

**EFFECTS OF SERVICE DELIVERY BY COMMERCIAL BANKS ON THEIR
CUSTOMER SATISFACTION, A CASE STUDY
OF BARCLAYS BANK 'U' LTD**

BY

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DECLARATION

I **Nabukeera Hasifah**, declare that this proposal is my original work and has not been presented to any other institution for any award, and that it includes both primary and secondary data sought from Barclays bank.

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Date: 04th / 07 / 2021

APPROVAL

This project report is an original work done by Nabukeera Hasifah BBA III year student under my supervision and has not been presented to any other institution. It is now ready for presentation to the school of Business and Management for examination with my approval

Signature: 

DR. STANLEY KINYATA

(Supervisor)

Date: 

DEDICATION

This report is dedicated to my beloved mother, father, brother Bukenya, Hajji Ali Lubega and the supervisor **DR. STANLEY KINYATA** who guided me and gave me all the necessary support in form of advice and moral to make me complete this project report.

ACKNOWLEDGMENT

This report composed of an aggregate of different kinds of contribution from very many people so take this opportunity to thank the following.

I kindly, extend my special thanks to my beloved parents Mrs. And Mr. Matovu Ahmed for having cared for me all the time. Mummy and Daddy for sure I have appreciated may the Almighty Allah keep you alive.

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TABLE OF CONTENTS

DECLARATION	i
APPROVAL.....	ii
DEDICATION	iii
ACKNOWLEDGMENT.....	iv
TABLE OF CONTENTS	v
ABSTRACT.....	viii
CHAPTER ONE.....	1
1.1 Background	1
1.2 Statement of the problem.	4
1.3.1 Objective of the study.....	5
1.3.1 General Objective.....	5
1.3.2 Specific objectives.	5
1.4 Research questions.	5
1.5 Scope of the study.....	5
1.5.1 Content scope.	6
1.5.2 Geographical scope	6
1.5.3. Time scope.....	6
1.6 Significance of the study.	6
1.7 Conceptual framework.	7
CHAPTER TWO: LITERATURE REVIEW	8
2.1 Definition and background.....	8
2.2 Services delivered by commercial banks on their customers.	9

2.3 Effects of service delivery by commercial bank to their customers.....	10
2.4 Problems facing commercial banks in Uganda.....	12
2.5 Solutions to the problems faced by CBs.....	14
CHAPTER THREE: RESEARCH METHODOLOGY.....	16
3.1 Introduction.....	16
3.2 Research design.....	16
3.3 Study population.....	16
3.4 Sampling procedures.....	16
3.5 Sample techniques.....	16
3.6 Sample size.....	17
3.7 Data sources and collection.....	17
3.7.1 Sources of data.....	17
3.8 Instruments.....	17
3.8.1 Questionnaires.....	17
3.8.2 Interview guide.....	18
3.8.3 Observation method.....	18
3.9 Data analysis.....	18
3.9.1 Data processing.....	18
3.10 Reliability and validity of instrument.....	19
3.11 Limitations of the study.....	19

CHAPTER FOUR: DATA PRESENTATION, ANALYSIS AND RECOMMENDATIONS..	20
4.0 Introduction.....	20
Background information.....	20
4.1 Gender of respondents.....	20
Source; primary data.....	22
4. 3 Level of Education.....	22
4. 4 Marital status of respondents.....	23
4.5 Ways of retaining customers through delivering services to them.....	24
4.6 Problems facing both the commercial banks and their customers	26
4.7 Outcomes of the services delivered by Barclays Bank to their customer satisfaction.....	28
 CHAPTER FIVE: SUMMARY OF MAJOR FINDINGS, CONCLUSIONS AND RECOMMENDATIONS.....	 31
5.0 Introduction.....	31
5.1 Summary of major findings.	31
5.2 Conclusions.	32
5.3 Recommendations.....	33
 REFERENCES:	 34
Appendices	36
A: Research instruments	36
1. Questionnaire	36
2. Interview guide.....	37
Appendix B: Time frame	39
Appendix c: Budget.....	40

ABSTRACT

The topic of the study was the effect of service delivery by commercial banks on their customer satisfaction, a case study of Barclays bank Uganda limited, the problem of the study was to find out the problems facing commercial banks.

The purpose of the study was to find out how the commercial banks are going to help their customers who are ignorant about their existing services.

The objectives of the study were; to establish ways of retaining customers through delivering services to them, find out the problems facing both the commercial banks and their customers and how they can be solved and to find out the outcomes of the services delivered by Barclays Bank to their customer satisfaction.

The research used both descriptive and analytical research design.

The findings of the study indicated the following:

It was found out that the ways of retaining customers through delivering services to them is by offering loans to them, by providing their customers with ATM cards, issuing bank charge cards and other related services.

It was also found out that the problems facing both the commercial banks and their customers are; Poverty, High interest rates, Ignorance and Illiteracy of customers.

It was further found out that the outcomes of the services delivered by Barclays Bank to their customer satisfaction are; accumulation of capital formation, infrastructural development and stimulates savings and investment.

It was recommended that there should be an ensured system of service delivery that favours all the customers. This is because if the customers are not served well, then they may stop banking or transacting with Barclays bank.

CHAPTER ONE

This chapter is mainly to give a brief explanation of the study that is giving the back ground, stating the problem, giving the objectives of the problem, research questions, and significance of the study, scope of the study and the limitation of the study. These are in light to give main content of the researcher.

1.1 Background

Barclays began its operations over 70 years ago. On 1st August 1927 Barclays Bank, then known as Barclays DCO, a limited liability company incorporated in the U.K, opened two branches in Uganda - one in Kampala and the other in Jinja.

Now known as Barclays Bank of Uganda Ltd, a subsidiary of Barclays Bank PLC Group which now operates in over 70 countries in the world, Barclays Bank of Uganda Ltd is involved in two outlets at Plot 16 Kampala Road and Luwum Street.

