A STUDY OF CUSTOMER EXPECTATIONS AND
PERCEPTIONS TOWARD SERVICE QUALITY: A CASE STUDY
OF PROCUREMENT DEPARTMENT OF BANK OF AYUDHYA

By

SARUNYA THAMVARANON

A Final Report of the Six-Credit Course
SCM 2202 Graduate Project

Submitted in Partial Fulfillment of the Requirements for the Degree of
MASTER OF SCIENCE IN SUPPLY CHAIN MANAGEMENT

Martin de Tours School of Management
Assumption University
Bangkok, Thailand

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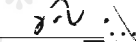Bangkok, Thailand

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Examination Committee:
1. Dr. Brian Charles Lawrence (Chair)
2. Dr. Adam Goh ....(Advisor)..
3. Ms. Piyawan Puttibarncharoensri (Member)..

Approved for Graduation on: April 2, 2010

Martin de Tours School of Management
Assumption University
Bangkok, Thailand

April, 2010

Assumption University

Martin de Tours School of Management

Master of Science in Supply Chain Management

Form signed by Proofreader of the Graduate Project

Asst. Prof. Brian Lawrence
_____, have proofread this Graduate Project entitled

A Study of Customer Expectations and Perceptions toward Service Quality: A Case

Study of Procurement Department of Bank of Ayudhya

_____

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Ms. Sarunya Thamvaranon

and hereby certify that the verbiage, spelling and format is commensurate with the quality of
internationally acceptable writing standards for a master degree in supply chain management.

Signed _____ _____

(Asst. Prof. Brian Lawrence

Contact Number / Email address _____ blawrence@au.edu _____

Date: ___2__ Novem er 2010

Assumption University
Martin de Tours School of Management
Master of Science in Supply Chain Management

Declaration of Authorship Form

I, <u>Sarunya</u> Thamvaranon

declare that this thesis/project and the work presented in it are my own and has been generated by me as the result of my own original research.

<u>A Study of Customer Expectations and Perceptions toward Service Quality: A Case Study</u>
<u>of Procurement Department of Bank of</u> <u>Ayudhya</u>

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ABSTRACT

The objective of this research is to study internal customer expectations and perceptions of the service quality provided by the procurement department at the Head Office of Bank of Ayudhya in Thailand. The research is based on the problem question "Is there any difference between customer expectations and perceptions of service quality from the Bank in terms of the dimensions of SERVQUAL 5?" The research focused on the procurement department which is a significant part of the Bank's supply chain.

Procurement is the function of acquiring goods or services which the organization requires, and this might include outsourcing. The aim of the function is to procure at the best possible total, according to the five rights: time, place, quality, quantity, and source, to maximize benefit for the organization. The procurement function developed from purchasing but is more strategic.

In most organizations, when some department or division needs to buy something, they have to contact the procurement department to perform the buying process. Procurement is required to service internal customers in order to achieve business competitiveness. For this research, the data was collected from internal customers of the Bank's procurement department, from 195 respondents. All data was analyzed using SPSS (Statistical Package for Social Science). The hypotheses have been tested by Paired-Sample T-Test and One Way Analysis of Variance to determine the difference between internal customer expectations and perceptions

In the results, the researcher found that there are gaps between expectations and perceptions in terms of SERVQUAL's five dimensions which are comprised of tangible, reliability, responsiveness, assurance and empathy. The demographic characteristics which consist of position, size of department and function of department that effect the difference of customer perceptions only slightly affected the gap.

ACKNOWLEDGEMENTS

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CHAPTER I

GENERALITIES OF THE STUDY

In a competitive world, every organization is striving to provide customer satisfaction in order to achieve the business target. Service quality is the one of the core determinants for an organization to compete with their competitors, as price is not only the factor by which customers make decisions. An organization which cannot manage service competition will have problems surviving (Grönroos, 1990) even within the organization itself. In this study, the researcher measures the service level of service delivery by the procurement department in the organization, whether it meets what internal customer expect of the service level provided. This service level measurement within the organization, focuses on the procurement department as that is now considered to be a significant function in the organization.

Macbeth (1994) stated that the role of purchasing within the organization is changing, because purchasing as a function is becoming more strategic. Purchasing becomes strategic in its perspective and in the global viewpoint, hence, purchasers are proactive (Freytag & Mikkelsen, 2007). However, Rae (2009) described the difference between purchasing and procurement, that 'Purchasing' still viewed by much of the business world as an administrative function while 'Procurement' steps away from the transactional side and is seen as more of a strategic function.

`Procurement' is all about activities required in order to obtain a product from the supplier and get it to the place where it is used. It encompasses the purchasing role, store, transportation, inspection, quality control and assurance (Weele & Rozemeijer, 1996). The significant role of procurement is its effect on its organization which is increasing in value everyday as it is the main function to reduce operating cost in an organization. The following paragraph can illustrate more about the significant role of purchasing.

Gad and Hakansson (1996) stated the following:

> `Purchasing has come to be successively involved in an increasingly large fraction of a company's total operations. This means that the capacity and competence of the purchasing department will be important to the effectiveness of the firm. Therefore, purchasing is an essential aspect of the profitability of a firm' (p.17).

Most organizations have one thing in common: they are striving to satisfy the end user needs. End user in this context means the internal customer or the person who needs to buy or use the goods or services that the organization provides. The purchasing process in the procurement function needs to be controlled to ensure that the purchasing products or services conform to the organization's requirements" (Oakland & Marosszeky, 2006) as services are highly heterogeneous which affects procurement activities (Gad & Hakansson, 1996).

1.1 Background of the Study

To differentiate one business from others, service quality is one of the determinants to increase the competitive advantage for an organization. And among a variety of instruments that have been proposed for measuring service quality, the SERVQUAL instrument has received the most recognition (Ladhari, 2009). The ultimate goal of service quality measurement is to assist management in ensuring service quality and customer satisfaction (Webster, 1989).

For this research, the function of the service quality provided by the procurement department at Bank of Ayudhya is about its internal customers who are staff inside the organization and have to deal with procurement department for their purchasing requests. The provision of good internal services to staff is crucial to the overall success of an organization as the other functions of business within the bank such as Corporate Banking Group, Corporate Marketing Group, Consumer Banking Group, Operations Group. These groups need the procurement department to support their work accordingly. For example, the Consumer Banking Group which is responsible for personal customers may request sourcing

from a supplier who is able to produce a premium gift of about 100,000 units for their credit card promotion, and hence, the representative from their department has to deal with procurement department for the premium gift sourcing process. Another example is the Operations Group which may request sourcing from a new contractor for branch expansion work.

1.1.1 Background of the Company

Bank of Ayudhya Pd., for this research called 'BAY', was established 65 years ago. It started business officially on April 1, 1945 then moved and relocated to new headquarter in 1996 at Rama III Road, Bangkok. In 2009, the Bank was positioned at the fifth rank in terms of assets, deposits and loans compared with the other banks in Thailand. Table 1.1 illustrates the position of BAY in the banking business market in Thailand as of June 2009.

Table 1.1: Ranking of BAY in the Banking Business in Thailand as of June, 2009

Assets	719.6	5
Deposits	500.6	5
Loans	556.2	5

Source: Bank of Ayudhya (Retrieved on October 14, 2009)

The services provided to their external customers are as follows:

• Deposit service which has four types of service; current accounts, savings accounts, time deposits, and foreign currency deposits.

• Loan service provides various loans: overdraft (0/D), loans including promissory notes and term loans to corporate customers, housing loans and personal loans to retail customers, loans in a foreign currency, trade finance credit, other loan services such as letter of guarantee / bank guarantee, letter of credit and financial status certification issuance.

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- Other services, such as banking services through electronic channels, domestic money transfer services, international money transfer services, international trade electronic banking service, automatic account debit and credit, life insurance and non-life insurance, investment banking service, securities business service, cash management service, foreign currency purchase/sale in advance and financial tools for risk management, exchange rate, interest rate, government bonds, treasury bills, and state enterprise bonds (Bank of Ayudhya, retrieved on December 12, 2009)

1.1.2 Organization Chart

BAY's organization chart is illustrated in Figure 1.1. Those working group comprise two main functions of work which are support function and banking business function.

Figure 1.1: Bank of Ayudhya Organization Chart
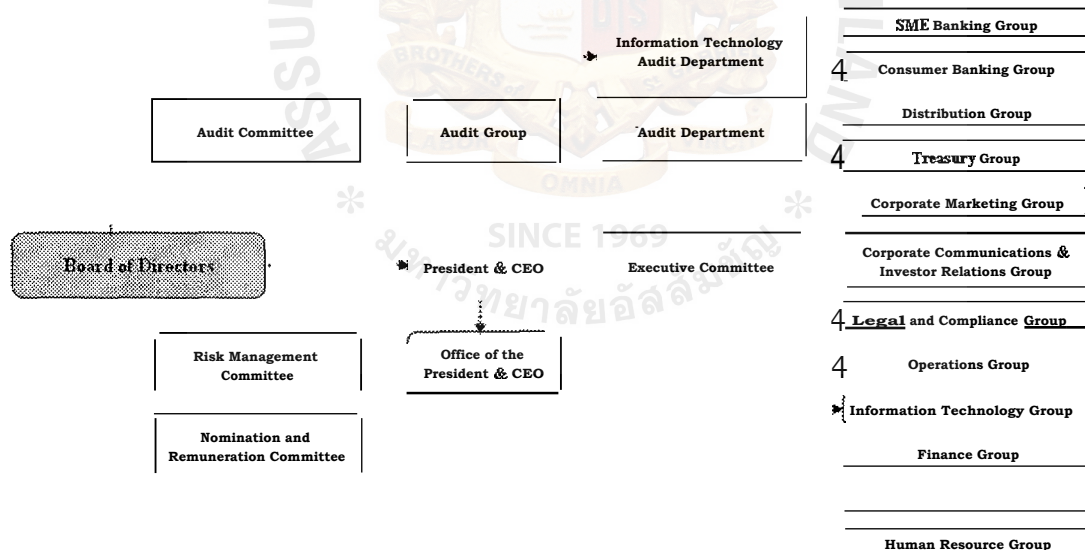
Source: Bank of Ayudhya (Retrieved on December 12, 2009)

The focus is on the procurement department, as it is one of the support functions. The Department is within the Finance Group. The total number of procurement staff as of October, 2009 was 7 persons consisting of:

- Procurement Senior Vice President,
- Procurement FAVP,
- Procurement Staff Level 7,
- Procurement Staff Level 5,
- Procurement Staff Level 4,
- Procurement Staff Level 3, and
- Procurement Staff Level 2

The procurement organization chart is illustrated below in Figure 1.2

Figure 1.2: Bank of Ayudhya's Procurement Organization Chart
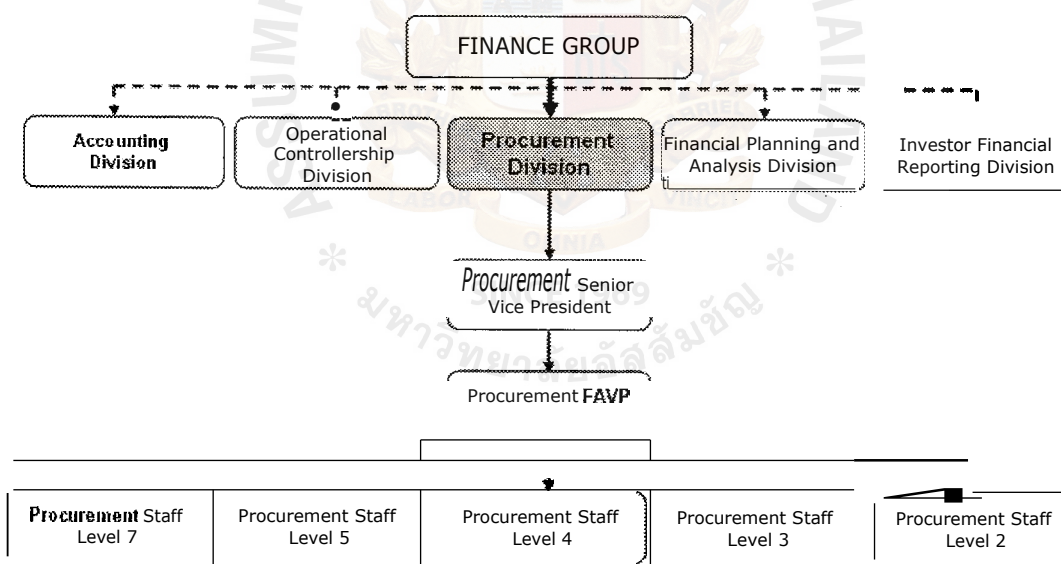
Source: Author

Each procurement staff has its own responsibility in different roles, such as to support marketing related, human resource related, operational related, technology related and others. Most working tasks have the responsibility to source indirect products. Indirect products

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refer to the rest of an organization's requirement and typically include energy, insurance, IT and so on, all of which enable an organization to operate effectively (The Chartered Institute of Purchasing and Supply, retrieved on December 12, 2009).

The researcher has summarized in Table 1.2 examples of products and services which are under the responsibility of **BAY's** procurement department for the sourcing process.

Table 1.2: BAY's Spending Category and Examples of Products and Services

SPENDING CATEGORIES	EXAMPLES OF PRODUCTS / SERVICES
Marketing Related	Premium, Printing AdVertisement, Printing Application
Human Resource Related	Staff Insurance, Health Check-Up, Uniform
Banking Business Related	Cash Logistic, Banking Equipment
Building Related	Branch Renovation, Expansion, Maintenance, Repair
Outsourcing Service	Photocopy, Printing, Cleaning, Guard, Gardening
Office Supplies	Stationery, Computer Supplies, Printing Form
Information Technology	Computer Software, Desktop Computer
Others	Hotel, Air Ticket

Source: Author

1.2 Statement of the Problems

As service is now very significant for customer as a decision factor, therefore the service quality of each organization should be at a level which the customer expects. A business which is able to deliver service quality exceeding a customer's expectation would be better since this ensure the customers satisfaction and better operations.

