

The Role of Indigenization on Service Quality: A Case of Zimbabwe's Banking Sector

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Abstract

This paper seeks to contribute scholarly knowledge on service quality, by exploring the role of indigenisation policy in the Zimbabwean banking sector. Our study adopted a multiple methods approach as a means to gaining richer data, and used questionnaires (81 respondents), personal face to face interviews (9), telephonic interviews (5) and participatory observations (14 days). We found that international commercial banks offer better service quality as compared to their indigenous counterparts. Banking practitioners, academics and the general research community stand to benefit from this paper as it awakens them to the attendant service quality issues that need to be taken cognizance of in their day to day running of commercial banks while also giving the academic and research communities a referral point and source of future research. We argue that if the policy of indigenisation is to be successful, then, there is need to deliver high service quality within the sectors affected by the policy.

Key phrases: commercial banks, indigenization policy, service quality, Zimbabwean banking sector

1. INTRODUCTION

The qualitative aspects of service quality are increasingly becoming of paramount importance (Fatima and Razzaque, 2014). In fact He and Li, (2011) suggest that “one of the most important investments in the service sector is in service quality” (p.77). However, in the services sector where products can be easily copied, Fatima and Razzaque (2014), argue that service quality now tends to delineate performers from non-performers. What's more it's becoming increasingly valuable to identify how service quality could drive and enable strong brand equity (He and Li, 2011). Extant literature in this domain views service quality as an important construct in explaining customer satisfaction, customer loyalty, customer retention and other relationship constructs (Fatima and Razzaque, 2014). Following the demise of a number of financial institutions in the Zimbabwean financial sector

crisis of 2004, there was a mass exodus of clients from fallen and mainly indigenous commercial banks as they largely gravitated to the safety of the multinational financial institutions. The perception held by most Zimbabweans was that multinational commercial banks offered better service quality in comparison to their indigenous counterparts, a position which on the face of it cannot be accepted. In the same vein, the enactment of the indigenisation policy in Zimbabwe stimulated research interest on multinationals as compared to indigenous corporations (Chagonda, 2012), and the commercial banking sector is not an exception. This study specifically centers on the comparison of service quality between multinational and indigenous commercial banks in Zimbabwe. Literature reveals that the indigenous commercial banks of Zimbabwe exposed their customers to long queues and underutilization of the Internet,

however the global banks had already integrated new technology and increased consumer confidence (Njanike, 2010). Given this background and the call for the academic world to bring their attentions to the significance of service quality (He and Li, 2011), this paper seeks to unravel the truth or falsehood of the perception that multinational commercial banks offer better service quality than their indigenous counterparts. There is apparent paucity in research on service quality in the banking sector, particularly in Zimbabwe, and in conducting this research, that gap is partially addressed. The purpose of this study therefore, is to critically gauge service quality levels in the Zimbabwean commercial banking sector, paying particular attention to indigenisation as a policy and its contributions thus far on service quality.

This paper contributes to the literature in marketing and consumer research in a number of significant ways. First, we test the major theoretical underpinnings of service quality for relevance in Zimbabwe's banking sector. The e-commerce aspect of service quality dimensions (E-S-QUAL) as noted by Parasuraman et al., (2005), Boshoff (2007) and Blut, Chowdhry, Mittal and Brock (2015) have intentionally been left out of this paper because it is an area that needs more focused attention, and the e-banking service in Zimbabwe was still at its development stage when this study was carried out. In this connection, it is hoped that future research will adopt a similar approach to this study and tackle this particular area more exhaustively. Comparisons are undertaken on how indigenous versus multinational commercial banks manage the service quality attributes. We demonstrate and explain the impact of the indigenisation policy on service quality, and the consequential impact that it may have on consumer demand for banking services. The current service quality theories are unable to account for the effects that we observe, particularly where consumer choice is limited within Zimbabwe. Guiding research questions included the following, inter alia:

- To what extent is the SERVQUAL model applicable in the Zimbabwean banking sector?
- How do the service quality levels between indigenous and multinational commercial banks compare?
- How can service quality be best improved in the Zimbabwean banking sector and how does the indigenisation policy play a part?

