategic decisions; frequent meetings during working hours; a failure to respond promptly and keep appointments to provide services; irregular follow-up and monitoring; a lack of regular consultation with clients and stakeholders; corruption and rent seeking behavior; turnover; a lack of technical capacity and skills; a lack of motivation and service mentality; unethical behavior; a lack of empowerment and problem-solving ability.
- ✚ Customer focused services are lacking, automation is inefficient, rules and regulations are not updated on time, networks and electricity are frequently interrupted, stakeholders are not collaborating and integrating, and the complaint management methods are poor and inappropriate.
- ✚ Inadequate medical facilities, inaccessible registration machine sales, a lack of equipment and machinery, and a lack of meters, fuses, and poles.
- ✚ Major challenges included an inadequate referral system, an overabundance of clients outside the catchment area, a lack of decentralization of land services at the kebele level, a mismatch between supply and demand for water, health, and electric services, as well as structural and local development plans.

✚ There are no working or execution manuals for the established service delivery technique, standards, or change management tools, nor are there any formats to implement them. Furthermore, there is a lack of scientific client satisfaction surveying.

## **2.6. Relationship between Quality Service Delivery and Customer Satisfaction**

The study of many researchers suggests service quality leads to customer satisfaction. Client satisfaction and service quality are positively correlated, claim (Khan and Fasih (2014). Service quality is antecedent to client satisfaction (Markovic and Raspor Jankovic, 2013). Solomon Jima Kera (2017) stated that there is positive and significant relationship between service quality dimensions (reliability, responsiveness, assurance, tangibility and empathy) and customer satisfaction.

Similarly, Mesay (2012) suggests that in order to achieve high levels of customer happiness, the service provider should give high levels of service quality, since service quality is typically thought of as an indicator of client contentment.

The likelihood of customer satisfaction increases as service quality increases. Moreover, Siddiqi (2011) described that all service quality attributes are positively related to client satisfaction and client satisfaction is positively related to client loyalty in the retail banking settings. Furthermore, Danniell O. Auka (2012) also specified that a high quality of service will result in high client satisfaction and increase loyalty. Quality and customer satisfaction have long been known as playing a key role for achievement and survival in today's competitive market. Regarding the connection between customer happiness and service quality, Oliver (1993) first suggested that, whether these constructs were transaction specific or cumulative, customer satisfaction would come before service quality. Researchers have been more explicit about the definition and metrics of client happiness and service quality when establishing a connection between the two. Although there are some similarities between satisfaction and service quality, satisfaction in general is a broader notion, whereas service quality focuses on particular aspects of the service (Wilson et al., 2008).

Wilson et al. (2008) state that while satisfaction is more all-encompassing and impacted by perceptions of service quality, product price and quality, as well as situational and personal factors, service quality is a targeted assessment that represents the client's

perception of dependability, assurance, responsiveness, empathy, and tangibility. Customer happiness, financial performance, manufacturing costs, customer retention, customer loyalty, and the accomplishment of marketing strategy are all strongly correlated with service quality (Cronin et al., 2000; Wong et al., 2008).

Organizations operating within the service sector consider service quality to be a strategic element of their marketing plan (Spathis et al., 2004). According to Meuter et al., (2000) through service quality, organizations can reach a higher level of service quality, a higher level of client satisfaction, and can uphold a constant competitive advantage.

## **2.7. Empirical Review**

In their 2024 study, "The Impact of Quality Public Service Delivery on Customer Satisfaction," Bulcha Assefa, Habtamu Etana, and Mosisa Deressa state: the results of a quantitative study employing a five point Likert scale questionnaire and a descriptive and causal (inferential) research design in the case of Nekemte Town Police Administration, Nekemte, Oromia, Ethiopia, showed that the proportion of customers satisfied with the quality of services received was not appreciably greater than that of those who were not. The measured service quality level and client satisfaction were found to be below average, demonstrating overall dissatisfaction with services from the municipality of Nekemte town. These findings are indicative of low service quality in Ethiopia, especially at government offices, even though they might not be representative of all government agencies. Also, their regression analysis result concluded that definitely responsiveness, assurance, and empathy were recognized as highly significant contributors to client gratification, whereas reliability and tangibility were deemed insignificant in their influence on client satisfaction.

A study by Swaleh, C. W, Ombui, K., and Kagiri, A., (2015), on the Influence of Service Delivery Strategies on Customer Satisfaction at the British High Commission in Kenya the finding concluded that, customer satisfaction is directly connected to the performance outcomes that can be noticeable within the organization. The procedure of attaining and satisfying the hopes of consumers is as significant as the actual satisfaction derived from the services. Enhancement to the service delivery would be the underlying principle in an organization that learns from the earlier and consumer feedback. Furthermore, according to a British High Commission survey from 2013, which was referenced in the research by

Swaleh, C.W et al., (2015), providing clients with high quality services is essential to achieving their level of satisfaction.

According to Awara (2010), everybody in the organization is responsible for the ensuring excellent quality services. To a great extent, it is the management accountability to mould good atmosphere that fostering services that are client driven by prioritizing their interests. The attainment of incredibly excellent customer service is a direct output of good managers that ensures it occurs.

According to Kibret Tekeba and Ermias Worku Mengistu (2018) with the title assessment of service delivery practice and customer satisfaction of Micro Finance Institutions: (the case of ACSI, Gondar) the finding of the descriptive result shown that. The correlation analysis indicated that assurance is highly corelated with customer satisfaction followed by tangibility, responsiveness, empathy and reliability. Furthermore, the results of the regression analysis shown that there is a positive and statistically significant relationship among service quality dimensions that is tangibility, reliability, responsiveness, empathy and assurance and customer satisfaction. They conclude that, customers experience about the service delivery practice of ACSI to be at least to their anticipation level. But, in most service quality dimensions, the performance of ACSI Gondar branch was found under customers' anticipation. The general service quality was also under customers' expectation. The study also revealed that most customers were not happy with the way ACSI provided their services.

In a similar vein, Abdissa Gemechu Gobena's (2019) study, "Investigate the Impact of Service Quality on Customer Satisfaction, the Case of Nekemte Municipality Oromia Region, Ethiopia," found that customers were dissatisfied with the quality of the services they received. Customers were unhappy with the subpar service since the towns were unable to deliver services at the scheduled and promised time. The finding also, displayed there is lot of grievances from customers about the poor network and frequent power disruption. Moreover, the regression analysis of the finding indicated except empathy, the four service quality dimensions such as tangibility, responsiveness, reliability, and assurance have positive and significant impact on customer satisfaction. So, high quality service is an increasingly significant weapon to subsist, the higher service quality, and the higher customer satisfaction.

According to a study by Munusamy et al. (2010), which Lemma Belay and Biruk Kindie (2016) quoted, tangibility has a positive and large impact on customer satisfaction, while assurance, empathy, and responsiveness have positive and negligible effects. However, customer happiness is negatively and negligibly impacted by reliability. Additionally, a study conducted in Jordan on commercial banks by Mohammad and Alhamadani (2011) found that customer satisfaction is positively and significantly impacted by tangibility, reliability, responsiveness, assurance, and empathy. Similarly, Al-Hawary et al., (2011) examined that tangibility, reliability, assurance, and responsiveness have a positive and significant effect on customer satisfaction. However, empathy significantly and negatively affects consumer satisfaction. Also, the study of Malik et al., (2011) decided that reliability, and assurance have a significant and positive effect on client satisfaction. Though, tangibility, responsiveness and empathy have no influence to client satisfaction. Apart from responsiveness, tangibility, assurance, empathy, and reliability have a positive and significant relationship with customer satisfaction, according to Kassa (2012), who conducted a study on the effect of customer service quality on customer satisfaction in a selection of private banks in Addis Ababa. The study specifically revealed that clients were most satisfied with the assurance dimensions of service quality. On the other hand, customers expressed less satisfaction with the aspects of service quality that dealt with empathy and dependability. Additionally, the four service quality dimensions tangibility, responsiveness, reliability and empathy have a positive and statistically significant relationship with customer satisfaction.

According to a study by Lemma Belay and Biruk Kindie (2016) on the Effect of ATM Service Quality on Customer Satisfaction: Evidences from Customers of Ethiopian Commercial Banks in Debre Markos town. While, the service quality dimension of assurance has negative and statistically insignificant relationship with customer satisfaction. The study finding also concluded that tangibility, reliability, responsiveness and empathy have positive and statistically significant effect on customer satisfaction, especially customer satisfaction was highly affected by responsiveness. Whereas, assurance has negative and statistically insignificant effect on customer satisfaction in their study area.

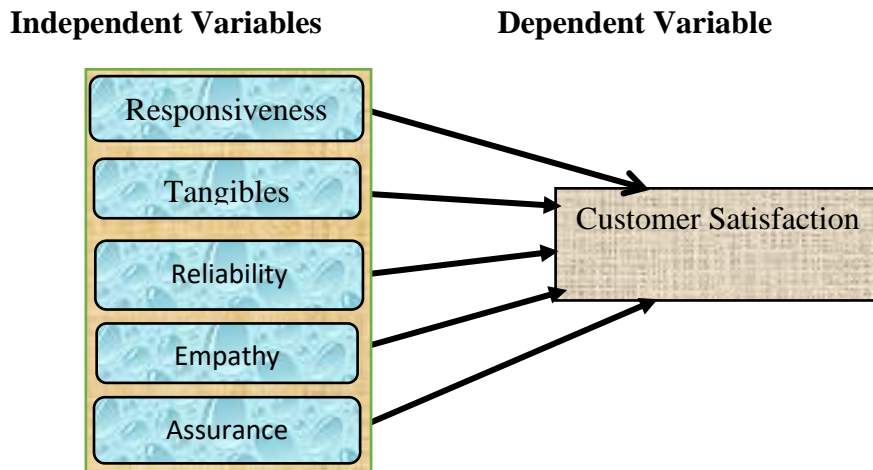
## **2.8. Research Gaps**

Many researchers have made efforts to investigate the effect of service quality dimensions on customer satisfaction. However, there is contradiction among the findings of each researcher in regarding to the effect of the five service quality dimensions on customer satisfaction. This means that as the empirical review indicated some of the service quality dimensions have significant effect on customer satisfaction in the study of once researcher may have insignificant effect on customer satisfaction in the study of other researchers and hence the gap the researcher is seeking to fill in this study is to ensure whether all the five service quality dimensions have significant effect or not. Additionally, most of the studies were not analyze the major challenges in the service delivery process of public service organizations in Ethiopian. So, this study filled the gap by analyzed the major challenges in the service delivery process of public service organizations in the case of Finote Selam town Administration Civil Service office. Also, the majority of the studies were not conducted in public service organizations in Ethiopian. A few studies were conducted in public service organizations in Ethiopia. Particularly, to start with regarding Finote Selam town administration Civil Service office no analytical evidence has been found to show how the Civil Service office service affect service delivery and customer satisfaction. Moreover, up to the researcher best knowledge there is no study conducted in Finote Selam town administration Civil Service office. So, the researcher is seeking to fill this area gap.

## **2.9. Conceptual Framework**

A conceptual framework is a set of wide ideas and principles taken from appropriate fields of studies and used to structure a subsequent presentation under investigation. The researcher developed a conceptual framework that clearly depicted the relationship between independent and dependent variables based on the insights gained from the conceptual and empirical literature review in order to meet the objectives and questions of the research. The conceptual framework of this study is based on the five service delivery dimensions and dependent variable (customer satisfaction). The conceptual framework shows the association among the quality service delivery (independent variables of the study) responsiveness, tangibles, reliability, empathy, assurance and customer satisfaction (dependent variable of the study).

**Figure 2.1, Conceptual Framework**



Source: Parasuraman, et al, 1988 cited in Kibret Tekeba & Ermias Worku Mengistu (2018)

### **2.10. Hypothesis Test**

**Hypothesis Ha1:** Responsiveness has a positive and significant effect on customer satisfaction in Finote Selam town administration Civil Service office.

**Hypothesis Ha 2:** Reliability has a positive and significant effect on customer satisfaction in Finote Selam town administration Civil Service office.

**Hypothesis Ha 3:** Assurance has a positive and significant effect on customer satisfaction in Finote Selam town administration Civil Service office.

**Hypothesis Ha 4:** Empathy has a positive and significant effect on customer satisfaction in Finote Selam town administration Civil Service office.

**Hypothesis Ha 5:** Tangibility has a positive and significant effect on customer satisfaction in Finote Selam town administration Civil Service office.

## **CHAPTER THREE: RESEARCH METHODOLOGY**

### **3.1. Research Design**

For this study both explanatory and descriptive research design were used. The reason behind using explanatory research design is because the goal of the study is to produce accurate cause effect relationship of service delivery dimensions with customer satisfaction. It is relevant to identify the extent and nature of cause-and-effect relationships. Also, to explaining, understanding, predicting and controlling the relationship among variables. Explanatory research design involves explanation of cause and effects of the independent and dependent variables associated with the problems. The concern in the causal analysis is how one variable affects or is responsible for changes in another variable. Moreover, it helps, to understand the nature of relationship between independent and dependent variables. According to Saunders, Lewis and Thornhill, (2019) explanatory research refers to research that attempts to establish causal relationships among variables and traces them back to their studies. Usually, explanatory research seeking to answer the research questions begin with, "Why" or "How". A major element of explanatory research is to examine a situation or a problem to explain relationships among variables. So, explanatory research design was used to explain the effect and relation that exist among service delivery dimensions and customer satisfaction. In descriptive design the study was focused on the determination of the frequency with which an event occurs and how variables are related in a particular context. The reason behind using descriptive research design is since the researcher interested describing the existing situation under study. Descriptive research type enables the researcher to assess and describe the existing major problems that occur in the service delivery process and to know the level of customer satisfaction.