Even within the organization, service level is also significant for internal interaction because it means that the best management and handling process of work would lead the organization to compete with others easier. Late response may lead to being the loser (Grönroos, 1990). Therefore, each organization should know what their service level is are, and especially the procurement department which is th4 subject of this research. To analyze what internal customer expect and perceive would assist the management team to be aware and improve the service level.

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Hence, the main question of this research is "Is there any difference between BAY's internal customer expectations and perceptions service from the procurement department in term of SERVQUAL 5 dimensions?". The sub-questions are as follows:

1. Is there any difference between expectations and perceptions in terms of tangibles from service quality provided by the procurement department towards BAY's internal customers?

2. Is there any difference between expectations and perceptions in terms of reliability from service quality provided by the procurement department towards BAY's internal customers?

3. Is there any difference between expectations and perceptions in terms of responsiveness from service quality provided by the procurement department towards BAY's internal customers?

4. Is there any difference between expectations and perceptions in terms of assurance from service quality provided by the procurement department towards BAY's internal customers?

5. Is there any difference between expectations and perceptions in terms of empathy from service quality provided by the procurement department towards BAY's internal customers?

However, in order to provide more additional information to other researchers, the research also attempts to find answers to the following question:

6. Is there any difference in each characteristic when categorized by individual position, size of department, function of department towards internal customer perceptions of BAY's procurement department?

1.3 Research Objectives

The objectives of this research are as follows:

1. To study the BAY's internal customer expectations towards the service quality provided by procurement department.

2. To measure the BAY's internal customer perceptions towards the service quality after receiving service from the procurement department.

3. To examine the important of service delivery to its internal customer and the managerial implications.

1.4 Significance of the Study

The aim of this research is to focus on the service quality of the procurement department in the banking business, which is the first such research in Thailand. The research aims to gather the internal customer expectations and perceptions of service quality provided by the procurement team of Bank of **Ayudhya,** and therefore the significance of the research and its findings are as follows:

1. To provide information to BAY' s procurement department on what the customer actually expected from the department.
2. To improve the service quality in order to satisfy internal customer in their expectations of the service quality from BAY' s procurement department, and this will lead the management team to realize the actual service quality delivery provided in order to improve for better quality from customer perceptions.
3. To promote awareness to procurement staff who are responsible for the procurement function in terms of service quality in any business organizations.
4. To lead other researchers for further study of service quality in related areas, as this is the first research which studies service quality of a procurement department in Thailand.

1.5 Scope and Limitations of the Research

The research was conducted within BAY in order to study the correlation between internal customer expectations and perceptions of service delivered by the procurement department. The research concentrates on the internal customers who are the employees of BAY and operate at Head Office. Hence, the "customer" in this research is the employee of BAY. The total number of procurement customers is more than 300 persons from the total employees of 4,000 persons, as collected from historical data. This includes all level of staff that operate at Head Office.

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However, the difficulty of this research may come from lack of cooperation from the respondents. As the researcher's time frame was to collect all data from January and February 2010, the respondents might not have been willing to respond to the distributed questionnaire because of the time needed. Therefore this might have lead to loss or delay and some may not have expressed the complete information to the researcher.

1.6 Definition of Terms

To understand the basic definitions of term in this research, the researcher summarizes the important terms below:

Assurance: Knowledge and courtesy of employees and their ability to convey trust and confidence (Zeithaml, Parasuraman & Berry, 1990).

Customer Expectations: The belief about the level of service that will be delivered by a service provider, and they are assumed to provide standards of reference against which the delivered service is compared (Zeithaml, Parasuraman & Berry, 1993).

Customer Perceptions: The customer belief of service received and experienced. (Parasuraman, Zeithaml & Berry, 1985).

Empathy: Caring, individualized attention the firm provides to its customers (Zeithaml et al., 1990).

GAP 1 The difference between what customers expect and what management perceives they expect (Not knowing what customers expect).

GAP 2 The discrepancy between managers' perceptions of customers' expectations and the actual specifications they establish for service delivery (The wrong service quality standards).

GAP 3 The difference between service specifications and the actual service delivery (The service performance gap).

GAP 4 The discrepancy between service delivery and external communications, in the form of exaggerated promises and/or the absence of information about service delivery aspects intended to serve customers well (When promises do not match delivery).

GAP 5 The quality that a consumer perceives in a service is a function of the magnitude and direction of the gap between expected service and perceived service.

Internal Customer: Anyone you count on or rely upon to complete a task or a function or to provide you with information so that you can get job done (Rosenberger, 1998). Internal Customer includes every employee in the company (Swartzlander, 2005).

Procurement: Purchasing is the process of buying which consists of learning the need, locating or selecting a supplier, negotiating price and other pertinent terms, and proving follow-up delivery, while procurement is a somewhat broader term than purchasing and also includes stores, traffic, receiving, incoming, inspection, and salvage (Leenders , Feason , Flynn & Johnson, 2002).

Reliability: Ability to perform the promised service dependably and accurately (Zeithaml, et al., 1990).

Responsiveness: Willingness to help customers and provide prompt service (Zeithaml, et al., 1990).

SERVQUAL: A service quality assessment tool which was developed by Parasuraman, Zeithaml, and Berry (1985). The original SERVQUAL tool is a designed questionnaire consisting of 22 pairs of statements. The first half of each pair measures customer expectations for service quality and second half measures customer perceptions (Yu, Hong, Gu & Wang, 2008).

Service Quality: The extent of service discrepancy between the customers' expectations or desires and their perceptions (Zeithaml, et al., 1990).

Tangibles: Appearance of physical facilities, equipment, personnel, and communication materials (Zeithaml, et al., 1990).

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CHAPTER II

LITERATURE REVIEW AND CONCEPTUAL FRAMEWORK

The context of this chapter discusses the literature in related areas of study. The beginning of this chapter starts with a discussion of the literature review in order to illustrate the idea and concept of each variable. The framework for this study covers the theoretical model which relates to the customer assessment of service quality. Lastly, the researcher designs the conceptual framework to measure the hypotheses testing.

2.1 Supply Chain Management

Most effective organizations in the competitive world are always concerned with supply chain management, as activities in the supply chain involve related parties in the chain such as raw material providers, manufacturers, warehouses, customers, and suppliers. Supply Chain Management is the process of planning, implementing, and controlling the operations along the chain from upstream to downstream with the purpose of satisfying customer requirements as much as possible. Supply chain management spans all movement and storage of raw materials, work-in-process inventory, and finished goods, from point-of-origin to point-of-consumption (Poluha, 2006). Lysons and Gillingham (2003) also stated that a supply chain is the network of organizations that are involved in upstream to downstream linkages, in the different processes and activities that produce value in the form of products and services.

In an overview, a supply chain is included in the business process, and the supply chain can be a simple chain and or a complicated chain. Figure 2.1 illustrates the simple supply chain which consists of Suppliers, Procurement, Production, Storage, Distribution, Customer and End User.

Figure 2.1: A Simple Supply Chain

Suppliers   rocuremen Production Storage   Distribution Customer End User

Source: Lysons and Gillingham (2003)

The Figure above illustrates just a simple supply chain. However, in the real world, a supply chain could have a complex structure within. It can have a numbers of suppliers, distributors or even end users. And as procurement is involved in the supply chain, procurement is counted as the core part in the supply chain.

2.1.1 Purchasing and Procurement

Nowadays, procurement is the significant function for any organization because the goal of procurement is to eliminate unnecessary cost. A few years ago, the organization was familiar with the word of purchasing but today it is changing to procurement. Though the meanings of procurement and purchasing are very similar, procurement leads the organization to identify the need for change to happen in a better way. The change from purchasing to procurement wording, means that this becomes a more strategic role, and seems this lead purchasers to behave differently and be a part of the business connected to the other functions with an efficiency strategy.

As the role of procurement is a part of the supply chain, its role implies the acquisition of goods or services in return for a monetary or equivalent payment. It is the act of obtaining something in any way including force or pillage. Lysons and Gillingham (2003) defined the purchasing function such that it included sourcing, supplier negotiating and supplier evaluating performance. Moreover it also includes the strategic function such as contribution to profit, amount of spending (budgetary control), supplier relationship and others employed in the purchasing function. Kalakota and Robinson (1999) stated that procurement is evolving from a support function to a weapon in a corporation's competitive arsenal. They recommended that chief of procurement officers solve the five biggest

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challenges faced by corporate procurement today: reducing the cost of order processing and also the cycle times, providing enterprise-wide access to corporate procurement capabilities, empowering desktop requisitioning through self-service, achieving integration with key back-office systems, and elevating procurement to a position of strategic importance within the organization. From the five challenges above, it seems that the last challenge is the core of strategic procurement because it represents the significant task of procurement that should eliminate waste from the procurement process.

2.2 Definition of Service

According to Grönroos (1990), a service is an activity or series of activities of more or less intangible nature that normally, but not necessarily, take place in interactions between the customer and the service employees, and/physical resources of goods and/or systems of the service provider, which are provided as solutions to customer problems.

Grönroos (2000) gave additional information about service, that service is different from goods in a variety of characteristics. He defined service as an activity, which cannot be stored and no ownership of service transactions, while customers are able to be involved in the production of service. And lastly, the characteristics of service are intangible and heterogeneous. He also added that service is a core value in buyer-supplier interactions.

Lakhe and Mohanty (1995) described service as follows:

`A production system where various inputs are processed, transformed and value added to produce some outputs which have utility to the service seekers, not merely in an economic sense but from supporting the life of the human system in general, even maybe for the sake of pleasure' (p.12).

To separate services from goods, Zeithaml and Bitner (2003) categorized the properties of consumer products into three groups: search qualities, experience qualities and credence qualities. Search quality is the attributes that a customer is able to evaluate before purchasing a product. Experience quality is what a customer can discern after purchase or

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during consumption of it, while credence qualities are contrasted, the consumer can determine these after consumption. Figure 2.2 below illustrates the sample kind of products that are categorized from an easy level to evaluate up to difficult to evaluate.

Figure 2.2: Continuum of Evaluation for Different Types of Products
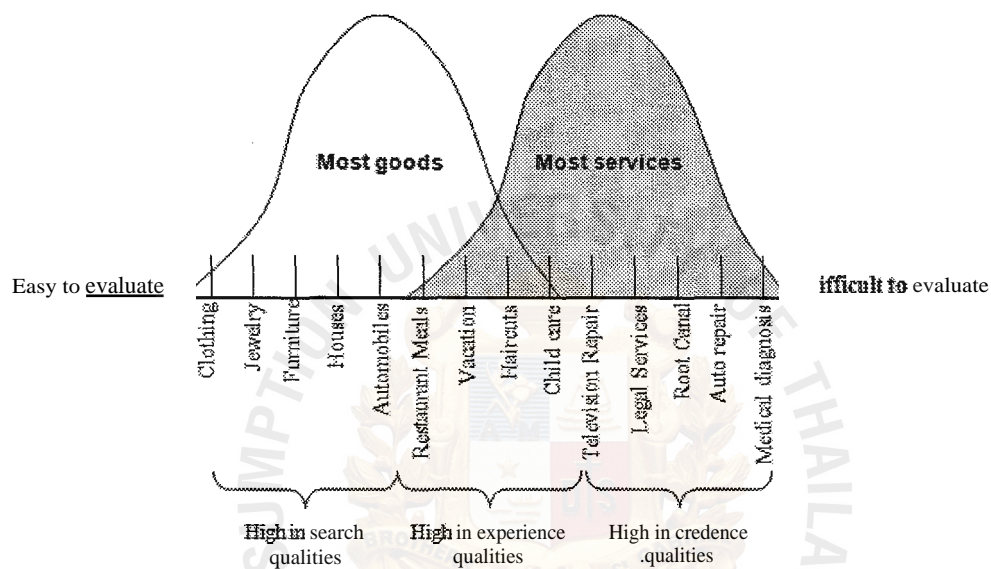
Source: Zeithaml and Bitner (2003)

From the figure above, it shows how to evaluate service from goods by sequence of consuming as in daily life there are a lot of goods and services that people consume.

Boone and Kurtz (1994) expanded service to six characteristics of service as follows:

1. Intangibility: A customer cannot sample a service before purchasing it, such as appealing to a customer's sense of sight, hearing, smell, taste, and touch.
2. Inseparability: Customer perceptions of the service provider become their perceptions of the service itself. A customer often is unable to judge the quality of a service before purchase.
3. Perishability: The organization cannot put an unsold service into storage.
4. Difficult to Standardizes: It is often impossible to standardize offerings among sellers of the same service or even to standardize the service of a single seller.

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5. Buyer Involvement: Buyers are often involved in the development and distribution of services.

6. Service quality is highly variable.

From the literature above, it could be concluded that service is different from goods and has major characteristics which are intangible, cannot be stored, and no owner as it is not a physical things. To provide service to customers, most organizations compete with the others by putting the quality into the service in order to make their customers satisfied and to differentiate themselves from others. The reason why many organizations concentrate on service quality is because it leads their customers to repurchase and keep them as loyal customers.