2. LITERATURE REVIEW

Prior research in marketing and consumer behavior has argued that adapting high service quality is important as it relates to costs (Karadeniz and Gozuyukari, 2016), profitability (Blut et al., 2015), customer satisfaction (Fatima and Razzaque, 2014), customer retention and positive word of mouth (Karadeniz and Gozuyukari, 2016). Othman and Owen (2002) note that provision of excellent service quality is not an optional competitive strategy, rather it is important for corporate profitability and survival. Whilst innovation in services is good, real long term success comes from service quality superiority (Fatima and Razzaque, 2014). In fact Bogomolova et al., (2009) uncovered that "consistent patterns in service quality evaluations were associated with differences in consumer behavior" (p.795).

Despite the well-documented impact of quality on organizational performance and its pervasiveness in the management and marketing literature (Karadeniz and Gozuyukari, 2016), there is no consensus yet regarding the meaning of the construct. Reeves and Bednar (1994) note quality as having been defined differently as excellence, value, conformance to specifications, conformance to requirements, fitness for use, loss avoidance, and meeting and / or exceeding customers' expectations. Within this paper, service quality is defined as a measure of the difference between consumers' pre-service delivery expectations and actual service delivery. Agreeing with Gronroos (2006), we are of the view that service quality is also the fulfillment of customers' expectations, and customer's

perception of service quality stands head and shoulders above all the other judgments that can be done (Karadeniz and Gozuyukari, 2016), and which are essentially irrelevant. According to Reeves and Bednar (1994), a universally acceptable definition of service quality is elusive because broad definitions (like meeting/exceeding customers' expectations, excellence) are difficult to operationalise, and more limited definitions (like conformance to specifications, loss avoidance) are not sufficiently comprehensive to capture the richness and complexity of the construct (Karadeniz and Gozuyukari, 2016).

Dimensions of service quality have been suggested by inter-alia Avkinan (1994), Stafford (1994), Gronroos (1988) however these dimensions have been surpassed by an instrument called SERVQUAL which was propounded by Parasuraman et al., (1988, 1991), and is most widely recognized when measuring service quality. SERVQUAL consists of a twenty-two item section measuring the service quality expectation within a specific sector and a corresponding twenty-two item section measuring the perception of service quality of a particular company in that sector. The instrument's scores were defined as the differences between the expected service quality and the perceived one. However Ladhari, Pons, Bressolles and Zins (2011) suggest that service quality measurements are the cornerstone of performance metrics for any service provider, therefore, suggesting that the banks within Zimbabwe would also need to take such measurements into consideration.

Given this background, our intention was to investigate and establish how indigenous versus multinational commercial banks handle the service quality attributes as given under the SERVQUAL model. Our alternative hypothesis was that: There is a difference in the quality of service between local and international commercial banks in Zimbabwe.

3. METHODOLOGY

The population of the study consisted of commercial banks in Zimbabwe and customers thereof that were split bankers (i.e. where they

held at least an account with an indigenous commercial bank and another account with an international commercial bank based in Zimbabwe). The study adopted a multiple methods approach using methods from both the positivist and interpretivist paradigms, as a means to gaining richer data. The total data set included questionnaires (81 respondents), personal face to face interviews (9), telephonic interviews (5) and participatory observations (14 days). The total population could not be determined as we worked with split bankers (i.e. customers with at least an account with one indigenous and one international commercial bank based in Zimbabwe), whose number was difficult to ascertain.

Validity means an instrument's ability to measure what it originally intended to measure (Saunders et al., 2009). Before distribution of the survey instruments to the sample, a pilot study was conducted which sought to pick any mistakes, ambiguous or confusing questions. The pilot study is a vital method of detecting any flaws in questionnaire design in terms of validity, reliability and practicality. A major strength of pilot studies is the method's proactivity as opposed to reactivity (Creswell and Clark, 2011). The questionnaire was pilot tested with five split bankers (pilot respondents). They were requested to provide feedback on key aspects of questionnaire construction and contents, which feedback was used in reviewing the research instrument.