### **3.2. Research Approach**

The study was used quantitative and qualitative research approach. Because mixed methods are used to provide a more comprehensive understanding of a research problem by combining the strength of both quantitative and qualitative approaches. This approach can lead to a more holistic and nuanced understanding compared to using either method

alone. Mixed method helps to get a rich and factual picture of the study phenomenon. It allows for triangulating and to look at various approaches for collecting and analyzing data rather than subscribing to only one way (Creswell, 2008) and (Johnston, 2010). Mixed methods make the research process and its findings more valuable by offsetting the limitation of each research approach. Creswell (2009) declared, quantitative research is a type of research in which the researcher decides what to study, asks specific narrow questions, collects numeric data from participants and analyzes these numbers using statistics, and conducts the analysis in an unbiased, objective manner. The key merits of this research approach are that numbers are easy to work with data are readily collected, summarized, and analyzed. Moreover, data collection is moderately fast and less time consuming and free from bias. Accordingly, this research approach allows for in-depth study of the effects of service delivery on customers satisfaction.

### **3.3. Target Population**

Cooper and Schindler (2003) define target population as the list of all the elements from which the sample is actually drawn. According to the Finote Selam town administration Civil Service office in its framework there are twenty-three public sectors and seven hundred three (703) total employees. These employees are customers for the Finote Selam town administration Civil Service office (Finote Selam town administration Civil Service office, 2017 E.C). So, the target population of this study was all the customers of Finote Selam town administration Civil Service Office. These customers are employees that are working in twenty-three public sectors in Finote Selam town administration and these getting service from the Finote Selam town administration Civil Service Office. These include head of the offices, team leaders, experts and supportive staff employees. Accordingly, the target population of this study was seven hundred three (703) customers.

### **3.4. Sampling Technique and Sampling Size**

#### **3.4.1. Sampling Technique**

This study was delimited on a single service provider public sector due to time, financial and administrative constraints. This study was used simple random sampling technique and purposive sampling technique. Because simple random probability sampling technique give equal chance to the sample being selected. So, the sample respondents were randomly selected from each twenty-three public sectors and in proportionate to the number of

employees in each public sectors and this constituted the sample size for the administration of questionnaire. purposive sampling technique involved for the selection of only the service provider public sector as the case study and four team leaders for the purpose of interviews. In this study Finote Selam town administration Civil Service office selected purposively because of the availability and accessibility of the customers.

### 3.4.2. Sampling Size

A sample size is sub set of the population drawn to represent the entire population or any combination of sampling units that does not include the entire set of sampling units that has been defined as the population (Garson, 2012). The population of the study consisted of all customers of the Finote Selam town administration Civil Service office which numbered seven hundred three (703) employees. Based on this number, a normal confidence level of 95% and error tolerance of 5% was used to deduce the actual sample size of the study. The logic behind using a sample instead of the total population is to make the research more manageable and cost effective, as studying the entire population can be impractical or impossible. So, the sample size was calculated using Taro Yamane's (1967) formula which is given as followed:

$$n = \frac{N}{1+N(e)^2}$$

Where: n = Sample size,

N = population size,

e = level of significance 5% (0.05)

1 = statistical constant

$$n = \frac{703}{1+703(0.05)^2} = 255$$

## 3.5. Data sources and Data Collection Instrument

### 3.5.1. Data Sources

In this study both primary and secondary data sources were used. Primary data sources were obtained from sample respondents through questionnaires. On the other hand, secondary data sources were collected from previous studies, literatures, journals, internet, feedback documents and reports.

### **3.5.2. Data Collection Instruments**

As instrument structured questionnaire and interview were prepared. Questionnaire is the most common method of collecting primary data. The questionnaires were adopted from previous studies because it ensured data collection is standardized such that each respondent get the same question and in the same format. Questionnaires also enable collection of original data from the sample of the population within a short time and at low cost for purposes of describing the entire population (Ogutu, 2012). The questions were based on a five-point Likert Scale. The reason behind using five-point Likert Scale is because according to Robson Colline (2002) Likert scale is preferred to make questions interesting to respondents thereby enhancing their cooperation. The respondents were requested to fill out the questionnaires in a self-administered manner and the questionnaires were directly returned to the researcher. Open ended questions were asked for the interview.

### **3.6. Data Analysis Techniques**

Both descriptive and inferential statistics were used in analyzing the data. The data collected through questionnaires were coded, entered into computer and analyzed and presented. The analysis done with the aid of the statistical package for social sciences (SPSS) software version 26. Descriptive statistical analysis focused on frequency distributions, percentages, tables and figures. For inferential statistics tools like Pearsons's correlation and multiple liner regression analysis were used. In general, three types of statistical analysis were performed i.e., descriptive statistics, correlation and multiple regression analysis.

**Descriptive analysis** is use to summarize the demographic characteristics of the respondent and the first two specific objectives i.e., to know the level of customer satisfaction in the study area and to analyze the major problems that occur in the service delivery process of Finote Selam town Administration Civil Service office based on the response for each item and analyzed.

#### **Correlation analysis**

Correlation is to display the strength of the association among the variables involved. In this study to calculate the correlation coefficients (r) Pearson's product moment correlation

analysis was used. According to Cohen and Swerdlik (2002) posit that the Pearson Product Moment Correlation Coefficient is a widely used statistical technique for obtaining an index of the associations among two variables when the relationships among the variables is linear and when the two variables correlated are continuous. A correlation coefficient expresses quantitatively the magnitude and direction of the linear association among variables. Pearson correlation coefficient reveal magnitude and direction of (either positive or negative) and the intensity of the association (-1 to +1). So, to ascertain whether a statistically significant relationship exists among service quality dimensions (responsiveness, reliability, tangibles, assurance and empathy) and customer satisfaction the Pearsons Product Moment Correlation Coefficient analysis was used.

### **Multiple Liner Regression Analysis**

Multiple liner regression was used to examine the effects of service delivery dimensions on customer satisfaction by using the following model.

$$CS = \alpha + \beta_1RSP + \beta_2RL + \beta_3AS + \beta_4EMP + \beta_5TA + e$$

Where:

CS = Customer satisfaction

RSP = Responsiveness

RL = Reliability

AS = Assurance

EMP = Empathy

TA = Tangibility

e = model error term

Mathematically,

$$Y = \alpha + \beta_1x_1 + \beta_2x_2 + \beta_3x_3 + \beta_4x_4 + \beta_5x_5 + e$$

Where Y is the dependent variable (customer satisfaction)

$\alpha$  = constant

X1, X2, X3, X4 and X5 are the explanatory variables (or the repressors)

$\beta_1 - \beta_5$  are the coefficients associated with each independent variable.

### **3.7. Pilot Test**

A pilot study was conducted to test and check the validity and reliability of instruments and to make the necessary correction before administer a final phase. According to Cooper

and Schildler (2011) declares that a pilot test needs to constitute at least 10% of the sample. In this study the respondents for pilot test were 26 (twenty-six) employees from two sectors. The 26 employees participating in the pilot study was not participate the final study. Accordingly, the questionnaires were pre-tested using Cronbach Alpha reliability measurement. Also, Validity of the questionnaires were pre tested through factor analysis using scree plot. This helped to identify potential problem within the questionnaire and to prevent biases during the actual survey. Similarly, Zikmund (2010) stated that pre-test the questionnaire before conducting the main study is important. Since, it enables the researcher to test the effectiveness of the questionnaire by the feedback that is obtained before carrying out the full study.

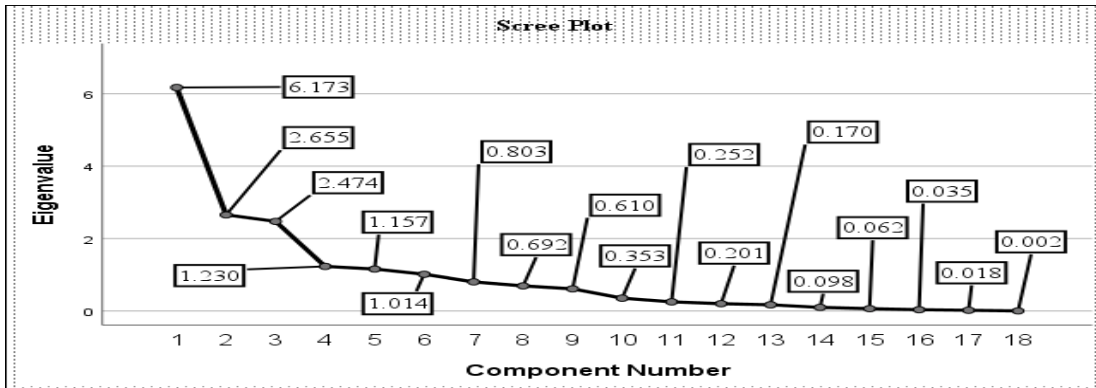
### **3.7.1. Factor Analysis for Validity**

In this study factor analysis was conducted using scree plot to test the validity of the instruments.

#### **3.7.1.1. Coatomer Satisfaction**

To ensure the validity of instruments there were adjusted to measure Customer satisfaction the researcher collected 18 items from different literature and adjust to collect data through pilot testing for the factor analysis. Then after conducting factor analysis the researcher extracted six instruments whose eigen values were one and greater than one. The rest twelve items in which their eigen values less than one were rejected from the study. As indicated figure 3.1 below component 1, 2, 3, 4, 5 and 6 where accepted because their eigen values greater than one but the rest component 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17 and 18 were rejected from the study because their eigen values were less than one. At large, the factor analysis Eigenvalues results of customer satisfaction instruments proves that six items were valid and extracted for the main analysis of the study; whereas twelve instruments were not valid in this case theses twelve items were rejected from the main analysis of the study.

#### **Figure 3.1 Scree Plot Factor Analysis of Customer Satisfaction**

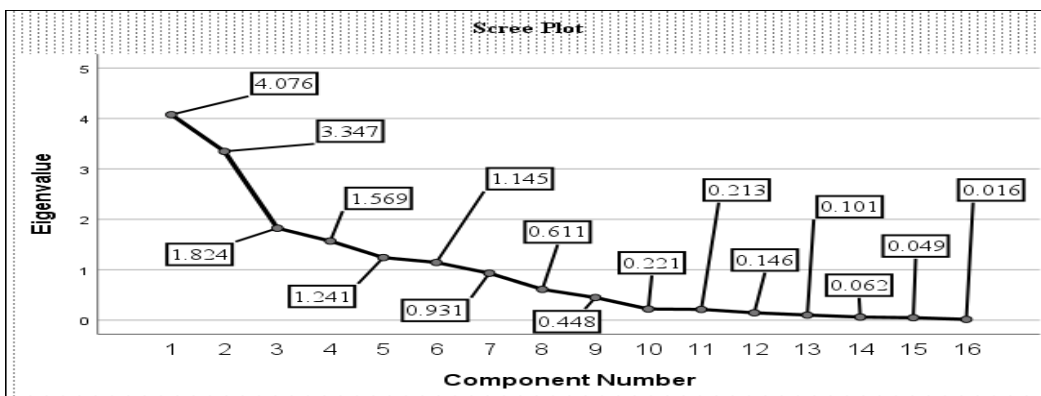


Source: own survey pilot test of validity 2025

### 3.7.1.2. Challenges of Service Delivery

To measure challenges of service delivery the researcher collected 16 items from different literature and adjusted to collect data through pilot testing for the factor analysis to ensure the validity of instruments. Then after conducting factor analysis the researcher extracted six instruments whose eigen values were one and greater than one. Whereas, the remaining eleven items were rejected from the study because their eigen values less than one. As indicated figure 3.2 below component 1, 2, 3, 4, 5 and 6 were valid and accepted since their eigen values greater than one but the rest components from 7 to 16 were not valid so excluded from the main study because their eigen values were less than one.

Figure 3.2, Scree Plot Factor Analysis of Challenges of Service Delivery



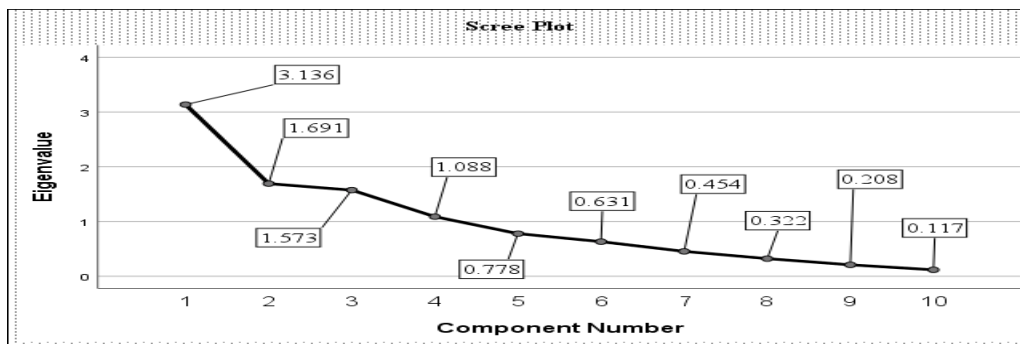
Source: own survey pilot test of validity 2025

### 3.7.1.3. Responsiveness

Figure 3.3, below shows the factor analysis of the validity of responsiveness instruments using scree plot. The researcher was selected ten instruments from different literatures to measure responsiveness. To ensure the validity of the ten instruments of responsiveness

factor analysis was conducted using scree plot. As the scree plot figure 3.3 below indicated the Eigenvalues of the four instruments were one and above. This means component 1, 2, 3 and 4 were extracted/accepted because their eigen values were greater than one. Whereas the Eigenvalue of the rest six instruments were less than one. These six instruments such as 5, 6, 7, 8, 9 and 10 were rejected from the study because their eigen values were less than one. In general, the factor analysis Eigenvalues results of responsiveness instruments proves that four items were valid and extracted for the main analysis of the study; while six instruments were not valid in this case these six items were rejected for the main analysis of the study.