2.3 Definition of Service Quality

Service quality represents the long-term element of service satisfaction. Service quality is related to customer expectations. A customer is the one who make the evaluation of quality by comparing expectations of service and actual perceptions (Baker, 1994). However, Parasuraman, et al. (1985) argued that the measurement of service quality is not made independently of customer service. They also involve the measurement of process of service delivery. Service quality perceptions result from a comparison of customers expectations with actual service performance.

Some researchers state that a company or institution can be measured by determining the discrepancy between what the customer expects and how the customer perceives. Meanwhile, others also argue that service quality is considered as a critical determinant of competitiveness (Lewis, 1989), and it is derived from a comparison of performance with ideal standards (Teas, 1993).

Fisk, Stephen and Bitner (1993) stated that the focus on increasing service quality matches with total quality management and customer satisfaction. Hence, the researcher would conclude that both service quality and customer satisfaction are important in the

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evaluation of service quality in any service because any organization needs to strive for success in a competitive environment. However, within the organizations, most of them have KPIs (Key Performance Indicators) to measure the level of internal service that staff provide to their customers.

2.4 Expectations and Perceptions of Service Quality

Any difference between customer expectations of performance and the actual perceived performance of the service is referred to as disconfirmation. If the service experienced is better than expected, then positive disconfirmation or high levels of satisfaction will result. If, however, the service performance falls short of what was expected, then negative disconfirmation or dissatisfaction will result. Therefore, disconfirmation represents the relationship between expectations and perceived performance (Hamer, 2006).

"Expectations" are the wants of customers, that is, what they feel a service provider should offer. Their expectations of services greatly influence their resulting level of satisfaction. It is far easier to please customers with lower expectations than those with higher expectations. Consequently, an understanding of customers' expectation is critical. Zeithaml et al. (1993) include three similar levels in their conceptual model of customer service expectations: predicted, adequate, and desired.

Parasuraman et al. (1993) found that a customer is concerned with two types of service expectations, as illustrated in Figure 2.3. Firstly, the desired service is the service level which represents what a customer believes that the service level can be or should be. While the second type of service expectation is adequate service which represents the lowest or minimum level that a customer can accept. Hence the area between them is called the Zone of Tolerance which is the area within which customers must consider their satisfaction.

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Figure 2.3: Nature and Determinants of Customer Expectations of Service

Enduring service intensifiers • Derived expectation •Personal service philosophies		Explicit service promises •Advertising •Personal selling •Contracts •Other communications
Personal needs	Expected Service	
Transitory service intensifiers •Emergencies •Service problems	Desired Service	Implicit service promises •Tangibles •Price
Perceived service alternatives	Zone of Tolerance	Word-of-mouth •Personal "Expert" (consumer report, publicity, consultants, surrogates)
Self-perceived service role	Adequate Service	Past experience
Situational factors •Bad weather •Catastrophe •Random over-demand	Perceived Service	Predicted service

Source: Parasuraman et al. (1993)

According to Schemerhorn, Hunt and Osborn (2000), perception is a way of forming impressions about oneself, other people and daily experience. It also serves as a screen or filter through which information passes before it has an effect on people. The quality or accuracy of a person's perceptions, therefore, has a major impact on his or her responses to a given situation. In the view of Siegel and Ramanauskas-Marconi (1989), a perception is how people see and interpret something. These might be events, people and objects. Because the perceptions are influenced by many external and internal determinants such as cultural, social, and economic, the ways in which the customer perceives services are highly subjective.

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From the literature above, a perception is what a customer perceives and interprets. Moreover, what a customer perceive can differ from objective reality and also differ from others people. Therefore, measuring customer perceptions of service is important, as the customer evaluation of service depends on the perception, not on reality itself. The perceptions of service providers are part of the overall customer perceptions of a product.

It is imperative to understand how customers perceive the quality of the product offering, including the service elements, and how these perceptions impact upon the customer's ultimate decision. Having understood the customers' perception of quality, the organization should be able to identify whether or not a gap exists between the customers' expectation and expectations. The manager is responsible for the development of appropriate managerial quality systems, which should maximize customer satisfaction. The needs of survival and prosperity in the increasingly competitive marketplace are the main driving forces in the provision of superior quality services. This makes the provision and measurement of service quality imperative (Douglas & Connor, 2003).

2.5 Measuring Service Quality

A number of researchers agree that some measure of perceived performance is important in assessing service quality. There may, however, be difficulties in obtaining accurate data even on this, especially for services that are high in credence attributes where the customers are unable to evaluate key elements of the service (Cronin & Taylor, 1994). Beyond the need for performance measurement there is little agreement. Two particular areas of debate are the role of expectations and the role of importance in service quality measurement.

Grönroos (1988) stated that "service quality" consists of three dimensions which include technical quality of outcome, functional quality of the service encounter, and corporate image. Technical quality relates to what the customers received and as the result of the buyer / seller interaction. Functional quality is performance of the service / products and

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is a more learned perception of the customer, as long as the tangible quality is satisfactory. Corporate image depends on technical and functional quality.

For service quality determinants, Parasura,am et al. (1985) proposed ten general criteria of dimensions (described below). They then proposed modifications and the introduction of new determinants based on their research which reduced the dimensions to five. All are not necessarily independent of one another. Moreover, they were also confident that they are appropriate for assessing quality in a broad variety of services.

The original ten dimensions of service quality, through empirical research by Parasuraman et al. (1985), were identified as follows:

1. Reliability: the ability to provide the pledged service on time, accurately and dependably.
2. Responsiveness: the ability to deal effectively with complaints and promptness of the service.
3. Credibility: the extent to which the service is believed and trusted. The service provider's name and reputation, and the personal traits of front line staff, all contribute to credibility.
4. Competence: staff should possess the necessary skill, knowledge and information to perform the service effectively.
5. Access: the ease of approachability and contact.
6. Courtesy: the politeness, respect, consideration and friendliness shown to the customers by the contact personnel.
7. Security: the freedom from danger, risk and doubt. It involves physical safety, financial security and confidentiality.
8. Communication: keeping customers informed about the service in a language that they can understand, and listening to the customers.
9. Tangible: these include: the state of facilitating goods; physical condition of the buildings and the environment; appearance of personnel; and condition of equipment services.

10. Understanding/knowing the customer: this involves trying to understand the customer's needs and specific requirements; providing individualized attention; and recognizing the regular customer.

Measuring perceived service quality requires a "continuum" similar to tangible product satisfaction (Parasuraman et al., 1985), and where the satisfaction results only when the service outcomes exceed initial expectations. Service satisfaction, then more closely represents an attitude or global judgment (Bolton & Drew, 1991).

The following Table 2.1 shows the correspondence between SERVQUAL dimensions and the original ten dimensions for evaluating service quality. The original SERVQUAL's ten dimensions consisted of Tangible, Reliability, Responsiveness, Competence, Courtesy, Creditability, Security, Access, Communication, and Understanding the Customer. Those dimensions were collapsed to five: Tangible, Reliability, Responsiveness, Assurance and Empathy by Parasuraman et al. (1985).

Table 2.1: Correspondences between SERVQUAL Dimensions and the Original Ten Dimensions for Evaluating Service Quality

Original Ten Dimensions for Evaluating Service Quality	Tangible	Reliability	Responsiveness	Assurance	Empathy
Tangible	X				
Reliability		X			
Responsiveness			X		
Competence				X	
Courtesy				X	
Creditability				X	
Security				X	
Access					X
Communication					X
Understanding the Customer					X

Source: Zeithaml et al. (1990)

The Table above shows that some of the original ten dimensions overlap. Hence, the dimensions for managerial evaluation were decreased to match with the measurement for only five dimensions.

2.6 Service Quality Measurement Instrument

In terms of measurement of service quality, the most widely used methods applied to measure perceptions of service quality can be determined as quantitative measurements. Within the attribute-based methods, a great number of variants exist and among these

variants the **SERVQUAL** and **SERVPERF** instruments have attracted the greatest attention (Abdullah, 2005).

Generally, customers have expectations and this is the reference point to measure the performance of an organization. However, there are conflicts in the measurement paradigm, as the issues of expectations as a determinant of perceptions of service quality lead to an argument in the **disconfirmation** paradigm **(SERVQUAL)** which compares the perceptions with expectations. Meanwhile the perceptions paradigm **(SERVPERF)** has only the perceptions of service quality. The main difference is about the adaptation of customer expectations that the researcher should include (or not) to measure the service quality.

2.6.1 SERVQUAL Instrument

A measurement of service quality is to use a well-known model knows as **SERVQUAL** (Zeithaml, Parasuraman & Berry, 1988). The model has been developed using a substantial amount of research across multiple service industries of retail banking, credit card provision, security brokerage and, maintenance (product repair). However, the **SERVQUAL** model has been applied to a wide range of other service areas.

Ladhari (2009) stated that:

`The **SERVQUAL** scale, which consists of 22 items representing five dimensions, was originally applied in five service settings: retail banking, credit card services, repair and maintenance of electrical appliances, long-distance telephone services, and title brokerage. Subsequently, the scale has been used to measure service quality in a wide variety of service environments' (p.172).

The **SERVQUAL** instrument is used to assess customer perceptions and expectations regarding the quality of a service. Respondents are asked to rate their level of agreement or disagreement with the given statements, on a **Likert** scale. Customer perceptions are based on the actual service they receive, while customer expectations are based on past experience and information received. These statements represent the determinants or dimensions of service

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quality. Refinement of this work reduced the original service dimensions used by customers to judge the quality of a service, from ten to five dimensions. The five key dimensions (Parasuraman, Zeithaml & Berry, 1991) that were identified are shown in Table 2.2:

Table 2.2: Characteristics of the Five-Dimensions

(1)	Tangible	The state of facilitating goods; physical condition of the buildings and the environment; appearance of personnel; and condition of equipment. Tangible is more important in high-contact services.
(2)	Reliability	The ability to provide the pledged service on time, accurately and dependably. Reliability is a customer expectation and means that the service every time is accomplished on time at approximately the same time each day, which is important to most people. Reliability extends into the back office, where accuracy in billing and record keeping is expected.
(3)	Responsiveness	The ability to deal effectively with complaints, and promptness of the service. It is the willingness to help customers and not keeping customer waiting for no apparent reason, creates ability to recover quickly with professionalism, which can create very positive perceptions of quality. For example, in the case of a package tour operator, it could be dealing quickly and effectively with a patron's accommodation problems.
(4)	Assurance	The knowledge and courtesy of employees and their ability to convey truth and confidence. The assurance dimension consists of the following features: competence to perform the service, politeness and respect for the customer, effective communication with the customer, and the general attitude that the server has to the customer.

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mens	ter'
(5) Empathy	The provision of caring, individualized attention to understand the customer's needs and specific requirements; providing individualized attention; and recognizing the regular customer, are important determinants of quality in high-contact customized services. This is achieved through, keeping customers informed about the service in a language that they can understand, and listening to the customers.

The SERVQUAL instrument has proved popular, being used in many studies of service quality. This is because it has a generic service application and is a practical approach to the area. A number of researchers have applied the SERVQUAL model to measure service quality since the 1988 paper by Parasuraman et al. which has five dimensions to study service quality to specific industries, products, target markets, and others in the service sector. Recent applications have extended it to the industrial market. Moreover, the number of SERVQUAL applications outside the USA continues to increase.

Rust and Oliver (1994) summarized that the benefits derived from the SERVQUAL approach is that the SERVQUAL instrument gives management a clear indication of how the organization is performing toward customers' perceptions, this assists to prioritize customer needs, wants, and expectations by identifying what is the most important for customer perception. This might lead the organization to set an expected standard of performance and also identify the existence of any gaps between customers and providers. Ladhari (2009) concluded that the implication of the SERVQUAL instrument has a variety of points of view for management. Firstly, such information that management receives from SERVQUAL can help them to diagnose where should improve. Secondly, they can use SERVQUAL to measure their own service quality and compare it with competitors. Thirdly, they can track the level of customer perceptions and expectations annually. Fourthly, they should be aware that SERVQUAL can apply in different contexts of service in different service industries. Lastly, they should be aware when SERVQUAL is applied in different countries and

cultures, and they might need to do exploratory investigations to ensure that the SERVQUAL instrument is applicable:

2.6.1.1 Model of Service Quality Gaps: SERVQUAL

The Gaps Model of Service Quality defines service quality in terms of the gap between what the service should provide and the customer's perceptions of what the service actually provides (Frost & Kumar, 2000). It assumes that the smaller the gap, the higher the quality of service. One purpose of the SERVQUAL instrument is to ascertain the level of service quality based on the five key dimensions and to identify where gaps in service exist and to what extent. There are five major gaps in the service quality concept (Parasuman et al., 1991). These gaps are generally defined as:

Gap 1 (the positioning gap), pertains to managers' perceptions of customers' expectations and the relative importance customers attach to the quality dimensions. Management may have inaccurate perceptions of what customers (actually) expect.

Gap 2 (the specification gap) is concerned with the difference between what management believes the customer wants and what the customers expect the business to provide. This gap relates to aspects of service design.

Gap 3 (the delivery gap) is concerned with the difference between the service provided by the employees of the business and the specifications set by management. Guidelines for service delivery do not guarantee high-quality service delivery or performance. The manner of service also influences the perceptions of quality.

Gap 4 (the communication gap) exists when the promises communicated by the business to the customer do not match the customers' expectations of those external promises. A realistic expectation will normally promote more positive perceptions of service quality.

Gap 5 (the perception gap) is the different between the customers' perceptions and expectations of the services. Perceived quality of service depends on the size and direction of Gap 5, which in turn depends on the nature of the gaps associated with marketing, design and delivery of services.

