AN ASSESSMENT OF EMPLOYEES PERCEPTION ON SERVICE QUALITY OF SELECTED PUBLIC SECTOR BANKS THROUGH SERVQUAL MODEL

P. Sanyasi Rao*
Chandra Sekhar Patro**

Abstract

The delivery of quality banking services to the customers has become increasingly prevalent as it is eliminating uncertainties and increases customer's loyalty. In the process of offering quality of services, employees play an important role in the banking institutions. To survive in the current competitive market conditions, delivering quality service to the customers is essential for every organisation, in particularly the banking sector. Therefore, the management need to identify the needs of the employees and should be given utmost preference and train them accordingly, as they directly interact with the customers. The study assesses the employees' perception towards the service quality delivered to the customers by the selected public sector banks using SERVQUAL scale. A sample of 200 employees from SBI and BOB banks are selected for the study. The results indicate that the variables quality of tangibles, reliability, assurance, and responsiveness show a significant relationship with demographic factors. The findings of the study will be useful to the bankers to identify gaps in their service quality management and make necessary strategies to enhance employee's satisfaction as well as customer's loyalty.

Keywords: *Assurance, Banking sector, Empathy, Employees, Public Sector, Responsiveness, Reliability, Service quality, Tangibles*

Introduction

Service Quality by its very nature is an indefinable, abstract and indistinct concept (Markoviæ & RasporJankoviæ, 2013). To survive in today's competitive business environment, banks need to focus on building and maintaining client relationships (Rootman *et al.*, 2008). In this

*Associate Professor, Department of Management Studies, Vignan's Institute of Engineering and Technology (A) Visakhapatnam, Andhra Pradesh
**Assistant Professor, Department of Management Studies, Gayatri Vidya Parishad College of Engineering (A) Visakhapatnam, Andhra Pradesh

context the importance of implementing a sound customer service practices have become vital. To be successful, banks must use their core competency to differentiate their services from the other competing players. Achieving that requires, inter alia, superior quality in customer services is the best option. Therefore, banks delivering quality of services better than their competitors would have greater possibilities of success (Ramay, 2012).

Service quality has been seen as critical for service sector organizations to position themselves strongly in a competitive environment (Mehta *et al.*, 2000) and also as indicators of business performance (Hurley & Estelami, 1998). When faced with larger, powerful retail competitor, smaller stores could compete by improving service instead of competing on price (Klemz & Boshoff, 1999). Concentrating on service quality is seen as critical in markets that offer similar products in the store. However, improvement of the quality of services requires and identification of the service quality attributes that are important to customers. A service has lot of intangible dimensions including reliability, responsiveness, assurance, quality of tangible, empathy, competence, courtesy, friendliness, security, ambience etc. These dimensions are qualitative by nature and their values are subjective. The difficulty to measure is due to fewer tangible cues available when consumers purchase services, fewer search properties, but higher in experience and credence properties (Parasuraman, 1985) as compared to goods.

The banks form the largest and the country's most important group of financial institutions. With stiffer competition from domestic and foreign banks, it is important for the banks in India to improve the quality of their services (Panda & Kondasani, 2014). Further, increased in consumer preferences toward banking products choosing the banks that give them the best service quality is a priority. As globalisation and liberalisation of financial institutions accelerate, competition among banks in offering products and services becomes more intense. Customers in India have become more educated better informed, more internalized, and as Indian economy becomes more and more knowledge based, the demand for high quality services expands with increases in customers' buying power (Sulieman, 2013).

Zairi (2000) identified that satisfied customers possibly share their experiences with five or six people while dissatisfied clients might inform another ten. It costs 25 percent more to recruit new customers than to maintain existing ones. Dawes and Swailes (1999) pointed out that retaining an existing customer costs about five times less in money, time and corporate resources than attracting a new customer. Newman *et al.* (1998) indicated that an increase of only five per cent in customer loyalty would lift profitability about 25-85 percent.

A comprehensive study by Parasuraman *et al.* (1985) identified ten determinants of perceived service quality which includes reliability, responsiveness, competence, access, courtesy, communication, credibility, security, understanding/knowing the customer, and tangibles. Subsequent research by Parasuraman *et al.* (1988) has condensed these into five dimensions of service quality viz., tangibles, reliability, responsiveness, assurance and empathy. These

dimensions are evaluated based on the customers' expectations and perceptions. Delivering the quality of service means to consider customer expectations on a consistent basis. Edvardsen *et al.* (1994) stated that the starting point in developing quality in services is analysis and measurement. The SERVQUAL approach is the most common method for measuring service quality.