**Figure 3.3, Scree Plot Factor Analysis of Responsiveness**

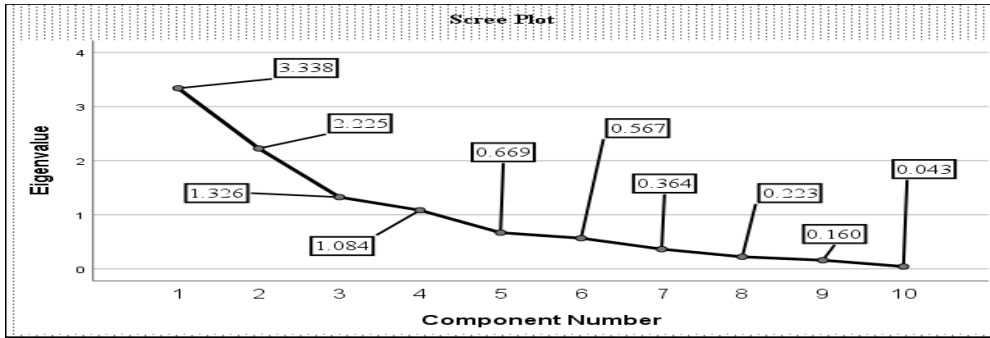


Source: own survey pilot test of validity 2025

#### 3.7.1.4. Reliability

To ensure the validity of instruments there were adjusted to measure reliability the researcher collected 10 items from different literature and adjust to collect data through pilot testing for the factor analysis. Then after conducting factor analysis the researcher extracted four instruments in which their eigen values were one and greater than one. The eigen values of the remaining six items were less than one so rejected from the study. As shown in figure 3.4 below component 1, 2, 3 and 4 were valid and accepted since their eigen values greater than one but the remaining components from 5 to 10 were not valid as a result rejected from the main study because their eigen values were less than one.

**Figure 3.4, Scree Plot Factor Analysis of Reliability**

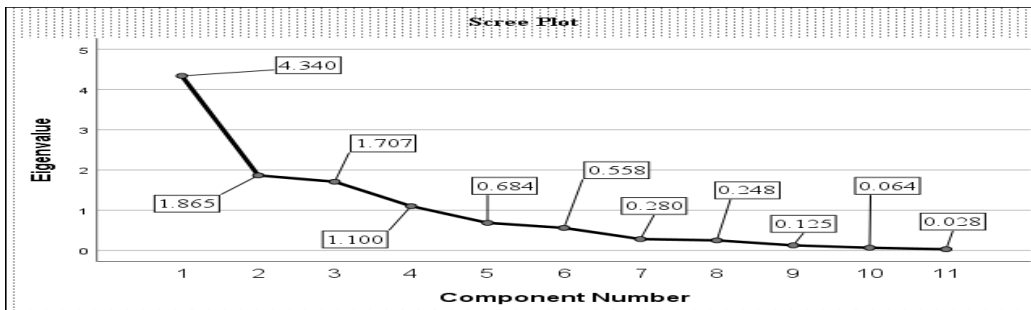


Source: own survey pilot test of validity 2025

### 3.7.1.5. Empathy

To ensure the validity of instruments there were adjusted to measure empathy the researcher collected 11 items from different literature and adjust to collect data through pilot testing for the factor analysis. As depicted in figure 3.5, below the Eigenvalues of component 1, 2, 3 and 4 were greater than one. These greater than one Eigenvalues implies the validity of the components/ items. While, the Eigenvalues of component 5, 6, 7, 8, 9, 10 and 11 were less than one. Eigenvalues less than one indicated items not valid. Then after conducting factor analysis the researcher extracted four valid instruments in which their eigenvalues were greater than one. The remaining seven items were rejected from the main study because their eigen values less than one. In general, among the eleven items four items were extracted for the final stud in order to measure empathy.

**Figure 3.5, Scree Plot Factor Analysis of Empathy**



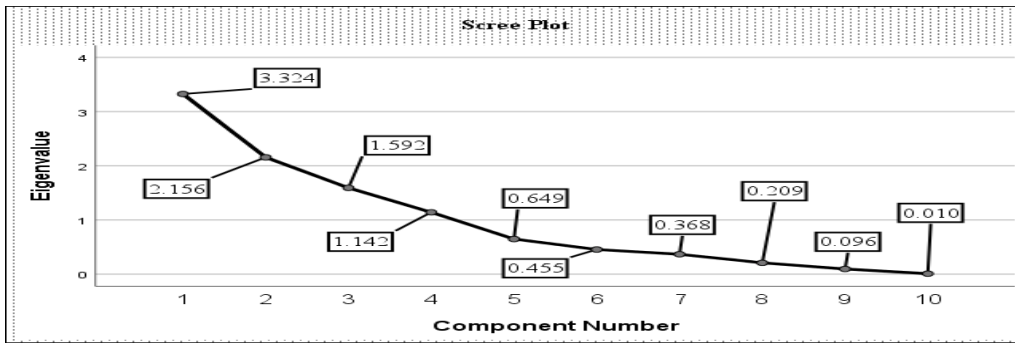
Source: own survey pilot test of validity 2025

### 3.7.1.6. Assurance

To ensure the validity of instruments there were adjusted to measure assurance the researcher collected 10 items from different literature and adjust to collect data through pilot testing for the factor analysis. Then after conducting factor analysis the researcher

extracted four valid instruments in which their eigenvalues were greater than one. The remaining six items were rejected from the final study because their eigenvalues less than one. As indicated in figure 3.6 below component 1, 2, 3 and 4 have greater than one eigenvalue. In which these valid items were accepted for the main study. Whereas, component 5, 6, 7, 8, 9 and 10 were rejected from the main study because their eigen values less than one and not valid.

**Figure 3.6, Scree Plot Factor Analysis of Assurances**

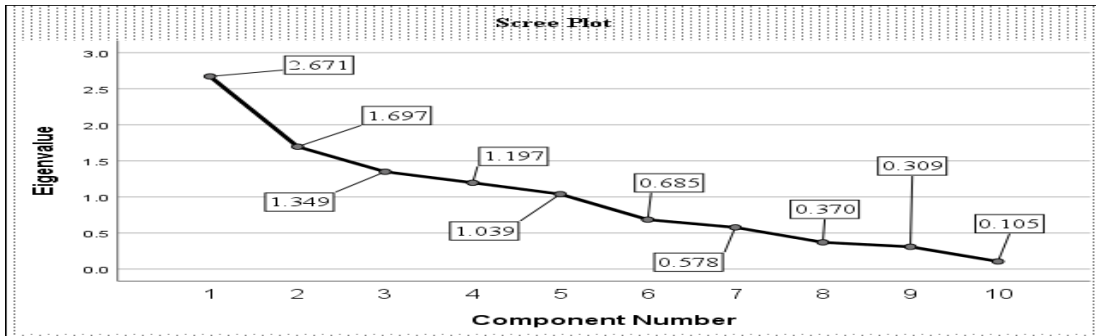


Source: own survey pilot test validity 2025

### 3.7.1.7. Tangibility

In order to measure tangibility, the researcher collected ten instruments/ items from different literature. To ensure the validity of these instruments the researcher adjust to collect data through pilot testing for the factor analysis using scree plot. Then after conducting factor analysis the researcher extracted five instruments in which their eigen values were greater than one. While, the remaining five items were rejected because their eigen values less than one. In regarding to this figure 3.7 below displayed the Eigenvalues of components 1, 2, 3, 4 and 5 were greater than one. These five valid instruments in which their Eigenvalues greater than one were accepted for the main study. The Eigenvalues of components 6, 7, 8, 9 and 10 were less than one so they were not valid and rejected from the main study. From this it can be conclude that among ten tangibility measurement items the five components were extracted in the factor analysis using scree plot.

**Figure 3.7, Scree Plot Factor Analysis of Tangibility**



Source: own survey pilot test of validity 2025

### 3.7.2. Reliability Test

Cronbach Alpha Coefficient was calculated to test the reliability of the research instruments. The items tested were customer satisfaction, challenges of service delivery, responsiveness, reliability, empathy, assurance and tangibility which showed an internal consistency between 0.706 and 0.860. The results in Table 3.1 below proves that all values are higher than 0.70, which shows that the measures used are reliable. According to Hair et al., (2009) clarify that for reliability analysis Alpha value should preferably greater than 0.7. Similarly, Kline (2016) stated that Cronbach's Alpha beyond seventy ( $\alpha > 0.7$ ) implies acceptable reliability. Accordingly, it was confirmed that the reliability of the measurement used for this study is within the accepted standard. The internal consistency reliability of the measurers used in the study can be considered as good and reliable. It is observed that the scale of the present study was highly reliable for data analysis. From the pilot test finding it can be suggested that the Cronbach Alpha for all dimensions were above 0.70 which shows a high level of internal consistency for all items.

**Table 3.1 Cronbach's Alpha Reliability Test**

Reliability Statistics				
NO	Variables	No of Items	Cronbach's Alpha	Reliability
1.	Customer satisfaction	18	.860	Accepted
2.	Challenges of service delivery	16	.725	Accepted
3.	Responsiveness	10	.732	Accepted
4.	Reliability	10	.706	Accepted
5.	Empathy	11	.787	Accepted
6.	Assurance	10	.763	Accepted
7.	Tangibility	10	.842	Accepted

Source: own survey pilot test of reliability 2025

### **3.8. Ethical consideration**

The research was conducted according to the ethical values and rules that govern research especially in the area of respondent's confidentiality, avoidance of bias towards respondents and informed participation. In addition, consents were required and obtained from Finote Selam town administration Civil Service office head.

General, any relevant data for the study was collected by issuing an official letter to the concerned public sector. Informed consent: all respondents were informed fully about the purpose, methods and intended possible uses of the research, what their participation in the research entails and what risks, if any, are involved. The confidentiality of information supply and the anonymity of respondents were respected. To maintain the confidentiality of the information provided by the respondents the respondents are instructed not to write their names on the questionnaire and assured the responses were used only for academic purpose and keep confidentiality. Also, no information was recorded to link respondents with their responses. Likewise, respondents were involved in the study based on their free will. Besides the researcher ensured any of the respondents' response not personalized, in the process of data presentations, analysis, and interpretation. The researcher was reported the findings in a complete honesty. Finally, all the reference materials used for this research were acknowledged with proper citations.

# CHAPTER FOUR: DATA PRESENTATION, ANALYSIS AND INTERPRETATION

## 4.1. Response rate

A total of two hundred fifty-five questionnaires were distributed to sampled respondents, 247 responses are returned. From the total returned responses 6 of them are uncompleted. Thus, only the 241 complete responses were employed in the analysis, which represent the response rate 94.5 percent ( $241/255 = 94.5\%$ ). This shows that the response rate is acceptable and confirms to Mugenda, A. (2008) stipulation that a response rate of 50% is acceptable for analysis and reporting, a rate of 70% and over is excellent.

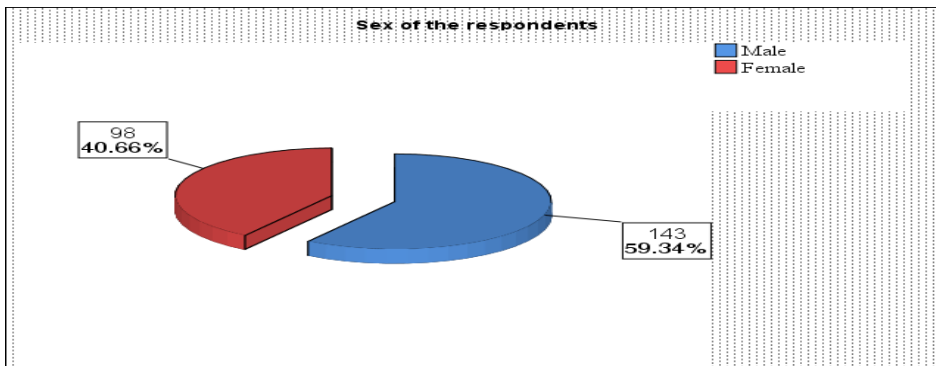
## 4.2. Descriptive Statistics Analysis

In this section of the study the researcher deals with the descriptive analysis, and interpretation of data relating to background information's of the respondents, the levels of customer satisfaction and challenges of service delivery.

### 4.2.1. Backgrounds of the Respondents

For this study this section, summarized the demographic characteristics of the respondents such as sex, ages, education levels, work experience and work positions. The purpose of the demographic analysis in this study is to describe the characteristics of the respondent such as the proportion of males and females, education level, year of work experience and work positions. The personal and demographic characteristics of the respondents are presented in the figures below.

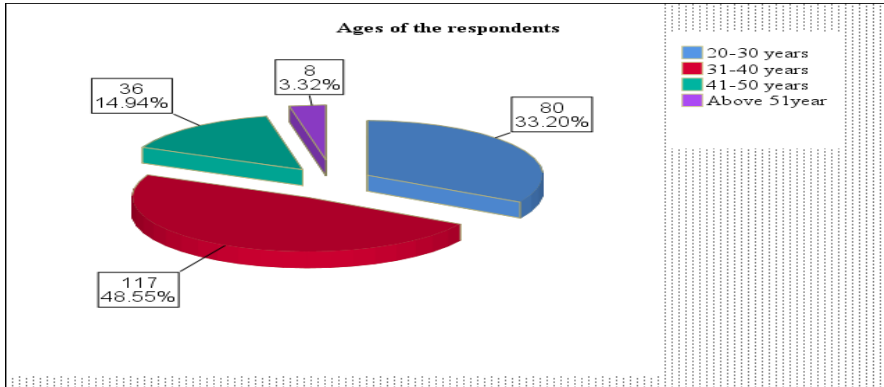
**Figure 4.1, Sex of the Respondents**



Source: own survey 2025

As it is shown in figure 4.1 above, 143 (59.34%) of the respondents were male. The remaining 98 (40.66%) of the respondents were female. This is an indication that both male and female were involved in this research. Thus, the majority respondents of this study were male.

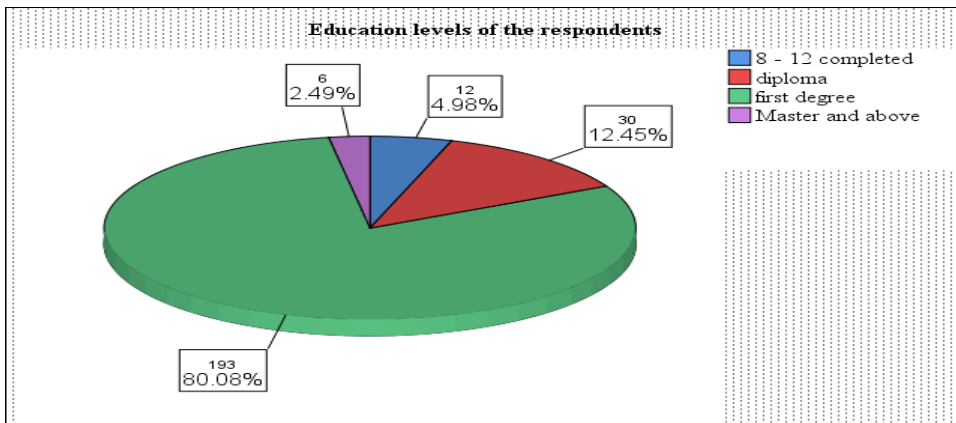
**Figure 4.2, Ages of the Respondents**



Source: own survey 2025

In regarding to the age composition of the respondents, the largest number of the respondent 117 (46.55%) was in the age group of 31 to 40 years; the second largest group 80 (33.20%) those aged between 20 to 30 years, of the total respondents 36 (14.94%) indicated that they were in the age group of 41 to 50 years and a very small proportion of the respondents 8 (3.32%) were above 51 years.