According to Yin (2009), internal validity refers to the applicability of data analysis techniques to the researched issues. The researchers tried to demonstrate how data analysis techniques sufficiently addressed the research objectives. As recommended in literature, the use of methodological and data triangulation in this study is a dependable method of enhancing validity and reliability of research (Yin, 2009). A glaring limitation of the study is the fact that it was conducted in one country. Future researches could consider almost similar studies in other countries.

4. RESULTS AND DISCUSSION

The total number of questionnaires distributed was 120, of which 23 were not returned, 16 were spoilt and were unusable, leaving us with the 81 usable questionnaires. The 67.5% response rate is generally acceptable and does not compromise the generalizability of findings (Yin, 2009)

In the survey, more males (54%) responded as compared to females (46%). The bulk of the respondents (38.3%) were in the 30 – 39 years age group followed by the 20 – 29 years age group (28.4%). The distribution is understandable in that the 20 – 49 years age group is typical working population who can afford split banking as compared to other age groups who are either children/students or retirees/old age. In terms of employment status, 59.3% of the respondents were employed, followed by the self-employed (33.3%) and the unemployed (7.4%).

Insights that were obtained from face to face interviews, telephonic interviews, and participatory observations helped to generate a hypothesis, which was then tested using insights from the questionnaire results, particularly a question that read: “Please rate your banks’ quality of service”, among other variables measured. The response to the question was in the form of a five-

point Likert-style scale used to reflect customers’ satisfaction levels, comprising of categories such as extremely dissatisfied; somewhat dissatisfied; neutral; somewhat satisfied; and very satisfied. It was hypothesized that:

H1: There is a difference in the quality of service between local and international commercial banks in Zimbabwe.

The chi-square sample statistic (calculated) is 84.6654 (see table 1), which lies outside the area of acceptance (i.e. it is greater than 9.488). Therefore, using a 5% level of significance, the null hypothesis is refuted and it can be concluded that international commercial banks offer better service quality as compared to their indigenous counterparts operating in Zimbabwe.

Consumers have service quality perceptions that emanate from the service quality dimensions that they deem important. The twenty-two dimensions of service quality, as suggested by Parasuraman (1985), were rated on how much importance customers placed on each. All dimensions were found to be highly rated by Zimbabwean commercial bank customers. For each dimension, comparisons were drawn between local commercial banks and international commercial banks in Zimbabwe.

TABLE 1: Chi-Square Sample Statistic Computations

Type of bank	Cell	Fo	Fe	(fo-fe)(fo-fe)	(fo-fe)(fo-fe)/fe
International	1	0	2	4	2
	2	0	2	4	2
	3	14	33	361	10.9394
	4	23	50	729	14.58
	5	44	75	961	12.8133
Local	1	2	2	0	0
	2	2	2	0	0
	3	19	33	196	5.9394
	4	27	50	529	10.58
	5	31	75	1936	25.8133
Chi-square sample statistic calculated					=84.6654

Table developed by researchers

Where *fo* is the observed frequency; *fe* is the expected frequency, and 84.6654 becomes the computed Chi-square statistic for exposure to the decision rule at the 5% level of significance.

4.1 Servqual Model In Zimbabwe’s Banking Sector

The five dimensions of service quality as propounded by Parasuraman’s research team (represented by the SERVQUAL instrument) were investigated in the context of the Zimbabwean

commercial banking environment. People have service quality perceptions that emanate from the service quality dimensions that they deem important. The dimensions that were rated as important by Parasuraman et al (1988; 1991) could not automatically be imposed on the Zimbabwean environment unless research findings warrant that. The research established that all the twenty-two dimensions were highly respected by Zimbabwean bank customers implying that Parasuraman's model is compatible with the Zimbabwean market and can accordingly be used in gauging service quality levels there in. Qualitative findings on each dimension are given below.

4.1.1 Modernisation

Technology falls under the “tangibles” of services. For excellent service delivery, there should be reliable support systems that do not allow any room for blemishes. One feature of services that makes them complex to manage is inseparability i.e. in services there is high customer contact, where everything is visible to the customer. There is need therefore to manage impressions by conforming to, or better still, exceeding customer expectations. Technology in almost all the commercial banks, local and international, was found to be modern in outlook. A few local commercial banks however were critiqued for having banking halls without air conditioners; hence these banking halls were unbearably stuffy at times.