Review of Literature

The employee's perception towards the service quality offered by the banking sector to their customer is an essential factor for the development. The literature related to the service quality delivered by the banks is analysed. Mayakkannan (2017) studied the impact of Human employee perception and performance of selected banks. Most of the bank employees have positive perception about their banks as well as the result of analysing reflects that their performance for development of banks is also good. Employees have good perception about the bank personnel policies, human resource planning, recruitment and selection, compensation system, employee's motivation, performance appraisal and interpersonal relationship. Banks provide proper training for employees to improve their individual skills. Narmadha *et al.* (2020) indicated that desired and perceived levels of service quality were higher in the Indian private banks, compared with public sector banks. Mittal and Kamakura (2001) reported that satisfaction of customer was an important feature in creation of desires by customers for purchase in future and investigated the functional form that related satisfaction with intent repurchase behaviour was totally different from that related the customer satisfaction with actual repurchase behaviour. Kotler and Armstrong (2010) identified that service occurs when an interaction was established between customers and service providers and/or the physical component of the service and/or the systems through which the service is delivered. Before exploring the concept for service, first review the characteristics of service.

Beatson and Gudergan (2008) investigated the relationship quality consisting three aspects satisfaction, trust, and commitment. The results indicated that all independent variables had positive impact on the behavioural intention but trust affected the activism negatively while commitment affected the perceived switching cost negatively. Jun and Cai (2010) identified the significance of customers and employee's satisfaction of organization and their major effect on the qualities of services. Workers of any service providing organization had an effective role and determine the internal service quality. Akroush (2008) stated that service quality is the result of the comparison made by customers about what they feel service firms should offer, and perceptions of the performance of firms providing the services. Ariani (2015) argued that in a service sector the employee satisfaction, customer satisfaction and service quality are the three things that are very important. Parasuraman *et al.* (1988) stated that the dimensions are instruments for measuring perceived service quality. They also posit that consumer-perceived service quality is usually seen as a multi-dimensional construct. In terms of qualitative benefits, customer satisfaction and loyalty have been perceived as major concerns;

it is widely accepted that a business must concentrate on pursuing service quality to achieve customer satisfaction because survival of the business greatly depends on that satisfaction.

Rao and Rao (2018) analysed that service quality has been recognized as an important aspect for service organizations, especially from the employee's point of view. Employee perceptions are considered vital to the service quality in organizations as employees directly interact with customers. Ahmed and Ali (2009) emphasized that due to the fact that identification or reward has been changed a lot, therefore, work motivation and satisfaction will be change parallelly so the greater focus on incentives and acknowledgment, the greater positive impact on the job satisfaction level. Xu and Goedegebuure (2005) identified a positive relationship between employee satisfaction and customer satisfaction. The relationship between employee satisfaction and customer satisfaction shows that employee satisfaction will increase when customers appreciate the efforts and employee's service. Khatri and Ahuja (2012) explored the dimensions of customer perceived service quality to private and public sector banks and analyse the critical variables that customers seek from a quality of service delivery.

Akman and Mishra (2010) mentioned that employee's opinion is governed and influenced by the socio-demographic segregation like gender, marital status and professional qualification and other factors. Further, staff members with better and rich experience in internet usage have a fair idea in empathising the service necessities. Sanjuq (2014) found a positive relationship among assurance, empathy, and responsiveness, and have no significant effect on customer satisfaction. Further, there is a negative relationship between reliability and customer satisfaction, whereas tangibles have a positive relationship and a significant impact on customer satisfaction. Katta, *et al.* (2020) examined the employee's perception of service quality management practices in public sector banks. The results reveal that there is a significant association between demographic factors and employees' perception of service quality management practices in public sector banks.

The review clearly establishes the fact that service quality offered by the banks to their customers has gained much attention by the researchers nationally as well as internationally. Through there are a good number of studies on banking sector, only a few studies focused on employee's perception on service quality delivery in banking sector. The study of service quality framework and service quality perceptions of employees contributes to the literature in banking as well as services management and marketing. The present study, therefore, focuses on analysing the perceptions of employees related to service quality offered by the selected public sector banks in India.

