

Investigation of the Quality Orientation of the Bank Employees and its Impact on Quality Improvement of Bank Services

(Case Study: Benevolent Youth Gharzolhasaneh Institute in Branches of East Azerbaijan Province, Iran)

Seyed Mohammad Kamel Hosseini
Department Faculty of Humanities,
Department of Public Administration,
Islamic Azad University Mahabad Branch,
Iran

Mohammad Bazmara
Department of Computer Engineering,
Islamic Azad University,
North Tehran Branch,
Iran

ABSTRACT

This study aims to investigate the rate of quality orientation of staff and its impact on improving quality of services in banks and institutions. For this purpose, quality orientation of employees has been designed based on the theory of Doctor Iraj Soltani in seven dimensions of customer-orientation, innovation and creativity, permanent attitude to the ideal situation, beauty and aesthetics, patience, teamwork and goal orientation while services quality has been introduced based on Parasuraman theory in five aspects of Trust, accountability, assurance, being tangible and compassion. In this context, two main hypotheses and seven secondary hypotheses have been designed. The statistical population of present research is 382 employees of Benevolent youth Gharzolhasaneh institute in Branches of East Azerbaijan province, Iran. The sample size using Cochran formula has been estimated to be 192 people and it has been selected by stratified random sampling method. Means of Data collection was a questionnaire which has been set with regard to the operational definition of quality orientation based on the theory of the Doctor Iraj Soltani and quality of services by Parasuraman theory. The questionnaires were distributed among studied community after investigating their validity and reliability. Questionnaires were collected and data were summarized, classified and using descriptive and inferential statistics including (t-test, Kolmogorov-Smirnov, Pearson r, Spearman and regression by SPSS) were analyzed. The results indicate that the quality orientation of employees is effective on improving the quality in services of Benevolent youth Gharzolhasaneh institute in Branches of East Azerbaijan province.

Keywords

quality-orientation, banking services, Measurement of Validity, Reliability

1. INTRODUCTION

The importance of services has caused the competition of all industries based on quality of service. Now, the share of services in the economy is more than half of the total GDP of all countries in the world. In addition, as the number and variety of services and serving institutions are increased, the demands and expectations of customers also are raised; as Lin also points out,

improving the quality of services is vital for the survival and development service organizations [1]. Gharzolhasaneh institutions are one of the Organizations providing financial services that have devoted a part of the monetary and financial transactions to themselves. In these circumstances, financial institutions should strengthen their status and competitive position.

One way to increase competitive status is attracting and retaining customers and boosting their loyalty level that is related to the topics of risk management [2, 3].

Because awareness of customers from offered services at rival banks has been increased and they will entrust their resources to institution or a bank that provides a better quality service.

Therefore, this reflects the importance of quality in providing services.

Given the growing number of private banks in Iran and the issue of privatization of state-owned banks, examining the quality of services is so significant [4].

Quality of service is one of the most important variables which is utilized to explain the future behavioral trends of customers and their impact on the company's financial outcomes.

Reichheld and Sasser stated that the distribution of high-quality services is one of the most fundamental strategies for survival of an organization.

Given the importance of service quality, it is not surprising that understanding the dimensions of infrastructure and service quality Prerequisites have been considered as a top priority by many researchers [5].

The quality of the services represents the rate of adaptation between provided services and customers' expectations.

The researchers believe that the quality is obtained when the appropriate response is given to the expectations of our customers.

In all the above definitions, the main issue is providing services and meeting the expectations of our customers.

In fact, service quality is what makes customers accept it and meet their needs [6].

The desire to quality services plays an important role in service industries such as insurance, banking and etc. because

Investigation of the Quality Orientation of the Bank Employees and its Impact on Quality Improvement of Bank Services

Case Study: Benevolent Youth Gharzolhasaneh Institute in Branches of East Azerbaijan Province, Iran

quality of service is accounted as a vital matter for the survival and profitability of an organization [7].

In another study, quality of services in public and private hospitals was compared using questionnaires by patients in two sorts of hospitals.

The results indicated that the quality of services in private hospitals was higher than public hospitals [8].

another case in 2003, using the framework of rights and organizational responsibilities aimed to answer the questions that answering to these questions would enable organizations to develop a system that results in Human resources management policies with optimal performance of staff and consequently to amplify the customer's perception of service quality and financial outcomes of organization [9].

In the field of banking services, quality of service as a customer's belief or attitude is defined as a superiority level of a service that is provided in the Bank [10]. The purpose of current study is to examine the rate of quality orientation in staff and its impact on improving the quality of services at Benevolent youth Gharzolhasaneh institute in Branches of East Azerbaijan province.