To augment the friendliness of service in most banking halls, television sets were commonly used to entertain customers while they carried out their transactions. Commenting on introduction of televisions in banking halls, one respondent had this to say:

“While the development is a welcome one, commercial banks ought not to relax and allow long and slow moving queues to be the order of the day, because customers are well entertained” (Respondent 1).

On the use of technology, Govender (2001), quotes Berry (1986) and suggests that a “high-touch” approach to services must be implemented

in conjunction with the “high-tech” approach, thus implying the complementarity of diligence of service provider and associated gadgetry.

4.1.2 Aesthetics

Commercial banks in Zimbabwe ought to address aesthetics in order to meet or exceed customer expectations. Results from interviews indicated that both local and international commercial banks maintained pristine and ambient environments. In his popular eight dimensions of quality, David Garvin in Juran (1981) includes aesthetics that is appearance, style, class and impression. Naturally, appearance and styles come in different forms, and respondents sometimes outlined one or two styles that they did not like. Respondents did highlight the importance of continuous improvement in the appearance and styles of physical facilities. Incidentally, continuous improvement orientation is one of the core concepts of total quality management.

Gronroos (1984) postulated that service quality is dependent upon the service that the customer expects and the perceived service. The experienced quality consists of two dimensions, namely technical and functional quality. Technical qualities refer to technical ability or know how that a company possesses; it is an objective assessment (the “what”) comprising such issues as technical solutions, machines, computerized systems and know how. If this is lacking then quality is compromised. The study revealed that in a number of local commercial banks one could not make a withdrawal at a branch that was not the domicile. Either there would have to be prior arrangements for the withdrawal or the customer would have to go to the domicile branch. These are the basic areas customers look at when considering service quality and such a glaring lack of technical expertise is unforgivable to customers when they rate service quality. With services, it is important to know customers' needs and also what competitors are offering. Benchmarking certain operations against those of competitors may be a viable option as one respondent highlighted:

“Local banks should copy from market leaders on how best to conduct certain operations”(Respondent 6).

Where there are modern looking computers and environs, one would expect to have real-time transaction processing and system agility where customers from any branch of the bank can transact at other branches as if it were their domicile branch. Findings from interviews and participatory observations show that this was not the case. A number of local commercial banks were not on-line in respect of their computer systems i.e. a transaction would have to take a day or so before it reflected on all the machines on the network though in some instances they still claimed that their systems were online. It would appear therefore that their systems were more often than not offline. A number of local banks did not have customer signature details on systems of other branches therefore customers could only transact at their domicile branches, and where they wanted to transact elsewhere, prior arrangements had to be made and even if such arrangements were made, they would wait in the banking hall for sometime before they would get the service. International commercial banks were all on-line. It is vital to have systems that are able to meet challenges of the ever-changing needs of customers. Technology has to be fit for the purpose expected by customers.

4.1.3 Time

Time factor is of central importance in services, and if one fails to get the service at the time expected, then it amounts to a blemish on the service provider's part. Quality means a complete absence of blemishes. Most respondents cited that commercial banks across the board failed to meet their promises when it came to cheque book and card deliveries. Customers would make various inquiries before they were given the cheque book or card. In total quality management literature, anything that annoys or frustrates customers is termed waste, and it must be avoided at all costs for excellent service quality delivery.

85% of the respondents cited that both their banks were compliant to this dimension. Isolated

cases were raised where wrong entries would appear on customers' statements and later on reversed. Also some transactions, for instance deposits, would at times be entered in a different account altogether, and upon complaining it would take time before the deposit was rightfully entered to the correct account.

In services, blunders are inadmissible to customers and a mistake done is permanent in the customer's mind. Though letters of apology with wonderful verbiage may be drafted, customers have zero tolerance on any form of error. Mistakes are final and are a death nail – they destroy business, and must be avoided as much as practically possible.

