

## Service Quality Measurement in the Public Sector (Ilam Province Post Office Case Studies)

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### ABSTRACT

Providing services with good quality and reasonable prices in advanced level, will lead the organizations and businesses to competitive advantages continually, which producing and providing distinctive services, increasing customers loyalty, marketing costs reduction, determining higher prices and etc. are among these advantages.

As far as, organization survival and profitability depends on the customers satisfaction increase, service quality must continually be evaluated from their point of view. This study will survey Ilam province postal service quality based on comparison of present and desirable condition and determining effective factors on customer's satisfaction and ranking each one effect and providing approaches and suggestion for the province to improve its post offices services and performances.

In this descriptive-statistical study 22 questionnaires were distributed among 180 of Ilam province post offices customers, and cronbach's alpha was obtained equal to .834 by using SERVQUAL model.

This study shows that there are differences between quality status quo and desirable condition (in term of effective indices, physical evidences, reliability, guarantee, empathies) of Ilam provinces postal services in standard error of 5 percent.

**Keywords:** *Service quality, customer's satisfaction, postal services.*

## 1. INTRODUCTION

All the management experts, from Peters and Waterman to Drucker and Deming referred to the customer care importance in their suggestions. Their advice to the managers is that "face your employee directly with the customers". Focusing on the customers is the businesses primary requirements. To that extent that if organizations do not take care of their customers satisfaction, will not last in their businesses. As Michael Hammer the business reengineering theory introducer suggested: today, no longer, the managers makes decision about the employee's future, but the customers makes this decision.

It's the customers that close the factory and fire the workers. Partnership with customers will lead the organization to be informed of their wants and preferences. And it will enable them to produce more compatible production with the customers wants and wins the market-related production and services, increase the value by meeting social and humanistic needs.

Therefore, quality management and its continual improvement have significant importance in the organization. Increase in quality will lead to customer's satisfaction and loyalty, market portion increase, price reduction, cost reduction, profit increment and finally will lead to the organization growth and productivity.

In the early 1980s, great movement started in quality control and many industries starts quality control in their bureaucracy, sales and services, banks, hotels and non-governmental and public organization. Many countries, implemented the quality control seriously had developed. Since 2001 Iran's post office, focused on

postal service quality seriously to achieve profitability and self-reliance. Establishing quality controls units, system responding to the customer's complaints and critics, client reverence plan and continuum training for establishing relationship with the customers are among these measurements. To promote and continual quality improvement, the customers attitude toward that services must be surveyed repeatedly, therefore, in this research, customer's attitude on Ilam province postal services were studied separately.

## 2. LITERATURE REVIEW

### 2.1 Service quality

Service quality is kind of judgment, customers judge it according to their understanding of the Process of services delivery, that compare their expectation with the services they received by this judgment (Gronroos, 1984). According to this definition service quality depends on two factors:

Expected and perceived services. Gronroos (1984) suggested that previous experiences in relation to a certain services can influence the customer expectation, while perceived services originate from customer perception from their services. In fact, service quality is kind of attitude connected to the customers satisfaction, but is not equal to it and originates from customers expectation in comparison with the organizational performance (Parasuraman, 1988).

Total quality management dimensions in non-governmental sectors come in table (1) according to quality experts as follow:

**Table 1:** Total quality management dimensions

David Garvin (1993)	Quick delivery, accuracy, aesthetic, informing, appropriate behavior- legitimacy-easiness and comfort- flexibility
Keith smith (1993)	Humbleness, responsiveness- completeness, clarity, accuracy- carefulness-cleanliness
Zeithaml (1996)	Tangibles, validity and reliability- sensitivity- personnel knowledge and ability-humbleness and humility- reliability- security- availability- customers understanding- communication
Jayson (1998)	Speed- courtesy- easiness and cleanliness- friendly interaction
Murray and Atkinson (1998)	Services accuracy and completeness guarantee, empathy and cooperation- services permanent responsiveness
Peter Sengh (1998)	Availability- quick and smoother interaction- communication retention- communication quality- solidarity and honesty
Parasuraman (1998)	Tangibles, reliability- responsiveness, Credibility, empathy and commitment

Common dimensions in all these experts theories shows that factors as: personal knowledge and potency, humbleness, services completeness, quick and prompt delivery, aesthetic have more importance (Katso Tushi Ayano, 2005).