Research Objectives and Hypotheses

The specific objective of the study is to assess the perceptions of the employees towards the service quality delivered to the customers of the selected public sector banks. To analyse the relationship between respondent's demographic variables and service quality dimensions, the

study formulated the following hypotheses to test relationship between demographic factors and dimensions of service quality in selected public sector banks. The following hypotheses have been formulated for testing:

H1: There is no significant relationship between demographic factors and employees' perception of quality of tangibles.

H2: There is no significant relationship between demographic factors and employees' perception of reliability.

H3: There is no significant relationship between demographic factors and employees' perception of assurance.

H4: There is no significant relationship between demographic factors and employees' perception of responsiveness.

H5: There is no significant relationship between demographic factors and employees' perception of empathy.

Research Methodology

The study uses data from primary data sources. The study area for the purpose of collection of data is the State of Andhra Pradesh. Two public sector banks based on the volume of business are selected for the study. The selected public sector banks are State Bank of India and Bank of Baroda. To pursue the objective a survey of employee's opinion has been taken up. For the purpose identifying sampling units 10 branches of each SBI and BOB located in various parts of the state based on the turnover have been selected. A sample of 10 employees from the location each of branch is included in the sample. Thus, the total of employees interviewed is 10 x 10 x 2 = 200. The sample employees are interviewed at the bank branches during the working hours of the bank.

A questionnaire was developed to ascertain the opinion of employees on service quality offered by the banks. Techniques such as scaling and ranking are used wherever found necessary, SERVQUAL model developed by Parasuraman *et al.*, are used as the basis for designing the questionnaires. The Coronach's alpha coefficient is 0.95, suggesting that the items have relatively internal consistency among them and it is acceptable for social sciences research. For the tabulation and analysis of data, the appropriate statistical techniques were used. To analyse the collected data the techniques such as frequency, mean, analysis of variance (ANOVA) and multi-regression analysis were used. IBM SPSS software version 22.0 is used for the statistical analysis.

Demographic profile of the Respondents

The demographic profile of the respondents related to age, gender, education, and experience is shown in table-1.

Rao and Patro

Table-1: Demographic profile

Factor		BOB (n=100)	SBI (n=100)	Total (n=200)
Age	21- 30Years	43	40	83
		43.00%	40.00%	41.50%
	31-40 Years	37	43	80
		37.00%	43.00%	40.00%
	Above 40Years	20	17	37
		20.00%	17.00%	18.50%
Gender	Male	68	76	144
		68.00%	76.00%	72.00%
	Female	32	24	56
		32.00%	24.00%	28.00%
Education	Post Graduate	37	42	79
		37.00%	42.00%	39.50%
	Graduate	63	58	121
		63.00%	58.00%	60.50%
Experience	Below 5 Years	22	29	51
		22.00%	29.00%	25.50%
	6-10 Years	29	31	60
		29.00%	31.00%	30.00%
	Above 10 Years	49	40	89
		49.00%	40.00%	44.50%

Source: Primary Data

The demographic profile of the respondents is shown in table-10. The age of the respondents varied between 21 years and above 40 years. The data reveals that 41.5 percent of the respondents are in the age group of 21-30 years, while 40 percent of the respondents are in the age 31-40 years. There are 18.5 percent of the respondents who are above the age of 40 years. In the case of SBI, 43 percent of the respondents are in the age group of 31-40 years while in BOB 43 percent are in the age group of 21-30 years. It indicates that the employees of BOB are relatively younger compared to SBI. Out of the total, 72 percent are males and 28 percent are females. Female employees are more in BOB when compared to SBI. As many as 32 percent of the respondents from BOB are females while 24 percent are females in SBI.

The analysis reveals that 60.50 percent of the respondents are graduates, 39.50 percent of the respondents are post graduates. The post graduates are more in number in SBI whereas graduates are more in the case of BOB. Out of the total, 42 percent of the respondents' from SBI are post graduates whereas 63 percent in BOB are graduates. The job experience of 44.50 percent of the respondents is above 10 years. The experience of 30 percent of the respondents is between 6-10 years, whereas 25.50 percent of the respondents are with

below 5 years of experience in the bank.