It was found that all commercial banks opened at 08.00 hours, in the morning and closed their doors to the public at different times ranging from 1600hrs to 1730hrs during week days and 1300hrs to 1400hrs on Saturdays. These times were respected and upheld by Zimbabwean banks as reflected by 90% of the results that were in the affirmative. Automated teller machines (hereinafter called ATMs), mainly for local banks were said to be more often than not displaying the message: *“Machine temporarily out of order”*. By their nature and also as displayed, these machines are meant to be round the clock service points but this is not the case with most local banks where the machines are always out of order. Upon inquiry, it was revealed that the machines would have either run out of cash or faced some information technology related challenges, rendering them malfunctioning. Going to any other ATM would not help as they would give the response, “Issuer not available”. Time is of prime importance in services, and any temporary disruption in ATMs is a compromise in service quality. Local commercial banks, in this respect, lack technical quality, which Gronroos (1984) defines as technical ability or know-how that a company possesses; it is an objective assessment (the “what”) comprising such issues as technical solutions, machines, computerized systems and know-how (Karadeniz and Gozuyukari, 2016). Technology must facilitate service provision but where the technological tools are unreliable, as

with ATMs for local commercial banks, it is frustrating to customers, as illustrated by the extract below:

“One wonders as to why ATMs for local commercial banks only perform so badly...” (Respondent 3).

Among David Garvin's eight dimensions of quality is performance, which is the operating characteristic of a product or service and reliability. Performance also looks at what may go wrong and how often. There is need for local commercial banks to employ robust automated teller machines that totally eradicate blemishes.

Employees of the bank must be able to tell customers exactly when a service will be performed. This boils down to customer focus, which is a basic tenet of total quality management. When customers are in a queue, it must be known that customers will have been served within a given number of minutes or so. It was noted through interviews and participatory observations that local commercial banks usually had long and slow moving queues. Because ATMs would be malfunctioning, customers tended to throng to the banking halls, making queues unbearably long. It was found out that one of the major reasons why queues in local commercial banks did not move fast enough was because tellers constantly visited their back office for transaction authorizations. A lot of time was spent in the movements to and from back office so much that queues moved at a sluggish pace.

One interviewee had this to say, *“It must be stressed that customers have time frames for certain activities. There are natural tolerance limits to waiting and in this regard, services need to be expeditiously delivered to reduce customer waiting time”*. An alternative could be to provide something for customers to while up time while they wait. This was a common feature in almost all commercial banks as they had television sets meant to entertain customers. A respondent in one of the interviews stated, *“In as long as customers are happy with the service quality, i.e. if queues are moving fast, they tend to enjoy the entertainment provided by the televisions but where they are unhappy with the service quality,*

the televisions do not entertain them at all. Commercial banks that have this problem need to study how their better performing competitors manage tellers so that they may operate along the same lines”. The statement falls into synchrony with Mabert (1992) and Blut et al., (2015) who note that managers must look beyond their own corporate walls to determine the best practices for designing, producing and delivering a product or service. Everyone must recognize that someone else, who is somewhere else, is probably doing something better than the firm is. So the firm must thoroughly understand its competitors. What are they doing? In what ways are they better? How can the firm improve? It means steadily progressing and actively challenging all to engage in non-traditional thinking.

One of the principles of service quality management is that decision making needs to be decentralized and frontline employees have to be empowered to enable them make prompt decisions at customer interfaces. Supporting this principle, Zeithaml, Parasuraman and Berry (1990) note that employees who have more control over their immediate job environment tend to be more committed and focused; thus front-line employees should be encouraged to take full responsibility for their tasks and unnecessary restrictions be abolished. Noteworthy here is the fact that banking is a delicate business, and a loose arrangement in terms of responsibility may lead to operational problems. Hartline and Ferrel (1993) agree and state that while it may be argued that more freedom in the workplace will lead to improved service quality, caution must be exercised in that empowerment of employees increases role ambiguity. Benchmarking against market leaders is vital to come up with a workable system of teller operations as noted by Fatima and Razzaque (2014) and Zairi (1998) who submit that benchmarking is used as an enabler for achieving and maintaining high levels of competitiveness through emulating the best by continuously implementing change and measuring performance.