Recently, the Bank underwent major restructuring to prepare for the fast changing and developing needs of the revitalized Ugandan economy and the increasing demands of its customers for a modern banking service. In this connection Barclays as invested heavily in information technology and has come up as a pioneer Bank with a new feature of Satellite Banking-code named Project Orbit". This is a real-time accounting system capable of 'updating customers' information instantly. With the use of Satellite "dishes linked to the office system network servers via Personal Earth Stations, the system is able to transmit customer transactions to the database in a Processing Centre in U.K in less than 3 seconds. This has helped in solving the problem of lack of customer information, more so if the information required is held by another Barclay's branch and the communication infrastructure is not so good. With this in place, all service outlets i.e. tellers have access to the Central Bank

holding customers' information irrespective of the branch, for example:-

- Stop Payments can be input by the nearest branch and the authorizing officers/tellers will be advised immediately and automatically should someone try to cash/pay in the stopped cheque- this is irrespective of where the account is held or where it is stopped.
- Barclays has also recently introduced the Front Office System (FOS) - this is a system where computers are moved from the back office to the front office to enable a quick service to customers. There is no doubt that the Front Office Systems (FOS) has made a huge difference to the Barclays counter service. But, service improvements are not a one-time thing; they need to be registered on several fronts for real impact to be felt. So, FOS alone is not the sole answer for a continuing better service.
- Barclays is conscious and fully aware of the following:
Customers who must queue for long periods although their transaction is very simple and quick
- Cashiers who are so pressurized by volumes of customers do not feel able to give each customer the personal attention that we know they want.
- Customers who find it inconvenient to come to the Branch during opening hours.
- Customers who want flexibility in their banking services to match their lifestyle.
- All these factors, and more, are prompting the introduction of the Automated Teller Machines (ATMs). At Barclays, quality service is about continuous improvement in the constant search for better ways of doing business and, availing facilities to customers is just one important step.

Like any automated service, the ATM does simple things consistently and accurately.

Departments include:

Barclays Foreign and Trade Finance Departments

Barclays is truly an international bank with the global capacity to conduct foreign currency business on a large or small basis with complete professionalism. It has a full range of services to cater for the largest corporation and the smallest personal customer. Barclays handles the transactions of all the major currencies and offers the following services to its customers:

- Opening Letters of Credit to facilitate quick and safe importation of goods.
- Organizing credit facilities and collecting proceeds for exports (inward Letters of Credit).
- Visa Cards Encashments.
- Negotiations and collection of cheques in all major currencies
- Purchase and sales of all the major foreign cash currencies as well as travelers' cheques.

Apart from offering all the above services, a customer can open a Foreign Currency Current Account as well as a Deposit Account. Barclay's offers very competitive rates to customers who deposit such foreign funds with them. In 1995, with the installation of the Society for Worldwide Interbank Financial Telecommunications (SWIFT) payment system, Barclays was one of the first banks in Uganda capable of electronically transferring funds to and from anywhere in the world, in minutes.

Retail Services

Barclays provides its esteemed customers with efficient, accurate and fast services on savings, current and fixed deposit accounts. The fixed deposit and

savings account carry attractive and competitive interest rates.

A "Personal Bankers" service is currently being introduced. This is one additional service to help serve customers at their convenience. "Personal Banking" is all about staff establishing the personal link with customers. This creates a real "feel good" factor; the customer sense that they are recognized, valued as individuals and feel that they genuinely belong with Bank clays.

The Corporate

The corporate department gives professional attention towards the customer's financial needs. Barclays' lending rates are competitive and loans, overdrafts and guarantees are offered to both personal and corporate customers. Barclays is at present looking to enhance its Personal loan product range and further details should be available later in the year.

1.2 Statement of the problem.

Despite the increasing number of customers in Barclays Bank, many customers are ignorant about the existing services in this Bank. For example the Automated teller machine service is new and not used by most of the customers because they are ignorant about it. Also the location of most of Banks in urban areas is another problem which makes most of Barclays Bank customers unsatisfied. Also another problem was a case which was reported in daily monitor of 2nd January 2008 page 6 whereby four convicted for the Bank robbery.

According to this article, the cashiers' custom agent, clearing agent and fraud and withdraw shs.50 million.

This shows that there was an increased robbery and forgery. Therefore the researcher wanted to find out the problems facing commercial Bank like the one published in daily monitor and how they can be solved.

1.3.1 Objective of the study.

To investigate the effects of service delivery by commercial banks on customer satisfaction in Barclays Bank.

1.3.1 General Objective

To find out how the commercial banks are going to help their customers who are ignorant about their existing services.

1.3.2 Specific objectives.

1. To establish ways of retaining customers through delivering services to them.
2. To find out the problems facing both the commercial banks and their customers and how they can be solved.
3. To find out the outcomes of the services delivered by Barclays Bank to their customer satisfaction.

1.4 Research questions.

1. In what ways can customers be retained through delivering services to them?
2. What are the problems facing both the commercial banks and their customers and how can they be solved?
3. What are the possible outcomes of the services delivered by Barclays Bank to their customer satisfaction?

1.5 Scope of the study.

The study was carried out in Barclays Bank limited in Kampala district branches. This is because most of Barclays Bank customers are in Kampala district.

1.5.1 Content scope.

The researcher carried out this study in Barclays Bank Kampala branch on the effects of service delivery by commercial bank to their customer **satisfaction**.

1.5.2 Geographical scope

The study was carried out in Barclays Bank Luwum street branch. Barclays Bank has 67 branches in Kampala and up country it also has branches in districts like Mubende, Adjumani, Moyo, Gulu, Arua, Koboko, Tororo, Kotido, Masindi, Kiboga, Jinja, Mbarara and many others.

