

## THE ROLE OF SERVICE QUALITY ON PERFORMANC

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The South Sudan banking has seen momentous changes in the post-independence era. It has witnessed introduction of a remarkable shift in its operating environment during the last decade. Various reform measures, both qualitative and quantitative, were introduced with an objective to revitalize Indian banking sector and to meet the future challenges (Carlson, 2010). Every aspect of the functioning of the South Sudan banking industry, be it a customer service, resource mobilization, credit management, asset-liability management, investments, human resource development, and forex management are undergoing dramatic changes with the reforms gathering the momentum and speed. Several innovative IT-based services such as Automated Teller Machines (ATMs), electronic fund transfer (EFT), anywhere-anytime banking, internet banking etc. are being introduced in the South Sudan banking customers (Kassim & Abdullah, 2010).

The market is changing drastically and is becoming largely customer centric. From sellers' market the banks have been forced to operate in the buyer's market. The change is making the customer a king (Gounaris, Dimitriadis & Stathakopoulos, (2010). The customer, in future, will continue to demand new and better products, will switch to new providers quickly, will find information easily, and may even do more and more of 'legwork' personally. All of these factors mean more buying power for the consumer (Carlson, 2010). The key to success in the changed environment will be one's ability to reach the client at his doorsteps, and providing products and services in a customized manner. Thus, with these changes customers' expectations and perceptions of service quality are bound to change (Sangeetha & Mahalingam, 2011).

Today's customer is not going to settle on anything less than his/her expectations. To compete, successfully, with each other, banks are using different marketing strategies to live up to the customers' expectations and stay ahead in the league (Kassim & Abdullah, 2010). Banks have focused to develop strategies to differentiate themselves from their competitors and providing their customers with high quality banking services and highly technology innovative products. Due to the rapidly changing environment, interest rates risk management, service quality and customer satisfaction is gaining the greater attention of all banking institutions (Gounaris, Dimitriadis & Stathakopoulos, 2010).

Banking institutions are acknowledging that unless customer needs are taken into account in designing and delivering services, technical superiority will not bring success (Zeithaml and Bitner 1996). New marketing concepts and strategies are paying greater attention to identifying customer needs and expectation and offering high service quality to customer. As argued in literature of service quality, it is probably the effective measurement, management and improvement of risk management and service quality which will enable banking institutions to achieve a differential advantage over their competitors (Carlson, 2010). Service quality is measured using the SERVQUAL model from Parasuraman, (2004) with five dimensions; Tangibles, Reliability, Responsiveness, Assurance and empathy, representing service quality

- **Tangibility of services**

They are one of few dimensions that have been consistently used by different researchers (Bahia and Nantel, 2000). However tangibles refer to physical facets of service facility equipment, machinery signage, communication material (Parasuraman, 2004). It included the physical evidence of service except the personal appearance of staff which was included in human element dimension, employees and customers are usually influenced by the tangible facets of service in physiological, psychological, emotional and cognitive ways. The intangible aspects of the staff customer interface have a considerable influence both negative and positive in the service quality (Ghylin, 2008). Tangibility is associated with the impact on the customer's inferences about what service should be like and therefore will influence the evaluation of service quality (Parasuraman, 2004). Customer's perception of tangibles was generally considered important in the case of the banks than others.

- **Responsiveness**

This is the willingness to provide help and prompt service to customer (Parasuraman, 2004). Responsiveness concerns the willingness or readiness of employees to provide a service in such away as; mailing a transaction slip immediately, speed on mortgage conformation, updating accounts promptly (Kaltsatou, 2007). Ladhari 2008, suggests that efforts to increase speed of processing information and a customer is likely to a positive effect on customer satisfaction in retail banking. When a customer has a need, meet it, be easy accessible available to customer. Tangibles are associated with the impact on the customer's inferences about what service should be like and therefore will influence the evaluation of service quality (Parasuraman, 2004).

- **Empathy**

Empathy is the intellectual identification with or vicarious experiencing of the feelings, thoughts, or attitudes of another; the imaginative ascribing to an object as a natural object or work of art, feelings or attitudes present in oneself (Kaltsatou, 2007). It is the ability to understand and share the feelings of another. The staff of the bank should be able to provide personal care to the customers, understand my specific needs of the clients and have client's best interests at heart. They should also provide all information that is needed by the clients (Ladhari, 2008).

- **Reliability**

This refers to the processes, procedures and systems that would make service delivery a seamless experience (Ghylin, 2008). It highlighted whether the service delivery process wads standardized, streamlined, and simplified, so customers could receive the service without any problem. The structured aspects of service delivery processes have not ever been adequately studied (Kaltsatou, 2007). In literature there were few marketing scholars who have tried to focus on the importance of the structural content of service delivery in service quality evaluation. This structural content of the service delivery process is considered important in service quality evaluation (Ladhari, 2008).

- **Assurance**

This is the art of corporate governance in which a management provides accurate and current information to the stakeholders about the efficiency and effectiveness of its policies and operations, and the status of its compliance with the statutory obligations (Ladhari, 2008). Assurance makes the company receive customers' complaints with a positive attitude and the behavior of employees should be able to instill confidence in the clients. When making calls and using products of the company, clients should feel safe and employees should feel courteous. Professionalism should also be demonstrated (Ghylin, 2008).

In various studies the relationship between service quality and customer preference loyalty had been examined (Ghylin, 2008, Ladhari, 2009). In their study Grönross, (2007) focused solely on repurchase intentions, whereas Negi, (2009) focused on the elements of repurchasing as well as the willingness to recommend. In the study by Cronin and Taylor service quality did not appear to have a significant (positive) effect on repurchase intentions (in contrast to the significant positive impact of satisfaction on repurchase intention), whereas Fen & Meillian, (2005) found positive relationships between service quality and repurchase intentions and willingness to recommend.

## REFERENCE

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