Service to customers consist of all actions that organizations do in order to obtain customer s satisfaction and help to them to get the most value of the products and services they had bought (Rosta, et al., 1988). Satisfied customers are the organization's profit source. Organizations which could not maintain the customers satisfied, will not last in long time. Providing services for the customers in superior level, continually will lead to competitive advantage for the organizations and companies. Many of service fields which among them establishing competitive barrier, customer's loyalty, producing and providing distinctive service, reducing the costs and determining higher prices (Rosta, et al., 1988) are changing, along to technology progress and the changes increasing speed. These changes establishing variety of new services require effective managers in all fields to control them as services marketing management. Service quality in many fields reduced all over the world. It could be said that this reduction is because of manager's weakness and their poor efficiency. Services productivity increase has various effects on the society economy.

Demands for services than demand for the products according to economic changes have less sensitivity.

Demands for service business is developing and expanding. With expanding and Complexity of services, needs to the services experts and specialist increases every day (Rosta, et al., 1988).

## 2.2 Customers-oriented

Customers-oriented is collecting information related to the customers and the way of these data usage in commercial unites (Kohli & Jaworski, 1990).

Customers-oriented is kind of organizational culture that establish the necessary behavior in order to value the customers to the best form by the most effective and efficient way (Narver & Slatter, 1990).

Customers-oriented is tendency to collecting information about the customers and using them in planning strategies to meet these needs and implementing these strategies by responding positively to the customer's demands and needs.

It bears noting that customer-oriented generally is in correlation with implementing the items and as far as, an organization culture is the organization issue implementing manner, customer-oriented must cover all the organization activities. In business workplaces that there is intense competition, customers have the right to make choice, and have various ways in front of them, that by using them, they could meet their demands and needs. In this condition, organizations must show more sensitivity toward their customers ever changing needs and try to meet these demands in a better way than their competitors. Therefore, an organization, which is not customer-oriented, because of the intense competition, could possibly lose its customers, and this matter leads the customer-oriented factor to be one of the most important, organization's performances determinant in markets that there are intense competition between the competitors (Divandari, 2001).

Customer's satisfaction is something, marketers and customers both are interested in. marketers are trying to keep their customers satisfied; this circumstance lead the daily business activity to be pleasant, and be a basis for the customers to repeat their transaction. On the other hand, when the customers are happy and pleased they will be satisfied. This circumstance, not only shows that the customer finds, the profits that they seek, but also shows that satisfaction by itself make pleasant feeling (William & Wifely, 1994).

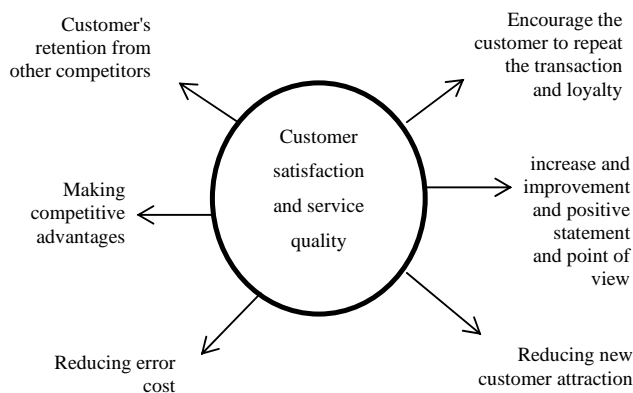
Customer dissatisfaction is unpleasant and indicates concerns about the products, the store or the service provider. This matter is also pleasant of the marketers, because this dissatisfaction will endanger his

business position and increase the possibility of some kind of unpleasant interaction with customers which are not satisfied in future (William & Wifely. 1994).