1.5.3. Time scope.

The research was conducted within 3 months time, beginning in April to July 2011

1.6 Significance of the study.

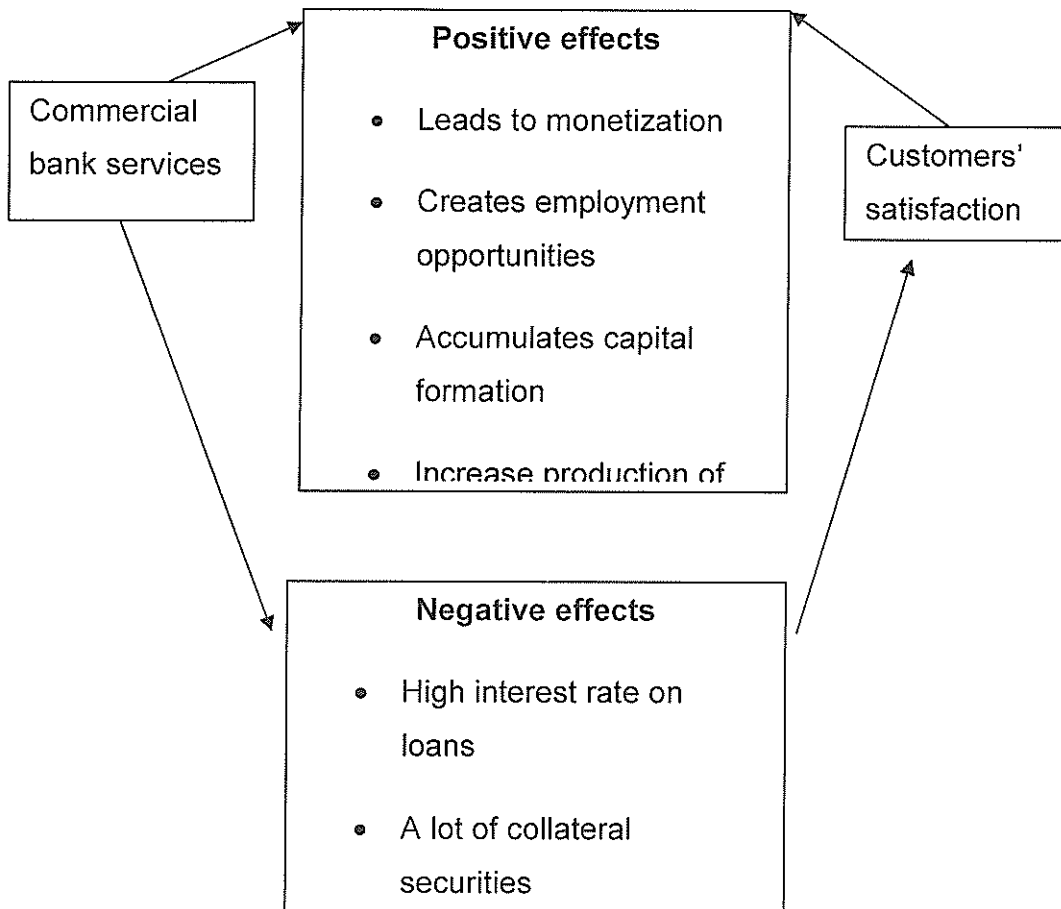
The study might help us to establish ways of retaining customers through delivering services to them.

The study might help us to improve on the relationship between Barclays Bank and their customers.

The study might help us to appreciate the role of Barclays Bank to the well beings of their customers and to the economic development of Uganda.

The study might show the effects of service delivery by Barclays Bank on their customers' satisfaction these effects might help us to find out whether there is improvement on the people's standards of living.

1.7 Conceptual framework.



Here, the independent variable is the commercial bank services and dependent variables are the customers, therefore the customers gain after the services are delivered to them and sometimes affected shown above.

CHAPTER TWO: LITERATURE REVIEW

2.1 Definition and background.

According to Tayebwa (2007), he defined commercial bank as financial institutions established to carryout financial business in a country by safe guarding people's deposits and lending them on behalf of customers.

Also, according to Dudley (1999) the term commercial bank is a throwback to the so called commercial loans theory of banking that helps sway during the 19th century. This theory urged that banks assets (except for cash) should consist exclusively of commercial loans that is short term loans to business for financing the production and transportation of goods and services holding of the inventory.

William and Adams (1998) for them they said Adam and Eve left the Garden of Eden, they did not encounter an automated teller machine. We can see how the first bank must have begun. When money was made of gold and other mental, it was inconvenient for consumers and merchants purity every time they made a transaction so, the practice developed of living gold in the goldsmiths' safe storage facilities and carrying in its place a receipt stating that John Doe did indeed own five ounces of gold.

A customer, according to great Western Railway company v. London and country banking (1901, AG 414) was defined s a person who has some sort of account, either deposit or current account or some similar relation with a banker it implies also the person or corporate boy may become a customer by opening a deposit or current account or negotiating an advance on current or loan account.

According to Bernard (2007) foreign commercial banks were established in Uganda after, colonization to facilitate commerce and production of exports. They include Gridley Bank which was established in 1996 at Entebbe

standards Bank. Presently, there are money foreign commercial banks operating in the country.

2.2 Services delivered by commercial banks on their customers.

According to Los Cantwell (1997) he looked at commercial banks as something which handles people's money business such as making con and home loans, issuing bank charge cards, supplying safe deposit boxes for storing available and finishing cheques and saving accounts.

Credit cards. According to Debbie (2002) he defined a credit card as a card given to customers to purchase goods and services without carrying money or any cash with them. It is the commercial bank which provides these cards to their customers in order to allow them to get goods and services without cash. Jane (1998) said that credit cards are easy way to pay for goods and services but they are not money in real sense of the world.

Providing ATM cards, these are automated teller machines which can help customers to access their statement as a new technology. According to Hubbard (2004) these cards are suppose to be automatic and this service works for 24 hours.

Giving out loans to customers. Also according to Cantwell (1987) said that commercial bank offers loans. They are called commercial banks because they originally had business customers but today however, they have private customer too. That is why they offer loans to their customers.

Giving out monthly accounting statement to their customers. According to Tayebwa (2002) he indicated that these monthly accounting statement helps the customers to review and make reconciliation on their accounts and also stating the debit or credit entries in their account.

Issuing bank charge cards. This is also another service delivered by the commercial bank to their customer. According to Tayebwa (2007) he said these cards help the customers to confirm what balance they have remained with on their accounts.

They deliver cheques books and checking saving account. According to Cantwell (1987) commercial banks deliver cheques books and checking saving accounts of their customers. Also, supplying safe deposits boxes for storing variables and finishing cheques and saving account.

According to William (2005) he looked at commercial banks as institutions which gather various amount of money from saves and repackages these finds into the amount demanded by borrowed this also a service delivered to the customers.

Money transfer. According to Bernard (2007) commercial banks transfer their customers' money from one place to another by doing so they improve on the customers' standards of living and their welfare.

2.3 Effects of service delivery by commercial bank to their customers.

According to Bernard (2007) he indicated that there are both position and negative effects of these services.

Positively, **accumulation of capital formation** whereby he defined capital accumulation as the money which is used to start business. So after loans are given to customers, they are able to get money and use it to start their business thus improving in the standards of living of the people.