Employees Perception on Service Quality

The employee perception on providing service quality to customers is assessed in the study. It includes perceptions on quality of tangibles, perception on reliability, perception on assurance, perceptions on responsiveness and perceptions on empathy.

Table-2: Perceptions on Quality of Tangibles

S. No.	Variables	BOB	SBI	Total
1	Bank has modern equipment	4.20	4.52	4.36
2	Drinking water and washroom facilities provided	4.02	4.22	4.12
3	Forms for opening accounts easy to fill	4.14	4.03	4.09
4	Sufficient number of contact counters provided	3.93	4.20	4.07
5	Bank provides adequate infrastructure facilities	4.17	3.90	4.04
6	Employees are well dressed	4.05	4.00	4.03
7	Supporting materials (pads, pins, etc.,) provided	4.00	4.06	4.03
8	Bank materials visually appealing	3.91	4.13	4.02
9	Adequate seating arrangement provided	3.89	4.00	3.95
	Total	**4.03**	**4.12**	**4.08**

Source: Primary Data

The perceptions of the respondents on quality of tangibles are ascertained based on nine variables as shown in table-2. The descriptive statistics indicates that SBI has the highest mean value of 4.12 compared to BOB with a mean value of 4.03. The total mean value of referred nine variables is 4.08 which indicate that the consumers have positive opinion towards the perception on quality of tangibles. Among the nine variables 'bank has modern equipment' secured highest rating (4.36) followed by the variables 'drinking water and washroom facilities provided (4.12)' and 'forms for opening accounts easy to fill (4.09)'. The highly rated variable is 'bank has modern equipment' in the case of both BOB and SBI with the mean values of 4.20 and 4.52 respectively. It is pertinent to note that all referred variables related to perception on quality of tangibles have positive ratings of above 4 by the respondents.

The perceptions of the respondents on reliability are assessed based on twelve variables as shown in table-3. The descriptive statistics indicates that BOB has the highest mean value of 4.16 compared to SBI with a mean value of 4.08. The total mean value of referred twelve variables is 4.12 which indicate that the consumers have positive opinion towards the perception on reliability. Among the twelve variables 'employees show sincere interest in solving problems' secured highest rating (4.39) followed by the variables 'bank has good reputation (4.22)' and 'bank is progressing well (4.20)'. In the case of BOB, the highly rated variable is 'the bank

Table-3: Perception on Reliability

S. No.	Variables	BOB	SBI	Total
1	Employees show sincere interest in solving problems	4.19	4.59	4.39
2	Employees perform tasks within the time framework	4.01	4.29	4.15
3	Bank performs all the time correctly	4.05	4.03	4.04
4	Employees are hardworking	4.11	3.95	4.03
5	Employees are aware of all services offered by bank	4.16	3.98	4.07
6	Bank keeps records correctly	4.18	3.88	4.03
7	The bank has good reputation	4.27	4.16	4.22
8	Bank has wide range of branch network	4.25	3.97	4.11
9	Bank is committed for customers benefits	4.22	4.05	4.14
10	Bank is progressing well	4.26	4.13	4.20
11	Bank provides various income generating options	4.01	3.83	3.92
12	Bank provides all banking services	4.18	4.04	4.11
Total		**4.16**	**4.08**	**4.12**

Source: Primary Data

has good reputation' with a mean value of 4.27 and for SBI the highly rated variable is 'Employees show sincere interest in solving problems' with a mean value of 4.59. It is pertinent to note that all referred variables related to perception on reliability have positive ratings of above 4 by the respondents.

Table-4: Perception on Assurance

S. No.	Variables	BOB	SBI	Total
1	Bank provides high security to deposits	4.48	4.23	4.36
2	Bank maintains fire safety system	4.22	4.08	4.15
3	Security personnel are usually present in bank premises	4.14	4.05	4.10
4	Employees ensure safety while transacting with customers	4.25	3.92	4.09
5	Bank instils confidence in customers	4.23	3.90	4.07
6	Employees constantly care for customers with courtesy	4.18	3.94	4.06
7	Bank provides high security to customer information	4.12	3.98	4.05
8	ATM is located in physically safe location	4.07	3.95	4.01
Total		**3.74**	**3.56**	**3.65**