Organizations which stand in a higher level of marketing tries to keep their customers satisfied. Satisfy customers will repeat their transaction and will inform others about their experiences from this product. The success main key is that the company performance be compatible with the customer's expectation. Smart and perceptive organization try their customers, because, not only they are committed to provide services or products, but also they provide something more than their commitment (Kotler & Armstrong, 1991).

Very successful marketing agent prefer providing services, satisfy the customer, but this is not the main goal. Organizations and institutions can't ignore their basic business goals as achieving competition or making profit.

Generally customer's satisfaction makes a lot of advantages for the company and higher level of customer satisfaction, will leads to customers more loyalty. Keeping a good customer is more advantageous in long term, than continual new customer attraction for replacing with those customers which broke their relationship with the company, customers which are very satisfied with certain organization, will express their positive experience of this product for others and therefore, they become the company advertiser. As a result, this will reduce the new customers attraction cost. This matter, particularly, have significant importance for the professional service provider, because their popularity and fame is the key information source for new customers that they obtain from others about the products advantage and positive



**Fig 1:** The advantages of customer satisfaction and service quality

Customer's satisfaction is kind of guarantee for the institutions possible errors, that are inevitable as a result of changes correlated with service production. Loyal customers has more tolerance in facing such a situation because of their previous experiences and easily

ignore the organization small and occasional error, and by happening each error do not break their relationship with the company, therefore it is not strange that customer's satisfaction become the organizations and institutions most important duty to achieve, because this issue have direct correlation with maintaining the customers satisfaction (Venus & Safaiyan, 2002). Since customer's satisfaction increase will lead to customers to repeat their transaction, it will provide more activity and profitability ground for the organizations and companies.

### 3. PROPOSED DESIGN

Parasuraman and his colleagues (1988) introduced 5 basic dimensions of scale service quality according to perception and expectation gap that are popular as SERVQUAL model (Alvani & Riahi, 2003). This model consists of tangibles, credibility, responsiveness, reliability and empathy- these dimensions are illustrated in table NO. (2) With their definitions (Parasuraman, et al., 1988).

**Table 2:** Service Quality Dimensions

Tangibles	This dimension refers to service physical component. Facility attractiveness, equipment, well-groomed employee, written items are among these tangible factors
Credibility	Ability to do the services undertaken to deliver certainly and accurately in the promised time, in fact, this dimension, originate from commitment to deliver the services, pricing, handling the complaints and etc.
Responsiveness	Tendency to help the customers and quick service delivery, this dimension emphasized on the personnel attitudes based on attention and care about demands responsiveness- customers complaints and inquiries.
Reliability	Politeness, personnel courtesy and potency to build trust and confidence in customers are considered in this dimension.
Empathy	Problem understanding- empathy and personal attention to the customers- this dimension emphasized on considering the customers as human-being.

Parasuraman designed SERVQUAL instrument as such that be applicable for a wide range of service workplaces with minimum reduction and improvement. This model equips the public sector and related decision-making sectors managers with information about the present services customer's perception, that they understand and perceive what is the customer's needs and expectation (Alvani & Riahi, 2003).

### 3.1 Research Theories

Main (principal theory): there is significant difference between postal service quality and desirable condition in term of effective indices.

### 3.2 Sub-Theory

- a. There are significant differences between present and desirable condition in term of physical evidences.
- b. There are significant differences between present and desirable condition in term of credibility
- c. There are significant differences between present and desirable condition in term of security.
- d. There are significant differences between present and desirable condition in term of responsiveness.
- e. There are significant differences between present and desirable condition in term of empathy.
- f. There are significant differences between present and desirable condition in term of costs.