Rises consumers' consumption and expenditure. After customers are given loans and money transfer they raise their consumption and expenditure thus the improvement on their standards of living.

Creation of employment opportunities.

This is due to the loans which are given to customers. They can use this money to do other businesses and many other people are now employed thus the problem of unemployment in the country is reduced.

Increase is the production of goods and services whereby customers now have money to use in the establishment of other businesses. For example improvement of small scale industries and thus increasing on the production of goods and services.

Leads to monetization of the economy and utilization of technology. This is true in the way that most of the banks use ATM cards, cheque books and other services thus helping the economy to become monetized and thus improving on the economy's technology.

Improves on the economic growth and development. This is because most of the banks deliver loans to their customers as a result they use this money to create opportunities for jobs thus improving on the people's standards of living resulting into improved economic development and growth.

Stimulates savings and investment after customers are given loans and other services to them, they use the money to invest in other business and as a result stimulated people's saving culture and investment.

Infrastructural development. Infrastructures like roads, schools, hospitals are developed after the services are delivered to them.

Negatively, high interest rates on loans. This has scared away many prospective borrowers. Further still the few who have taken loans have failed to service them and this has led to their personal properties being taken up to pay back the loans they contracted.

Increases in the price of goods, some of the customers of the commercial banks who get loans use them anyhow. For example for spending. This can increase the demand for goods and services the producer will increase the prices for goods and thus causing inflation in an economy.

A lot of collateral securities. While delivering loans, commercial banks ask for a lot of collateral securities like land titles, motor vehicle cards and many others therefore most of the time customers fails to raise these securities and as a result they end up getting no loans and other services.

2.4 Problems facing commercial banks in Uganda

According to Tayebwa (2007) the following are the problems facing commercial banks in Uganda.

Poverty. There are many poor customers who are scattered so there are problems of saving mobilization.

Lack of credit worth customers. There are few creditworthy customers therefore lending is also limited by lack of collateral security by most people or business.

Ignorant and illiteracy of customers. Most of the customers are illiterate and therefore it is difficult to assess their creditworthiness. This makes them ignorant about the existing services.

High interest rates. The rate of interest used to be fixed by the government and it's sometimes high. This discourages people from borrowing money from banks. However interest rates have been liberalized but still high.

Political instabilities. Political instabilities lead to loss of money and property. Also because of economic uncertainty, people do not borrow for investment and therefore funds remain lying idle in commercial bank.

Shortages of communication facilities for example unreliable telephone and telegraph communication. Even though communication, have improved greatly still commercial banks suffers.

Concentration of commercial banks in urban areas. Commercial banks mostly concentrate in urban areas and hence they compete for business. A result many people from villages/rural areas remain ignorant about these banks thus discouraging the saving culture of the people in the villages or rural areas.

Inflation refers to the continuous rise in the general price level. T is measured by the price index. Inflation is a macro economic problem. This discourages lending and leads to loss of real value money.

Large substance sector. Economies of LDCs like Uganda are largely subsistence and dependent on one crop for exports. This restricts banking business. The high levels of illiteracy in the subsistence economy of developing countries is further hindering the development of banking services especially in rural areas

High level of traditionism and conservatism most people in Uganda are stick to their traditions. A good number still view banks with suspicion and do not regard it as a safe place to keep their money thus they prefer saving in their home this affects the commercial banks very severely.

Inadequate supply of skilled personnel.

A sound banking system requires skilled and trained personnel. However one common problem with commercial banks is inadequacy of the required man power to effectively manage a numerous branches and activities.

Level of economic transaction is low creating low demand for loans.

This can partly be explained by low levels of incomes, the subsistence nature of the economy, the small business unit and many others. Thus again brings about fear amongst people to acquire loans.

Mismanagement and corruption in CBs. CBs especially the nationalized ones have been subjected to mismanagement and corruption. The inefficiency and arrogance of bank officials have discouraged the potential customers for example delays in processing with draws and clearing cheques.

2.5 Solutions to the problems faced by CBs

According to Mugisha (2007) the following are the solutions to the above problems.

Infrastructural development and improvement is required in order to spread banking services even to rural areas.

Increased sensitization and awareness is needed to educate and inform the public about, the services delivered by commercial banks to their customers for example the ATM services which is new with customers and most of them are ignorant about it so they need to be sensitized.

Central bank should relax or release its policies to allow commercial banks mobilize savings and advance loans to the majority of people.

Political stability and peace should be put in place so as to encourage borrowing for investment

The banking industry should spread and expand their operations country wide so as to allow even people in rural areas to enjoy the services delivered.

Commercial banks should reconsider and advancing long term loans suitable to local condition for example loans advanced to farmers should have a payback period after harvest.

Proper management and accountability should be stricken to minimize tendencies of corruption, embezzlement, frauds, and bureaucracy.

About the case which appeared in the daily monitor of 2nd January 2008 page 6 where four employees convicted for crane bank robbery should be solved.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter covers the methods used to achieve the outlined objectives of the study. It discusses the research design used, the population and sample, the instrument, quality control, data collection and analysis.

3.2 Research design.

It is a case study which used the correlation study design to establish the relationship among variables of service delivery and customer satisfaction.

3.3 Study population.

The population in the study was 100 people from customer care department. 40 people were females and 60 males respectively aged between 20-60 years to establish the relationship between Barclays Bank and its customers through service delivery.

3.4 Sampling procedures.

In order to collect adequate data the research based on a survey of the sample population with structured self administered questionnaires because they are cost effective since they did not need the supervision and that they could be administered to a group at the same time where the respondent had the time for interviewing in order to reduce on the costs of traveling to the same destination twice.

3.5 Sample techniques.

The procedure to be adopted in the present study was Simple random sampling, which is also known as chance sampling. Under this sampling technique, every item of the frame has an equal chance of inclusion in the sample and a purposive sampling technique was used to select the samples as proposed by Amin (2005) that purposive sampling is a technique where the respondents supplies information relevant to the problem, also argued that in

purposive sampling the researcher used common sense regarding the participants from commercial banks. The researcher selected a sample based on his experience of knowledge of the group to be sampled and has in mind that these respondents have the information required.

3.6 Sample size.

The size comprised of 50 respondents and the sample was selected from employee of Barclays bank Uganda Limited. The sample comprised of both men and women irrespective of the religions and tribe the selection was done with no discrimination that whether one is still in probation was still selected.