Source: Primary Data

The perceptions of the respondents on assurance are ascertained based on eight variables as shown in table-4. The descriptive statistics indicates that BOB has the highest mean value of 3.74 followed by SBI with a mean value of 3.56. The total mean value of referred eight variables is 3.65 which indicate that the employees have positive opinion towards the perception on assurance. Among the eight variables 'bank provides high security to deposits' secured

highest rating (4.36) followed by the variables 'bank maintains fire safety system (4.15)' and 'security personnel are usually present in bank premises (4.10)'. The highly rated variable is 'bank provides high security to deposits' in the case of BOB and SBI with a mean value of 4.48 and 4.23 respectively. It is pertinent to note that all referred variables related to perception on assurance have positive ratings of above 3.5 by the respondents.

Table-5: Perceptions on Responsiveness

S. No.	Variables	BOB	SBI	Total
1	Employees tell the time required to perform service	4.41	4.65	4.53
2	Employees provide timely services to customers	4.25	4.04	4.15
3	Employees show willingness to help customers	4.28	4.22	4.25
4	Employees answer customers' enquiry	4.19	4.08	4.14
5	Bank is prompt in resolving customer grievances	4.07	4.07	4.07
	Total	**4.24**	**4.21**	**4.23**

Source: Primary Data

The perceptions of the respondents on responsiveness are ascertained based on five variables as shown in table-5. The descriptive statistics indicates that BOB has the highest mean value of 4.24 compared to SBI with a mean value of 4.21. The total mean value of referred five variables is 4.23 which indicate that the employees have positive opinion towards the perception on responsiveness. Among the five variables 'employees tell the time required to perform the service' secured highest rating (4.53) followed by the variables 'employees show willingness to help customers (4.25)' and 'employees provide timely services to customers (4.15)'. The highly rated variable is 'employees tell the time required to perform the service' in the case of BOB and SBI with a mean value of 4.41 and 4.65 respectively. It is pertinent to note that all referred variables related to perception on responsiveness compared to other banks have positive ratings of above 4 by the respondents.

Table-6: Perceptions on Empathy

S. No.	Variables	BOB	SBI	Total
1	Bank attends to specific problems of customers	4.33	4.52	4.43
2	Bank provides individual attention to customers	4.21	4.12	4.17
3	Bank location is convenient for customers	4.28	4.01	4.15
4	Waiting time to receive service is not extensive	4.17	4.06	4.12
5	Bank takes care to prevent service failures	4.11	4.10	4.11
6	Bank understands the specific needs of customers	4.16	4.06	4.11
7	Bank provides a wide range of access to account info	4.05	4.08	4.07
8	Bank arranges convenient operating hours for customers	4.09	4.01	4.05
	Total	**4.18**	**4.12**	**4.15**

Source: Primary Data

The perceptions of the respondents on empathy compared are analyzed based on eight variables as shown in table-6. The descriptive statistics indicates that BOB has the highest mean value of 4.18 followed by SBI with a mean value of 4.12. The total mean value of referred eight variables is 4.15 which indicate that the employees have positive opinion towards the perception on empathy. Among the eight variables 'bank attends to specific problems of customers' secured highest rating (4.43) followed by the variables 'bank provides individual attention to customers (4.17)' and 'bank location is convenient for customers (4.15)'. The highly rated variable is 'bank attends to specific problems of customers' in case of both BOB and SBI with a mean value of 4.33 and 4.52 respectively. It is pertinent to note that all referred variables related to perception on empathy have positive ratings of above 4 by the respondents.

Table-7: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
Quality of Tangibles	Regression	4.117	4	1.029	3.110	.015[b]
	Residual	163.805	495	.331		
	Total	167.921	499			
Reliability	Regression	5.772	4	1.443	6.121	.000[b]
	Residual	116.704	495	.236		
	Total	122.476	499			
Assurance	Regression	2.531	4	.633	2.243	.063[b]
	Residual	139.655	495	.282		
	Total	142.187	499			
Responsiveness	Regression	4.462	4	1.116	2.522	.040[b]
	Residual	218.972	495	.442		
	Total	223.434	499			
Empathy	Regression	8.235	4	2.059	5.472	.000[b]
	Residual	186.216	495	.376		
	Total	194.451	499			