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Gaps 1-4 are within the control of an organization and need to be analyzed to determine the cause or causes and changes to be implemented which can reduce or even eliminate a gap. These four gaps emerge from an executive perspective of a service organization's design, marketing and delivery of service. Gap 5 is the discrepancy between customers' expected services and the perceived service delivered. Gap 5 is the surveying of employees can help to measure the extent of Gap 2 to Gap 4 (Zeithmal et al., 1990). This may reveal a difference in perception as to what creates possible gaps. This gap is a function of the other four gaps, for example Gap 5 = f (gaps 1, 2, 3, 4). It is the gap that Parasuraman et al. (1985) seek to measure by using the SERVQUAL instrument. The gap model is basically customer-oriented. Quality is realized by the customer after the service has been received and it relates to the difference between expected and perceived quality.

Disend (1991) correlates the Gaps Model with the concept of service quality. He implied that poor service results if the difference is large between what is expected and what is delivered. When what is delivered matches what is expected, customers find the service acceptable.

Consequently, when expectations and perceptions are ranked on a scale, the gap is a number reflecting the difference between the two expectation rankings minus perception ranking. If there is a poor service gap, a minus number occurs. If the number, by chance, is zero, service is acceptable (expectations match perceptions). If a positive value emerges (perceptions exceed expectations), the service organization has achieved exceptional service (Disend, 1991). Figure 2.4 illustrates the five gaps identified for the marketer and customer.

Figure 2.4: Gap Analysis Model
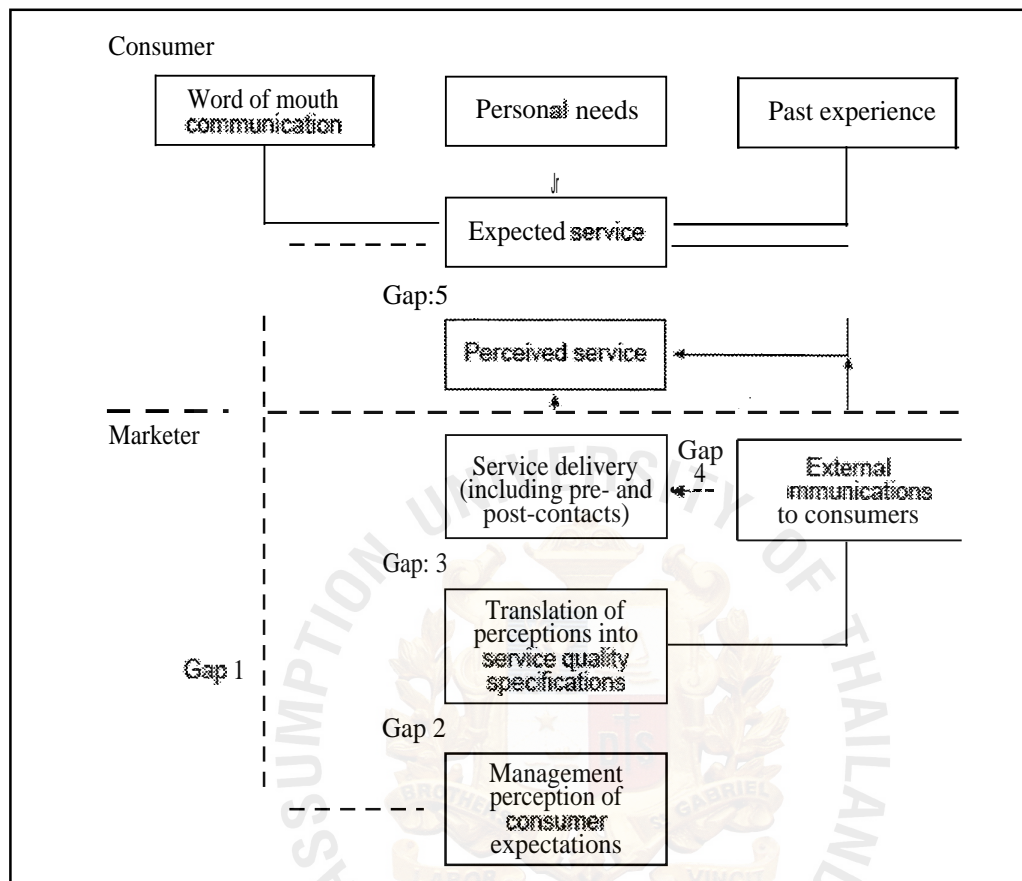
Source: Grönroos (2000)

Hence, the SERVQUAL instrument is the tool to measure service quality by comparing the customer's perceptions of the service received with actual customer's expectations. However, there is a group of researchers which argues that SERVQUAL is not the base instrument to measure service quality, hence they developed a new instrument called SERVPERF.

2.6.2 SERVPERF Instrument

The SERVPERF instrument was developed by Cronin and Taylor (1992). They commented on the SERVQUAL instrument that it is not appropriate to measure service

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quality by using perceptions minus expectations, and suggested performance measurement (only perceptions) to measure the service quality.

SERVQUAL, grounded in the Gap Model, measures service quality as the calculated difference between customer expectations and performance perceptions. While Cronin and Taylor had explored this method, they focused only on the customer's performance perceptions (Carrillat, Jaramillo & Mulki, 2007). The reason why SERVPERF uses only customer perceptions is because it assumed that the respondents will define rating of service quality automatically by comparing expectations and perceptions (Carrillat et al., 2007).

The evidence for the argument between the group of researcher that support SERVQUAL and SERVPERF was mentioned by Jain and Gupta (2004) who insisted that SERVPERF is more strongly correlated to service quality than SERVQUAL, while Quester and Romaninuk (1997) confirmed that SERVQUAL has a stronger relationship with service quality than SERVPERF.

Meanwhile SERVPERF focuses only the customer's perceptions of service quality. This shows that Cronin and Taylor (1992) have an argument with the components of service measurement in SERVQUAL. They maintained only perceptions because they believed that it represents the actual service quality that the customer presented. However, both SERVQUAL and SERVPERF are in an ongoing debate about their suitability to measure service quality. This research applies SERVQUAL to measure the service quality because the researcher would like to focus on both expectations and perceptions.

2.7 The Important Role of Measuring Internal Service Quality

Kinds of customer can be separated into internal customers and external customers. Most organization are concerned only with external customers because they recognize only profit from external customers. However, internal customers also have a significance which should be recognized.

Some might argue that to measure the service quality for the internal customer or within the organization is not necessary because everything is set by the organization and it is also the responsibility of each function to support each other. However, there are many researchers who confirm that to evaluate internal customers is important because it seems likely also to be measuring the service quality provided to external customers.

Stauss (1995) defined internal services that as the services provided by distinct organizational units or the people working in these departments, to others in the organization. Chaston (1994), Young and Vable (1997), and Edvardsson, Larsson, and Setterlind (1997) all proposed that the SERVQUAL instrument could be the instrument utilized to measure internal service quality. Moreover, Young and Varble (1997) assessed internal service quality within a purchasing context by applying the original SERVQUAL measures, and suggested that the SERVQUAL instrument does provide the purchasing function with a useful method for obtaining feedback from its internal customers.

Kang, James and Alexandris (2002) supported the view that internal customers who are the employees in an organization often depend on internal services provided by other departments in the organization. They also emphasized that the quality of internal service provided is critical to employee satisfaction because the improvements of internal service quality lead to producing external service quality.

This is also supported by Haskett, Jones, Loveman, Sasser and Schlesinger, (1994), that organizations should offer a high level of service quality to internal customers for the same reasons they provide it to external customers. This is because of more effective performance, lower waste, and lower costs. And, according to the service-profit chain concept, improvements in internal service quality tend to lead also to improvement in external service quality.

Hence, it can be concluded that to determine the service quality within the organization is a thing that every organization 'must' do. Casey (2003) confirmed that it not

only demonstrates a willingness on the part of the organization to keep staff informed about any new developments, but also reinforces the fact that internal suppliers must treat the recipients of their output as genuine customers whose needs must be met.

2.8 Previous Studies

Richard and Allaway (1993) studied the "Gap 5" of service quality. They focused on the home-delivery pizza market which compared Domino's and Pizza Hut. In their study, they used the original SERVQUAL survey instrument to measure the difference between expectations and perceptions of service quality for both companies by using five-point Likert scales in which (1) means "Strongly Disagree" and (5) means "Strongly Agree". The sample size was 263 home deliveries for adult customers, and 69 percent ordered pizza from both companies. They used the t-test and found no significant differences between these two companies. They also conducted factor analysis and found that SERVQUAL scales have similar properties to the original instrument.

Kittisatien (1999) studied the employees' perceptions and expectations of human resources deliverable quality in relation to employee satisfaction in the PST Company. The study employed an analytical survey method. The researcher distributed questionnaires to 356 persons within the company and found that human resource services in the PST Company do not provide customer satisfaction. The staff expectations and perceptions yield are significant statistically, while it show neutral perception of service quality.

Kang et al. (2002) studied the employees' perceptions of internal service quality at a university in Seoul, Korea. The participants were administrative employees (clerks, secretaries and supervisors). There were 140 employees; most respondents had a bachelor degree. The researchers applied a seven-point Likert scale to determine the employees' perceptions. The result found that not all of the SERVQUAL five-dimensions (tangible, reliability, responsiveness and empathy) have a significant difference toward the perceptions of employees. Only reliability and responsiveness have a significant difference for overall service quality.

Suthirungkul (2003) studied the customer expectations and perceptions of service quality at Clark Hatch Fitness. The study applied SERVQUAL five-dimensions to evaluate what customers expected and what they perceived. The questionnaire was distributed to 300 members at the Silom branch. The result found that there are no differences in expectations of service quality when classified by age, gender, occupation, education and nationality, while there was a difference when classified by income. However, the result of customer perceptions of the service level found that there were no differences when classified by age, gender, income, education and nationality but there was a significant difference for occupation.

In summary, the previous studies studied both internal and external customers and found that not all service sections can deliver satisfactory services to their customers. In many services sectors, the findings showed that most customers have a moderate to high level of satisfaction in the service sectors such as bank, hospital, and call center. A study of BAY' s internal customer should be further explored. Therefore, the researcher was inspired to conduct a study on the expectations and perceptions of service quality provide by the procurement department to find out whether the result is the same or different.

2.9 Theoretical Framework

The researcher applied the SERVQUAL five-dimensions model which is the instrument to determine the service quality and to measure the gap between what internal customers expect and what they perceive of the service quality from BAY's procurement department. Its dimension consisted of Tangible, Reliability, Responsiveness, Assurance, and Empathy. The SERVQUAL model was adopted to measure the service quality of BAY's procurement department. The model is summarized in Figure 2.5.

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Figure 2.5: Customer Assessment of Service Quality

| Word-of-Mouth | Personal Needs | Past Experience | External Communication |

Dimensions of Service Quality

• Reliability
• Responsiveness
• Assurance
• Empathy
• Tangibles

Expected Service

Perceived Service

Perceptions of Service Quality

1. Expectations exceeded
    ES<PS (Quality Surprise)

2. Expectations met
    ES=PS (Satisfactory Quality)

3. Expectations not met
    ES>PS (Unacceptable Quality)
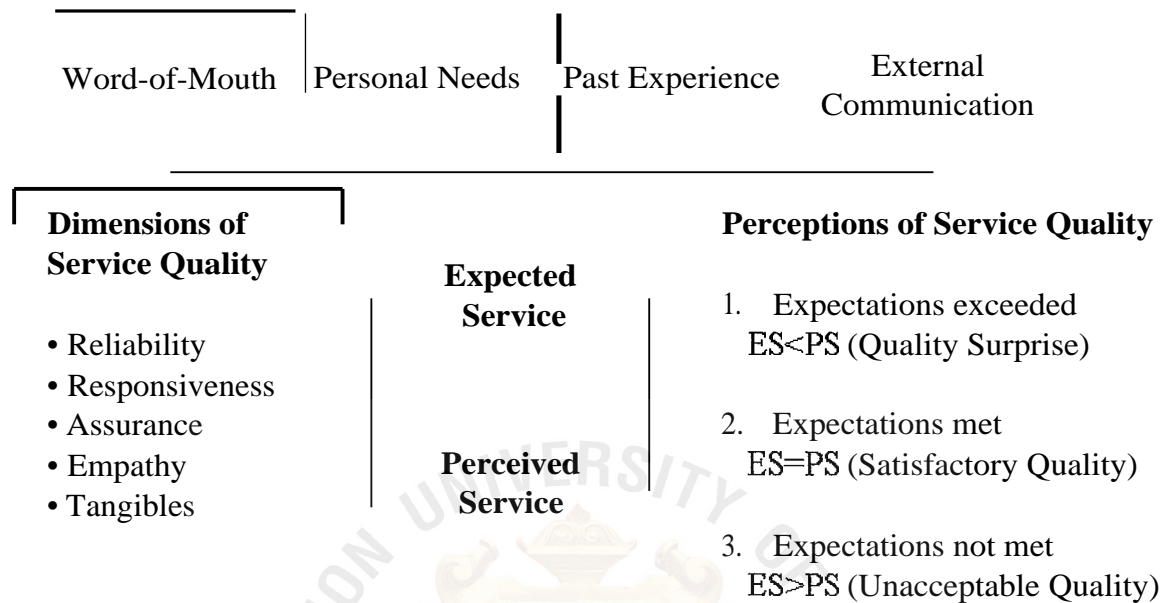
Source: Parasuraman et al. (1985)

2.10 Conceptual Framework

As shown in Figure 2.6, the demographic characteristics consisted of the individual position, size of department and function of department. The reason for selecting these demographic was because a demographic profile is able to illustrate the nature of respondents.