3.7 Data sources and collection.

Data is going to be collected both from primary and secondary sources.

3.7.1 Sources of data.

The sources were text books, internet, journals, dissertations, respondents both from bankers and customers.

3.8 Instruments

The researcher intended to use the following instrument or tools when collecting data.

3.8.1 Questionnaires

These were pre-formulated question in which the subject records their answers. The question was then distributed to the subjects in their offices, homes or various places of work.

3.8.2 Interview guide

Interviews were carried out in order to supplement the questionnaire methods. This method also allowed the respondent who cannot comprehend to questions in the questionnaires to express themselves. It had the following advantage that a researcher has an opportunity to access problems directly and many others.

3.8.3 Observation method.

Whereas interviews and questionnaires elicit the responses from the respondents, it was possible to gather data without asking questions by simply observing the customers in their areas and recording their behaviors. Here a researcher played both the role of participant and non-participant observers.

3.9 Data analysis.

Data processing was related or linked between data collection and analysis in other words it means clear follow-up of data after collection. In this case therefore reliability was examined, it was clearly pointed out that data processing involves the transformation of data gathered from the field in systematic categories and transformation of those categories into codes to enable quantitative analysis and tabulation.

3.9.1 Data processing

The relationship between processing and analysis basing on objectives together with research questions were used to guide the researcher in the process of editing, coding as well as translations instruments of data collection the researcher was able to make final statistical tools such as tables, pie-charts bar graphs. It is statistical output that the researcher based when discussing the possibilities, merits and demerits of different alternatives as well as way forward for administration on the bank.

3.10 Reliability and validity of instrument

Reliability was obtained through the use of random sampling method that reduces on the biasness while validity was obtained through the use of an instrument that was already approved by the expert.

3.11 Limitations of the study.

The following challenges were faced during the process of carrying out research study.

Lack of relevant and updates information. This being the first time to prepare a research proposal, getting relevant information from the right sources was very difficult because there are no available cases to compare with.

Time limits, the staff working at Barclays Bank were always busy and have set objectives-so they have limited time for the researchers to discuss the necessary details required for the research.

Financial problems. There was lack of funds to purchase computer and data analysis to purchase computer and data analysis package which could make the research proposal very easy to carry out. This was in addition to transport expense and meals.

Inaccessibility of information. The management had no reliable documentation and unwilling of managers to give information because of fear to be exposed to compensation therefore this could assist in the research study.

CHAPTER FOUR: DATA PRESENTATION, ANALYSIS AND RECOMMENDATIONS

4.0 Introduction

The chapter was about presentation and analysis of the data related the Effects of service delivery by commercial banks on their customer satisfaction, a case study of Barclays bank 'U' Ltd. The study specifically focused on the ways of retaining customers through delivering services to them, the problems facing both the commercial banks and their customers and how they can be solved, the outcomes of the services delivered by Barclays Bank to their customer satisfaction and the type of bank services delivered to their customers.

Background information

The respondents were asked to disclose their background information that is their age, gender, marital status and educational level. Responses to their personal information were tabulated as seen below;

4.1 Gender of respondents

Table 4.1 Gender of respondents

Gender	Frequency	Percentage %
Male	20	40%
Female	30	60%
Total	50	100%

Source; Primary Data

From the above table, it was revealed that the researcher used a sample population of 50 respondents out of which 40% were male and 60% were female. The response was further represented in a bar graph as shown below;

Figure 4.1 Bar graph showing the gender of respondents

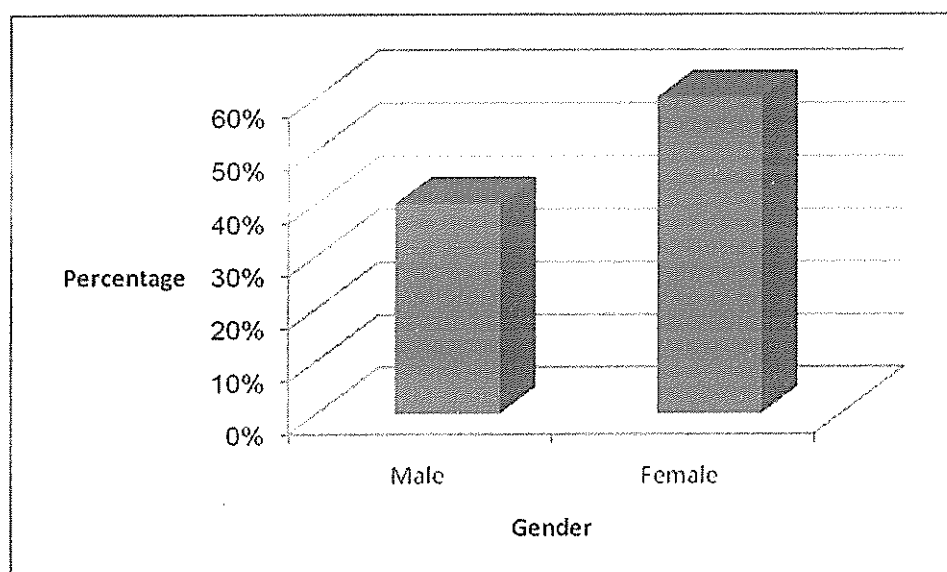


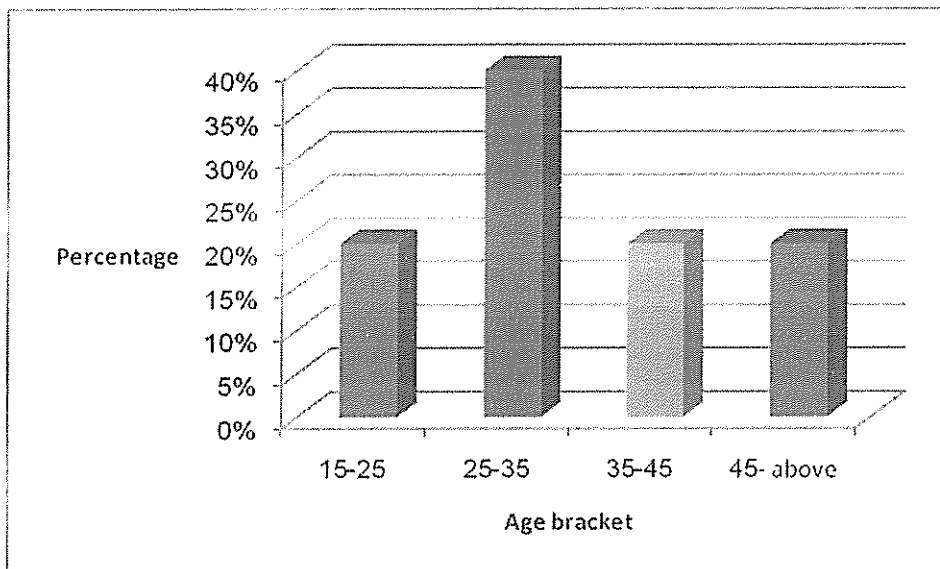
Table 4.2 Age bracket of respondents

Age bracket	Frequency	Percentage %
15-25	10	20%
25-35	20	40%
35-45	10	20%
45- above	10	20%
Total	50	100%