This research is administered as a descriptive-statistical study. All Ilam province post office unit customers were The Statistical society. The Sample

consists of 180 persons, and questionnaires were the data collection instruments.

The questionnaire consists of 2 parts, that the first part was related to the customer's general characterization as: age-sex-education and the other part questions that are related to thesis testing. The study validity was conducted by the management experts and professors in order to authenticate the questionnaire, and cronbach's Alpha was calculated equal to (0.834) that show the study durability. Data analysis and measurement had done by using descriptive and inferential statistics techniques and SPSS software. By using descriptive statistics, frequency, mean, standard deviation and inferential statistics the theories were tested by T-test method, which the results are presented in the table below.

## 4. DISCUSSION

According to table NO (4) customers' satisfaction mean of the present and desirable condition were calculated 3/7 and 4/61 respectively and also present and desirable standard deviation condition was calculated /98 and /60 respectively.

**Table 4:** Main theory descriptive statistical

Raw	Main theory	Mean		Standard deviation	
		Present condition	Desirable condition	Present condition	Desirable condition
1	Present and desirable condition differences based on customers' satisfaction	4/61	3/07	/98	/60

**Table 5:** Sub-theories descriptive statistical

Raw	Sub-theories	Mean		Standard deviation	
		Present condition	Desirable condition	Present condition	Desirable condition
1	Present and desirable condition in term of Physical evidences	2/92	4/67	/65	/41
2	Present and desirable condition in term of credibility	3/35	4/72	/74	/35
3	Present and desirable condition in term of security	3/25	4/68	/71	/41
4	Present and desirable condition in term of responsiveness	3/22	4/73	1/03	/70
5	Present and desirable condition in term of empathy	3/40	4/68	/73	/39
6	Present and desirable condition in term of costs	3/04	4/69	/73	/40

According to table NO (5), empathy has the highest mean and physical evidences has the lowest mean in term of present condition, and physical evidences has the highest and security and empathy have the lowest mean in term of desirable condition.

### 4.1 Theories Testing

Main theory testing: in this study the main theory is that there is a significant difference between present and desirable service quality condition in term of effective factors.

The following statistical theory is designed to test the above theory:

**H<sub>0</sub>:** There is no significant difference between service quality present and desirable condition in term of effective factors

**H<sub>1</sub>:** There is significant difference between service quality present and desirable condition in term of effective factors

The obtained results from the questionnaire's data statistical analysis are expressed in the following table to test the above theory by using T-test method:

**Table 6:** Obtained results from t-test

Calculated-t	Degree of freedom	Error level	p-value	Test result
H <sub>0</sub> rejected	%0	%5	358	-17/77

According to table NO (6) in confidence level of 95 percent, if p-value is smaller than error level of %5 H<sub>0</sub> will be rejected and H<sub>1</sub> will be accepted. According to table NO (6) and with respect to that p-value is smaller than error level so H<sub>0</sub> hypothesis is rejected and H<sub>1</sub> is accepted. On the other hand, with confidence level of 95 percent there is significant differences between present and desirable condition in term of service quality. i.e. It could be said that sample data have enough evidence to accept H<sub>1</sub> and because present and desirable services quality satisfaction condition are 3/07 and 4/67, respectively, therefore it could be said that there are significant differences between these two conditions.

**Sub-theory 1:** there is a significant difference between present and desirable service quality condition in term of physical evidences.

**H<sub>0.1</sub>:** There is no significant difference between service quality present and desirable condition in term of physical evidences

**H<sub>1.1</sub>:** There is significant difference between service quality present and desirable condition in term of physical evidences

**Table 7:** Sub-theory 1 test result

Calculated-t	Degree of freedom	Error level	p-value	Test result
H <sub>0.1</sub> rejected	%0	%5	358	-30/05

According to table NO (7) in confidence level of 95 percent, the observed p-value is smaller than error level so H<sub>0.1</sub> will be rejected and H<sub>1.1</sub> will be accepted. I.e. with confidence level of 95 percent there is significant differences between present and desirable condition in term of physical evidences and since, service quality satisfaction mean in present and desirable condition are 2/92 and 4/67, respectively, therefore it could be said that service quality value has significant differences between these two conditions and physical condition is not appropriate in current situation.

