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Service Delivery and Customer Satisfaction in the Banking Industry in Uganda: A Case Study of Stanbic Bank (U) Ltd, Tororo Branch

The implementation of effective customer management by banks is a necessary step in ensuring continuity and sustainability of good results. This study, therefore, set out to investigate banking service delivery and customer satisfaction by Stanbic Bank. Semi-structured questionnaires were administered to civil servants from Tororo District Local Government and Stanbic Bank Tororo Branch officials. This case study tested opinions on banking communication, the existence of flexible policies, pricing of services and the lead time, using a five point Likert scale as a technique of measuring the variables. The study unearthed several findings that exposed laxity and weaknesses on the side of the bank as far as customer management is concerned. On the aspects of banking communication, respondents unanimously underscored the lack of a transparent communication system in the bank. Correlation analysis pointed out a statistically significant relationship between the communication variable and customer satisfaction in the banks at 14.5%. Respondents noted on a positive note that Stanbic Bank has gradually improved their banking policies but the divergent opinion was that such policies have not necessarily encouraged more transactions. Much as a low correlation value was detected between banking policy and customer satisfaction, only respondents who had taken more than five years in the bank had stronger opinion on this concept because they had experience on which to compare policies. The pricing of transactions by Stanbic bank was found to be the highest when compared to other micro deposit taking institutions. Such pricing was found to discourage loan borrowing and was labelled by respondents as being counterproductive. The charge on ATM operation was particularly sighted as being more expensive, compared to other banks. Stanbic Bank was also found to delay transaction, leading to a very high turnaround time. The relationship between Turnaround Time and Customer satisfaction was detected at a staggering low level although the focus group discussion really underscored it as a major factor affecting clients' satisfaction.

The study examined various situations and factors affecting the sustainability of a good customer satisfaction level and found that inefficient and ineffective banking communication with the clients had a significant bearing. The banking policy was also found to affect the will and interest of individuals to transact with the bank. The pricing policy was also blamed for the high and unstable

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attrition rate of the bankable population. Clients were found to be running away from Stanbic Bank because of the high rates charged especially when operating ATM transactions. The study made recommendations to the bank management and customers as well. The bank should improve their communication techniques, execute their transactions faster, and make procedures flexible as well as using affordable rates for their services. Customers on the other hand, should endeavour to keep up to date with the bank's processes and requirements for the different types of services offered to them.

KeyWords: Service Delivery, Customer Satisfaction, Banking Industry, Stanbic Bank, Tororo