Source; Primary Data

From the table above, it was found out that 20% % of the respondents were between the age of 15-25, 40% of the respondents were between the age of 25-35, 20% of the respondents were between the age of 35-45 and 20% of the respondents were aged 40 and above. Data was further represented in the figure below;

Figure 4. 2 showing the age bracket of respondents



Source; primary data

4. 3 Level of Education

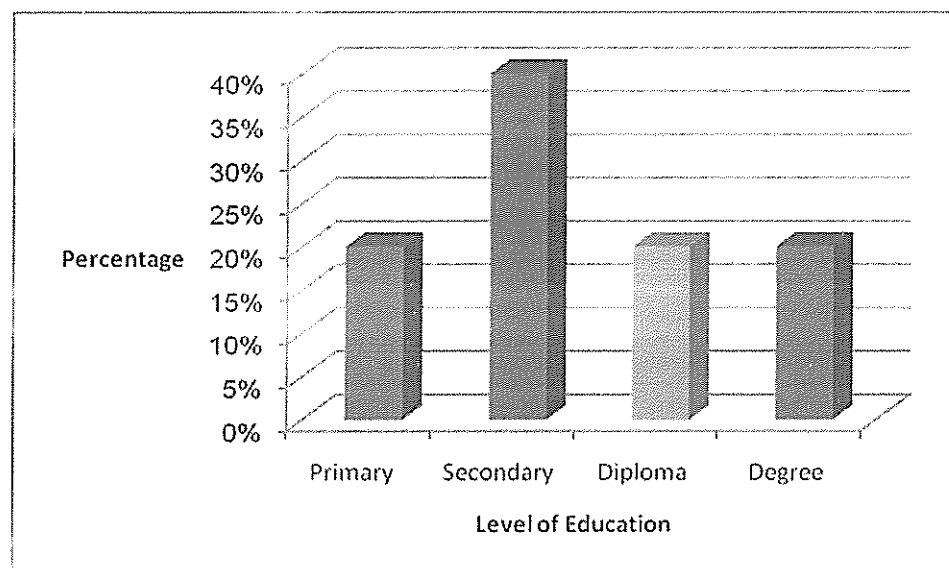
Table 4.1.3 level of education

Level of education	Frequency (f)	Percentage (%)
Primary	10	20%
Secondary	20	40%
Diploma	10	20%
Degree	10	20%
Total	50	100%

Source; Primary Data

The table above revealed that 20% of the respondents were of primary level, 40% of the respondents were of secondary level, 20% of the respondents were of diploma level and also 20% of the respondents were of the degree level whereas 12.5% of the respondents were of masters level. The data was further represented in a table form as seen below;

Figure 4. 3 pie chart showing the Level of Education of Respondents



4. 4 Marital status of respondents

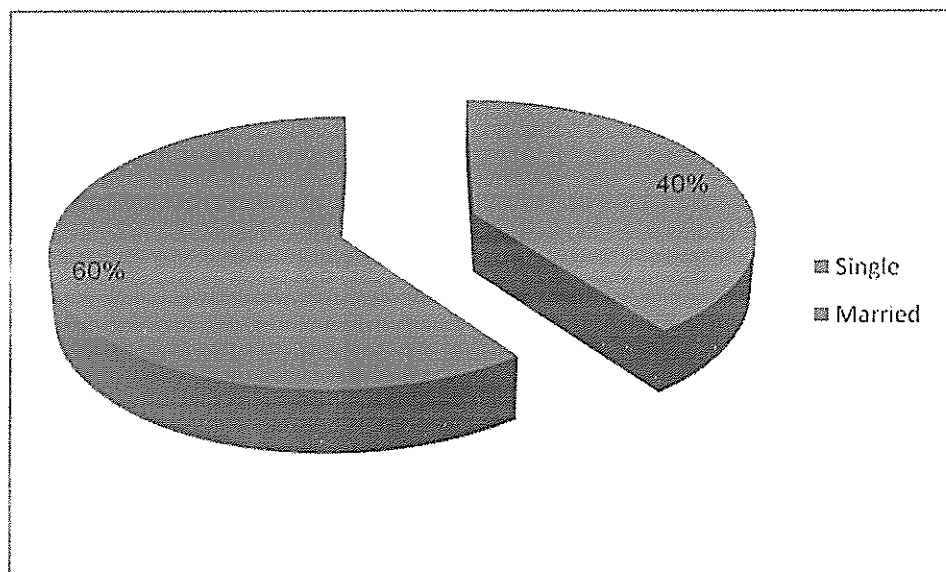
Table 4. 4 Marital status of respondents

Marital status	Frequency	Percentage
Single	20	40%
Married	30	60%
Total	50	100%

Source; Primary Data

The table above revealed that 67% of the respondents were single while 33% of the respondents were married. The data was further represented in a table form as seen below in the figure.

Figure 4. 4 Pie-chart showing the marital status of respondents.