**Sub-theory 2:** there is a significant difference between present and desirable service quality condition in term of credibility.

**H<sub>0.2</sub>:** There is no significant difference between service quality present and desirable condition in term of credibility

**H<sub>1.2</sub>:** There is significant difference between service quality present and desirable condition in term of credibility

**Table 8:** Sub-theory 2 test result

Calculated-t	Degree of freedom	Error level	p-value	Test result
H <sub>0.2</sub> rejected	%0	%5	358	-22/18

According to table NO (8) in confidence level of 95 percent, the observed p-value is smaller than error level so H<sub>0.2</sub> will be rejected and H<sub>1.2</sub> will be accepted. i.e. with confidence level of 95 percent there is significant differences between present and desirable condition in term of credibility and since, service quality satisfaction mean in present and desirable condition are 3/35 and 4/72, respectively, therefore it could be said that service quality value has significant differences between these two conditions and credibility condition is not appropriate in current situation.

**Sub-theory 3:** There is a significant difference between present and desirable service quality condition in term of security.

**H<sub>0.3</sub>:** There is no significant difference between service quality present and desirable condition in term of security

**H<sub>1.3</sub>:** There is significant difference between service quality present and desirable condition in term of security

**Table 9:** Sub-theory 3 test result

Calculated-t	Degree of freedom	Error level	p-value	Test result
H <sub>0.3</sub> rejected	%0	%5	358	-23/18

According to table NO (9) in confidence level of 95 percent, the observed p-value is smaller than error level so H<sub>0.3</sub> will be rejected and H<sub>1.3</sub> will be accepted. i.e. with confidence level of 95 percent there is significant differences between present and desirable condition in term of security and since, service quality satisfaction mean in present and desirable condition are 3/25 and 4/68, respectively, therefore it could be said that service quality value has significant differences between these two conditions and security condition is not appropriate in current situation.



**Sub-theory 4:** There is a significant difference between present and desirable service quality condition in term of responsiveness.

**H<sub>0.4</sub>:** There is no significant difference between service quality present and desirable condition in term of responsiveness

**H<sub>1.4</sub>:** There is significant difference between service quality present and desirable condition in term of responsiveness

**Table 10:** Sub-theory 4 test result

Calculated-t	Degree of freedom	Error level	p-value	Test result
H <sub>0.4</sub> rejected	%0	%5	358	-16/03

According to table NO (10) in confidence level of 95 percent, the observed p-value is smaller than error level so H<sub>0.4</sub> will be rejected and H<sub>1.4</sub> will be accepted. i.e. with confidence level of 95 percent there is significant differences between present and desirable condition in term of responsiveness and since, service quality satisfaction mean in present and desirable condition are 3/22 and 4/73, respectively, therefore it could be said that service quality value has significant differences between these two conditions and responsiveness condition is not appropriate in current situation.

**Sub-theory 5:** There is a significant difference between present and desirable service quality condition in term of empathy.

**H<sub>0.5</sub>:** There is no significant difference between service quality present and desirable condition in term of empathy

**H<sub>1.5</sub>:** There is significant difference between service quality present and desirable condition in term of empathy

**Table 11:** Sub-theory 5 test result

Calculated-t	Degree of freedom	Error level	p-value	Test result
H <sub>0.5</sub> rejected	%0	%5	358	-20/55

According to table NO (11) in confidence level of 95 percent, the observed p-value is smaller than error

level so H<sub>0.5</sub> will be rejected and H<sub>1.5</sub> will be accepted. i.e. with confidence level of 95 percent there is significant differences between present and desirable condition in term of empathy and since, service quality satisfaction mean in present and desirable condition are 3/40 and 4/68, respectively, therefore it could be said that service quality value has significant differences between these two conditions and empathy condition is not appropriate in current situation.

