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The Influence of Reliability of the Bank's Services on Organizational Performance at Stanbic Bank, Mbarara City Branch

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Abstract
This study investigates the relationship between customer service and organizational performance at Stanbic Bank's Mbarara City Branch. Employing a case study design, the research utilized questionnaires and interviews to collect data. Descriptive statistics, including frequencies, means, and regression analysis, were used to analyze the variables. The findings reveal a positive correlation between the reliability of bank services and organizational performance, indicating that a one-unit increase in service reliability is associated with a 5.32-unit increase in organizational performance. The low p-value (<0.001) confirms the statistical significance of this relationship. The study concludes that reliable bank services are crucial for organizational performance. Recommendations include strengthening regulatory frameworks to encourage financial institutions to prioritize service reliability and investing in staff training programs to enhance service quality.

Key words: Influence, reliability, bank's services, organizational performance.

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Introduction
Customer service is the assistance that is provided to customers before, during, and after the purchase or service. It may involve answering questions, resolving concerns, or troubleshooting problems (Buttle & Maklan, 2019). World over, Customer service is a critical aspect in the attraction, satisfaction and retention of customers. In a 2017 survey, there was a more than 60 percent share of customers who had contacted customer service for various reasons in the United States (Gunarathne et al., 2018). Across Europe, consumer expectations are rising, meaning that whatever industry or country you operate in, the customer experience you provide is critical to winning and retaining their loyalty, now and in the future (Lundaeva, 2018). Shokouhyar et al., (2020) hold that good customer service involves providing support to a customer in a way that is satisfying to the customer and resolves their concerns or answers their questions about a product or service.

In Uganda, given the slow economic growth and tightened margins, banks should be focused on their most important stakeholders-customers. Customers are changing their behaviors and demanding lower fees for higher levels of service or other improvements. Customer satisfaction and trust levels of service or other improvements. Customer satisfaction and trust levels remain low globally and customers are demanding more customized attention, products and services from their banks (Zouari & Abdelhedi, 2021).

Stanbic Bank is one the leading commercial banks in Uganda with a wider customer base of 572,168 customers and 69 branches country wide (Stanbic Bank Annual Report, 2021). The bank runs a comprehensive, elaborate and robust customer service policy geared towards providing an exciting experience for its customers (Stanbic Bank Annual

Report, 2021). Service quality and customer satisfaction are important aspects of business since a company's growth is largely dependent on how well it maintains its customers through service and how well it keeps the customers satisfied (Wubo, 2018).

Despite the above policy, the bank recorded a decline in activit. It reported a fall in net profit and set aside Shs.91.7 billion to cover potential losses from doubtful and bad loans in 2020, more than twice the Shs.43.5 billion provisions made in 2019. The bank's net fees and commissions income also dropped to Shs.157.2 billion, 2.3 percent lower than in 2019 and down from the 17.9 percent growth registered that year (Uganda Business News, 2021). According to Daily monitor (2021), the bank registered a 6 percent decrease in total income to Shs314 billion in June 2017, down from Shs334 billion in June 2016. Therefore, this study sought to find out the effect of customer service on organizational performance with a case study of Stanbic Bank, Mbarara City branch.

Purpose of the Study

The study sought to establish the relationship between customer service and organizational performance at Stanbic Bank, Mbarara City Branch.

Literature Review

Reliability signifies the capabilities of the provider of a service to do the promised service accurately and dependably. This can be overcome by delivering on the promise of giving right services to customers, ensuring stability in performance and doing the right services rightfully the first time. Reliability also entails correct order fulfilment, correct transactions record, accurate transaction quotes, accuracy in billing transactions, accuracy in calculating commissions. This element includes the regularity and reliability of service in respect to customer premises (Shokouhyar et al., 2020). Reliability is essential to employee performance. It consists of the extent to which an individual or other entity may be counted on to do what is expected of him. Examples of being reliable include showing up for work on time, competing tasks in timely manner and fulfilling promises. While individual reliability is essential in the work place, other forms of reliability also affect employee performance. Management reliability, as well as the reliability of the performance management process are crucial (Phadermrod et al., 2019).