4.5 Ways of retaining customers through delivering services to them.

The first of objective of the study was to find out the causes of high school dropouts in primary schools in Uganda. The respondents were asked give their opinion on the causes of high school dropouts in primary schools and their response was put in table form as seen below;

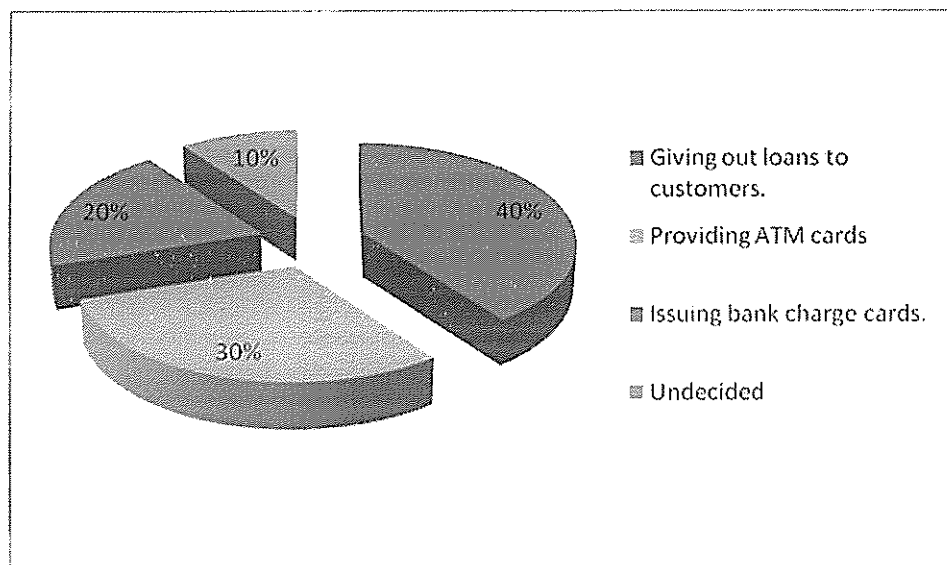
Table 4.5 showing the ways of retaining customers through delivering services to them.

What are the ways of retaining customers through delivering services to them?	Frequency	Percentage
Giving out loans to customers.	20	40%
Providing ATM cards	15	30%
Issuing bank charge cards.	10	20%
Undecided	05	10%
Total	50	100%

Source: primary data

Table 4.2 shows that the majority 20(40%) of the respondents were of the view that giving out loans was one of the ways through which customers can be retained by providing services to them, 30% said it was by providing ATM cards that the banks can retain customers, 20 % said it was by issuing bank charge cards while 10% of the respondents were undecided. The data in table 4.2 was further presented in a bar graph as seen in figure 4.2.

Figure 4.5 pie chart showing ways of retaining customers through delivering services to them.



4.6 Problems facing both the commercial banks and their customers

The second objective of the study was to find out the Problems facing both the commercial banks and their customers. The respondents were asked to give their opinion on the possible Problems facing both the commercial banks and their customers. Their response was put in table 4.2 below;

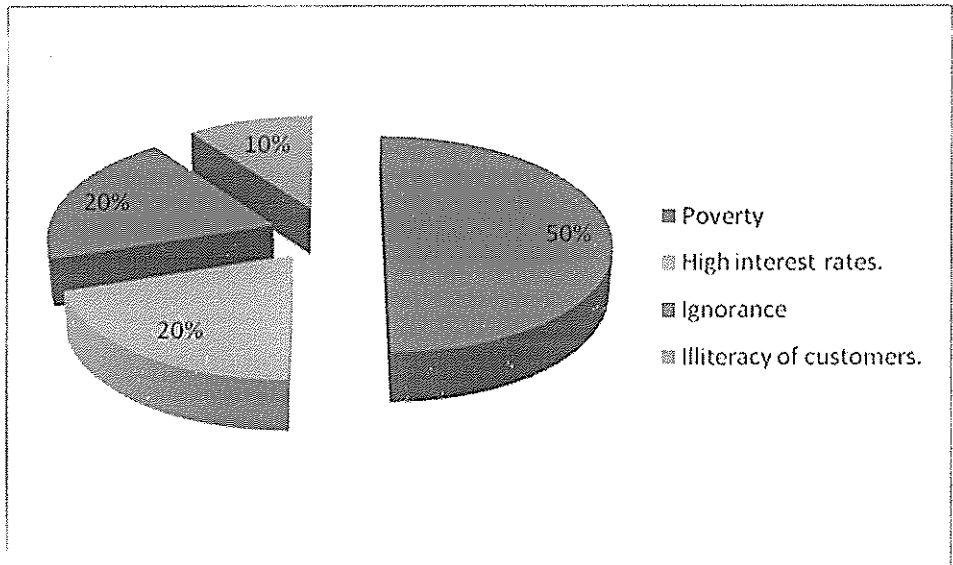
Table 4.6 showing problems facing both the commercial banks and their customers.

What are the problems facing both the commercial banks and their customers.	Frequency	Percentage
Poverty	25	50%
High interest rates.	10	20%
Ignorance	10	20%
Illiteracy of customers.	05	10
Total	50	100%

Source: primary data

Table 4.3 above shows that out of the 50 respondents who were interviewed, 50% were of the opinion that poverty is the rampant problem facing both the commercial banks and their customers, 20% were of the view high interest rates is the biggest problem facing both commercial banks and their customers, also 20% suggested that ignorance is the major hindrance to both the commercial banks and their customers while only 10% said that it was illiteracy that greatly affects commercial banks and their customers. The information was further put in a pie chart as shown in figure 4.3.

Figure 4.6 pie chart showing the effects of school drop outs on the country.



4.7 Outcomes of the services delivered by Barclays Bank to their customer satisfaction.

The third objective was to suggest the Outcomes of the services delivered by Barclays Bank to their customer satisfaction. The respondents on this point were asked to suggest what they thought would be the possible Outcomes of the services delivered by Barclays Bank to their customer satisfaction. Their responses were tabulated as seen in table 4.4 below;