The comparison of expectations with perceptions is suggested in the service quality literature as: the relative importance of these criteria in shaping customer expectations prior to the delivery of service may differ from their relative importance in actual customer perceptions of the delivered service; the gap between the service provider's specifications and customers' expectations for the service level may lead to dissatisfaction even when the service provider meets the exact design specifications.

Figure 2.6: Conceptual Framework
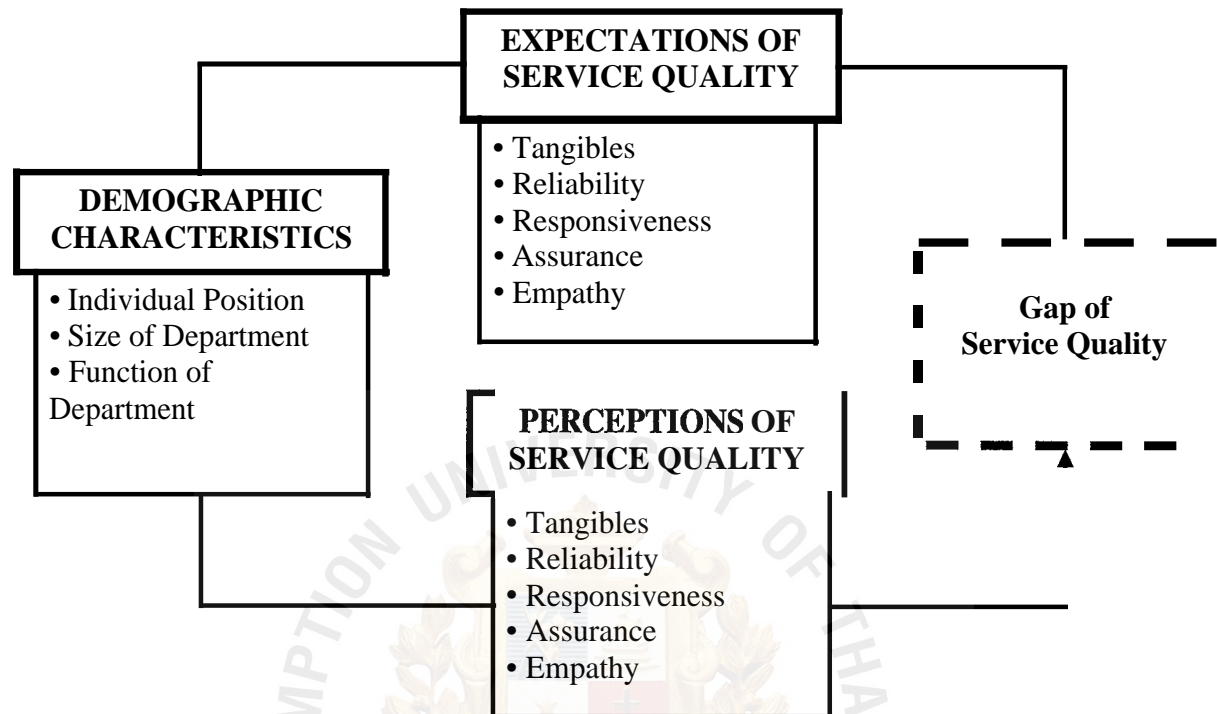
2.11 Research Hypotheses

The research hypotheses were constructed to study the relationship between independent and dependent variables. The purpose of hypotheses in this research is to measure service quality to the internal customers by the procurement department in the banking business for each of the five service quality dimensions, which consist of tangible, reliability, responsiveness, assurance, and empathy. Moreover, the researcher wanted to find out more about the customer perceptions in each characteristic in order to gain more information to improve the service quality. Hence, the research hypotheses are as follows:

H1: There is a difference between customer expectations and perceptions of service quality from the procurement department of Bank of Ayudhya.

H2: There is a difference in terms of tangible between customer expectations and perceptions of service quality from the procurement department of Bank of Ayudhya.

H3: There is a difference in terms of reliability between customer expectations and perceptions of service quality from the procurement department of Bank of Ayudhya.

H_4: There is a difference in terms of responsiveness between customer expectations and perceptions of service quality from the procurement department of Bank of Ayudhya.

H5: There is a difference in terms of assurance between customer expectations and perceptions of service quality from the procurement department of Bank of Ayudhya.

116: There is a difference in terms of empathy between customer expectations and perceptions of service quality from the procurement department of Bank of Ayudhya.

117: There is a difference with customer perceptions of service quality from the procurement department of Bank of Ayudhya when categorized by individual position.

118: There is a difference with customer perceptions of service quality from the procurement department of Bank of Ayudhya when categorized by size of department.

H9: There is a difference with customer perceptions of service quality from the procurement department of Bank of Ayudhya when categorized by function of department.
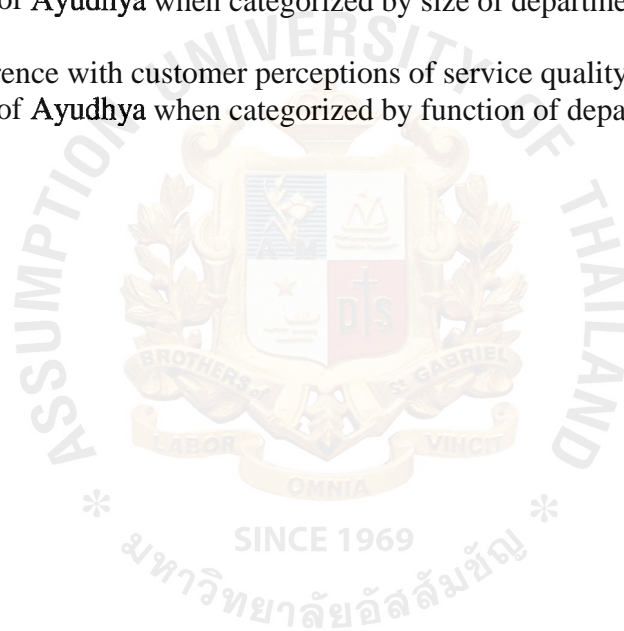
CHAPTER HI

RESEARCH METHODOLOGY

In Chapter II, the researcher provided information about the literature review, theoretical framework and conceptual framework. The aim of this chapter is to provide the research methodology such as the technique to be used for data collection. The chapter starts with the research design which describes how the research was conducted, followed by the sampling procedures, the instrument which will be used to gather the information from the respondents, and the methodology to pre-test the questionnaire. The last topic of this chapter is the data collection and data analysis plan, to explain how the researcher conducted the research in the real situation.

3.1 Research Design

This study applies descriptive research to describe the data collected, in terms of the quantitative aspect, and also the use of quantitative analysis. The researcher designed the collection of data by sending out the questionnaire to 30 persons to validate the questionnaire, before it sending out to 210 respondents within the organization. The questionnaire was distributed to the staff who work in the Bank of Ayudhaya's Head Office because the only people with direct contact with the procurement department are the officers who work at Head Office.

3.2 Respondents and Sampling Procedures

The respondents of this research were the employees of Bank of Ayudhya who operate at Head Office. The target population of the respondents were the persons who request the procurement team to source service or goods for them. The researcher has applied the following method for calculating the size of the respondent population to determine the validation of the research result.

3.2.1 Population

The researcher collected data from Head Office employees of BAY who requested service from the procurement department. The population was calculated by using the **Yamane** formula.

3.2.2. Size of Population

The total numbers of respondents was identified from the historical data from the procurement department reports which were collected data from December 2008 through November 2009. The target population consists of 378 persons who are the representatives for each department who make contact directly with the procurement department. And to this population, the researcher applied **Yamane**'s calculations (**Yamane**, 1967) for the number of the sample size, as the formula below:

Formula:
$$n = \frac{\ }{(1+N(e)\ )}$$

Where
n = Sample Size
N = Elements of population, which in this research is 378
e = Allowable error, which in this research is 5% or 0.05 proportion

So,
$$n = \frac{378}{(1+378(0.05)^2)}$$
$$n = \frac{378}{1.945}$$
$$n = 195 \text{ persons}$$

The sample size of the research is 195 persons to complete the questionnaire. However, the researcher distributed the questionnaire to 210 respondents in order to compensate for missing and incorrectly completed forms.

3.3 The Instruments

This research separated the questionnaire into two parts, which are Demographic Profile and Service Quality. The arrangement of the questionnaire is illustrated in Table 3.1.

Part I: Expected Service Quality

In this section, the subjects were asked to rate the expectation level towards the service delivery from the procurement department. The rating scales are from 1 to 5 (5 is strongly agree whereas 1 is strongly disagree). These questions reflect the relationship between BAY's employee expectations in the five dimensions: 'tangible', 'reliability', responsiveness', 'assurance', and 'empathy'.

Part H: Perceived Service Quality

In this section, the subjects were asked to rate the perception level towards the services delivery from the procurement department. The rating scale is from 1 to 5 (5 is strongly agree whereas 1 is strongly disagree). These questions reflect the relationship between BAY's employee perceptions in the five dimensions: 'tangible', 'reliability', responsiveness', 'assurance', and 'empathy'.

Part HI: Demographic Profile

This part is for the customer background based on the organization's function of work. The demographic aspects consisted of gender, age, education level, individual position, size of department, and function of department, which reflect the respondents' characteristics.

Table 3.1: Arrangement of the Questionnaire

I	Expected Service Quality	Tangibles Reliability Responsiveness Assurance Empathy	1-4 5-9 10-13 14-17 18-22	(5) Likert Scale

II	Perceived Service Quality	Tangibles Reliability Responsiveness Assurance Empathy	23-26 27-31 32-35 36-39 40-44	(5) Likert Scale
III	Demographic Profiles	N/A	1-6	Multiple Choice

3.4 Pre-test Questionnaire

The pilot test sample size varies from 15-30 respondents (Maholtra & Birlks, 2000). The pre-testing was conducted on 30 employees to ensure the reliability of the instrument such as understanding of wording, meaning of wording and sequence of the questions.

3.4.1 Reliability

Reliability refers to the extent to which a scale produces consistent results if repeated measurements are made. For this research, the researcher applied the coefficient alpha or Cronbach's alpha to measure the internal consistency reliability which is the average of all split-half coefficients resulting from different splitting of the scale items (Maholtras & Birks, 2000). From a total of 30 items, the result of the test reliability yielded as shown in Table 3.2.

Table 3.2: The Result of Questionnaire Reliability Analysis

Expected – Tangible	.888	Perceived – Tangible	.916
Expected – Reliability	.938	Perceived – Reliability	.816
Expected - Responsiveness	.968	Perceived - Responsiveness	.867
Expected – Assurance	.849	Perceived —.Assurance	.921
Expected – Empathy	.931	Perceived – Empathy	.978
TOTAL	.915	TOTAL	.835
GRAND TOTAL = .950			

From the result above, it is reasonable to conclude that the SERVQUAL questions in this research are reliable and sufficient to measure the service quality, as the value of each dimension is over 0.6. A result of at least 0.6 is regarded as reliable (Sekaran, 1992).

3.5 Collection of Data / Gathering Procedures

The researcher developed data collection into two ways, which are secondary data collection and primary data collection.

3.5.1. Secondary Data Collection is the sources of information which reviewed, summarized, or discussed other researchers' works. In this study, the researcher gathered secondary data from historical data, textbooks, and reviews of research in books or journals, internet, etc.

3.5.2. Primary Data Collection which is the sources of direct witness or in some other way directly involved in related events (Zeithaml et al., 1988). The primary source which provides primary data collected in this study was the research participants. In this study, the researcher gathered primary data from directly collecting data from employees of BAY who operate at Head Office.

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3.6 Data Analysis Plan

Data were analyzed using a statistical computer program which is SPSS (Statistical Package for the Social Science). One-way Analysis of Variance, Independent Sample T-Test and Paired Sample T-Test were used to analyze the hypotheses testing and to study the relationships between independent and dependent variables. The research set the scoring standard as follows:

A five-step rating scale of response was used to measure internal customers' expectations and internal customers' perceptions. The scores are as follows:

Strongly Agree	=5
Agree	=4
Neutral	=3
Disagree	=2
Strongly Disagree	=1

According to the scale indicated above, the statistic will be used in data analysis. The number of interval scales is the highest score minus the lower score and divided by five based on the five-rating scale. The interval of scales was calculated using the following formula:

$$\text{Interval} = \frac{\text{The highest score} - \text{The lowest score}}{\text{The number of Intervals}}$$

For this reason, the interval scale in this research was:

$$\text{Interval} = \frac{5-1}{5} = 0.80$$

The range of scores will be interpreted as follows:

4.21 - 5.00   Very high degree of customers' expectations or perceptions

3.41 - 4.20   High degree of customers' expectations or perceptions

2.61 - 3.40   Neutral customers' expectations or perceptions

1.81 - 2.60   Low degree of customers' expectations or perceptions

1.00 - 1.80   Very low degree of customers' expectations or perceptions

3.6.1 Descriptive Data Analysis

Descriptive data analysis is the tool that presents respondents characteristics. Descriptive analysis refers to the transformation of raw data into a form that will make them easy to understand and interpret (Zikmund, 2003).

3.6.2 Regression Analysis

Regression Analysis is a tool to analyze associative relationships between dependent variables and one or more independent variables. Regression analysis is the tool to determine the many relations of variables such as whether a relationship between dependent and independent exist or to measure the strength of relationship (Malhotra & Birks, 2000).