The most important asset of any organization is its customers. An organization's success depends on how many customers it has, how much they buy, and how often they buy. Customers that are satisfied will increase in number, buy more, and buy more frequently. Satisfied customers also pay their bills promptly, which greatly improves cash flow-the lifeblood of an organization. Total Quality Management (TQM), implies an organization obsessed with meeting or exceeding customer expectations, so that customers are delighted. Understanding the customer's needs and expectations is essential to winning new business and keeping existing business. An organization must give its customers a quality product or service that meets their needs at a reasonable price, which includes on time delivery and outstanding service. To attain this level, the organization needs to continually examine their quality system to see if it is responsive to ever changing customer requirements and expectations (Abualoush et al., 2018).

Service organizations will reflect performance in service delivery, innovation, creativity and quality of work done (Tajeddini et al., 2020). Being reliable and delivering quality work and exceeding expectations can make or break the business over time. Reliability is just as crucial for the small tasks as it is for the more significant money-making projects. This quiet, consistent approach to delivering quality work can give your employer the edge in a highly competitive market. This can mean steady income and job security for everyone in the business (Serafimovska, 2020). Reliability and quality cannot be treated as separate entities and both are affected throughout the entire product life cycle. According to the American Society for Quality, reliability has sometimes been classified as how quality changes overtime (Anning-Dorson, 2018).

Methodology

This study employed a case study research design, using both qualitative and quantitative approaches to explore the relationship between customer service and organizational performance in a bank setting. The study population consisted of 360 bank customers and 15 bank employees, with a sample size of 201 respondents. Data was collected through questionnaires and interviews, with purposive sampling used for employees and simple random sampling for customers. The data was analyzed using SPSS for quantitative data and content analysis for qualitative data, with descriptive statistics and themes generated to answer the research questions. The study aimed to triangulate data sources to validate the findings, and used a range of data collection and analysis methods to gain a comprehensive understanding of the research phenomenon.

Results

Data were obtained from bank customers, branch managers, customer relations officers, operations officers, and loans officers. This was presented at three levels, namely; univariate and bivariate analyses. Univariate analysis included frequencies percentages and mean scores. At bivariate analysis Pearson coefficient correlation was used to determine the influence of reliability of the bank services on organizational performance at Stanbic Bank, Mbarara City branch. The results were based on 5-point Likert scale where 1=strongly disagree, 2=disagree, 3=undecided, 4=agree, 5=strongly agree. Mean scores more than 3 meant agreeing the statement, while mean score less than 3 meant disagreeing the statement.

Table 1: Frequencies, percentages, and mean scores regarding respondents' responses on reliability of the bank services (n=186)

Reliability and Organizational Performance	5 f(%)	4 f(%)	3 f(%)	2 f(%)	1 f(%)	Mean Scores
Services are offered to customers accurately	45 (24.2%)	80 (43.0%)	30 (16.1%)	20 (10.8%)	11 (5.9%)	4.13
The bank ably performs the promised services dependably	40 (21.5%)	70 (37.6%)	40 (21.5%)	25 (13.4%)	11 (5.9%)	3.98
The services offered at the bank are consistently well	50 (26.9%)	60 (32.3%)	40 (21.5%)	15 (8.1%)	21 (11.3%)	3.98
The bank's lending rates are good	35 (18.8%)	65 (34.9%)	40 (21.5%)	20 (10.8%)	26 (13.9%)	3.74
The bank has a framework of keeping customers' account information confidential	59 (31.7%)	45 (24.2%)	40 (21.5%)	26 (14.0%)	16 (8.6%)	3.99
Overall Mean Score						**3.96**

Table 1, provides insights into respondents' perspectives on the reliability of services offered by Stanbic Bank, Mbarara City Branch, Uganda. The frequencies, percentages, and mean scores shed light on various aspects of organizational performance in terms of reliability. Firstly, in terms of accuracy in service delivery, a majority of respondents, 43.0%, agreed, and 24.2% strongly agreed that services are offered to customers accurately. The mean score of 4.13 indicates a notably high level of agreement among respondents regarding the accuracy of services provided.