It was found from the participatory observations that staffing levels, particularly of tellers, in both some local and some international

commercial banks were low. The need to attend to customer requests quickly was compromised as a result. Further research on this aspect revealed that banks were attempting to cut down on manpower costs hence the low numbers of tellers. In a banking hall with a capacity of twelve tellers, for instance, there could be only three tellers manning the bank. This resulted in the few being overworked and ending up unable to serve customers fast enough.

It was learnt from the research that both local and international banks' operations during daytime were generally convenient to most people. There was a problem however with automated teller machines (ATMs), particularly for local commercial banks. While the machines are meant to be round the clock service centers, most of the time they are down and malfunctional. This compromises service quality as delivered by local commercial banks. In a discussion and case study, Stafford (1996) finds seven factors as determining bank quality and among them is the number of accessible and working ATMs.

The respondents said that international commercial banks borrowed robust information technology systems from their mother companies abroad, which would have tested the systems for some time. Respondents further cited that employees for the international commercial banks sometimes get seconded to their mother companies abroad, concretizing their skills in quality management. Conversely, local commercial banks had to test the systems themselves for some time hence the phenomenon of malfunctional machines most of the times. Another respondent (Respondent 5) stated that *one thing about customers is that they just want a perfect service and the service provider has to do their homework on how best to provide a defectless service.*

4.1.4 Sympathy and Reassurance In Solving Customers' Problems

It must be visible to the customer that the bank is sympathetic. Respondents cited that where things went wrong, banks normally wrote letters of apology to customers, and in other cases the bank

employee concerned would actually be made to verbally apologize to the customer in front of a senior member of staff. Respondents, however, were quick to highlight that sincerity of sympathy and reassurance were proved by non-recurrence of a similar mistake in future. This means that the bank has to work on its staff attitudes and systems to avoid repeated customer complaints. Ladhari et al., (2011) maintain that managing quality in services depends on getting the right balance between techniques and methods for improving processes and systems, staff attitudes, behavior and service culture. For customer retention and positive word of mouth, it is prudent to over compensate customers when things go wrong. Profitability however may be threatened where systems are not intact and customers complain consistently.

4.1.5 Confidence and Trust

Seventy two percent (72%) of respondents mentioned that they were particularly disturbed by employees who seemed not to know what they would be doing especially in the face of pressure. Some reception clerks, the findings revealed, could not give straightforward responses when asked simple questions by customers. As noted by respondents, customers would end up asking to see someone senior to get the right information. Respondent 8 highlighted, *"Customer service in banks is generally concerned with management of the customer interface, and in this respect it is important to have seasoned employees at reception to avoid customer loss of confidence in employees"*.

The respondent further noted, *"A feeling of confidence and trust generally comes from a display of knowledge and confidence usually by front-line employees"*. This echoes Karadeniz and Gozuyukari (2016) observation where they note that in services, unlike in products where a product can be inspected for conformance before consumption, there is simultaneity of production and consumption. Training of employees and high motivation standards are critical for this aspect to be well addressed. Supporting this notion, Gilbert and Parhizgari (2000) report on attributes that tend

to increase employee motivation and these include supportive policies toward the workforce, good working conditions (health and safety), comparatively high salary and benefits and positive supervisory practices. These and other factors yield workforce pride and loyalty, which in turn lead to enduring customers whose continued loyalty and patronage will further the organization's long term profitability.

Eighty one percent (81%) of interviewees cited that the new entrant local banks were not reliable enough especially given the rate at which some new local commercial banks were closed on account of mismanagement and various other reasons. A feeling of safety comes from an understanding of how financially solid a bank is, whether it is operating within regulatory parameters and also on whether there is any form of insurance in the event of bank collapse. While international commercial banks were all rated by respondents as safe investment destinations, a few local commercial banks were singled out as safe especially those that were owned by government.