**Figure 4.3, Education Levels of the Respondents**

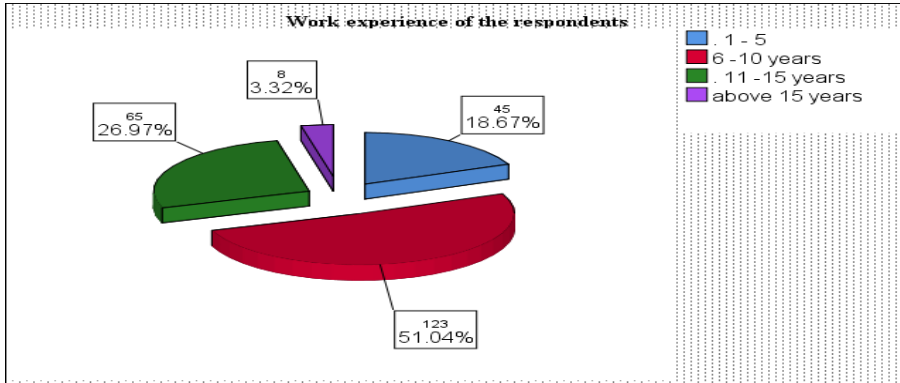


Source: own survey 2025

The educational background of respondents as shown in figure 4.3 above, the largest group of respondents 193 (80.08%) are bachelor degree holders, the next largest group 30

(12.45%) are the college diploma holders followed by grade 8 - 12 completed 12 (4.98%) and the remaining 6 (2.49%) master's degree and above holders. So, the majority of the respondents had bachelor degree as their highest level of education.

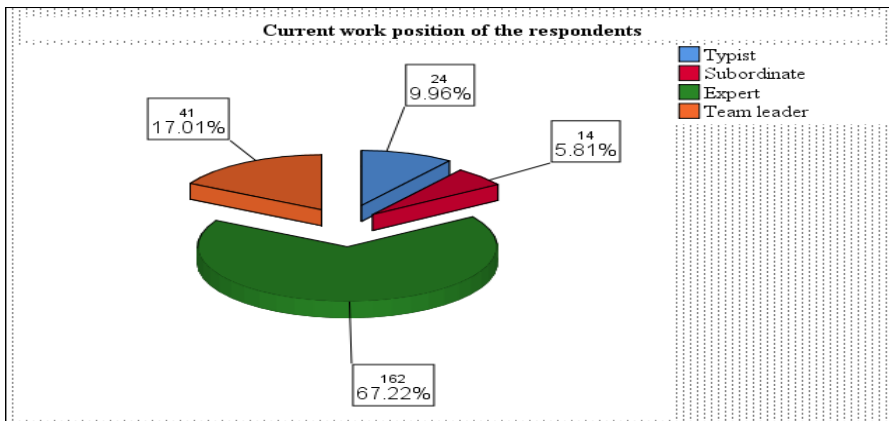
**Figure 4.4, Work Experience of the Respondents**



Source: own survey 2025

As it is shown in figure 4.4 above, most of the respondent 123 (51.04 %) indicated that they had the work service between 6 to 10 years. 65(26.97%) and 45 (18.67%) of respondents had work service between 11 to 15 years and 1 to 5 years respectively. The remaining 8 (3.32%) of the respondents had the work service between above 15 years. Thus, most of the employees had the work service between 6-10 years of service with their current organization.

**Figure 4.5 Work Positions of the Respondents**



Source: own survey 2025

As shows the work positions of the respondents in the above figure 4.5 above, 24 (9.96%) and 14 (5.81%) of respondents were respectively have in the position of typist and supportive. While, 162 (67.22%) of respondents have expert position and 41 (17.01%) of

respondents were working in managerial/ team leader position in Finote Selam town administration offices. From this understand that the majority of respondents were those who work in expert/non -managerial position.

#### **4.2.2. Customers Satisfaction**

In regarding to the customer satisfaction Looy, Gemmel & Dierdonck, (2003) stated that, clients would be satisfied if the result of the service meets expectations. When the service quality exceeds the expectations, the service provider has won a delighted client. Dissatisfaction will happen when the perceived overall service quality does not meet expectations. Similarly, Minazzi (2008) highlighted that client satisfaction is the outcome of comparison among client's expectations and client perceptions. In other words, client satisfaction is seen as the deference among excepted quality of service and clients' experience or perceptions after getting the service. Moreover, according to Bateson and Hoffman, (1999) client satisfaction dependence on service quality dimensions such as reliability, responsiveness, assurance, empathy and tangibles and on additional elements like price, personal and situational factors that may happen during the service supply. Also, the study by Kibret Tekeba & Ermias Worku Mengistu (2018) revealed that, the overall service quality was below customer expectation. Moreover, their finding revealed that the majority of the customers dissatisfied with the service delivery of ACSI. Clients expect better service quality from their service providers. Understanding clients' desires and improving the service quality on the basis of their demand is a critical issue. Evidence from the Empirical findings of this study suggested that an improved service quality will significantly make customers happy and satisfied.

In related to this based on the specific objective the researcher requested the customers of the Finote Selam town administration Civil service office to express their level of satisfaction with respect to different measurements of service delivery qualities using a five-point Likert scale; 1 = very satisfied, 2 = satisfied, 3 = undecided, 4 = dissatisfied and 5 = very dissatisfied. Having pointed to this, the customers' attitudes towards the service delivery quality of the office are presented in Table 4.1 below as followed.

**Table 4.1 Analysis of Customer Satisfaction**

No	Items	Scales	Frequency	Percent
1.	Staff courteousness	Very satisfied	15	6.2
		Satisfied	37	15.4
		Undecided	36	14.9
		Dissatisfied	104	43.2
		Very dissatisfied	49	20.3
		Total	241	100.0
2.	Staff honesty and integrity	Very satisfied	9	3.7
		Satisfied	45	18.7
		Undecided	31	12.9
		Dissatisfied	112	46.5
		Very dissatisfied	44	18.3
		Total	241	100.0
3.	Staff promptness	Very satisfied	14	5.8
		Satisfied	42	17.4
		Undecided	41	17.0
		Dissatisfied	109	45.2
		Very dissatisfied	35	14.5
		Total	241	100.0
4.	Staff ethics i.e., serving all customers equally	Very satisfied	15	6.2
		Satisfied	40	16.6
		Undecided	41	17.0
		Dissatisfied	112	46.5
		Very dissatisfied	33	13.7
		Total	241	100.0
5.	Length of time it takes to get service	Very satisfied	18	7.5
		Satisfied	28	11.6
		Undecided	36	14.9
		Dissatisfied	111	46.1
		Very dissatisfied	48	19.9
		Total	241	100.0
6.	Information openness on procedures and process to get service	Very satisfied	16	6.6
		Satisfied	49	20.3
		Undecided	32	13.3
		Dissatisfied	115	47.7
		Very dissatisfied	29	12.0
		Total	241	100.0

Source: own survey data 2025

As can be understood from Table 4.1 above, the majority of customer respondents of the office articulated their dissatisfaction by saying that they are not satisfied with each measurement of service quality shown in the table. Indeed, Table 4.1 displays that 104 (43.2%) and 49 (20.3%) of customer respondents respectively articulated dissatisfied and very dissatisfied with staff courteousness. This means the more service providers rudeness or discourtesy the more the customers dissatisfied. This shows when customers go to the office to be served; the employees are not politely receiving and serving them. This indicated that service providers didn't provide customer service in attentive manner in the study area. While, 15 (6.2%) and 37 (15.4%) of customer respondents respectively articulated that, very satisfied and satisfied with staff courteousness. Which means some of the customers getting service in attentiveness manner. The remaining 36 (14.9%) of the respondents expressed that, undecided with staff courteousness. This indicates these respondents didn't identify whether the staff courteousness or not.

Table 4.1 also, displayed 112 (46.5%) and 44 (18.3%) of customer respondents respectively expressed that, dissatisfied and very dissatisfied with staff honesty and integrity. Which means service providers are not principled and truthful in all they did and not forthright with customers. This also, show they didn't think, saying, behaving, and acting properly and correctly. Consequently, customers were dissatisfied. When customers feel they are being treated honesty, they are likely to be more satisfied with the service leading to positive reviews and word of mouth referral. So, service providers being truthful, transparent and genuine in all interaction with customers. It involves providing accurate information, admitting mistakes when they occur. Whereas, 9 (3.7%) and 45 (18.7%) of the respondents respectively expressed very satisfied and satisfied with staff honesty and integrity. The rest 31 (12.9%) of the respondents expressed undecided with staff honesty and integrity.

In regarding item three Table 4.1 shows that 109 (45.2%) and 35 (14.5%) of customer respondents respectively articulated dissatisfied and very dissatisfied with staff promptness. Which means when the service providers are unwilling to provide quick response to customers request the more the customers dissatisfied. Because, customers need quick response to their request. But as a result, shows there is no willingness or

readiness of employees to provide the required customer service in the study area. While, 14 (5.8%) and 42 (17.4%) of customer respondents respectively articulated that, very satisfied and satisfied with staff promptness. The remaining 41(17.0%) of the respondents expressed that, undecided with staff promptness. This implies some of the respondents didn't recognize whether the staff willing or not.

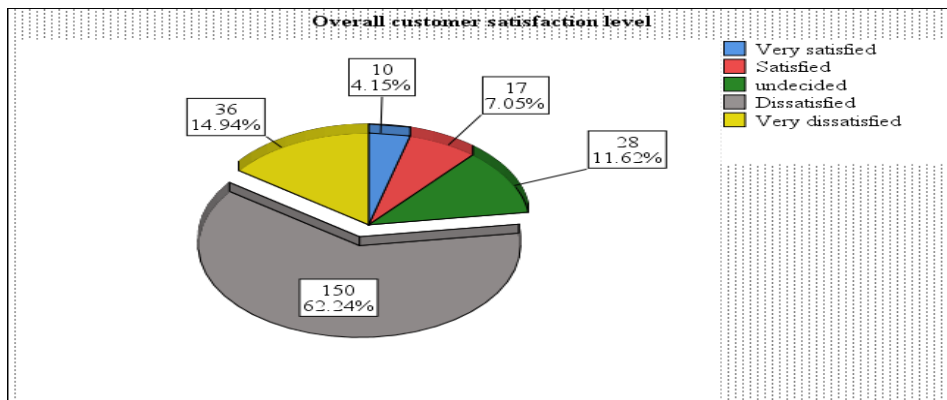
In addition, table 4.1 above shown 112 (46.5%) and 33 (13.7%) of the customer respondents respectively articulated that, dissatisfied and very dissatisfied with staff ethics i.e., serving all customers equally. This means the staff is unethical that implies there was unfair treatment of customers. While, 15 96.2%) and 40 (16.6%) of customer respondents respectively articulated that, very satisfied and satisfied with staff ethics i.e., serving all customers equally. The rest 41 (17.0) of customer respondents articulated undecided with staff ethics i.e., serving all customers equally.

In related to item five table 4.1 above displayed the majority 111(46.1%) and 48 (19.9%) of the respondents respectively articulated that dissatisfied and very dissatisfied with the length of time it takes to get service. Which means the more the length of time it takes to get service the more the customers dissatisfied. The more the customers satisfied when service providers react quickly to resolve client problem positively within a given time. Whereas, 18 (7.5%) and 28 (11.6%) of the respondents respectively articulated that very satisfied and satisfied with the length of time it takes to get service. The rest 36 (14.9%) of the respondents articulated undecided with the length of time it takes to get service.

Moreover table 4.1 above indicated 115 (47.7%) and 29 (12.0%) of the customer respondents respectively articulated that dissatisfied and very dissatisfied with information openness on procedures and process to get service. This is because information is one of the most powerful tools that help customers exercise their right of getting good services. Customers should be informed about how public service division are run, how much they cost and who is responsible. Lack of information openness on procedures and process of getting service leads to customers dissatisfied. While, 16 (6.6%) and 49 (20.3%) of the customer respondents respectively articulated that very satisfied and satisfied with information openness on procedures and process to get service. The rest 32 (13.3%) of the customer respondents articulated that undecided with information openness on procedures and process to get service.

From the findings of the study, the researcher decided that the majority of the respondents expressed their dissatisfaction with staff courteousness, staff honesty and integrity, staff promptness and ethics. Also, the finding displays that still large numbers of customers of the office express their dissatisfaction with respect to the time it takes to get service and the procedures that they must pass to get service in the office. Likewise, majority of customers express their dissatisfaction on openness of information particularly with respect to information on expected standard of services. This all implies that there is an excessive gap among customers' expectation and real service delivery in Finote Selam town administration Civil Service Office. Thus, from customers response it became clear that positive attitude still lacks among employees of the Civil Service.

**Figure 4.6, Overall Levels of Customers Satisfaction**



Source: own survey data 2025

As indicated in figure 4.6, above the majority 150 (62.24%) and 36 (14.94%) of the respondents respectively dissatisfied and very dissatisfied with the overall service provision of the study area. While, 10 (4.15%) and 17 (7.05%) of the respondents respectively very satisfied and satisfied with the overall service provision of the study area. The remaining 28 (11.62%) of the respondents' undecided about the overall service provision of the study area. These respondents, does not show a clear picture whether there is satisfied or dissatisfied on the services being provided by the case study office. From this the researcher suggested that the level of customer satisfaction was poor in the study area due to inappropriate service delivery. Moreover, the study revealed that the majority of the customers dissatisfied with the service delivery of Finote Selam town administration civil Service office. In supporting this result the study by Solomon Jima Kera (2017) revealed that that majorities of the respondents were dissatisfied with the quality service

delivery dimensions provided by Jimma Town Revenue Authority which constituted 60.80% and followed by Highly Dissatisfied 13.70%.