2. IMPORTANCE AND NECESSITY OF THE QUALITY OF SERVICE

The tendency to provide high quality services play an important role in the insurance services industry, banks and etc. as service quality is essential for survival and profitability of an organization. In fact, today, customer satisfaction and quality of service are considered as vital issues in most service industries.

In particular, this issue is more crucial in relation to financial services in which differentiation of mentioned services is difficult in general [7].

Performance in organizations depends on the desires of the people. Therefore, a sense of confidence should be inspired that all organizations wish to provide Favorable services. In the process of quality of service evaluation in the public sector, it is important to consider complex situation Along with evaluating and improving quality in the public sector

The main role of understanding conceptions, expectations and participation of customers in a variety of different services is important to assess and determine the nature and the available resources that lead to making the service experience. Services Contracts that are in forms of both formal and informal, have the psychological elements as well. A management style is the one that concepts and expectations of customers are considered as a criterion in assessing the quality and service [11].

Total Quality is originally a culture that would later become the tool. this means that the idea of comprehensive quality should be formed in the mind of each employee at first, so after a while, mental concepts are turned to actions and are implemented as a means of enhancing quality in the organization [12].

One of the features of new century is Astonishing development of information and communication technology and its application to increase the speed and quality in providing services.

In some cases, artificial intelligence and technology were also used for soccer, and even the psychology of children [13, 14, 15].

Quality of service and customer satisfaction is considered as strategic issues for service organizations.

Provision of high quality services is essential for the survival and profitability of organizations.

Requirement to understand and promote the quality of services has been taken into consideration due to the advantages that offering high quality services brings to the organization such as customer retention, customer loyalty, attracting new clients, creating sustainable customer satisfaction and etc.

In today's competitive world, presenting high quality services is essential to the service and training organizations especially universities [16].

The reasons of providing high quality services include:

1. Increasing customer expectations: the fact is that customers' expectations have been augmented than the past. Increasing customer expectations can be attributed to several factors, including increased awareness and knowledge of customers, organization advertising, competitors' performance and etc.

2. Activity of Competitors: Competitors with continuous change of their services and the way of presentation to customers constantly alter the market and they seek to increase their market share. This increases customer expectations. This matter makes others to promote the quality of their services.

3. Environmental factors: environmental factors, including political, legal, economic, social and cultural factors make organizations provide services which are in higher level of quality. For example, the plan of honoring clients and satisfying them in the administrative system are considered as political factors. In addition, customers can easily obtain updated information from around the world by expanded access to the Internet in today world, in which causes the increase in customers' expectations.

4. The nature of the services: assessment of the quality of services is difficult according to service characteristics for recipients. For this reason, given the physical evidence surrounding the service and also staff attitude and behavior (which are two significant factors for evaluating services), customers evaluate the quality of services.

5. Intra-organization factors: organizations with their promotional activities raise the expectations and demands of customers. As a result, when the customers refer to an organization, they expect the promised service. Therefore, the performance of the organization should meet the expectations of customers.

6. The benefits of services quality: In addition to the above points, the advantages raised of service quality are another factor that encourages organizations to provide high quality services. One of the direct effects of providing high quality services is boosting the organization's ability to deliver services efficiently to clients. The profitability of the organization will be increased by Enhancing efficiency and effectiveness in service provision [17].

Conceptual model of research is shown in figure 1.

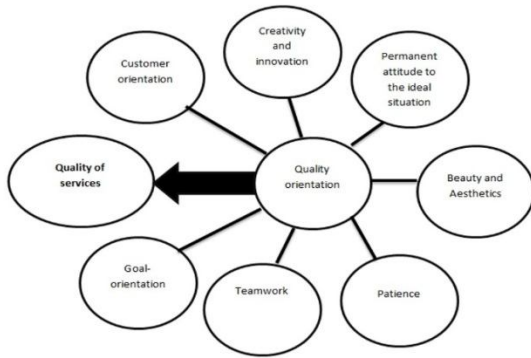


Figure 1: conceptual model of research

3. RELATIONSHIP BETWEEN QUALITY ORIENTATION AND THE QUALITY OF SERVICE

Present organizations do not look to produce more products but to seek to attract new customers every day. Attracting new customers and retaining existing clients in an organization depends on offering the goods or services by the organization in which benefit from high quality and are adapted to current circumstances.