Regarding the bank's ability to perform promised services dependably, 37.6% agreed, and 21.5% strongly agreed. The mean score of 3.98 suggests a generally positive perception, though slightly lower compared to accuracy. In terms of consistently well-performing services, 26.9% strongly agreed, and 32.3% agreed. The mean score of 3.98 is consistent with the previous aspect, indicating a positive but not overwhelmingly strong perception.
Moving on to lending rates, 34.9% agreed, and 18.8% strongly agreed that the bank's lending rates are good. The mean score of 3.74 suggests a moderately positive assessment of the bank's lending rates. In terms of maintaining the confidentiality of customers' account information, a significant majority, 31.7%, strongly agreed, and 24.2% agreed. The mean score of 3.99 indicates a robust agreement among respondents regarding the bank's framework for keeping customer account information confidential. Overall, the mean score across all aspects of reliability and organizational performance is 3.96, reinforcing a positive collective perception among respondents regarding the reliability of services provided by Stanbic Bank, Mbarara City Branch, Uganda. This suggests that, on average, respondents view the bank's services as accurate, dependable, consistent, and confidential.

Table 2: Frequencies, percentages, and mean scores regarding respondents' responses on organizational performance (n=186)

Organizational Performance	5 f(%)	4 f(%)	3 f(%)	2 f(%)	1 f(%)	Mean scores
The products and services offered meet the diverse needs of customers	40 (21.5%)	80 (43.0%)	25 (13.4%)	25 (13.4%)	16 (8.6%)	3.98
The bank effectively promotes its brand to maintain and increase its market share	30 (16.1%)	70 (37.6%)	25 (13.4%)	35 (18.8%)	26 (13.9%)	3.62
The bank demonstrates efficient financial management practices leading to consistent profitability	45 (24.2%)	60 (32.3%)	20 (10.8%)	35 (18.8%)	26 (13.9%)	3.74
Customers believe that Stanbic Bank's financial performance positively impacts their trust in the institution	35 (18.8%)	55 (29.6%)	31 (16.7%)	40 (21.5%)	15 (13.4%)	3.51
Bank demonstrates significant growth in its customer base over the past years	36 (19.4%)	50 (26.9%)	37 (19.9%)	35 (18.8%)	28 (15.1%)	3.55
Overall Mean Score						**3.68**

Table 2, presents the respondents' perceptions regarding various aspects of organizational performance. The first aspect, "the products and services offered meet the diverse needs of customers," reveals a majority agreement, with 43.0% strongly agreeing and 21.5% agreeing. This suggests that a significant proportion of respondents find that the bank's products and services effectively cater to diverse customer needs. The mean score of 3.98 further supports the positive sentiment, portraying a robust average agreement among respondents. Moving on to "The bank effectively promotes its brand to maintain and increase its market share," the majority of respondents, at 37.6%, agree, and 16.1% strongly agree. The mean score of 3.62 suggests an overall favorable perception, though not as strong as in the previous category.
The third aspect, "The bank demonstrates efficient financial management practices leading to consistent profitability," shows a majority agreement, with 24.2% strongly agreeing and 32.3% agreeing. The mean score of 3.74 indicates a positive average perception among respondents regarding the bank's financial management practices and consistent profitability. Regarding the

statement, "Customers believe that Stanbic Bank's financial performance positively impacts their trust in the institution," the majority of respondents agree (29.6%), and 18.8% strongly agree. The mean score of 3.51 suggests an overall positive but slightly lower perception compared to the previous categories.

For the statement on the "Bank demonstrates significant growth in its customer base over the past years," the majority agree (26.9%), and 19.4% strongly agree. The mean score of 3.55 indicates a moderately positive perception of the bank's growth in its customer base. The overall mean score for organizational performance across these indicators is 3.68, reinforcing a generally positive perception among respondents regarding Stanbic Bank's performance at the Mbarara City Branch in Uganda. This suggests that, on average, the respondents perceive the bank to be meeting diverse customer needs, effectively promoting its brand, demonstrating efficient financial management practices, positively impacting trust, and showing significant growth in its customer base.

To examine the influence of reliability of the bank services on organizational performance at Stanbic Bank, Mbarara City branch, a Pearson correlation coefficient analysis was conducted, with a significance level set at 0.01.

Table 3, The influence of reliability of the bank services on organizational performance at Stanbic Bank, Mbarara City branch

Correlations			
		Reliability of the bank services	Organizational performance
Reliability of the bank services	Pearson Correlation	1	.780**
	Sig. (2-tailed)		.000
	N	186	186
Organizational performance	Pearson Correlation	.780**	1
	Sig. (2-tailed)	.000	
	N	186	186
**. Correlation is significant at the 0.01 level (2-tailed).			