b. Predictors: (Constant), Age, Gender, Education and Experience

The results of the ANOVA test related to the relationship between demographic variables age, gender, education and experience with service quality dimensions' quality of tangibles, reliability, assurance, responsiveness, and empathy is shown in table-7. The analysis indicates that the dependent variables quality of tangibles (F=1.780, p=0.034<0.05), reliability (F=1.821, p=0.013<0.05), assurance (F=0.786, p=0.035<0.05), responsiveness (F=0.234, p=0.019<0.05) show a significant relationship with independent variables age, gender, education and experience. Further, the results show that the dependent variable empathy (F=0.064, p=0.992>0.05) do not show a significant relationship with the independent variables experience, education, gender and age. Thus, it can be observed that except empathy, all the other service quality dimensions show significant positive opinion towards the quality of service provided to the customer by the selected public sector banks.

[27]

Table-8: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
Quality of Tangibles	(Constant)	3.901	.133		29.331	.000
	Age	-.053	.025	-.101	-2.124	.034
	Gender	.078	.064	.057	1.228	.220
	Education	.000	.025	.000	-.006	.995
	Monthly Income	.056	.022	.117	2.584	.010
Reliability	(Constant)	3.998	.112		35.608	.000
	Age	-.059	.021	-.132	-2.811	.005
	Gender	.120	.054	.102	2.238	.026
	Education	-.012	.021	-.026	-.581	.562
	Monthly Income	.056	.018	.136	3.032	.003
Assurance	(Constant)	4.309	.123		35.083	.000
	Age	-.062	.023	-.129	-2.693	.007
	Gender	-.005	.059	-.004	-.092	.926
	Education	-.008	.023	-.016	-.340	.734
	Monthly Income	.023	.020	.053	1.163	.245
Responsiveness	(Constant)	4.210	.154		27.373	.000
	Age	-.065	.029	-.108	-2.268	.024
	Gender	-.048	.074	-.030	-.651	.515
	Education	-.040	.028	-.065	-1.419	.156
	Monthly Income	.037	.025	.067	1.471	.142
Empathy	(Constant)	4.331	.142		30.536	.000
	Age	-.108	.027	-.192	-4.071	.000
	Gender	-.050	.068	-.034	-.740	.459
	Education	-.029	.026	-.050	-1.092	.275
	Monthly Income	.042	.023	.080	1.796	.073

Source: Primary Data

The calculation of coefficients related to the relationships among demographic variables and service quality dimensions is shown in table-8. In the case of quality of tangibles, the analysis reveals that the independent variables age (t=1.979, p=0.049), education (t=0.601, p=0.048), and experience (t=0.378, p=0.006) show positive significant coefficients with the dependent variable. However, the gender (t=-0.164, p=0.870) do not show significant coefficients with perception on quality of tangibles. It can be observed that all the independent variables except gender show a significant relationship with perception on quality of tangibles providing a strong support for the rejection of the null hypothesis (H_{01}). In the case of reliability, the independent variables age (t=-1.579, p=0.016) and gender (t=-0.657, p=0.012)show negative significant coefficients with the dependent variable perception on assurance, whereas, the

variables education (t=0.690, p=0.041) and experience (t=1.370, p=0.012) shows positive significant coefficients with the variable perception on assurance. Thus, the results provide a strong support for the rejection of the null hypothesis relating to the relationships between independent variables age, gender, education and experience with the dependent variable perception on assurance (H_{02}).

In the case of assurance, the analysis reveals that the independent variables age (t=-1.717, p=0.038) and gender (t=-0.384, p=0.001) show negative significant coefficients with the dependent variable perception on assurance. The variables education (t=0.553, p=0.031) and experience (t=1.231, p=0.020) shows positive significant coefficients with the variable perception on assurance. It can be observed that all the independent variables show a significant relationship with perception on assurance, rejecting the null hypothesis (H_{03}). With regard to responsiveness, the analysis reveals that the independent variables age (t=-0.267, p=0.789) do not show significant coefficient with perception on responsiveness. The variables gender (t=-0.104, p=0.017) and education (t=-0.268, p=0.039) show negative significant coefficients with the dependent variable perception on responsiveness, whereas the variable experience (t=0.777, p=0.038) shows positive significant coefficients with the variable perception on responsiveness. Thus, results provide a strong support for the rejection of the null hypothesis relating to the relationships between independent variables age, gender, education and experience with the dependent variable perception on responsiveness (H_{04}).