4.1.6 Knowledge

It was revealed by seventy three percent (73%) of the respondents that tellers usually do not know bank products and cannot give correct answers to customers when asked. Rather they tend to direct customers to their inquiries counters for assistance. It is critical to note that management of service quality is primarily concerned with managing the delivery interface, and this implies having front-line employees who are equipped with the necessary skills and knowledge to manage customer impressions. Training is vital for a successful quality culture. Areas of training should basically include quality management principles, team skills, problem solving and product knowledge. The notions "*quality begins with me*" and "*I can make a difference*" should be elevated from slogans to guiding principles. They must be sensed instinctively by everyone, and taken to heart (Cherkasky, 1992). Customers normally want to ask all their questions at one point in the bank, and not to go to the inquiries desk again to ask for the same information that

they would have wanted to be advised by a teller or other employee of the bank.

Bergman and Klefsjo (1994) conclude that much of service quality is related to moments when the service supplier and the customer meet face to face. This "moment of truth" is also a "moment of possibilities" since the supplier can really convince the customer of service excellence. Concurring with this view, Schneider, Parkington and Buxton (1980) and Lahari et al., (2011) note that among the various dimensions, bank customers judged service quality on teller competence, selling and employee attitudes. Front-line employees therefore need to be made to appreciate the importance of service quality and customer care.

4.1.7 Individualised Attention

The study findings revealed that levels of individual attention differed from one bank officer to the next and from one bank to the other. Seventy nine percent (79%) of the survey responses showed that international commercial banks offered better individualized attention to their customers than the local commercial banks. With international commercial banks, it appeared that their banking halls were normally uncongested. Banking halls for the bulk of local commercial banks were more often than not crammed by customers, most probably because they pursue the mass market approach and therefore have more customers as compared to the international commercial banks and also most likely because their ATMs were normally down. As a result Relationship / Personal bankers looked too busy all the times with long queues of customers waiting to be served. Customers would not be able to exhaust all their questions as it appeared like they would be delaying others in the queue. This is illustrated by the statement below:

"Banks need to find a better way of approaching the modalities of such officers' operations so that they are more accessible to customers" (Respondent 9).

Othman and Owen (2001) observe that heterogeneity creates a challenge for quality management in services. Quality management in

services is not just conformity to standards but takes into account service diversity of customers while the service delivery is taking place. Training is emphasized again for employees to understand the diversity of their customers and be able to treat each with a level of professionalism that leaves no room for blemishes.

As discovered from the research, local commercial banks' banking halls were usually congested with customers and it was difficult for bank employees to effectively afford their customers adequate personal attention. Employee attitudes have a big part to play as customers look for positive attitudes in bank employees for a more fulfilling service encounter. Ladhari et al., (2011) corroborate this view where they mention that functional quality is a subjective assessment comprising attitudes, internal relations, behavior, service mindedness, appearance, accessibility and customer contacts. He goes on to prescribe that functional quality could be improved by ensuring satisfying service encounters and maintaining good interpersonal relations.

It was also noted from fifty two percent (52%) of survey responses that long queues at ATMs were partly a result of customers not able to use the machines well. It was noted in participatory observations that a customer would take suspiciously long periods of time glued to the machine without knowing what to do next. Security personnel manning the machines would come and assist but such confused customers would resurface with a frequency that boggled the mind. Customers in the queue were gravely inconvenienced as a result. It appeared like commercial banks were ignoring their old practice of teaching customers how to operate ATMs. "That personal touch is slowly fading away", an interviewee observed. It is important to teach customers on the utility of service and how to operate the ATMs so that customers do not unnecessarily inconvenience each other thereby compromising service quality levels.

Berry (1986) is quoted by Govender (2001) as suggesting that a "high-touch" approach to services must be implemented in conjunction with a "high-tech" approach. Service personnel, by

implication, have an important role to play. Schneider et al (1980) also mention employee attitudes as key to service delivery. Managing quality in services depends on getting the right balance between techniques and methods for improving processes and systems, staff attitudes, behavior and service culture.

All commercial banks, it was revealed by the study findings, still need to do a lot to meet this dimension of service quality. Respondents highlighted service products that were introduced by various commercial banks that attempted to address customers' best interests but notwithstanding all this, a lot more effort was needed to effectively address customers' best interests. Employee attitudes and etiquette seem more important here, implying the need for continuous employee training on customer care and related subject areas.