The Pearson correlation coefficient for the reliability of bank services and organizational performance is reported as 0.780, and it is statistically significant at the 0.01 level (2-tailed). The positive sign of the correlation coefficient (0.780) indicates a positive linear relationship between the reliability of bank services and organizational performance. This means that as the reliability of bank services increases, there is a tendency for organizational performance to improve. The p-value associated with the correlation coefficient is reported as 0.000. In this case, the very low p-value of $0.000 < 0.01$ suggests a high level of confidence in rejecting the null hypothesis that there is no significant correlation.

The above findings are in agreement with responses from interviews as presented below; One of the respondents said that "……………*we track various indicators related to service reliability, such as transaction processing times, system uptime, and customer feedback. These metrics help us assess the impact of service reliability on our branch's performance. A reliable service builds trust, enhances our brand image, and fosters long-term relationships with our clients. Our commitment to reliability is integral to our customer-centric approach*" (Branch Manager).

Another respondent mentioned that "…*We actively seek input on the reliability of our services through surveys and direct interactions, aiming to address concerns and continually improve. When we deliver on these expectations, it not only satisfies customers but also enhances their loyalty to the bank. In cases of service disruptions, effective communication is* *key. We ensure timely and transparent communication with customers, explaining the situation and detailing the measures being taken to resolve any issues……"* (Customer Relations Officer).

Another respondent mentioned that "………*We prioritize the development and maintenance of reliable processes, technologies, and infrastructure to ensure that our banking operations run smoothly. We invest in robust systems, conduct regular maintenance, and have contingency plans in place to minimize downtime. Our staff is crucial in maintaining service reliability. We provide ongoing training to ensure that our team is well-equipped to handle various situations, adhere to procedures, and contribute to the overall reliability of our services. Monitoring performance metrics is a continuous process….."* (Operations Officer).

Another respondent revealed that "………..*Customers rely on us for timely and accurate processing of their loan applications. Meeting these expectations contributes to their overall satisfaction and trust in our services. Reliability directly impacts customer trust, especially in the realm of loans. By adhering to robust risk assessment processes, we ensure the reliability of our lending practices, leading to a healthy loan portfolio and sustained financial performance. Collaboration with other departments, especially Operations, is essential"* (Loans Officer).

This imply that the overall findings provide a strong case for the importance of service reliability in organizational performance. The evidence from both quantitative and qualitative data suggests that service reliability is essential for building trust, enhancing brand image, and fostering enduring client relationships. The bank's multifaceted approach to service reliability, which includes both proactive and reactive measures, is likely to be successful in achieving these goals.

Discussion

The study found that there was a positive linear relationship between the reliability of bank services and organizational performance. This meant that as the reliability of bank services increased, there was a tendency for organizational performance to improve. The p-value of $0.000 < 0.01$ suggested a high level of confidence in rejecting the null hypothesis that there was no significant correlation. The above study finding agrees with Shokouhyar et al., (2020) who noted that reliability signifies the capabilities of the provider of a service to do the promised service accurately and dependably. Reliability also entails correct order fulfilment, correct transactions record, accurate transaction quotes, accuracy in billing transactions, accuracy in calculating commissions. This element includes the regularity and reliability of service in respect to customer premises.

Similarly, the above finding also is in line with Abualoush et al., 2018), who revealed that the most important asset of any organization is its customers. An organization's success depends on how many customers it has, how much they buy, and how often they buy. Customers that are satisfied will increase in number, buy more, and buy more frequently. Satisfied customers also pay their bills promptly, which greatly improves cash flow-the lifeblood of an organization. Total Quality Management (TQM), implies an organization obsessed with meeting or exceeding customer expectations, so that customers are delighted.

Conclusion

It was concluded that the reliability of bank services is associated with organizational performance. Therefore, the bank accurately offers services to customers, performs the promised services dependably, consistently provides high-quality services, offers favorable lending rates, and maintains a framework to keep customers' account information confidential.

Recommendations

The government need to strengthen and update regulatory frameworks to encourage financial institutions, including Stanbic Bank, to prioritize and invest in enhancing the reliability of their services.

Financial institutions need invest in continuous training programs for staff to enhance their skills and capabilities, ensuring a consistently high level of service reliability.

There a need for customers to actively participate in providing constructive feedback to financial institutions, including Stanbic Bank, about their experiences with service reliability, enabling continuous improvement.

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