In the case of empathy, the analysis reveals that the independent variables age (t=0.447, p=0.656), gender (t=-0.023, p=0.981), education (t=0.071, p=0.943) and experience (t=-0.485, p=0.629) do not show significant coefficients with the dependent variable perception on empathy. Thus, the results show a strong support for the acceptance of the null hypothesis (H_{05}) relating to the relationships between independent variables age, gender, education and experience with the dependent variable perception on empathy.

Conclusion and Managerial Implications

Service Quality has become a progressively significant differentiator among the competing banking sector. Customers are more concerned about the quality of service delivered by the banks. They prefer the banks with high service quality whether it may be a public or private sector. Therefore, the banks have to identify the needs of the customers and provide the services accordingly so as to increase customer satisfaction and loyalty. For the purpose, the employees play a vital role providing the quality of services to the customers. Thus, the results of the study indicate that the employees of public sector banks are satisfied with the quality of services delivered to the customers. Further, the results reveal that except empathy, the other service quality dimensions quality of tangibles, reliability, responsiveness and assurance show a significant positive relationship with the employees' perception towards service quality delivered to the customers by the selected public sector banks.

However, the public sector banks in India need to initiate quality enhancement measures on to attain high level of customer satisfaction. As the employees are the internal customer of an organization, the service quality dimensions tangibles, reliability, responsiveness, assurance and empathy that influence the quality perceptions of employees need to be assumed with special attention. Besides formulating right policy framework, procedures and employee empowerment, the banks should provide special training to all the employees on interactive skills. Apart from providing tangibles that support customers as well as employees in service production and consumption process, the banks take care of the specific requirements of the employees. The internal communication needs to be strengthened further as a sizeable number of employees are not aware of the details of all the services offered by banks and the services offered by the competing banks. The management should ensure that every employee has a clear knowledge of quality goals of the organization.

Limitations and Scope of Further Research

In spite of significant efforts taken for the study there are certain limitations. The study is confined to the state of Andhra Pradesh and the opinions of the employees belonging to relatively high performing public sector banks. Thus, the findings may not be generalized. As the study is based on perceptions of the respondents, the opinions may be subjective and there is a possibility of measurement errors. There is scope for more dimensions of further research in this area by overcoming the limitations of this study like the small group of respondents, confining the study only to the employees of two banks in the country or highlight much technical/process related issues involved in the process of rendering electronic/online banking services. Service quality and employee's perception towards private, foreign and nationalized banks can be studied separately in future studies. The examination of instable behaviour of rural and urban banking employees has never been attempted in the Indian banking sector. Therefore, it is one of the areas where further research can be carried out.

References

1. Akman, I. and Mishra, A., 2010. Gender, age and income differences in internet usage among employees in organizations. *Computers in Human Behavior*, *26*(3), pp.482-490.

2. Akroush, M.N., 2008. Exploring the mediation effect of service quality implementation on the relationship between service quality and performance in the banking industry in Jordan. *Global Business and Economics Review*, *10*(1), pp.98-122.

3. Ali, R. and Ahmed, M.S., 2009. The impact of reward and recognition programs on employee's motivation and satisfaction: an empirical study. *International review of business research papers*, *5*(4), pp.270-279.

4. Ariani, D.W., 2015. Employee satisfaction and service quality: Is there relations. *International journal of business research and management*, *6*(3), pp.33-44.

5. Beatson, A., Lings, I. and Gudergan, S., 2008. Employee behaviour and relationship quality: impact on customers. *The Service Industries Journal, 28*(2), pp.211-223.

6. Dawes, J. and Swailes, S., 1999. Retention sans frontieres: issues for financial service retailers. International Journal of Bank Marketing, 17(1), pp.36-43.

7. Edvardsen, B., Tomasson, B. and Ovretveit, J., 1994. Quality of Service: Making It Really Work. New York, NY: McGraw-Hill.

8. Feinberg, R.A., 1995. Consumer-defined service quality in international retailing. Total Quality Management, 6(1), pp.61-68.