### 4.2.3. Challenges of Service Delivery

According to Mohammed Nor et al, (2010) public service organizations are the public grievance of long procedures, queues, ineffective service delivery, inconvenience physical facilities affect their image and service quality in the sector. In regarding to this the study by Alemseged gerezgiher Hailu and Hailay Gebretsadik Shifare concluded that the main challenges of public service delivery were lack of accountability, willingness to provide service as per request, sense of belongingness. Moreover, there are also inconsistencies in policies and procedures, lack of integration problem among different government service providers consequently clients unable to get appropriate service and exposes them for misperception. In this part the descriptive analysis is performed to assess the problems of service delivery. In this analysis the responses for each specific statement are using the degree of agreement or disagreement of the respondents. The degree of agreement or disagreement of the respondent for each statement are analyzed by summarizing the five-point Likert scale response in to three by combining the strongly agree and agree response in to one positive response i.e., agree and the strongly disagree and disagree response in to one negative response i.e., disagree and the neither agree nor disagree response is involved as it is. In doing so; the items for measuring the problems of service delivery are specified in the table 4.2 below.

**Table 4.2 Analysis of Challenges of Service Delivery**

No	Items	Scales	Frequency	Percent
1.	The staffs are being rude to customers	Agree	121	50.2
		Disagree	68	28.2
		Neither agree nor disagree	52	21.6
		Total	241	100.0
2.	Lack staff promptness	Agree	129	53.5
		Disagree	71	29.5
		Neither agree nor disagree	41	17.0
		Total	241	100.0
3.	Inefficient and inappropriate complaint handling systems	Agree	133	55.2
		Disagree	52	21.6
		Neither agree nor disagree	56	23.2

		Total	241	100.0
4.	lack of competency of staffs	Agree	134	55.6
		Disagree	57	23.7
		Neither agree nor disagree	50	20.7
		Total	241	100.0
5.	The staff favor their friends and relatives	Agree	132	54.8
		Disagree	58	24.1
		Neither agree nor disagree	51	21.2
		Total	241	100.0
6.	Occurrence of corruption	Agree	137	56.8
		Disagree	55	22.8
		Neither agree nor disagree	49	20.3
		Total	241	100.0

Source: own survey data 2025

The study sought to analyze the respondent's level of agreement or disagreement on the various measures of the challenges of service delivery. Table 4.2, above shows that majority of the respondents 121 (50.2%) agreed that the staffs are being rude to customers. This implies employees are impolite in providing service for the customers. Impolite rudeness within the workplace especially in customer service can harm employees and customers. It creates hostile environment, damage relationships and tarnishes an organization reputation. A lack of tolerance or understanding towards customer needs or inquiries. Rudeness has a negative impact on customers that leads dissatisfied customers, damage relationships and loss of business. Rather train customer service representatives to listen to customers actively, understand their concerns and respond empathetically. Prioritizing respectful and empathic customer relationship enhance customers satisfaction and improve the overall organization success and reputation. While, 68 (28.2%) of the respondents disagreed with the statement. The remaining 52 (21.6%) of the respondents neither agree nor disagree with the statement. This implies these respondents didn't identify whether the employees are being rude to customers or not.

In regarding to the second statement as illustrated in Table 4.2, above 129 (53.5%) of the respondents agreed that lack of staff promptness. This means these customers didn't get service in the timeliness. So, customers feel their expectations were not meet. Delays and cancelations of products or service should be avoided. Convey a sense of attentiveness and

professionalism, demonstrating that customers' needs are a priority. While, 71(29.5%) of the respondents disagreed with the statement. Which means these respondents getting service in the timeliness. The rest 41 (17.0%) of the respondents neither agreed nor disagreed with the statement. This implies these respondents didn't identify whether lack of staff promptness or not.

In relation to the third item 133 (55.2%) of the respondents agreed that inefficient and inappropriate complaint handling systems is the major challenge in receiving service. This implies it can negative impacts on customer satisfaction and organizational performance. A system that is not well designed can lead to customer dissatisfaction, negative word of mouth and even legal issues. Inefficient and inappropriate complaint handling system is problematic leads to customer dissatisfaction. When customers feel their complaints are not being taken seriously or are not being addressed promptly it can erode their trust and satisfaction. A good system should be swift, fair, and transparent allowing for addressing customer concerns. Whereas, 52 (21.6%) of the respondents disagreed with the statement. The rest 56 (23.2%) of the respondents neither agreed nor disagreed with the statement.

In regarding to statement four the majority 134 (55.6%) of the respondents agreed that lack of competency of staffs is the major challenge to get service from the study area. This implies that employees are not trained, productive, fast and not serving all customers equally. This indicated the service is not properly delivered to customers. This hinder customer to get the required service from Finote Selam town Civil Service office. So, to provide the service properly the existed employees to be trained, productive, fast and serving all customers equally. While, 57 (23.7%) of the respondents disagreed with the statement. Means that staffs are competence. The rest 50 (20.7%) of the respondents neither agreed nor disagreed with the statement. This implies these respondents didn't identify whether staffs are competency or not.

The study further established that majority of the respondents 132 (54.8%) agreed that the staff favor their friends and relatives. Which means the staff provide service for their friends and relatives politely and ignoring other customers. This implies favoring family members or close friends over other qualified individuals when it comes to hiring, promotions or other career opportunities. It shows unfair preference given to one person or group over others based on personal relationships. Whereas, 58 (24.1%) of the respondents

disagreed with the statement. This shows some of the customers obtained fair service in the stud area. The rest 51 (21.2%) of the respondents neither agreed nor disagreed with the statement. This implies these respondents didn't identify whether the staff employees favor their friends and relatives or not.

The study further established that, the majority 137 (56.8%) of the respondents agreed with the occurrence of corruption. This shows there is problem of corruption in the study area at the interface between the service providers and the customers. This result erodes the trust customers have in the public sector to act in their best interest and can lead to instability and conflict. Furthermore, thus damage the environment, reduce the quality of service and increase cost for customers. While, 55 (22.8%) of the respondents disagreed with the occurrence of corruption. This shows some of the customers obtain fair service in the study area without corruption. The remaining 49 (20.3%) of the respondents neither agreed nor disagreed with the statement. This implies these respondents didn't identify whether corruption occurred or not.

In related to this from the response of interview participants, the major challenges observed in service delivery process in Finote Selam town administration Civil Service office are lack of accountability and responsibility in the service delivery process; unfair provision of service for customers; prevalence of corruption and rent seeking activities and behavior; they ask for bribes in return for service; inefficient and inappropriate grievance handling systems; too much bureaucracy-asked to see many officers; lack of information preparedness in different format and not fulfilled the needs of all beneficiaries; no reliability of information obtained from the staff; lack of proper recruitment process and no clear selection procedures. Additionally, no seats for clients while waiting to be served. Moreover, one of the interviewees felt that there had been problems regarding huma resource planning, deployment, recruitment and selection, promotion, internal and external transfer, and performance evaluation, disciplinary penalties and grievance handling procedure related service in the study area. Besides, they believe that service providers unable to provide expeditious remedy for grievance; unable to rectify mistakes and weaknesses that causes for grievance; and unable to provide equitable and fair treatment to all civil servants and thereby promote smooth work relationship. Also, a grievance handling officers unable to perform their duty to investigate complaints logged by civil

servants and submit recommendations in relating to: interpretation and executions of laws and directives; protection of rights and benefits; occupational safety and health; placement and promotion; performance evaluation and undue influence exerted by supervisors.

These results are supported by Muluken Mengste et al (2020), which revealed that the major challenges of service delivery such as lack of skilled and experienced leadership, inability to lead and make decisions strategically, inconsistent follow up and monitoring, absence of regular consultation with customers and stakeholders, prevalence of corruption and rent seeking activities and behavior, lack of motivation and service mentality, ineffective automation, absence of timely revision of rules and regulations; lack of cooperation and integration among stakeholders, inefficient and inappropriate grievance handling systems and absence of conducting customer satisfaction surveys scientifically.

### **4.3. Inferential Statistics Analysis**

#### **4.3.1. Correlation Analysis of Service Delivery Dimensions with Customer Satisfaction**

The Pearson correlation analysis results was performed to see the relationship among five service delivery dimensions and customer satisfaction. Correlation analysis is useful way of exploiting relation (association) among variables. The value of the coefficient ( $r$ ) ranges from -1 up to +1. The value of coefficient of correlation ( $r$ ) indicates both the strength and direction of the relationship. If  $r = -1$  there is perfectly negative correlation between the variable. If  $r = 0$  there is no relationship between the variable and if  $r = +1$  there is perfectly positive relationship between the variables. For values of  $r$  between +1 and 0 or between 0 and -1, different scholars have proposed different interpretation with slight difference. For this study to interpret the strength of relationship between service delivery dimensions and customer satisfaction guidelines suggested by Wong and Hiew, (2005) were used. Their classification of the correlation coefficient value ( $r$ ) ranges from; 0.10 - 0.29 is considered to be weak, 0.30 - 0.49 considered to be moderate and 0.5 - 1.0 considered to be as strong relationship between dependent and independent variables.

**Table 4.3 Pearson Correlation of the Service Delivery Dimensions with Customer Satisfaction**

		Res	Assu	Tang	Rel	Emp	Csat
Responsiveness	Pearson Correlation	1	.284**	.601**	.540**	.630**	.768**
	Sig. (2-tailed)		.000	.000	.000	.000	.000
Assurance	Pearson Correlation	.284**	1	.238**	.362**	.329**	.484**
	Sig. (2-tailed)	.000		.000	.000	.000	.000
Tangibility	Pearson Correlation	.601**	.238**	1	.513**	.620**	.795**
	Sig. (2-tailed)	.000	.000		.000	.000	.000
Reliability	Pearson Correlation	.540**	.362**	.513**	1	.498**	.672**
	Sig. (2-tailed)	.000	.000	.000		.000	.000
Empathy	Pearson Correlation	.630**	.329**	.620**	.498**	1	.728**
	Sig. (2-tailed)	.000	.000	.000	.000		.000
Customer Satisfaction	Pearson Correlation	.768**	.484**	.795**	.672**	.728**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	241	241	241	241	241	241

\*\* . Correlation is significant at the 0.05 level (2-tailed).

Source: own survey data 2025

Table 4.3 above, present the inter-correlations between the variables being examined. From this analysis, it is noted that the five service delivery dimensions is positively and significantly correlated with customer satisfaction. The positive value of the correlation coefficient indicates the higher the level of the five service delivery dimensions will result to the higher the level of customer satisfaction and vice versa. The significance level of .000 also shows the relationship between the five service delivery dimensions and customer satisfaction is statistically significant at  $p < .05$ , 2-tailed. Customer satisfaction and service quality are interconnected, the higher the service quality, the higher its customer satisfaction.

### **The Relationship Between Responsiveness and Customer Satisfaction**

As look at in table 4.3 above, possible to say that there is strong relationship between responsiveness and customer satisfaction ( $r=0.768$ ,  $p < 0.05$ ). This indicates the responsiveness correlated with customer satisfaction score at 0.768. From this analysis, it is noted that responsiveness had strong positive and significant correlation with customer satisfaction. The results implied that when the service providers are more responsive, customer satisfaction will be increased. The finding indicated responsiveness has strong,

positive and statistically significant relationship with customer satisfaction in Finote Selam town administration Civil Service office. In supporting this result, the study finding by Lemma Belay and Biruk Kindie (2016) specified that responsiveness has positive strong significant relationship with customer satisfaction.

#### **The Relationship Between Assurance and Customer Satisfaction**

The results indicate there is significant and positive correlations between assurance with customer satisfaction ( $r = .484^{**}$ ,  $p < 0.05$ ). The result shown that assurance has moderate, positive and significant relationship with customer satisfaction in Finote Selam town administration Civil Service office. In line with this finding the study by Kibret Tekeba and Ermias Worku Mengistu (2018) shown that assurance is highly correlated with customer satisfaction followed by tangibility, responsiveness, empathy and reliability. On the contrary, the study finding by Lemma Belay and Biruk Kindie (2016) shown that the service quality dimension of assurance has negative and statistically insignificant relationship with customer satisfaction.

#### **The Relationship Between Tangibility and Customer Satisfaction**

As shown in table 4.3, above tangibility has strong positive and significant relationship with customer satisfaction ( $r = .795^{**}$ ,  $p < 0.05$ ). This implies correlation is positive between two variables that is, tangibility and customer satisfaction is positively related. Delivering better service quality ensures higher customer satisfaction. Accordingly, the most important service quality dimension that affects customer satisfaction is tangibility, which goes to prove that tangibility perceived as a dominant service quality dimension.

#### **The Relationship Between Reliability and Customer Satisfaction**

Table 4.3 above also shows a strong positive and significant correlation between the reliability and customer satisfaction ( $r = .672^{**}$ ,  $p < 0.05$ ). This result supported by the results from Ibáñez, Hartmann & Calvo (2006) as cited in Ehigie C. Johnson and Jesse S. Karlay (2018) suggested that a positive relationship do exist among the reliability of service and customer's satisfaction. This is made imaginable through the interactional activities among workers and clients.