This research applied multiple regressions to analyze and measure relationships of multiple independent variables against single dependent variables. The formula of multiple regression for this research is

$$y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5$$

Where   y = Customer Expectations / Perceptions

X_1 = Customer Expectations/Perceptions in Tangible

X2 = Customer Expectations/Perceptions in Reliability

X_3= Customer Expectations/Perceptions in Responsiveness

X4= Customer Expectations/Perceptions in Assurance

X5= Customer Expectations/Perceptions in Empathy

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3.7 An Operational Definition

Table 3.3: Operational Definition

Variables	Definition	Operational Component	Level of Measurement
Reliability	Refer to ability to provide service as promised dependably and accurately.	- Length of service time - Dependability - Accuracy	Interval
Responsiveness	Refer to willingness to provide service to customer and readiness to respond the customer as required.	- Willingness - Readiness to respond	Interval
Assurance	Refer to ability to make customer feel confident in service provided.	- Trust - Polite	Interval
Empathy	Refer to caring characteristic, understanding customer.	- Caring - Understanding	Interval
Tangibles	Refer to availability of physical facilities.	- Physical facilities - Personal appearance	Interval
Individual Position	Refer to position of internal customer.	- Level 1-3 - Level 4-6 - Level 7 up	Ordinal
Size of Department	Refer to number of staff within the department.	- Less than 10 persons - 10 — 30 persons - 31 —50 persons - Over 51 persons	Ordinal
Function of Department	Refer to scope of responsibility of each department.	- Support Function - Banking Business Function	Nominal

Source: Author

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CHAPTER IV

PRESENTATION AND CRITICAL DISCUSSION OF RESULTS

This chapter presents the findings and the analysis of hypotheses testing. The hypotheses testing and the descriptive statistic analysis were two of statistical techniques used for analysis as they are the best fit for finding results to meet the research objectives. The results are illustrated in the following Tables, with explanations of the descriptive statistical results.

4.1 Description of Demographic Characteristics

Table 4.1 below shows the demographic characteristics of the respondents to whom the questionnaire was distributed. The researcher selected the best 195 out of 210 respondents as some of them were missing, or no response, or not completed. The Table below presents the frequency and percentage of each sub characteristic of age, gender, education, position, size of department, and function of department.

Table 4.1: Summary of Respondents by Demographic Characteristics

Demographic Characteristics		Frequency	Percent	Rank
Gender	Male	69	35.38	2
	Female	126	64.62	1
	Total	195	100.00	
Age	Less than 20	0	0.00	8
	20-25	36	18.46	3
	26-30	58	29.74	1
	31-35	56	28.72	2
	36-40	21	10.77	4
	41-45	15	7.69	5
	46-50	7	3.59	6
	51 up	2	1.03	7
	Total	195	100.00	

Demographic Characteristics		Frequency	Percent	Rank
Education	Under Bachelor	10	5.13	3
	Bachelor Degree	153	78.46	1
	Master Degree	32	16.41	2
	Doctoral Degree	0	0.00	4
	Total	195	100.00	
Position	Level 1-3	135	69.59	1
	Level 4-6	50	25.77	2
	Level 7 up	9	4.64	3
	Total	194	100.00	
	Missing	1		
	Total	195		
Size of Department	Less than 10	68	34.87	2
	10-30	94	48.21	1
	31-50	33	16.92	3
	Over 51 persons	0	0.00	4
	Total	195	100.00	
Function of Department	Support Function	57	29.53	2
	Banking Business Function	136	70.47	1
	Total	193	100.00	
	Missing	2		
	Total	195		

From the data gathered above, the gender of respondents of this research who received service from **BAY's** procurement department consisted of male 35.38% and female 64.62%. The highest percentage of the age characteristics of the internal customer of **BAY's** procurement department was the respondents aged between 26 to 30 years old (29.74%) which was similar to the age level 31 to 35 which represented 28.72%. The next age level of respondents was 20 to 25 years old (18.46%). The level of age of 36 to 40 represented 10.77%, and 41 to 45 was 7.69%. Those aged between 46 to 50 and 51 upwards represented only 3.59% and 1.03% respectively.

For the education level of the respondents, the highest percentage was bachelor degree (78.46%) followed by master degree 16.41%. Those under bachelor degree represented only 5.13%, and there were no respondents with a doctoral degree.

In reference to position, the top level of respondent position was level 1 to 3 (69.59%). The following level was 4 to 6 showed 25.77% while the level 7th up represented only 4.64%.

For the size of department, the department which has staff between 10 to 30 persons presented the highest number of respondents (48.21%), followed by the department which has staff less than 10 persons which represented 34.87%, and 31 to 50 represented 16.92%. there were no respondents from departments which had more than 51 persons.

The last characteristic, function of department, showed 70.47% of respondents from the banking group such as Personal Loan, Home Loan, and Bancassurance, while 29.53% were from support functions such as departments of Administration, Corporate Communication and Finance.

4.2 Hypotheses Testing

The hypotheses statement which was indicated in Chapter **II,** consisted of nine hypotheses. The hypotheses testing was separated into two groups. The first group of hypotheses was tested by using Paired Sample T-Test which was used to compare the means of expectations and perceptions of each variable (Ticehurst & Veal, 2002). Paired Sample T-Test was applied to test the significance of the difference between **BAY's** procurement's internal customer expectations and perceptions of service quality and also to test the significance of the difference between customer expectations and perceptions of service quality provided when categorized by each **SERVQUAL** dimensions (tangible, reliability, responsiveness, assurance, empathy).

Another group is the rest of the hypotheses. Three hypotheses measured the differences of internal customer perceptions of service quality provided by BAY's procurement department when categorized by demographic characteristics (position, size of department and function of department). For these hypotheses, One-Way Analysis of Variance (ANOVA) and Independent Sample T-Test were used to measure whether there are any significant differences for those three characteristics.

Hypothesis One (H₁) There is a difference between customer expectations and perceptions of service quality from the procurement department of Bank of Ayudhya.

In Table 4.2, the hypothesis is measuring by using Paired Samples T-tests to test the difference of internal customers of BAY's procurement department between expectations and perceptions of service quality.

Table 4.2: Paired Samples T-Test for the Difference between Customer Expectations and Perceptions of Service Quality

| | | Paired Differences | | | | | Sig. (2-tailed) |
| | | | | | 95% Confidence Interval of the Difference | | |
		Mean	Standard Deviation	Standard Error Mean	Lower	Upper	
Pair 1	Expectations Perceptions	1.42927	.98637	.07064	1.28996	1.56858	.000

The significance of 2-tailed shows .000 which is less than 0.05, and this means that the hypothesis which stated that there is a difference between customer expectations and perceptions of service quality from procurement department of Bank of Ayudhya is supported. Hence, H1= Supported

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Hypothesis two (H₂): There is a difference in terms of tangible between customer expectations and perceptions of service quality of the procurement department of Bank of Ayudhya.

In Table 4.3 the hypothesis is measured by using Paired Samples T-tests to test the significance of the difference of internal customers of BAY' s procurement department between expectations and perceptions of service quality in terms of tangible.

Table 4.3: Paired Samples T-Test for the Difference between Customer Expectations and Perceptions of Service Quality in terms of Tangible

		Paired Differences					
					95% Confidence Interval of the Difference		Sig. (2-tailed)
Tangible		Mean	Standard Deviation	Standard Error Mean	Lower	Upper	
Pair 2	Expectations Perceptions	.65513	1.12348	.08045	.49645	.81381	.000

The significance of 2-tailed it shows as .000, which less than 0.05, and this means that the hypothesis which stated that there is a difference in terms of tangibles between customer expectations and perceptions of service quality from the procurement department of Bank of Ayudhya is supported. Hence, H2= Supported.

Hypothesis Three): There is a difference in terms of reliability between customer expectations and perceptions of service quality from the procurement department of Bank of Ayudhya.

In Table 4.4, the hypothesis is measuring by using Paired Samples T-tests to test the significance of the difference of internal customers of BAY' s procurement department between expectations and perceptions of service quality in terms of reliability.

Table 4.4: Paired Samples T-Test for the Difference between Customer Expectations and Perceptions of Service Quality in terms of Reliability

	Reliability	Mean	Standard Deviation	Standard Error Mean	Lower	Upper	Sig. (2-tailed)
					95% Confidence Interval of the Difference		
					Paired Differences		
Pair 3	Expectations Perceptions	1.65744	1.16707	.08358	1.49260	1.82227	.000

The significance of 2-tailed shows as .000 which is less than 0.05, and this means that the hypothesis which stated that there is a difference in terms of reliability between customer expectations and perceptions of service quality from the procurement department of Bank of Ayudhya is supported. Hence, H_3= Supported

Hypothesis Four (H₄): There is a difference in terms of responsiveness between customer expectations and perceptions of service quality from the procurement department of Bank of Ayudhya.

In Table 4.5, the hypothesis is measured by using Paired Samples T-tests to test the significance of the difference of internal customers of BAY' s procurement department between expectations and perceptions of service quality in terms of responsiveness.

Table 4.5: Paired Samples T-Test for the Difference between Customer Expectations and Perceptions of Service Quality in terms of Responsiveness

	Responsiveness	Mean	Standard Deviation	Standard Error Mean	Lower	Upper	Sig. (2-tailed)
					95% Confidence Interval of the Difference		
					Paired Differences		
Pair 4	Expectations Perceptions	1.59103	1.13450	.08124	1.43079	1.75126	.000

The significance of 2-tailed shows as .000 which is less than 0.05, and this means that the hypothesis which stated that there is a difference in terms of responsiveness between customer expectations and perceptions of service quality from the procurement department of Bank of Ayudhya is supported. Hence, H4= Supported

Hypothesis Five (H5): There is a difference in terms of assurance between customer expectations and perceptions of service quality from the procurement department of Bank of Ayudhya.

In Table 4.6, the hypothesis is measured by using Paired Samples T-tests to test the significance of the difference of internal customers of BAY' s procurement department between expectations and perceptions of service quality in terms of assurance.

Table 4.6: Paired Samples T-Test for the Difference between Customer Expectations and Perceptions of Service Quality in terms of Assurance

		Paired Differences					
					95% Confidence Interval of the Difference		
	Assurance	Mean	Standard Deviation	Standard Error Mean	Lower	Upper	Sig. (2-tailed)
Pair 5	Expectations Perceptions	1.61154	1.02139	.07314	1.46728	1.75580	.000

The significance of 2-tailed it shows as .000 which less than 0.05, and this means that the hypothesis which stated that there is a difference in terms of assurance between customer expectations and perceptions of service quality from the procurement department of Bank of Ayudhya is supported. Hence, H5= Supported.

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Hypothesis Six (H$_6$): There is a difference in terms of empathy between customer expectations and perceptions of service quality from the procurement department of Bank of Ayudhya.

In Table 4.7, the hypothesis is measured by using Paired Samples T-tests to test the significance of the difference of internal customers of BAY's procurement department between expectations and perceptions of service quality in terms of empathy.

Table 4.7: Paired Samples T-Test for the Difference between Customer Expectations and Perceptions of Service Quality in terms of Empathy

	Empathy	Paired Differences					
		Mean	Standard Deviation	Standard Error Mean	95% Confidence Interval of the Difference		Sig. (2-tailed)
					Lower	Upper	
Pair 6	Expectations Perceptions	1.54072	1.14523	.08222	1.37855	1.70289	.000

The significance of 2-tailed shows as .000 which less than 0.05, and this means that the hypothesis which stated that there is a difference in terms of empathy between customer expectations and perceptions of service quality from the procurement department of Bank of Ayudhya is supported. Hence, H6= Supported.

Hypothesis Seven (H$_7$): There is a difference with customer perceptions of service quality from the procurement department of Bank of Ayudhya when categorized by individual position.

In Table 4.8, the hypothesis is measured by using One-Way Analysis of Variance to test the significance of the difference of customer's perceptions of service quality from the procurement department of Bank of Ayudhya when categorized by individual position. There are three levels of positions which are:

- Officer Level 1-3;
- Officer Level 4-6; and
- Officer Level 7 up

However, as the number of respondents in level 7 up is only 9 persons, the researcher has changed the analysis tool from One-Way Analysis of Variance (ANOVA) to the Independent Sample T-Test as only nine respondents of this Officer Level are not enough to evaluate the difference. Hence the researcher has regrouped the positions from 3 groups to be 2 groups which are

- Officer Level 1-3; and
- Level 4 up.

Table 4.8: Analysis of Independent Sample T-Test for the Difference of BAY's Internal Customer Perceptions towards Procurement Department when Categorized by Individual Position

Independent Samples Test						
		Levene's Test for Equality of Variances		t-test for Equality of Means		
		F	Sig.	t	df	Sig. (2-tailed)
PERCEPTIONS	Equal variances assumed	1.230	.269	1.534	192	.127
	Equal variances not assumed			1.505	105.932	.135

The significance of 2-tailed shows results which are higher than 0.05. This means that the hypothesis which stated that there is a difference with customer's perceptions of service quality from the procurement department of Bank of Ayudhya when categorized by individual position is not supported. Hence, H7= Not Supported.

Hypothesis ght (H_8): There is a difference with customer perceptions of service quality from the procurement department of Bank of Ayudhya when categorized by size of department.

In Table 4.9, the hypothesis is measured by using One-Way Analysis of Variance (ANOVA) to test the significance of the difference between BAY's procurement internal customer perceptions of service quality from the procurement department of Bank of Ayudhya when categorized by size of department. There are four level of size of department which are

- Less than 10 persons;
- 10-30 persons;
- 31-50 persons; and
- Over 51 persons

Table 4.9: Analysis of Variance (ANOVA) for the Difference of BAY's Internal Customer Perceptions towards Procurement Department when Categorized by Size of Department

ANOVA		
Perceptions Dimensions	**F**	**Sig.**
Perception - Tangible	4.027	.019
Perception - Reliability	7.423	.001
Perception - Responsiveness	4.580	.011
Perception - Assurance	8.272	.000
Perception - Empathy	3.428	.034
TOTAL PERCEPTION	7.130	.001

With the significance of all items being less than 0.05, this means that the hypothesis which stated that there is a difference with customers perceptions of service quality from the procurement department of Bank of Ayudhya when categorized by size of department is supported. Hence, H8= Supported

Moreover, the LSD shows that all five SERVQUAL dimensions in perceptions when categorized by size of department have a significant difference in the different sizes of department. It shows the group of thirty one persons up in a department has perceptions different from the group that has staff less than ten and ten to thirty. The

result showed that different positions and functions have no significant difference in perceptions, as shown in Appendix C.