**Sub-theory 6:** There is a significant difference between present and desirable service quality condition in term of costs.

**H<sub>0.6</sub>:** There is no significant difference between service quality present and desirable condition in term of costs

**H<sub>1.6</sub>:** There is significant difference between service quality present and desirable condition in term of costs

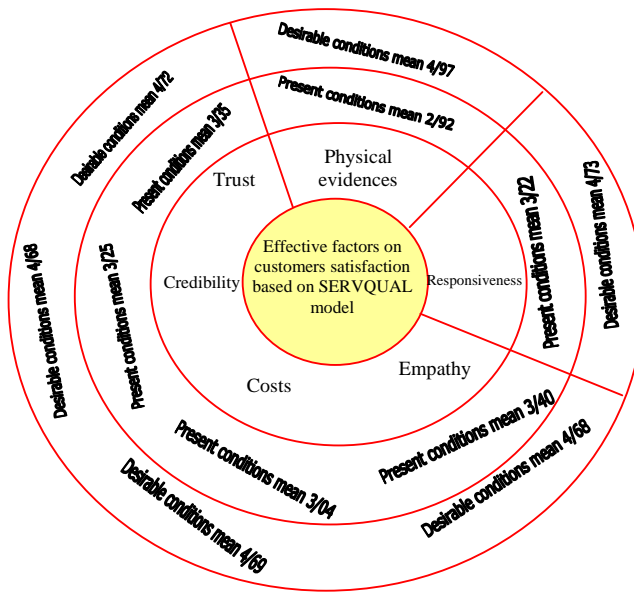
**Table 12:** Sub-theory 6 test result

Calculated-t	Degree of freedom	Error level	p-value	Test result
H <sub>0.6</sub> rejected	%0	%5	358	-26/39

According to table NO (12) in confidence level of 95 percent, the observed p-value is smaller than error level so H<sub>0.6</sub> will be rejected and H<sub>1.6</sub> will be accepted. i.e. with confidence level of 95 percent there is significant differences between present and desirable condition in term of costs and since, service quality satisfaction mean in present and desirable condition are 3/04 and 4/69, respectively, therefore it could be said that service quality value has significant differences between these two conditions and costs condition is not appropriate in current situation.

## 5. RESULTS

As it is illustrated in shape 2 there are significant difference between present and desirable condition of postal service in term of effective factors i.e. present service quality condition is not compatible with the customers expectation (desirable condition), that this is compatible with Parasuraman (1988) theory about the gap between the customers expectation and public organizations services.



Shape (2) - illustrate the research theories results

Model NO. (1) Illustrate the research results

Differences between present and desirable condition in term of physical evidences (tangibles) imply that present condition of physical state (tangibles) is not pleasant for the customers and have lower quality- so post office units must be careful about cleanliness and aesthetic.

Differences between present and desirable condition in term of credibility imply that personnel professional knowledge in responsiveness and problem solving and also office work hours and personnel special care to each customer is not pleasant for the customers.

Differences between present and desirable condition in term of security, Confirm this claim that post offices are not committed to their duties efficiently and customers are not pleased with post commitment based on customer's interest supports and also mail safe delivery from the origin to its destination.

In the fourth theory differences between present and desirable condition in term of responsiveness imply that Post principles and standards are not clear and advertisement is weak. Manager's responsibility level is low and service choice is completely compulsory.

Differences between present and desirable condition in term of empathy Confirms that personnel do tries to solve poor customer's problems and cooperate with them.

In the sixth theory moreover to financial costs, time consuming are emphasized, differences suggest that customers are not satisfied with service delivery in the gate when mail delivered to the post and also when it starts its course from the origin to the destination.

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