#### **The Relationship Between Empathy and Customer Satisfaction**

Moreover, the finding show a strong positive and significant correlation between empathy and customer satisfaction ( $r = .728^{**}$ ,  $p < 0.05$ ). This result is in line with Karatepe (2011)

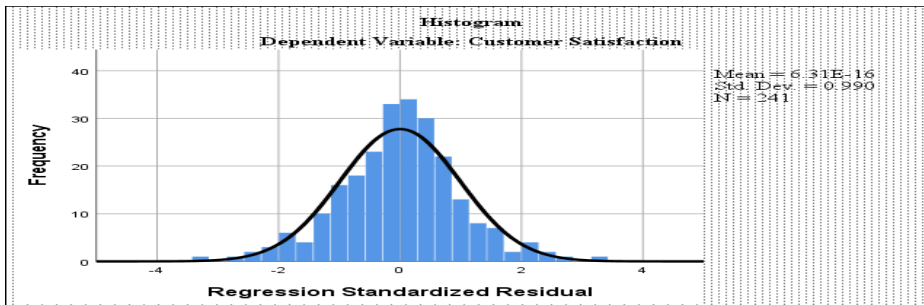
cited by Ehigie C. Johnson and Jesse S. Karlay (2018) there is a positive association among empathy and client satisfaction. Similarly, Ganguli & Roy (2011) claim that a positive relationship does occur among empathy and client satisfaction. They also comprehended that without empathy clients will remain dissatisfied with service quality. This dimension will enormously contribute to client long-term relationship with the company. Moreover, Wieseke, et al. (2012) research verifies that empathy generates a condition of emotional association with client and the service providers and inspires client to do business with the company. Therefore, as per the respondents' response, the service delivery dimensions of responsiveness, tangibility, reliability and empathy are strongly correlated with customer satisfaction. While, the service delivery dimension of assurance was moderately related with customer satisfaction. From the analysis, it is noted that the total service delivery dimensions are positively correlated with customer satisfaction). Consequently, the main research question is confirmed since there is a significant positive relationship between the independent variables (responsiveness, assurance, tangibility, reliability, empathy) and dependent variable (customer satisfaction) in Finote Selam town administration Civil Service office. The results are in line with the study by Muluken Mengste et al (2020) using spearman correlation analysis claimed that there is significant and positive relationship between customer satisfaction and the five service delivery dimensions (empathy, responsiveness, assurance, tangibility and reliability). From this one can conclude that service delivery dimensions are positively correlated with customer satisfaction, implying that they are dominant components/attributes to measure customer satisfaction. The results also supported by Kibret Tekeba & Ermias Worku Mengistu (2018) the findings determine that assurance was highly correlated to customer satisfaction followed by tangibility, responsiveness, empathy and reliability. Thus, correlation is positive and statistically significant. Which imply that a change made in service delivery dimensions will motivate customer satisfaction. Furthermore, in line with the correlation result by Abdissa Gemechu Gobena (2019) displays that there is positive and significant association among tangibility, reliability, responsiveness, assurance and empathy and customer satisfaction. Their result also shows that the highest relationship was found among responsiveness and customer satisfaction, whereas the lowest relationship was found among empathy and customer satisfaction.

### 4.3.2. Assumptions of Multiple linear regression

#### Assumption one: Normality Test

One of the methods to test normality assumption is the histogram residual plots. It denotes to the shapes of data dispersal for individual continuous variables and their correspond to normal distribution. To meet the assumption of normality the distribution of the plot needs to appear normally distributed. As revealed in figure 4.7 below, almost all the bars of the histogram were close to the normal curve line. Hence, the data was normally distributed. The Histogram displays a bell-shaped curve, which shows normality. From this, it can be concluded that the data fulfilled the regression model assumptions of normality.

**Figure 4.7, Histogram Normality Test**



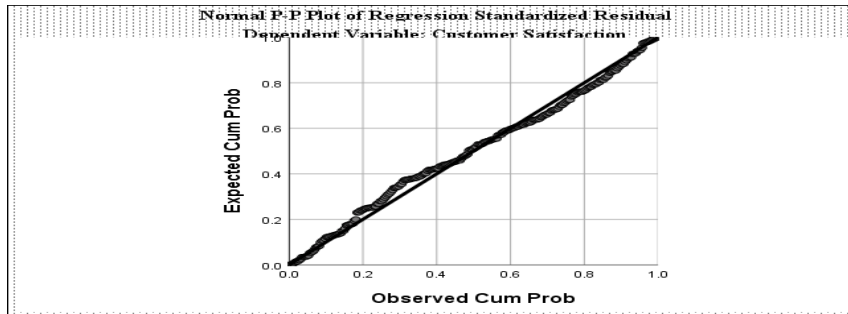
Source: own survey data 2025

#### Assumptions Two: Linearity Test

In this study the assumption of linearity was proved using Normal P-P plot and P value. In the normal probability plot the points lied in a reasonably straight diagonal line from bottom left to top right. Thus, it displays linearity. An underlying assumption of regression analysis is that the relationship between the variables is linear, meaning that the points in the diagonal line plot must form a pattern that can be approximated with a straight line. Look at how closely the different data points fall to the line. The closer they are the more accurate the model. The graphical representation of residuals shown below figure 4.8, revealed that the points fall in a fairly horizontal line from bottom left to top right. This proves that the linearity assumption was not violated. To prove the linearity assumption the study also used p value. The assumption of linearity is satisfied When, p value less than alpha value or P value  $< 0.05$ . Whereas, if the p value is more than alpha value ( $P > 0.05$ ) the linearity assumption is not satisfied or the model is not linear. Thus, as shown in table

4.4, below the p value of each independent variables is 0.000 which is less than the alpha value ( $P > 0.05$ ). So, the model of this study was linear. Accordingly, the assumption of linearity was accepted.

**Figure 4.8, Normal P-P plot of Linearity Test**



Source: own survey data 2025

**Table 4.4 Linearity Test Using P Value**

Variables	P value	Linearity
Customer satisfaction*Responsiveness	0.000	Accepted
Customer satisfaction * Assurance	0.000	Accepted
Customer satisfaction * Reliability	0.000	Accepted
Customer satisfaction * Empathy	0.000	Accepted
Customer satisfaction * Tangibility	0.000	Accepted

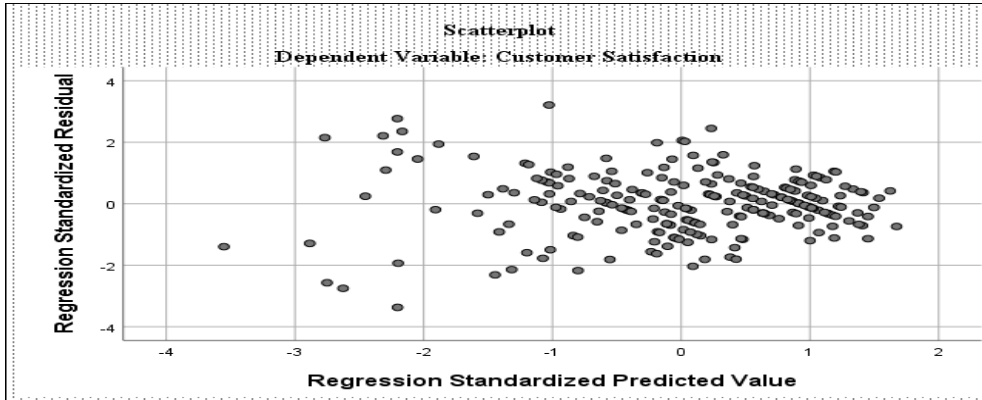
Source: own survey data 2025

### **Assumptions Three: Homoscedasticity Test**

Homoscedasticity is the variance of the residuals about predicted dependent variable scores should be the same for all predicted scores. That means the test was conducted to see a situation in which the error term is the same across all values of the independent variables. Therefore, the assumption of homoscedasticity is not violated as seen below figure. Homoscedasticity is the extent to which the data values for the dependent and independent variables have equal variances (Field 2009). At each level of the predictor variables, the variance of the residual terms should be constant. This just means that the residuals at each level of the predictors should have the same variance, therefore checking for this assumption is helpful for the fitness of the regression model. In this regard, to plot the homoscedasticity analysis, as suggests by Field (2009), the researcher plot the standardized residuals, or errors (ZRESID) on the Y axis and the standardized predicted values of the

dependent variable based on the model (ZPRED) on the X axis and the result is presented as follows.

**Figure 4.9, Scatter Plot of Homoscedasticity**



Source: own survey data 2025

**Assumption Four: Multicollinearity Test**

The other major assumption that applies in multiple regression analysis is the existence of a very highly correlation between predictors/independent variables of the study which is termed as Multicollinearity (Burns, 2008). Multicollinearity refers to the situation in which the independent/predictor variables are highly correlated with each other. It is the extent to which independent variables are correlated with each other. In this study the multicollinearity assumption can test in two ways first, need to look at the correlation table. Correlations of more than 0.8 may be problematic. This is not an issue in this study, because the highest correlation was  $r = .630$ . Second in this study the assumption of multicollinearity ensured by conducting tolerance and variance inflation factor (VIF). According to Andy (2006) and Burns, (2008) suggested that as a rule of thumb the tolerance values less than 0.1 and variance inflation factor (VIF) greater than 10 certainly show a serious collinearity problem. As the regression output shown in table 4.5, below each of the service delivery dimension variables had a tolerance value of greater than 0.10 and a variance inflation factor (VIF) of less than 10 shown that no serious multicollinearity problem.

**Table 4.5, Multicollinearity Tests Using Tolerance and VIF**

No	Service quality dimensions	Collinearity Statistics	
		Tolerance	VIF
1.	Responsiveness	.495	2.019
2.	Reliability	.606	1.650
3.	Empathy	.489	2.046
4.	Assurance	.838	1.194
5.	Tangibility	.518	1.931

Source: own survey data 2025

As given in table 4.5 above, the minimum tolerance value and the maximum variance inflation factor (VIF) values were 0.489 and 2.046, respectively. These findings indicated that the models had no serious multicollinearity problem, since the tolerance values are higher than 0.10 and VIF values are less than 10. From these analyses, it can be concluded that the assumptions of multiple regression model of this study met required to ensure validity of its significance test.

**Assumptions Five: Independence of Residuals/Autocorrelation Test**

To prove the assumptions of autocorrelation the study was used Durbin-Watson statistic. As a general rule, the residuals are independent (not correlated) if the Durbin-Watson statistic is approximately 2, and an acceptable range is 1.50 - 2.50 (Babatunde, 2014). Similarly, Ooi et al., (2008) the Durbin–Watson index for the regressions Model, range from 1.50 to 2.50. These index values, suggesting that autocorrelation was not a problem in the data. While the Values below 1 and above 3 are cause for concern and may render the analysis invalid. As look at in the Model Summary table 4.7 below, the Durbin-Watson statistic to test the assumption that the residuals are independent (or uncorrelated). Because, the Durbin Watson value of 1.9 was between 1.5 and 2.5 is a good indication of independent residuals. So, can say this assumption has been met as the obtained value was close to 2 (Durbin-Watson = 1.9). Thus, result shows that the variables fulfilled independence of residuals.

**Assumption Six: Outliers**

Significant outliers and influential data points can place undue influence on multiple regression model, making it less representative of the data as a whole. To identify any particular influential data points the Cook's Distance statistics for each participant would be measured. Any values over 1 are likely to be significant outliers, which may place undue influence on the model. Cook's Distance values were all under 1 on SPSS, suggesting individual cases were not unduly influencing the model.

The survey result of this study as shown table 4.6 below indicates that the cook's distance is between 0.00000 and 0.25674 suggesting that there are no influential cases biasing of the study model.

In conclusion the independent and dependent variables met almost all of the assumptions which indicate that the model the researcher got for a sample can be accurately applied to the population of interest. That means the coefficients and parameters of regression could be said to be unbiased.

**Table 4.6 Cook's Distance**

Statistics			
Description	N	Minimum	Maximum
Cook's Distance	241	.00000	.25674

Source: own survey data 2025

### 4.3.3. Multiple Regression Analyses

According to George et al (2003) multiple regression is the most commonly and widely used to analyze the relationship between a single dependent and multiple independent variables. In this study multiple regression analysis were applied to examine the effect of service delivery dimensions on customer satisfaction. Regression model is a technique that can be used to investigate the effect of one or more predictor variables on an outcome variable. That is, it allows us to make statements about how well one or more independent variables will predict the value of a dependent variable. In this study the variables under service delivery dimensions were entered into regression analysis to determine their relative importance in contributing to the customer satisfaction. Regression analysis is used to ascertain the effect of service delivery dimensions (responsiveness, assurance, tangibility, reliability and empathy) explains the dependent variable (customer satisfaction).

**Table 4.7, Model Summary**

Model Summary <sup>b</sup>					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.924 <sup>a</sup>	.853	.850	.23663	1.900

a. Predictors: (Constant), Tangibility, Assurance, Reliability, Responsiveness, Empathy

b. Dependent Variable: Customer satisfaction

Source: own survey data 2025

Table 4.7 above shows the sum degree of correlation that the stated independent variables have with the dependent one that is customer satisfaction. As such, it has been shown by R that the stated independent variables (the service delivery dimensions) all together with the outcome variable have stronger positive relation at a rate of  $R = .924$ . This shows that the better the variables are treated the more the customer satisfaction will be. Implies that there is strong relationship between tangibility, assurance, reliability, responsiveness, empathy and customer satisfaction.

The model summary table 4.7, above also displays the coefficient of determination (R-squared) indicates the proper amount of variation in the response variable (customer satisfaction) explained by the independent variables (tangibility, assurance, reliability, responsiveness and empathy) in the multiple linear regression model. The larger the R-squared is the more the variable is explained by the multiple linear regression model. Thus,  $R^2 = .853$  of the variation on customer satisfaction is explained by tangibility, assurance, reliability, responsiveness and empathy. The value of  $R^2$  (0.853) can be interpreted as the multiple linear regression model is fit since it is greater than the accepted value. Higher value of  $R^2$  represents greater explanatory power of the regression equation. The R-square result of 85.3% shows that the sum total effect of the variables under consideration on the customer satisfaction in Finote Selam town administration Civil Service office. This is to mean that certain level of improvement in the level of these service delivery dimensions will have 85.3% positive influence on the customer satisfaction under consideration at a significant level. It shows that the value of tangibility, assurance, reliability, empathy and responsiveness can perfectly predict the value of the dependent variable (customer satisfaction) by 85.3%.

The Adjusted R square of 0.850 suggested that tangibility, assurance, reliability, empathy and responsiveness fit to the model by 85.0%. Implies that 85.0% of variations on customer satisfaction are explained by tangibility, assurance, reliability, empathy and responsiveness. The remaining 15% of variations on customer satisfaction are explained by other variables out of this model or variables which are not incorporated in this study.