Hypothesis Nine (H₉): There is a difference with customers' perceptions of service quality from the procurement department of Bank of Ayudhya when categorized by function of department.

In Table 4.10, the hypothesis is measured by using Independent Sample T-Test to test the significance of the difference with customer perceptions of service quality from the procurement department of Bank of Ayudhya when categorized by function of department. There are two level of function of department which is

- Support Function; and
- Banking Business Function

Table 4.10: Analysis of Independent Sample T-Test for the Difference with Customer Perceptions of Service Quality from the Procurement Department of Bank of Ayudhya when Categorized by Function of Department

Independent Samples Test						
		Levene's Test for Equality of Variances		t-test for Equality of Means		
		F	Sig.	t	df	Sig. (2-tailed)
PERCEPTIONS	Equal variances assumed	3.524	.062	.005	191	.996
	Equal variances not assumed			.006	129.574	.995

The significance of 2-tailed shows results which are higher than 0.05. This means that the hypothesis which stated that there is a difference with customer perceptions of service quality from the procurement department of Bank of Ayudhya when categorized by individual position is not supported. Hence, H₉= Not Supported.

Table 4.11: Summary of Results from Hypotheses Testing

H1: There is a difference between customer expectations and perceptions of service quality from procurement department of Bank of Ayudhya.	Paired Samples T-Test	.000	Supported
H2: There is a difference in terms of tangible between customer expectations and perceptions of service quality from procurement department of Bank of Ayudhya.	Paired Samples T-Test	000	Supported
113: There is a difference in terms of reliability between customer expectations and perceptions of service quality from procurement department of Bank of Ayudhya.	Paired Samples T-Test	.000	Supported
114: There is a difference in terms of responsiveness between customer expectations and perceptions of service quality from procurement department of Bank of Ayudhya.	Paired Samples T-Test	.000	Supported
115: There is a difference in terms of assurance between customer expectations and perceptions of service quality from procurement department of Bank of Ayudhya.	Paired Samples T-Test	.000	Supported
116: There is a difference in terms of empathy between customer expectations and perceptions of service quality from procurement department of Bank of Ayudhya.	Paired Samples T-Test	.000	Supported

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Hypotheses	SPSS Tool	Level of Significance	Results
H,: There is a difference with customer perceptions of service quality from the procurement department of Bank of Ayudhya when categorized by individual position.	Independent Sample T-Test	.127	Not Supported
118: There is a difference with customer perceptions of service quality from the procurement department of Bank of Ayudhya when categorized by size of department.	Analysis of Variance	.001	Supported
H9: There is a difference with customer perceptions of service quality from the procurement department of Bank of Ayudhya when categorized by function of department.	Independent Sample T-Test	.996	Not Supported

4.3 Rating Scales of Respondents

Table 4.12 presented that tangible dimension was expected from internal customers towards procurement department at a high degree (3.41- 4.20).. The rest of the expectations from the five dimensions (reliability, responsiveness, assurance and empathy) represented a very high degree of expectations. Meanwhile the perceptions that customers illustrated towards 22 numbers of questions was Neutral.

Table 4.12: Summary of Rating Scales of SERVQUAL Five-Dimensions

Statement	Mean	SD	Result
Expectations_Tangible	3.4282	.84606	High Degree
Expectations_ Reliability	4.4708	.70675	Very High Degree
Expectations_Responsiveness	4.4756	.70096	Very High Degree
Expectations_Assurance	4.4538	.56457	Very High Degree
Expectations_Empathy	4.4718	.69295	Very High Degree
Perceptions_Tangible	2.7731	.71848	Neutral
Perceptions _Reliability	2.8133	.83260	Neutral
Perceptions _Responsiveness	2.8846	.83659	Neutral

Perceptions __Assurance	2.8423	.78226	Neutral
Perceptions _Empathy	2.9284	.81557	Neutral

This can be interpreted that most customers expected service quality to a very high degree in terms of five dimensions while the actual perceptions is only at a neutral level.

4.4 Regression Analysis

From multiple regression analysis, it was found that the expectations of Reliability and Empathy are the highest. This means that theses two variables are the critical variables that the procurement department should regard with concern. The result is illustrated in Table 4.13

Table 4.13: Multiple Regression Analysis for Expectations

Coefficients'					
EXPECTATIONS	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Standard Error	Beta		
(Constant)	2.01E-16	0.002		0.018	0.990
Expectations Tangible	0.182	0.001	0.257	176.71	0.000
Expectations _Reliability	0.227	0.001	0.269	223.93	0.000
Expectations Responsiveness	0.182	0.001	0.213	180.17	0.000
Expectations_Assurance	0.182	0.001	0.172	176.05	0.000
Expectations_Empathy	0.227	0.001	0.264	225.22	0.000

a. Dependent Variable: Expectations

Hence, $Y= 1.55 \times 10^{-15} + .182X1 + .227X2 + .182X3 + .182X4 + .227X5$

Where Y = Customer Expectations

        X1 = Customer Expectations in Tangible

        X2 = Customer Expectations in Reliability

X_3 = Customer Expectations in Responsiveness

X4 = Customer Expectations in Assurance

X5 = Customer Expectations in Empathy

Meanwhile, from multiple regression analysis, it was found that the perceptions of Reliability is the highest. This means that this variable is the critical variable that reflects internal customer perceptions. The result is illustrated in Table 4.14

Table 4.14: Multiple Regression Analysis for Perceptions

Coefficients'					
PERCEPTIONS	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Standard Error	Beta		
(Constant)	-3.42E-05	0.002		-0.017	0.986
Perceptions_Tangible	0.181	0.001	0.186	176.71	0.000
Perceptions _Reliability	0.227	0.001	0.269	221.93	0.000
Perceptions Responsiveness	0.184	0.001	0.220	195.14	0.000
Perceptions_Assurance	0.183	0.001	0.204	179.03	0.000
Perceptions_Empathy	0.226	0.001	0.262	227.22	0.000

a. Dependent Variable: Perceptions

Hence, $Y = -3.416 \times 10^{-5} + .181X1 + .227X2 + .184X3 + .183X_4 + .226X5$

Where Y = Customer Perceptions

X_i = Customer Perceptions in Tangible

X2 = Customer Perceptions in Reliability

X3 = Customer Perceptions in Responsiveness

X4 = Customer Perceptions in Assurance

X5 = Customer Perceptions in Empathy

In summary, the result of hypotheses testing of the difference between **BAY's** internal customer expectations and perceptions of service quality provided by **BAY's** procurement department by using five dimensions of **SERVQUAL** (tangible, reliability, responsiveness, assurance and empathy) had significant differences. Moreover, the summary also illustrated the significant differences when categorized by the size of

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department, while there was no significant difference in individual position and function of department.

CHAPTER V

SUMMARY FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

In Chapter N, the researcher presented information from the hypotheses testing and found many correlations between each variable. For this chapter, the researcher summarizes the data findings, conclusions and recommendations. At the end of this chapter, the researcher comments about further study which may lead other interested researchers to pursue studies in the same area.

5.1 Summary of Findings

The researcher applied the SERVQUAL five-dimensions (tangible, reliability, responsiveness, assurance and empathy) to determine the level of expectations and perceptions of internal customers of BAY' s procurement department. The researcher distributed questionnaire to 210 respondents and selected the best 195 to conduct hypotheses testing. And in order to answer the key questions which stated in Chapter I, "Is there any difference between BAY' s internal customer expectations and perceptions service from procurement department in terms of SERVQUAL dimensions?", the researcher applied SPSS (Statistical Package for Social Science) to find the result of hypotheses 1 to 9, which are summarized as follows:

Hypotheses one to six have been tested by applied Paired-Sample T-Test to measure the results of difference between customer expectations and customer perceptions of service quality and when segmented by the five dimensions. The result of the first to the sixth hypotheses illustrated that there was a gap of BAY' s internal customer expectations and perceptions in each dimension. This could be interpreted as internal customers have their expectations from what BAY' s procurement team should provide to them while the actual of service available in each dimensions are different from what they expected or have not yet met the internal customers' expectations. It could be concluded that the service which BAY' s procurement team provided to its internal customer falls short of expectations.

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The remaining hypotheses were analyzed by using One-Way Analysis of Variance (ANOVA) and Independent Sample T-Test, to measure the difference between each of the demographic characteristics (individual position, size of department and function of department) with internal customer perceptions. The results illustrated that there were no differences in individual position and function of department while there is a significant different in size of department. It could be interpreted that a department that has more than thirty one persons has difference in perceptions of the five dimensions from a department that has staff of less than thirty one persons. It can be concluded that a higher number of staff has more different perceptions than with a small number. The result showed that different positions and functions of departments had no significant different in perceptions.

Hence, the results can answer the research questions in Chapter I, that all expectations are different in terms of **SERVQUAL** five dimensions from perceptions of service quality provided by the procurement department of Bank of Ayudhya. Moreover, in each demographic characteristic, the size of department leads to difference in perceptions also. And to extend to the multiple regression result, it was founded that reliability and empathy are the highest factors that impacts on customer expectations while reliability is the highest factor that impacts on customer perceptions.

5.2 Conclusions

Based on the finding of the hypotheses results, there are gaps between BAY' s procurement internal customer expectations and perceptions overall and in the five dimensions (tangible, reliability, responsiveness, assurance, empathy). These gaps illustrated that the service quality which the procurement team provided to its internal customers have not met what the customers expected from the service provided. Table 5.1 summarized the findings of the research.

Table 5.1: Summary of Findings

1. To study the BAY's internal customer expectations towards the service quality provided by procurement department.	Four dimensions which are Reliability, Responsiveness, Assurance, and Empathy have very high degree of expectations from internal customer meanwhile Tangible was expected with only a high degree of expectations.
2. To measure the BAY's internal customer perceptions towards the service quality after receiving service from procurement department.	All SERVQUAL five-dimensions were perceived with neutral degree only. It could be interpreted that procurement department provided service quality lower than what internal customer expected.
3. To examine the importance of service delivery to its internal customer and the managerial implications.	From the findings of level of internal customer expectations and perceptions, management team has to have an open mind to study the gap of service quality and improve the as-is service quality in order to satisfy internal customers.

5.3 Recommendations

According to the conclusions, the researcher found that there are gaps when measuring the service quality by the SERVQUAL instrument. The result showed that what customers perceived as the service quality from BAY's procurement department has not met what customers expected. The researcher has summarized the recommendations for improvement of service quality provided by BAY's procurement team. They can be classified by each dimension in Table 5.2:

Table 5.2: Recommendations in Service Quality with Five-Dimensions

e		
Tangible	The state of facilitating goods; physical condition of the buildings and the environment; appearance of personnel; and condition of equipment.	As hypothesis was supported, it illustrates that internal customers require more service quality for appearance of facilities, availability of equipment. Hence, the management should improve the appearance of facilities such as document (Request to Order Form, Bid Result Form, and Add Vendor/Supplier Form etc.) or equipment like desktop computer for searching items in the system. However, Tangible has the least mean score of expectations when compared with other dimensions.
Reliability	The ability to provide the pledged service on time, accurately and dependably.	As hypothesis was supported, it illustrates that internal customers require more service quality for promised service and correctness of information that is consistent with what they expect. Hence, management should consider improving the time management as per internal service level agreement and to manage the correctness of work which may be done by cross checking within the department.
Responsiveness	The ability to deal effectively with complaints and promptness of the service.	As hypothesis was supported, it illustrates that internal customers require more service quality for promptness to respond and willing to help when they have problems. Hence, management should offer more training session for staff by emphasizing this point in order to lead procurement staff to understand the significance of responsiveness and ability of problem solving.

Dimension		
Assurance	The knowledge and courtesy of employees and their ability to convey truth and confidence.	As hypothesis was supported, it illustrates that internal customers require more service quality for knowledge and courtesy from procurement staff in order to guide the customer and make customers feel safe with the knowledge provided. Hence, this could be the same as responsiveness, that management should improve assurance by training staff in the work process, regulations, and awareness in order to make sure that procurement staff have knowledge to convey customer's confidence.
Empathy	The provision of caring, individualized attention to understand the customer's needs and specific requirements.	As the result was a not supported null hypotheses, internal customers require more service quality for caring and understanding the specific needs when they have problems. Hence, all staff should pay attention more to individual needs plus specific requirements in order to ensure customers that their requirements are in the process.

From the result, the gap of service provided by BAY' s procurement team as discussed above should be considered as the key point by the management team. In order to improve the service quality, the management team should find out where the problem stems from and have the willingness to improve the quality of service also. The management team can applied the GAP model as mentioned in Chapter II to specify the problem areas in each procurement process.

5.4 Suggestions for Further Study

Through many previous researches and the outcome of this paper, it has been proved that the measurement of internal service quality has become an important and indispensable matter. Benefits of the study would be leveraged not only by organization to have good performance and service management, but also by employees to perceive the internal service process and have efficient communication. Specifically to the studied

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procurement department of BAY, internal service providers should be able to measure the level of internal customers' expectation and can estimate appropriate service delivery so long as it is satisfied what the expectation would be.