Therefore, managers as policymakers need to be equipped with quality-oriented thoughts and ideas that are Production quality infrastructures in the organization to provide goods or services which are higher in level of quality. Consequently, this can be followed as a public culture and common beliefs by the entire organization [12].

One of the most basic concepts in total quality management issues is considering to quality-orientation. In fact, without regarding to the quality-orientation and customer satisfaction, it cannot be claimed that high quality goods or services have been offered. The client does final judgment and presents final comment about quality.

Organization Management should note criteria intended for customers and must give sufficient emphasis to them. Customer expectations must be considered from the design phase to the delivery step. Relationships of organizations with customer should be such that increase mutual trust and confidence and guarantee Mutual fidelity.

In this case, the client does not even think of competitors and similar products. thus the emphasis on customer satisfaction, has a strategic aspect and it should be taken into account in the macro policy of organization.

Quality Specifications from the customer's perspective include product performance, reasonable and proper price, after-sales service, ease of maintenance and repair, appearance, way of dealing with customers, timely delivery to the customer, safety, accessibility, information level of seller about product, constant quality of product and regarding high standards of quality [12].

4. RESEARCH METHODOLOGY

4.1 Statistical population and sample

The population of the present study includes 382 people who are staff of Benevolent youth Gharzolhasaneh institute in

Branches of East Azerbaijan province. To calculate the sample size, following relation has been used:

$$n = \frac{\frac{t^2 pq}{d^2}}{1 + \frac{1}{N}(\frac{t^2 pq}{d^2} - 1)} \quad (1)$$

Based on this formula:

$N = \text{population size} \quad N = 382$
 $P = \text{probability of having a desired trait} \quad P = 0.5$
 $q = \text{probability of lack of desired trait} \quad q = 0.5$
 $d = \text{accuracy of potential efficiency (half of confidence interval)} \quad d = 0.5$
 $t = \text{degree or confident coefficient of 95\%} \quad t = 1.96$

$$n = \frac{\frac{3.84 \times 0.5 \times 0.5}{0.0025}}{1 + 0.002618(\frac{0.96}{0.0025} - 1)} \cong 192$$

To select a sample of the statistical population, stratified random sampling method was used. At the outset, data was categorized to thirty categories on the basis of Branches of Benevolent youth Gharzolhasaneh institute in Branches of East Azerbaijan province and then to choose a statistical sample in each of the classes, the measures like the following calculation for all the branches have been done in which obtained values have been shown in table 1.

$$\frac{\text{Number of staff in branch of Aboureihan}}{\text{Total number of employees in the institution}} = \frac{31}{382}$$

Share of Aboureihan branch in the statistical sample:

$$0.0811 \times 192 = 15.58 \cong 16$$

After calculation, the contribution of each category in the volume of statistical sample, the specified number was selected from each category by simple random sampling.

Table 1: statistical sample differentiated based on the quota of each branch (Quota in the statistical sample=QSS)

Branch	Aboureihan	Tarbiat	Ghonga	Valiasr	14 masoom
QSS	16	14	15	13	11
Branch	Satarkhan	Takeghani	Abbasi	Daraee	Imam Khomeini
QSS	7	12	9	7	9
Branch	Hadishahr	Bonab	Shabestar	Sarab	Khodaafarin
QSS	7	5	4	5	3
Branch	Ajabshir	Oskou	Azarshahr	Ahar	Bostanabad
QSS	4	4	4	4	4
Branch	Kashksaray	Jolfa	Malekan	Kalibar	Hashtrood
QSS	4	4	4	4	4
Branch	Maragheh	Mianeh	Maragheh	Mianeh	Ghodsmaragheh
QSS	7	6	7	6	4

4.2 Tools of Data collection

To collect information from statistical sample and to test the adjusted hypothesis of this research, a questionnaire has been used based on regulated research variables and transformed them into operational form.

**Investigation of the Quality Orientation of the Bank Employees and its Impact on Quality Improvement of Bank Services
Case Study: Benevolent Youth Gharzolhasaneh Institute in Branches of East Azerbaijan Province, Iran**

The questionnaire consists of two sets of questions. The first category which has been coded with the letters of the alphabet, has been adjusted to evaluate and determine the characteristics of the statistical sample in terms of gender, age, marital status, education level and work experience while the second one has been aligned to test the hypothesis of this study in two parts.

The first part is stabilized to measure the quality orientation of employees, based on the dimensions introduced by the doctor Iraj Soltani. The number of Questions in a questionnaire of present study about quality orientation includes 38 questions which have been considered for the dimension of customer orientation, innovation and creativity, continuous approach to optimal status, beauty and aesthetics, group wisdom and teamwork, patience and goal orientation.