From the research, both local and international commercial banks were almost at par in terms of this dimension. It was clear from the research however that by and large employee attitudes are critical for this dimension to be adequately addressed. Zeithaml et al (1990) state that "service quality is similar in many ways to an attitude". Emphasis on training is again made, as employees need to be comfortable in dealing with different customers with obviously different attitudes. One difficulty with services is that assessments of service quality may vary from one moment of truth to the other. As employees go through various training modules, they are more open-minded and become more and more comfortable when dealing with different customer classes. While emphasis on training has been made in various discussions, banks need to remain cognisant of the need to keep quality improvement costs low. Total quality management stresses the need to keep operational costs as low as possible, and in this light it would be worthy considering how best training can be conducted in the interest of keeping costs low.

4.1.8 Teamwork

It was noted from the research that there was an element of disjointedness in bank systems and

operations so much that there would be need for teamwork if quality has to be improved. There is top management; middle and lower level management, there are also different branches and support units, all with different but interrelated functions. Such diversity calls for a central office that could spear head all quality initiatives in liaison with the whole bank. The office would ideally draw ideas from all functions within the bank and strive to meet customer requirements by setting new standards to be upheld by the bank. Having the office report to a director or other senior manager could ensure top management involvement. The criticality of top management involvement in issues of quality is also underlined by Juran (1974) when he says:

“Top management commitment has been identified as one of the major determinants of successful total quality management implementation”.

The office would constantly conduct customer satisfaction assessments and give feedback for further improvement. It was noted from the research that marketing or public relations units are so much engrossed in their traditional functions that they tend to neglect the area of measuring customer satisfaction for the sake of effecting improvements. The central quality office would be better positioned to tackle this challenge. Supporting this point Tucker and Gulbro (1995) argue that by continuously communicating with customers through measurement programs, effective banks monitor the success of their marketing plan, public relations and customer satisfaction. Customer satisfaction measurement must become a bank standard, continuously and rigorously carried out (Karadeniz and Gozuyukari, 2016).

5. CONCLUSION AND RECOMMENDATIONS

The paper intended to find the applicability of the SERVQUAL model in the Zimbabwean market and further to measure and compare service quality levels between indigenous commercial banks and international commercial banks based in Zimbabwe, based on the SERVQUAL model whilst simultaneously looking at the effects of

indigenization as a policy. The research findings revealed that the SERVQUAL model is applicable in the Zimbabwean market as shown by the high levels of respect accorded to the SERVQUAL features by respondents. The research further revealed through both qualitative and quantitative results that indigenous commercial banks lag behind their international counterparts in terms of service quality provision. It can be concluded from the research that the SERVQUAL model as propounded by Parasuraman et al (1998), is applicable in Zimbabwe and is recommended for use by banking practitioners pragmatically as well as by academicians and researchers for service quality related researches in the Zimbabwean financial sector.

While both statistically and qualitatively, local banks have been proved to lag behind their international counterparts, it is worth pointing out that the international commercial banks have areas that need to be attended to for better service delivery. It is important to note that it might be because of their numbers that local commercial banks tend to display lower service quality levels than international banks. International banks, it was noted from the study, tend to concentrate on market clichés than local banks which normally focus on the mass market approach. It is in the interests of indigenous banks to meet the mass markets' needs for enhanced service quality provision.

A number of recommendations as drawn from the conclusions made are given, mainly focusing on encouraging commercial banks to be more pragmatic in their approach to service quality management. The major theoretical underpinnings of service quality are tested for relevance in Zimbabwe, comparisons are done on how local versus multinational commercial banks handle the service quality attributes interalia, culminating in qualitative as well as quantitative data analysis which confirm the perception that multinational commercial banks in Zimbabwe have an upper hand in terms of service quality provision as compared to their indigenous counterparts. The results have implications beyond just the banking sector, but on indigenisation policy in general.

We argue that if the benefits of indigenisation have to be realized, then, there is need to deliver high service quality within the sectors affected by the policy. A lower level of service quality has implications on customers' trust, satisfaction, and confidence with the banking system and therefore in the banking brand. This might result in low business activity, and a loss of the much needed financial capital to keep the banks running, and consequently impacting on investor confidence.

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