**Table 4.8, Analysis of ANOVAa**

ANOVA <sup>a</sup>						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	76.607	5	15.321	273.631	.000 <sup>b</sup>
	Residual	13.158	235	.056		
	Total	89.766	240			

a. Dependent Variable: Customer satisfaction

b. Predictors: (Constant), Tangibility, Assurance, Reliability, Responsiveness, Empathy

**Source: own survey data 2025**

The Analysis of ANOVAa displays the model fitness test. From the ANOVAa table above, it has been determined that  $F = 273.631$  and sig is 0.000 which approve that service delivery dimensions have significant effect on customer satisfaction. The significance level (0.000) proved that F is large enough to prove that the model used is suitable for the measurement of effects that these independent variables have on the customer satisfaction. The significance value (F) is 273.631 with significance equal to 0.000 less than to 0.05 then the model was significant to how service delivery dimensions affect customer satisfaction in Finote Selam town administration civil Service office. This means that total model was significant and good for prediction based on its value of 0.000. This implies that over all regression model is statistically significant, valid and good fit. It displayed that service delivery dimensions such as responsiveness, reliability, Empathy, assurance and tangibility are very significant in increasing the customer satisfaction of Finote Selam town administration Civil Service office, accepting the alternative hypothesis. It implies that the service delivery dimensions should be taken into consideration in increasing the customer satisfaction since it has significant to the satisfaction of customers of Finote Selam town administration Civil Service office. Hence the result realized that service delivery dimensions have a significant effect on customer satisfaction in Finote Selam town administration Civil Service office. So, question number four of the research question is

answered. Because the p value statistics was less than 0.05 it means that the basic multiple liner regression model fitted to the service delivery dimensions parameters had a substantial effect on customer satisfaction at Finote Selam town administration Civil Service office.

#### 4.3.3.1. Effects of Service Delivery on Customer Satisfaction

The result of this study indicates that all predictor variables or service quality dimensions (responsiveness, reliability, assurance, empathy and tangibility) that make a statistically significant contribution on combined influence the satisfaction of customers. In related to this Table 4.9 below indicated the effect of the five Service Quality dimensions on Customer Satisfaction.

**Table 4.9 Coefficients of the Service Delivery Dimensions Effect on Customer Satisfaction**

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.489	.131		-3.727	.000
	Responsiveness	.291	.036	.288	8.121	.000
	Reliability	.130	.025	.165	5.157	.000
	Empathy	.110	.025	.155	4.337	.000
	Assurance	.215	.030	.197	7.221	.000
	Tangibility	.373	.033	.394	11.346	.000

Source: own survey data 2025

Based on table 4.9, above can be written multiple regression equation as follows.  $Y = .489 + .291X_1 + .130X_2 + .110 X_3 + .215X_4 + .373X_5$

The effect of each independent variables on dependent variable (customer satisfaction) is shown in regression table above. The independent variables are responsiveness, reliability, Empathy, assurance and tangibility respectively.

Table 4.9, above shows regression analysis of effect of service delivery dimensions on customer satisfaction of Finote Selam town administration Civil Service office. The result displays that taking service delivery dimensions (responsiveness, reliability, Empathy, assurance and tangibility) to be constant at zero, customer satisfaction will be decreased by 0.489. Customer satisfaction would be decreased by 0.489 at zero consideration of service

delivery dimensions (tangibility reliability, empathy, responsiveness and assurance) and increasing the service delivery dimensions parameters would increase customer satisfaction. Table 4.9, above displays the unstandardized beta coefficient, which tell us the unique influence of each factor to the model. A high beta value and a small p value ( $P < 0.05$ ) show the predictor variables has made a significant statistical contribution to the model. Conversely, a small beta value and a high p value ( $p > .005$ ) show the predictor variable has little or no significant effect to the model. The outcome of this study shows that the five service delivery dimensions (responsiveness, reliability, assurance, empathy and tangibility) that make a statistically significant contribution on combined effect of customers satisfaction.

Table 4.9, above displays the unstandardized  $\beta$  coefficient of responsiveness was 0.291 meaning that a percent increase in responsiveness causes an increase in customer satisfaction by 29.1 percent while other variables remain constant. The regression coefficient of 0.291 is statistically significant ( $t = 8.121, p < 0.05$ ) demonstrating that responsiveness has a significant positive effect on customer satisfaction in Finote Selam town administration Civil Service office. These reveal that responsiveness is statistically significant at the 0.05 level of significance. The reason for this was that the p-value of 0.000 was less than 0.05. Supporting this finding the study by, Al-Hawary et al., (2011) stated that, responsiveness has a positive and significant effect on customer satisfaction. Similarly, a study finding by Lemma Belay and Biruk Kindie (2016) confirmed that, responsiveness has positive and statistically significant effect on customer satisfaction. They assert that especially customer satisfaction was highly affected by responsiveness. In contradicting this result the study conducted by Munusamy et al., (2010) as cited by Lemma Belay and Biruk Kindie (2016) displayed that responsiveness have positive and insignificant effect on customer satisfaction. Additionally, the study of Malik et al., (2011) decided that, responsiveness has no influence on customer satisfaction. This finding also contradicts with the results of Kassa (2012) shown that responsiveness has no effect on customer satisfaction.

Table 4.9, above also shows regression analysis of effect of reliability on customer satisfaction of Finote Selam town administration Civil Service office. The finding shows the unstandardized coefficient of reliability to be 0.130 meaning that a percent increase in

reliability will lead to a 13.0 percent increase in customer satisfaction while other variables kept constant. The regression coefficient of 0.130 is statistically significant ( $t = 5.157$ ,  $p < 0.05$ ) indicating that reliability has positive significant effect on customer satisfaction of Finote Selam town administration Civil Service office. In supporting this result the study by Malik et al., (2011) decided that reliability has a significant and positive effect on customer satisfaction. Also, this result is similar with the finding of Mohammad and Alhamadani (2011) stated that, reliability has positive and significant effect on customer satisfaction. Moreover, these results similar with Lemma Belay and Biruk Kindie (2016) shown that, reliability, has positive and statistically significant effect on customer satisfaction. In contrary to this result the study conducted by Munusamy et al., (2010) as cited by Lemma Belay and Biruk Kindie (2016) displayed that reliability has a negative and insignificant effect on customer satisfaction.

The study also, found that the empathy has statistically significant effect on customer satisfaction in Finote Selam town administration Civil Service office. ( $\beta = 0.110$ ,  $p \text{ value } 0.000 < 0.05$ ). The regression coefficient for Empathy ( $\beta$ ) = .110, implies that one percent in empathy will lead to 11.0% increase in customer satisfaction level other variables are kept constant and its T value of 4.337 which is greater than the critical T at the 5% level of significance displays that there is enough statistical proof that an increase in empathy will lead to an increase in customer satisfaction and vice versa, thus the null hypothesis has to be rejected and to accept the alternative hypothesis. In line with this result a study made by Mohammad and Alhamadani (2011) ensured that, empathy has a positive and significant effect on customer satisfaction. Also, these results similar with the finding of Lemma Belay and Biruk Kindie (2016) conclude that empathy has positive and statistically significant effect on customer satisfaction. In contrast to this finding, the multiple regression outcomes by Abdissa Gemechu Gobena (2019) displayed that empathy have not significant effect on customer satisfaction. Also, the findings of Munusamy et al., (2010) as cited by Lemma Belay and Biruk Kindie (2016) displayed that, empathy has positive and insignificant effect on customer satisfaction. Besides, the study of Malik et al., (2011) decided that empathy have no influence on customer satisfaction.

The regression coefficient for assurance  $\beta = 0.215$  implies that one percent increase in assurance to increases customer satisfaction by 21.5% other variables are kept constant and

its T value of 7.221 which is greater than the critical T at the 5% level of significance level displays that there is enough statistical proof that an increase in assurance will lead to an increase in customer satisfaction and vice versa, thus the null hypothesis has to be rejected and to accept the alternative hypothesis. Sig value = 0.000. In line with this result the results from Parasuraman, et al. (1988) as cited by Ehigie C. Johnson and Jesse S. Karlay (2018) found that assurance is one of the main dimensions of service quality that influences client satisfaction since it inserts a favorable insight of an organization in the mind of a customer. Furthermore, the study of Malik et al., (2011) decided that assurance has a significant and positive effect on customer satisfaction. Also, a study made by Mohammad and Alhamadani (2011) confirmed that, assurance has a positive significant effect on customer satisfaction. Whereas, this finding dissimilar with the study of Munusamy et al., (2010) as cited by Lemma Belay and Biruk Kindie (2016) shown that the assurance, has positive and insignificant effect on customer satisfaction. Also, this finding contradicts with the finding of Lemma Belay and Biruk Kindie (2016) stated, assurance has negative and statistically insignificant effect on customer satisfaction.

As illustrated in table 4.9 above, moreover the regression finding of this study shown tangibility had significant effect on customer satisfaction in Finote Selam town Civil service office. The regression coefficient for tangibility  $\beta = 0.373$ , T value 11.346 and 0.000 p value results shown that tangibility had a positive and significant effect on customer satisfaction in the study area. This implies that increasing tangibility by a percent led to increase customers satisfaction by 37.3 percent while other variables remain constant. The p- value results proved that the results are significant by at least 95% in the area of the study. The p-value should be lower than 0.05 which shows that the result is significant with at least 95%. This study supported by Munusamy et al., (2010) as cited by Lemma Belay and Biruk Kindie (2016) displayed that tangibility has a positive and significant influence on customer satisfaction. Also, this result in line with the findings of Mohammad and Alhamadani (2011) that tangibility has a positive and significant effect on customer satisfaction. Similarly, the study finding by Al-Hawary et al., (2011) shown that tangibility has a positive and significant effect on customer satisfaction. In the contrary the study by Malik et al., (2011) decided that tangibility, has no influence on customer satisfaction. The results in line with Kibret Tekeba & Ermias Worku Mengistu (2018) study findings which

confirm that service quality dimensions i.e., tangibility, reliability responsiveness, empathy and assurance had significant effect on customer satisfaction. Moreover, the study by Bulcha Assefa, Habtamu Etana and Mosisa Deressa (2024) concluded that specifically responsiveness, assurance, and empathy were identified as highly significant contributors to client satisfaction, whereas reliability and tangibility were deemed insignificant in their influence on client satisfaction. Likewise, the multiple regression outcomes by Abdissa Gemechu Gobena (2019) displayed that excluding empathy, the four service quality dimensions (tangibility, responsiveness, reliability, and assurance) have positive and significant influence on customer satisfaction. So, high quality service is an increasingly significant weapon to survive, the higher service quality, and the higher customer satisfaction.

#### **4.4. Hypotheses Test**

The hypothesis was tested through a regression analysis. Shown in Table are the results of the regression analysis of the effect of service delivery dimensions on customer satisfaction. The analysis of variance of the fitted regression equation is significant with an F value of 273.631, with sig value .000<sup>b</sup> which indicates that the model is a good one. Because the p-value is less than 0.05, there is a statistically significant effect on customer satisfaction, at a 95 percent confidence level.

**Hypothesis One (Ha1):** Responsiveness has significance positive effect on customer satisfaction in Finote Selam town administration Civil Service office.

Table 4.8, revealed that responsiveness has a positive and significant effect on customer satisfaction with a beta value ( $\beta = 0.291$ ), at 95% confidence level ( $p < 0.05$ ). So, it was accepted that, responsiveness has a positive and significant effect on customer satisfaction.  $\beta = .291$  and t-value of responsiveness is 8.121 with  $P = 0.000$ , which is less than  $\alpha$  value (0.05) which means zero (0) did not lie within the confidence interval level with which the researcher worked with. Based on the above findings, accept Ha1 and reject HO) which statistically suggested that responsiveness has a significance positive effect on customer satisfaction.

**Hypothesis Two (Ha2):** Reliability has significance positive effect on customer satisfaction in Finote Selam town administration Civil Service office.

Table 4.8 above, showed that the coefficient of beta ( $\beta$ ) and p value of reliability were positive and significant ( $\beta = 0.130$ ), sig = 0.000 ( $p < 0.05$ ) and the t value = 5.157. In which the significance value (sig.) is smaller than required (0.000). Based on the results of these calculations it can be seen that reliability has a positive and significant effect on customer satisfaction. Thus, it is accepted that reliability has a positive and significant effect on customer satisfaction.

**Hypothesis Three (Ha3):** Assurance has significance positive effect on customer satisfaction in Finote Selam town administration Civil Service office.

Table 4.8 above also indicated that assurance has a positive significant effect on customer satisfaction with a beta value ( $\beta = .215$ ) at 95% confidence level ( $p < 0.05$ ) and the t-value is 7.221, with sig value is 0.000 which is less than  $p < 0.05$  level of significance and at the 95% level of confidence intervals in which the researcher worked with. Thus, we reject the null hypothesis (H0) and accept the alternate hypothesis (H3) which said that assurance had a significance positive effect on customer satisfaction in Finote Selam town administration Civil Service office.

**Hypothesis Four (Ha4):** Empathy has significance positive effect on customer satisfaction in Finote Selam town administration Civil Service office.

Similarly, table 4.8, also indicated that beta value and p value of empathy were positive ( $\beta = 0.110$ ), significant at 95% confidence level ( $p < 0.05$ ) and t- value = 4.337. The p value ( $P = 0.000$ ) which is less than  $P < 0.05$  level of significance. Thus, accept the alternate hypothesis (Ha4) and reject the null hypothesis (H0). As a result, it was accepted that empathy has a positive significance effect on customer satisfaction.

**Hypothesis Five (Ha5):** Tangibility has significance positive effect on customer satisfaction in Finote Selam town administration Civil Service office.

Table 4.8 above, showed that beta coefficient of tangibility is ( $\beta = 0.373$ ) and P value = 0.000, is less than 0.05 which means zero (0) did not lie within the confidence interval level with which the researcher worked with. Thus, accept Ha5 and reject HO which was statistically suggested that tangibility has a positive significance effect on customer satisfaction.