Ranking scale of data related to the questions of quality orientation in questionnaire and numerical value of each scale have been represented in Table 2.

Table 2: Ranking scale of data related to the questions of quality orientation existing in questionnaire

Options	The numerical value of Questions
always	4
often	3
sometimes	2
rarely	1
Never	0

The second part of the questions about the quality of services is based on Parasuraman theory which consists of 20 questions in a five-item Likert scale form. The inquiries of mentioned questionnaire were divided into five categories that are being tangible, Reliability, accountability, assurance, compassion.

Ranking scale data related to questions about quality of service and the numerical values of each scale have been summarized in Table 3.

Table 3: Ranking scale of data related to questions of service quality in questionnaire

numerical value of Positive Questions	options	Numerical value of negative Questions
1	Totally disagree	5
2	disagree	4
3	No idea	3
4	agree	2
5	quite agree	1

4.3 Validation and reliability of data collection

In this study, to determine the validity of means of data collection, symbolic or formal validity was used. Thus, an initial prepared questionnaire has been given to instructors and academic

experts in management and psychology to express their ideas in relation to the proposed question, what is considered, and whether it is measured or not. Then the opinions of teachers and experts in the questionnaire were taken into account and the necessary changes in question were arisen.

Cronbach's alpha test was used to test the reliability of the questionnaire. According to this method, a preliminary study on the population of 40 employees of studied population and using SPSS statistical software was done and the amount of reliability for all questions was obtained 0.894 (Table 4) and for those questions about Quality orientation and quality of banking services were gained 0.825 and 0.829 respectively (Tables 5 and 6).

The value of these statistics indicates that, first the questionnaire inquiries are highly correlated with each other and second the reliability of questionnaire is high.

Table 4: Reliability test of Total the questions

	The frequency	percentage
Valid Cases	40	100.0
Excluded	0	0.000
Total	40	100.0

Reliability Statistics

Cronbach's Alpha	N of Items
0.894	58

Table 5: Reliability test of questions about quality orientation

	frequency	percentage
Valid cases	40	100.0
Excluded	0	0.000
Total	40	100.0

Reliability Statistics

Cronbach's Alpha	N of Items
0.825	21

Table 6: Reliability test of questions about quality of banking services

	frequency	percentage
Valid Cases	40	100.0
Excluded	0	.0
Total	40	100.0

Reliability Statistics	
Cronbach's Alpha	N of Items
0.829	21

Descriptive and inferential statistical methods were used in order to analyze the data obtained from the collected questionnaires.

Thus, the frequency distribution table and the percentage of responses related to each of the questions have been used to describe the responses of questions in the questionnaire of this study and column charts have been implemented to show statistical data of general questions visually. In an inferential level to examine hypotheses, Kolmogorov-Smirnov and average tests, r Pearson and bivariate regression was used.

5. DISCUSSION AND CONCLUSIONS

According to the obtained information of the frequency distribution, it is observed that 70.8 percent of statistical sample is male while 29.2 percent is female.

3.1% of the sample size is constituted by people under 25 years, 84.9% of those are between 25-35 years of statistics, 9.9 percent of people are between 36-45 years, while 1.05 percent of them are in range of 46-55 years and 1.05 percent are above 55 years old.

In addition, 4.7% of the samples consist of individuals who are under diploma, 15.6 percent of them are high school graduates, 8.9 percent are individuals with associate degree, 65.1 percent of them are the ones who have bachelor's degree and 5.7 percent of them are those with Master degree. Also, 80.2 percent of the statistical samples are those who are less than 5 years of working background While 19.8 percent of them had 5-10 years working experience.

For each hypothesis of research at a one domain significance level, the significance level of the Pearson r test is smaller than significance level of 0.05. therefore, there is a significant relationship between the variable of quality orientation of employees in staff of Benevolent youth Gharzolhasaneh institute in Branches of East Azerbaijan province and dimensions of the variable of banking services quality.

Regression test was used to evaluate the influence of the independent variable and its dimensions on dependent variable of these hypotheses.

The betas values of staff quality orientation variable and Its dimensions are determined in relation to variable of the quality of banking services, The rate of change in the growth of the variable of banking quality services for each change in return in the variable of quality orientation and each of its dimensions. So that a unit of positive change in the quality and customer orientation, innovation and creativity, steady approach to optimal status, beauty and aesthetics, patience, teamwork and goal orientation resulted in 0.516, 0.415, 0.2, 0.222, 0.265, 0.163, 0.228 and 0.137 unit of promotion in the banking services quality of staff in Branches of Benevolent youth Gharzolhasaneh institute in Branches of East Azerbaijan province.