9. Hurley, R.F. and Estelami, H., 1998. Alternative indexes for monitoring customer perceptions of service quality: A comparative evaluation in a retail context. Journal of the academy of Marketing Science, 26(3), pp.209-221.

10. Jun, M. and Cai, S., 2010. Examining the relationships between internal service quality and its dimensions, and internal customer satisfaction. *Total Quality Management, 21*(2), pp.205-223.

11. Katta, R.M.R., Patro, C.S. and Pinninti, S.R., 2020. A Pragmatic Study of Employee Perception on Service Quality Management Practices in the Banking Sector. *International Journal of Applied Behavioral Economics (IJABE)*, *9*(2), pp.38-56.

12. Khatri, P. and Ahuja, Y., 2012. Comparative study of customer satisfaction in Indian public sector and private sector banks. *International Journal of Engineering and Management Sciences*, *1*(1), pp.42-51.

13. Klemz, B.R. and Boshoff, C., 2001. Environmental and emotional influences on willingness-to-buy in small and large retailers. European Journal of Marketing, 35(1/2), pp.70-91.

14. Kotler, P. and Armstrong, G., 2010. *Principles of marketing*. Pearson education.

15. Markoviæ, S. and RasporJankoviæ, S., 2013. Exploring the relationship between service quality and customer satisfaction in Croatian hotel industry. Tourism and Hospitality Management, 19(2), pp.149-164.

16. Mayakkannan, R., 2017. A Study on Employee Perception on Public Sector Banks in Chennai City. *International Journal of Applied Business and Economic Research, 15(21/2), 29-40.*

17. Mehta, S.C., Lalwani, A.K. and Li Han, S., 2000. Service quality in retailing: relative efficiency of alternative measurement scales for different product-service

environments. International Journal of Retail & Distribution Management, 28(2), pp.62-72.

18. Mittal, V. and Kamakura, W.A., 2001. Satisfaction, repurchase intent, and repurchase behavior: Investigating the moderating effect of customer characteristics. *Journal of marketing research*, *38*(1), pp.131-142.

19. Narmadha, M., Lalithakumari, G., & Selvakumar, J., 2020. Customer Service in Private and Public Sector Banks. International Journal of Research in Engineering, Science and Management, 3(1), pp.247-250.

20. Newman, K., Cowling, A. and Leigh, S., 1998. Case study: service quality, business process re-engineering and human resources: a case in point? International Journal of Bank Marketing, 16(6), pp.225-242.

21. Panda, K.R. and Kondasani, R.K.R., 2014. Assessing customers' perceived service quality in private sector banks in India. Serbian Journal of Management, 9(1), pp.91-103.

22. Parasuraman, A., Zeithaml, V.A. and Berry, L.L., 1985. A conceptual model of service quality and its implications for future research. the Journal of Marketing, pp.41-50.

23. Parasuraman, A., Zeithaml, V.A. and Berry, L.L., 1988. Servqual: A multiple-item scale for measuring consumer perception. Journal of retailing, 64(1), p.12.

24. Ramay, I.M., 2012. Antecedents of organizational commitment of banking sector employees in Pakistan. Serbian Journal of Management, 7(1), pp.89-102.

25. Rao, K.R.M. and Rao, P.S., 2018. Employees' Perception on Service Quality of Public Sector Banks. *International Journal of Innovative Research in Technology, 5*(4), pp. 1-9.

26. Rootman, C., Tait, M. and Bosch, J., 2008. Variables influencing the customer relationship management of banks. Journal of Financial Services Marketing, 13(1), pp.52-62.

27. Sanjuq, G. (2014). The impact of service quality delivery on customer satisfaction in the banking sector in Riyadh, Saudi Arabia. *International Journal of Business Administration*, *5*(4), 77-84.

28. Sulieman, A., 2013. Basic dimensions of the SERVQUAL model and its impact on the level of customer satisfaction: an empirical study of the Housing bank in Karak, Jordan. European Scientific Journal, 9(1), pp. 21–34.

29. Xu, Y. and Geodegebuure, R., 2005. Employee satisfaction and customer satisfaction: testing the service-profit chain in a Chinese securities firm. *Innovative Marketing, 1*(2), pp. 49-59.

30. Zairi, M., 2000. Managing customer satisfaction: a best practice perspective. The TQM Magazine, 12(6), pp. 389-394.

[32]