**Table 4.10 Summary of Hypotheses Test**

Hypothesis		$\beta$ value	T value	P value	direction	Decision
Ha1	Responsiveness	.291	8.121	0.000	Positive	Ha Accepted
Ha2	Reliability	.130	5.157	0.000	Positive	Ha Accepted
Ha3	Empathy	.110	4.337	0.000	Positive	Ha Accepted
Ha4	Assurance	.215	7.221	0.000	Positive	Ha Accepted
Ha5	Tangibility	.373	11.346	0.000	Positive	Ha Accepted

## **CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

### **5.1. Summary of the study**

This section summarized the study findings. The general objective was an examination of the effects of public service delivery on customer satisfaction in public sector in the case of Finote Selam town administration Civil Service office. To establish this, the study developed four specific objectives. To achieve this descriptive and explanatory research design was used. Also, quantitative and qualitative research approach was used. To select the specific respondents to include in the study both simple random sampling and purposive was used. A sample of 255 respondents from 703 total population were selected for questionnaire. Basically, a total of 255 questionnaires were distributed to the sampled customers, among these 241 were returned, of which, 14 responses were unreturned and uncompleted. Four team leaders were selected for interview. To check the validity and reliability of the instruments pilot test was also carried out. Data was collected using questionnaires and analyzed using descriptive statistics, correlation and multiple regression by using statistical package for social science (SPSS) version 26. Results were presented using frequency tables, graphs, and charts.

The first objective of the study was assessing the level of customer satisfaction. From this objective the majority of the respondents replied that there were less satisfactions of customers with quality of service given. In this regard the majority of the respondents dissatisfied with staff courteousness, staff honesty and integrity, staff promptness and ethics. Also, the finding showed that large numbers of customers dissatisfied with respect to the time it takes to get service and the procedures that they must pass to get service in the office. Similarly, the majority of customers dissatisfied on openness of information particularly with respect to information on expected standard of services.

The second objective to analyze the major challenge in the service delivery process of Finote Selam town Administration Civil Service office. The descriptive findings showed that the major challenges of service delivery are the staffs are being rude to customers, lack of staff promptness, inefficient and inappropriate complaint handling systems, lack of competency of staffs, the staff favor their friends and relatives and occurrence of

corruption. There were problems in treating their customers fairly and equally and less transparency of service provider in the office. Similarly, the interview results supported that lack of accountability and responsibility in the service delivery process; unfair provision of service for customers; prevalence of corruption and rent seeking activities and behavior; they ask for bribes in return for service; too much bureaucracy-asked to see many officers; lack of information preparedness in different format and not fulfilled the needs of all beneficiaries; lack of proper recruitment process and no clear selection procedures. Additionally, no seats for clients while waiting to be served are problems in the service provisions of the study area.

The third objective of the study was to describe the relationship among service delivery dimensions and customer satisfaction in the study area. From this objective, the findings of the correlation analysis result displayed that quality service delivery dimensions (responsiveness, reliability, assurance, empathy and tangibility) had positive and significant relationship with customers satisfaction. Pearson correlation coefficient (r-value) of responsiveness, reliability, assurance, empathy and tangibility is 0.768, 0.672\*\*, 0.484\*\*, 0.728\*\* and 0.795\*\* respectively. These representing strong positive relationship between responsiveness, reliability, empathy and tangibility with customers satisfaction. While assurance had a moderate positive relationship with customers satisfaction. Therefore, the study concluded that responsiveness, reliability, tangibility, empathy and assurance determined customers satisfaction at the study area.

The final objective of the study was to examine the effect of service delivery on customer satisfaction in terms of service delivery dimensions (responsiveness, reliability, assurance, tangibility and empathy). From this objective, the multiple regression analysis results in unstandardized beta coefficient of responsiveness, reliability, assurance, empathy and tangibility were respectively 0.291, 0.130, 0.215, 0.110 and 0.373 with sig value 0.000 which indicated quality service delivery dimensions had positive and statistically significant effect on customers satisfaction. These p-value for both responsiveness, reliability, assurance, empathy and tangibility was 0.000 which is less than the significant level of 0.05, ( $p < 0.05$ ). This meant that responsiveness, reliability, assurance, empathy and tangibility had a significant effect on customer satisfaction. Therefore, the null hypotheses were rejected and the alternative hypotheses accepted.

## **5.2. Conclusions**

The major objective of this study was to examine the effect of public service delivery on customer satisfaction in public sectors in the case of Finote Selam town administration Civil Service office. The study has been successful in accomplishing its four research objectives. Thus, based on the finding of the study the following conclusions are drawn: - First, the results of the descriptive statistical analysis indicated that, customers were not satisfied with service qualities. Thus, the majority of the customers express that they are dissatisfied with the overall service delivery of the staff. But it does not mean that all the customer respondents are completely dissatisfied with the overall service delivery practice. Because, somewhat they are satisfied with the service delivery of the staff. Specifically, the majority of the respondents expressed their dissatisfaction with staff courteousness, staff honesty and integrity, staff promptness and ethics. Also, the finding displays that still large numbers of customers of the office express their dissatisfaction with respect to the time it takes to get service and the procedures that they must pass to get service in the office. Similarly, majority of customers express their dissatisfaction on openness of information particularly with respect to information on expected standard of services. This all implies that there is an excessive gap among customers' expectation and real service delivery in Finote Selam town administration Civil Service Office.

Second, the study investigated the major challenges of service delivery. The major challenges identified by the study are staff's rudeness to customers, lack staff promptness, inefficient and inappropriate complaint handling systems, lack of competency of staffs, occurrence of corruption and the staff favor their friends and relatives. Consequently, customers unable to get appropriate service and disclosures them for misperception.

Third, the correlation result found that there is positive and significant relationship between responsiveness, reliability, assurance, empathy and tangibility with customer satisfaction. The finding also displays that tangibility, responsiveness, empathy and reliability had strong positive relationship with customer satisfaction respectively, while, moderate relationship was found between assurance and customer satisfaction.

Finally, the multiple regression results indicated that the five service quality dimensions (responsiveness, reliability, assurance, empathy and tangibility) have positive and significant effect on customer satisfaction. Thus, from the multiple regressions analysis it

can be concluding that based on its beta coefficient ( $\beta = 37.3$  and 0.000 significance level tangibility has the first major determinant effect on customer satisfaction in Finote Selam town administration Civil service office. Also, from the multiple regressions analysis it can be concluding that based on its beta coefficient ( $\beta = 29.1$ ) and 0.000 significance level of responsiveness has the second major determinant effect on customer satisfaction in Finote Selam town administration Civil service office. Likewise, the study revealed that assurance, reliability and empathy had the third, the fourth and the fifth significant positive effect on customer satisfaction respectively with beta coefficient of 21.5, 13.0 and 11.0 and significance level of 0.000, 0.000 and 0.000 in Finote Selam town administration Civil service office. The regression model summary analysis and ANONA also display that there is a significantly strong relationship between the five service delivery dimensions and the customer satisfaction. The regression coefficient R has the value 0.924<sup>a</sup> which displays relationship among the independent variables and dependent variable used in the model, and also that there is strong positive relationship between service delivery dimensions and customer satisfaction. Coefficient of determination  $R^2$  was 0.853 which explained that 85.3% of variation in dependent variable (Customer satisfaction) is explained by the independent variables (responsiveness, reliability, assurance empathy and tangibility).

### **5.3. Recommendations**

The main interest of this paper was examining the effects of service delivery on customer satisfaction in public organization the case of Finote Selam town administration Civil Service office. On the basis of the major findings of the study, the following recommendations have been drawn with the view to improve the contributions of service delivery dimensions on customer satisfaction in Finote Selam town administration Civil Service office.

As the finding of the study shown the general level of customer satisfaction in Finote Selam town administration Civil Service office is low, so the management bodies should give due emphasis for and work on the service delivery dimensions to achieve maximum level of customer satisfaction. Build trust through transparency and honest. Create a culture that emphasize the importance of understanding and exceeding customer expectations.

should exert more efforts to enhance their customer satisfaction levels by establishing customer service representative units which are responsible for conducting periodic

customer satisfaction surveys, monitoring the service delivery processes whether services are rendered as per the set standards or not, handling customers' complaints, analyzing customers' suggestions and opinions and thereby generating alternative solutions; by empowering employees through the arrangement of various training programs on customer handling, code of conduct, and technical skills.

The results also displayed that there are major problems in service delivery of Finote Selam town administration Civil Service office so the concerned body should strive to solve the major problems in service delivery that are identified in the study by giving priority based on the urgency of the problem and its impact on customer satisfaction. Regularly assess your service delivery process, identify bottlenecks and find innovative solutions to address them.

The Finote Selam town administration Civil Service office of any concerned bodies should design and implement continuous human resource development programs like short and middle term training programs; rewarding system, strengthen the implementation of code of conduct, anti-corruption and rent seeking mitigation strategies to alleviate the prevailing corruption and rent seeking practices, unethical behavior; and to advance service mentality. Should provide comprehensive training to employees to ensure they have the skills and knowledge to handle various customer interactions. Empower them to make decisions that prioritize customer satisfaction.

The inferential statistics outcomes of the study displayed that the five service delivery dimensions and customer satisfaction are positively connected. So, the officers of Finote Selam town administration Civil Service office would focus and work hard on the attributes of these service delivery dimensions to improve their respective customer satisfaction.

The Finote Selam administration Civil Service office higher leader should design and implement an intentional and collective approach to organize and lead all service delivery system to address public problems through building shared knowledge, designing communicable and innovative solutions.

To ensure quality service delivery staff management should establish clear expectation with customers from the outset and communicate effectively throughout the service process, keeping customers informed about their orders and any potential delays. Respond quickly to customer inquiries and concerns. Should provide value customer time that means

respect your customer times, provide quick resolutions, and optimize your service processes to avoid unnecessary delays.

#### **5.4. Future Research Area**

The study sample was solely focused on customers of Finote Selam town administration Civil Service office. So, future researchers can take sample of many public sector customers. Furthermore, the study is basically intended to examine the effect of some of service delivery dimensions such as responsiveness, reliability, assurance, empathy and tangibility on customer satisfaction. Potential researchers can study by considering further service delivery dimensions whether or not they have an effect on customer satisfaction., Also this study recommends that future researchers will study needed to be under taken to examine quality service deliver and customer satisfaction in other public service and privet organizations with larger samples and other additional variables. Finally, this study used cross sectional data which was collected and measured at one point in time. Due to this it is not clear, how long it takes before change in service delivery factor can result in customer satisfaction. So, this study recommends that future studies be caried out over a long period of time in order to examine the trend between enhance in service delivery and increasing in customer satisfaction.

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## Appendix A: Questionnaires

### Debre Markos University

#### College of Business and Economics Department of Management

Dear respondents: I am a post graduate student at Debre Markos University. As part of my Master's Degree requirement, I am expected to successfully conduct a research paper on a relevant topic in my area of concentration. This questionnaire is prepared for a research study purpose entitled examine the effects of service delivery on customers satisfaction in public sectors in the case of Finote Selam town administration civil service office. The researcher asks respondents to give sincere and accurate data to make proper analysis. The researcher would like to note that data was kept confidential and only be used for study purpose. I would like to thank you in advance for your honest cooperation. If you require additional information or have any questions, please contact me through Mobile No. +251920764210

Yours Sincerely: Yayehu Siraye

**NB:** No need of writing your name in the questionnaire.

To indicate your response, please tick (√) the appropriate option on the space provided.

#### Part I: Demographic Information's

1. Gender: Male  Female
2. Age: 20- 30  31- 40  41- 50  51 and above
3. Educational level: 8 - 12 completed  Diploma  First degree   
Master and above
4. Work experience in year: 1-5  6-10  11-15  >15
5. What is your current position in the office  
Typist  Subordinate  Expert  Team Leader

**Part II Items related to Objectives of the Study**

No	To what extent you satisfied or dissatisfied with the following statement? Use the following rating scales (1= Very satisfied, 2 = satisfied, 3= undecided, 4= dissatisfied, 5= Very dissatisfied)	Scales				
		1	2	3	4	5
	<b>Customer satisfaction</b>					
1.	Staff courteousness					
2.	Staff honesty and integrity					
3.	Staff promptness					
4.	Staff ethics i.e., serving all customers equally.					
5.	Length of time it takes to get service					
6.	Information openness on procedures and process to get service					
7.	How do you rate the overall satisfaction level you feel to all aspects of the service the staff provides to you?					
	For the following items use the following rating scales (1= strongly agree, 2 = agree, 3 = neither agree nor disagree, 4= disagree, 5= Strongly disagree)	1	2	3	4	5
	<b>Challenges of public service delivery</b>					
8.	The staff being rude to customers					
9.	Lack staff promptness					
10.	Inefficient and inappropriate complaint handling systems					
11.	lack of competency of staffs					
12.	The staff favor their friends and relatives					
13.	Occurrence of corruption					
	<b>Responsiveness</b>					
14.	Employees provide prompt services to customers					
15.	Employees tell customers when services will be performed					
16.	I like the honesty and sincerity of Civil Service staffs					
17.	Employees are ready to respond to customer's request					
	<b>Reliability</b>					
18.	Employees are dependable in handling customer's service problem					
19.	Employees provide their services at the time they promise to do so					
20.	The office keeps your profiles accurately					
21.	Employees show genuine interest in solving a problem you face					
	<b>Assurance</b>					
22.	Employees discharge their duty in a good manner as professionals					
23.	Employees instill confidence in customers					
24.	Employees have a knowledge to answer customer questions					
25.	Employees make customers feel safe in their action					
	<b>Empathy</b>					
26.	Employees understand the individual needs for their customers					
27.	Employees have the customer's best interest at heart					
28.	Employees deal with customers in caring fashion					
29.	The office has operating hours convenient to all their customers					

	Tangibility					
30.	The facilities of office are visually appealing					
31.	Employees have a neat & professional appearance					
32.	The staff has a clean and adequate space where customers can rest					
33.	The appearance of the physical facilities of office keeping with the type					
34.	Civil Service office should have up-to-date equipment					

## **Appendix B: Interview**

1. What are other major problems you have faced when using services provided by Finote Selam town administration Civil Service office?
2. Do you believe service providers able to provide expeditious remedy for complaint?
3. Do you believe a grievance handling officers able to perform their duty to investigate complaints logged by civil servants and submit recommendations?