Table7: Normality test results related to the variable of banking services quality

variables	number of data	Kolmogorov-Smirnov statistic	p- value
Quality-of banking services	192	1.383	0.108
Tangibility	192	1.939	0.094
trust	192	1.685	0.131
accountability	192	2.480	0.058
Confidence	192	2.268	0.076
Compassion	192	2.181	0.089

The research literature also shows the effect of Quality orientation and its dimensions on improving service quality. In other words, quality orientation and its dimensions are effective in boosting service quality and its dimensions (tangibility, trust, accountability, confidence and compassion).

Having dimensions of quality orientation, Staff will believe that Improvement of Quality of services in their work requires owning quality-orientation.

Therefore, the more the interest of staff is increased toward Creativity and Innovation, a permanent attitude to the ideal situation, beauty and aesthetics, Patience, teamwork and goal orientation, the more the quality of service will be augmented.

REFERENCES

- [1] Basinger, T., & Williams, J. C. (2015). Transforming financial services. Banking supervision's Tracy Basinger explains why the intersection of finance and technology—fintech—is a matter of great importance and interest to the Fed. Annual Report, 09-09.
- [2] Tasse, G. (2012). Technology infrastructure and competitive position. Springer Science & Business Media.
- [3] Mohammadi, F., Bazmara, M., & Pouryekta, H. (2014). A New Hybrid Method for Risk Management in Expert Systems. International Journal of Intelligent Systems and Applications, 6(7), 60.
- [4] Valverde, S. C. (2016). Bank Funding, Financial Instruments and Decision-making in the Banking Industry. Springer.
- [5] Parasuraman, A., ve Berry, L.L., Zeithaml, V.A. (1988). SERVQUAL: A multiple item scale for measuring consumer perceptions of service quality, Journal of Retailing, Vol. 64, No. 1.
- [6] Mohammadi, Ali, Shoghli, Alireza, (1385), the gap between expectations and perceptions about the components of Pervasive Quality in Hospitals of Zanjan, scientific Journal of Zanjan University of Medical Sciences, Volume 14, Number 54.

Investigation of the Quality Orientation of the Bank Employees and its Impact on Quality Improvement of Bank Services
Case Study: Benevolent Youth Gharzolhasaneh Institute in Branches of East Azerbaijan Province, Iran

- [7] Stafford Marla Royne, et al., "Determinants of Services Quality and Satisfaction in the Auto Casualty Claims Process", *Journal of Service Marketing*, 12/6(1998), 426-440.
- [8] Khabiri, shahruz, (2005), *service quality in profit and non – profit hospitals*, Carleton university.
- [9] Carol C.Bienstock, CarolW .DeMoranVille, RachelK. Smith, (2003), "organizational Citizenship behavior and Service quality, *Journal Of Services Marketing*, Vol.17 , No.4.
- [10] Al–Hawari, M., Ward, T., and Newby, L., (2009), "The Relationship between Service Quality and Retention within the Automated and Traditional Contexts of Retail Banking", *Journal of service Management*, 20(4), 455-472.
- [11] Alvani, S.Mahdi, Riahi, Behrooz, (1382), a new theory of total quality management in the Governmental sector, *College of Administrative reform*, 41 and 42.
- [12] Sultani, Iraj, Poursina, Mohsen, (1386), *implementation of Total Quality Management TQM in plain language*, Tehran, Pillars of Knowledge.
- [13] Bazmara, M. and S. Jafari, F. Pasand, A Fuzzy expert system for goalkeeper quality recognition. *International Journal of Computer Science Issues*, 2012. 9(5): p. 318-322.
- [14] Bazmara, M. (2014). A Novel Fuzzy Approach for Determining Best Position of Soccer Players. *International Journal of Intelligent Systems and Applications*, 6(9), 62.
- [15] Bazmara, M., Vahedian, S., &Ramadhani, S. (2013). KNN Algorithm for Consulting Behavioral Disorders in Children. *Journal of Basic and Applied Scientific Research*, 3, 12.
- [16] Rust, R. T., Ambler, T., Carpenter, G. S., Kumar, V. & Srivastava, R. K. (2004). "Measuring marketing productivity: Current knowledge and future directions", *Journal of marketing*, 68 (4), pp. 76-89.
- [17]SeyedJavadein, S.Reza, Kimasy, Masood, (1384), *Quality Management of Services*, Tehran, Publication of NegaheDanesh.