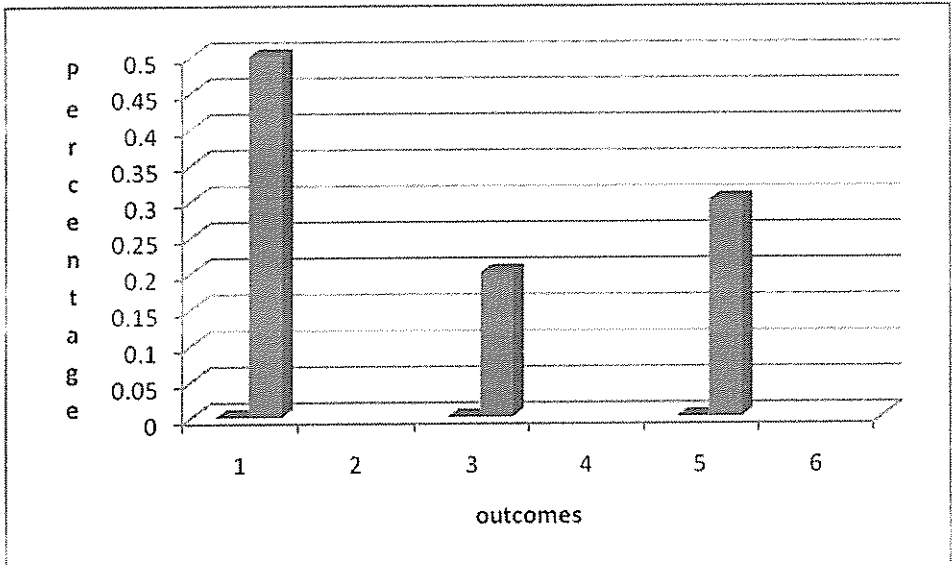
Table 4.7 showing the outcomes of the services delivered by Barclays Bank to their customer satisfaction.

Outcomes of the services delivered by Barclays Bank to their customer satisfaction.	Frequency	Percentage
accumulation of capital formation	25	50%
Infrastructural development	10	20%
Stimulates savings and investment	15	30%
Total	50	100%

Source: primary data

Table 4.4 shows that the majority (50%) of the respondents were of the suggestion that accumulation of capital formation is one of the greatest outcomes of the services delivered by Barclays Bank to their customer satisfaction. An average number of respondents (20%) suggested that Infrastructural development is one of the outcomes of the services delivered by Barclays Bank to their customer satisfaction while 30% of the respondents said that stimulates savings and investment. The data was further put in a bar graph as shown in figure 4.4.

Figure 4.7 Bar graph showing the possible solutions to solve the problem of school drop outs in primary schools in Uganda



CHAPTER FIVE: SUMMARY OF MAJOR FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

The chapter mainly deals with summary, conclusions and recommendations related to the Effects of service delivery by commercial banks on their customer satisfaction, a case study of Barclays bank 'U' Ltd.

5.1 Summary of major findings.

The summary of findings was presented in accordance with the research objectives of the study.

The first objective of the study was to establish ways of retaining customers through delivering services to them. It was found out that the ways of retaining customers through delivering services to them is by offering loans to them, by providing their customers with ATM cards, issuing bank charge cards and other related services.

The second objective of the study was to find out the problems facing both the commercial banks and their customers and how they can be solved. It was found out that problems facing both the commercial banks and their customers are; Poverty, High interest rates, Ignorance and Illiteracy of customers.

The last objective of the study was to find out the outcomes of the services delivered by Barclays Bank to their customer satisfaction. It was found out that the outcomes of the services delivered by Barclays Bank to their customer satisfaction are; accumulation of capital formation, infrastructural development and stimulates savings and investment.

5.2 Conclusions.

The conclusions of the study were presented in accordance with the research questions.

The first research question was “In what ways can customers be retained through delivering services to them?” it was concluded that the ways can customers be retained through delivering services to them is by providing them with loans, by providing them with ATM cards and giving the bank charge cards. In Barclays bank, by providing the customers with those services, they can always be retained.

The second research question was “What are the problems facing both the commercial banks and their customers and how can they be solved?” It was concluded that the problems facing both the commercial banks and their customers are, poverty, illiteracy of customers and high interest rates.

The third objective of the study was “What are the possible outcomes of the services delivered by Barclays Bank to their customer satisfaction?” it was concluded that possible outcomes of the services delivered by Barclays Bank to their customer satisfaction are; accumulation of capital formation, Infrastructural development, and Stimulation of savings and investment.

5.3 Recommendations

According to the findings and conclusions of the study, the researcher found it necessary that the following recommendations are of much importance;

- 1) There should be an ensured system of delivering services that favours all the customers. This is because if the customers are not served well, then they may stop banking or transacting with Barclays bank.
- 2) Barclays bank should put in place workers who are ready to serve customers and speak well to all people of different kinds so as to attract them continue banking with Barclays bank
- 3) Barclays bank should ensure that whenever customers want money, it is always available in the time in which it is needed by customers to avoid inconveniences which may lead to customers going away or stopping transacting with Barclays bank.

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Appendices

A: Research instruments

1. Questionnaire

I **NABUKEERA HASIFAH** a student of Kampala International University pursuing a Degree in Business Administration kindly request you to answer these questions in utmost faith that would really help me successfully finish my course as a partial fulfillment of the award of a Degree in Business Administration I therefore affirm that this information is purely for the academic purpose.

SECTION A

Tick where necessary

1) Sex

(a) Male ☐ (b) Female ☐

2) Age

(a) 20-25 ☐ (b) 25-30 ☐

(c) 30-40 ☐ (d) 41-50 ☐

(e) 50-60 ☐ (f) 61-70 ☐

3) Marital Status

(a) Married ☐ (b) Single ☐

(c) Widower ☐ (d) Widow ☐

4) Religion

(a) Catholic ☐ (b) Protestant ☐

(c) Muslim ☐ (d) Others (Specify) ☐

5) Educational Level

(a) None ☐ (b) Primary ☐

(c) Secondary ☐ (d) Post Secondary ☐

2. Interview guide

- 1) Which services you deriver to your customers?
- 2) What problems do you face as a commercial bank in Uganda? Do you have solutions to those problems? If yes, what are those solutions
- 3) How do you handle your customers who are not well conversant with banking?
- 4) Do you give your customers bank statements every time they are necessary?
- 5) How many types of accounts do you offer to your customers?
- 6) Do you give loans to your customers? If yes, how do you do it?
- 7) Do you give interest to your customers who save money for a long period of time?
- 8) How are you helping your customers who are ignorant about the existing services?

Appendix B: Time frame

Details	Month	Year
Proposal writing	April	2011
Data collection	May	2011
Report writing	June	2011
Submitting	July	2011

Appendix c: Budget

The study is estimated to cost 215,000/= arrived at as follows:

Item	Cost
Stationery and other related costs	50,000
Transport	10,000
Communication	10,000
Photocopy	10,000
Type, setting and binding	80,000
Internet	5,000
Subsistence	20,000
Miscellaneous	30,000
Total	215,000