This research is about the measurement of service quality which is provided by a department in the organization. However as many researchers have confirmed, to determine the service quality within the organization is as important as the measurement with external customers. Hence, further studies can cover the same area of this research wherever a procurement department is located. Moreover, other researchers can expand the area of measuring service quality even in other departments or groups of service sections within an organization. It would be possible to determine the service quality by following what research has been done in order to gain the information of as-is service quality provided to customers and improve what does not yet meet customer expectations.
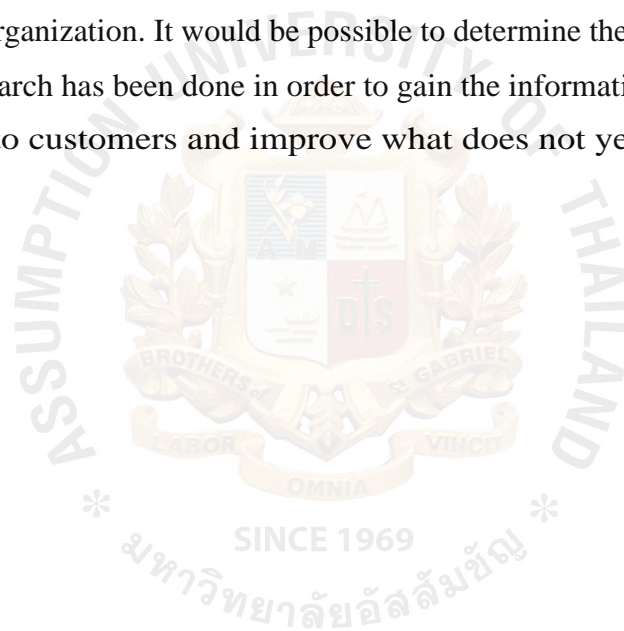
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APPENDICES

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APPENDIX A: Questionnaire (English Version)
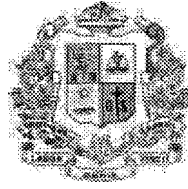
Questionnaire

The questionnaire of this research is designed to collect data of respondents who have been involved with the procurement department in order to study internal customer expectations and perceptions. The purpose of this questionnaire is to study expectations and perceptions toward the service quality of the procurement department at Bank of **Ayudhya,** Head Office. Please note that there are no right or wrong answers.

The questions were separated into 3 parts as follows:

Part I: Expectations of service quality toward procurement department

Part IL   Perceptions of service quality toward procurement department

Part III: Demographic characteristics of respondents

Part I: Expectations of service quality toward procurement department

<u>**Directions:**</u> Based on your opinion, please indicate your expectations of service quality that should be provided to you by the procurement department. Please select the five point **Likert** Scale to indicate the degree, as assigned below:

Strongly Disagree	1
Disagree	2
Neutral	3
Agree	4
Strongly Agree	5

No.	Statements	Strongly Disagree 1	Disagree 2	Neutral 3	Agree 4	Strongly Agree 5
1.	**Tangible** **I** expect that Procurement Department should have modern looking equipment and up-to-date technology.					
2.	I expect that Procurement Department's physical facilities will be visually appealing.					
3.	**I** expect that the staff in Procurement Department should be well dresses and of smart appear neat.					
4.	**I** expect that the materials associated with the service will be visually appealing.					
5.	**Reliability** **I** expect that when the Procurement Department promises to do something by a certain time, they can do so.					
6.	I expect that, if **I** have a problem, procurement staff will show a sincere interest in solving it.					
7.	I expect the Procurement Department to get things right the first time.					
8.	I expect that Procurement Department provide their services at the time they promise to do so.					
9.	**I** expect that Procurement Department keep records accurately.					
10.	**Responsiveness** **I** expect that staff in Procurement Department tell me exactly when services will be performed.					
11.	I expect that the staff in Procurement Department give prompt and efficient service to me.					
12.	I expect that the staff in Procurement Department always be willing to help me.					

13.	I expect that the staff in Procurement Department are never too busy to respond my requests.					
14.	Assurance The behavior of staff in Procurement Department will instill confidence in me.					
15.	I expect that I can feel safe in my dealings with Procurement Department.					
16.	I expect that the staff in Procurement Department to be consistently courteous with me.					
17.	I expect that the personnel in Procurement Department have the knowledge to answer my questions.					
18.	**Empathy** **I** expect that the staff in Procurement Department give me individual attention.					
19.	**I** expect that Procurement Department have operating hours convenient to me.					
20.	I expect that Procurement Department have staff that give me personal attention.					
21.	I expect that Procurement Department will have the customer's best interests at heart.					
22.	**I** expect that the staff of Procurement Department will understand my specific needs.					

Part II: Perceptions of service quality toward procurement department

Directions: Based on your opinion, please indicate your perceptions of service quality provided to you by the procurement department. Please select the five point Likert Scale to indicate the degree, as assigned below:

Strongly Disagree   =   1

Disagree   =   2

Neutral   =   3

Agree   4

Strongly Agree   5

No.	Statements	Strongly Disagree 1	Disagree 2	Neutral 3	Agree 4	Strongly Agree 5
	Tangible					
23.	The Procurement Department has modern looking equipment.					
24.	The Procurement Department's physical facilities can be visually appealing.					
25.	The staff at Procurement Department are neat in appearance.					
26.	The materials associated with the service can be visually appealing and excellent.					
	Reliability					
27.	The division promises to do something by a certain time, they can do so.					
28.	If I have a problem, the Procurement Department shows a sincere interest in solving it.					

29.	The Procurement Department gets things right the first time.					
30.	The Procurement Department provide their services at the time they promise to do so.					
31.	The Procurement Department insisted on error – free records					
32.	**Responsiveness** Staff in this division told me exactly when services will be performed.					
33.	Staff in this division gave prompt and efficient service to me.					
34.	Staff in this division were always willing to help me.					
35.	Staff in this division are never too busy to respond to my requests.					
36.	**Assurance** Staff in this division instilled confidence in me.					
37.	I felt safe in my dealings with this division.					
38.	The staff in this division were consistently courteous with me.					
39.	The staff in this division have the knowledge to answer my questions.					
40.	**Empathy** This division gave me individual attention.					
41.	This division had operating hours convenient to me.					
42.	This division has staff that gave me personal attention.					
43.	This division has the customers' best interest at heart.					
44.	This division understood my specific needs.					

Part Ill: Demographic Profile

Directions: Please select each answer for each characteristic below.

1. Gender
- ❑   Male
- ❑   Female

2. Age
- ❑   Less than 20 years old
- ❑   20-25 years old
- ❑   26-30 years old
- ❑   31-35 years old
- ❑   36-40 years old
- ❑   41-45 years old
- ❑   46-50 years old
- ❑   More than 51 years old

3. Education Level
- ❑   Under Bachelor Degree
- ❑   Bachelor Degree
- ❑   Master Degree
- ❑   Doctoral Degree

4. Individual Position
- ❑   Officer Level 1-3
- ❑   Officer Level 4-6
- ❑   Officer Level 7 up

5. Size of Department
- ❑   Less than 10 persons
- ❑   10-30 persons
- ❑   31- 50 persons
- ❑   Over 51 persons

6. Function of Department
- ❑   Support Function
- ❑ Banking Business Function

APPENDIX B: Questionnaire (Thai Version)

แบบสอบถามเรื่องคุณภาพการบริการ

แบบสอบถามนี้เป็นส่วนหนึ่งของงานวิจัยเรื่อง ความคาดหวังและความรู้สึกต่อบริการที่ได้รับจริง: กรณีศึกษาของแผนก
บริหารงานจัดซื้อสำหรับธนาคารกรุงศรีอยุธยา สำนักงานใหญ่ ดำเนินการวิจัยโดยนางสาวศรัญญา ธรรมวรานนท์ นักศึกษาปริญญาโท
คณะบริหารการจัดการห่วงโซ่อุปทาน (Supply Chain Management) มหาวิทยาลัยอัสสัมชัญ ประเทศไทย

จุดมุ่งหมายในการศึกษาครั้งนี้เพื่อเป็นการศึกษาระดับการบริการที่ลูกค้ากายในองค์กรคาดหวัง และความรู้สึกต่อบริการที่
191511954 เพื่อเป็นแนวทางในการปรับปรุงและพัฒนาการให้บริการกับลูกค้ากายในองค์กร โปรดระลึกว่าคำตอบในแบบสอบถามนี้ไม่มี
ข้อใดผิดและข้อใดถูก กรุณาตอบแบบสอบถามตามความเป็นจริง

ข้าพเจ้าระลึกเสมอว่าหากไม่ได้รับความร่วมมือจากท่าน งานวิจัยของข้าพเจ้าคงสำเร็จลงไม่ได้ ข้าพเจ้าจึงขอขอบพระคุณใน
ความร่วมมือที่สละเวลาในการตอบแบบสอบถาม ณ

แบบสอบถามได้แบ่งเป็น 3
ส่วนที่ 1 ความคาดหวังของระดับการบริการที่มีต่อแผนกบริหารงานจัดซื้อ
ส่วนที่ 2 ความรู้สึกต่อบริการที่ได้รับจริงจากแผนกบริหารงานจัดซื้อ
ส่วนที่ 3 ข้อมูลทั่วไปของผู้ตอบแบบสอบถาม

ส่วนที่ 1 ความคาดหวังของระดับการบริการที่มีต่อแผนกบริหารงานจัดซื้อ
ตามความคิดเห็นของท่าน กรุณาเลือกระดับความเห็นของท่านที่มีต่อการบริการที่ท่านคาดหวังจากแผนกบริหารงานจัดซื้อ
คำตอบในช่องที่ตรงกับความเห็นของท่านมากที่สุด

ไม่เห็นด้วยอย่างยิ่ง = 1
ไม่เห็นด้วย = 2
เฉยๆ = 3
เห็นด้วย = 4
เห็นด้วยอย่างยิ่ง = 5

ลำดับ	ลักษณะการให้บริการ	1	2	3	4	5
1.	**รูปลักษณ์ภายนอก** แผนกบริหารงานจัดซื้อต้องมีอุปกรณ์และการตกแต่งที่ดูทันสมัย					
2.	แผนกบริหารงานจัดซื้อต้องมีอุปกรณ์สำนัก นที่อำนวยความสะดวก สวยงามและสะอาดตา					
3.	พนักงานของแผนกบริหารงานจัดซื้อต้องแต่งกายสุภาพเรียบร้อย					
4.	แผนกบริหารงานจัดซื้อต้องมีวัสดุอุปกรณ์สำหรับการให้บริการที่ใช้งานสะดวก สวยงามและสะอาดตา					

		1	2	3	4	5
	ความไว้วางใจ					
5.	เมื่อพนักงานของแผนกบริหารงานจัดซื้อให้สัญญาว่างานจะเสร็จในเวลาใด ต้องทำให้ได้ตามเวลาที่สัญญาไว้					
6.	พนักงานของแผนกบริหารงานจัดซื้อต้องให้ความช่วยเหลือเมื่อข้าพเจ้ามีปัญหาอย่างเต็มใจ					
7.	พนักงานของแผนกบริหารงานจัดซื้อต้องทำงานได้ถูกต้องครบถ้วนเสมอ					
8.	พนักงานของแผนกบริหารงานจัดซื้อต้องให้บริการตามเวลาที่ได้สัญญาไว้ว่าจะทำให้					
9.	แผนกบริหารงานจัดซื้อต้องมีการเก็บข้อมูลที่ถูกต้องสมบูรณ์					
	ความรับผิดชอบ					
10.	พนักงานของแผนกบริหารงานจัดซื้อต้องแจ้งให้ข้าพเจ้าทราบถึงเวลาที่แน่นอนในการให้บริการ					
11.	พนักงานของแผนกบริหารงานจัดซื้อต้องให้บริการที่รวดเร็วทันใจและมีประสิทธิภาพแก่ข้าพเจ้า					
12.	พนักงานของแผนกบริหารงานจัดซื้อต้องมีความยินดีและเต็มใจให้บริการแก่ข้าพเจ้าเสมอ					
13.	พนักงานของแผนกบริหารงานจัดซื้อต้องพร้อมที่จะให้บริการแก่ข้าพเจ้าในเวลาที่ข้าพเจ้าต้องการ					
	ความมั่นใจ					
14.	สิ่งที่พนักงานของแผนกบริหารงานจัดซื้อปฏิบัติ จะต้องทำให้ข้าพเจ้าเกิดความมั่นใจ ได้ว่างานจะออกมาสมบูรณ์					
15.	ข้าพเจ้าจะรู้สึกไว้วางใจเมื่อข้าพเจ้าต้องติดต่อกับแผนกบริหารงานจัดซื้อ					
16.	พนักงนของแผนกบริหารงานจัดซื้อต้องปฏิบัติกับข้าพเจ้าด้วยความสุภาพ อ่อนโยนเสมอ					
17.	พนักงานของแผนกบริหารงานจัดซื้อต้องมีความรู้เพียงพอที่จะตอบคำถามข้าพเจ้าได้ (เช่น การสั่งสินค้าออนไลน์ หรือ ระเบียบปฏิบัติในการจัดซื้อสินค้า)					
	ความเข้าใจ					
18.	พนักงานของแผนกบริหารงานจัดซื้อต้องเอาใจใส่ข้าพเจ้าแบบตัวต่อตัว					
19.	แผนกบริหารงนจัดซื้อต้องเปิดให้บริการในเวลาที่สะดวกสำหรับข้าพเจ้า					
20.	แผนกบริหารงานจัดซื้อต้องมีพนักงานเพียงพอที่เอาใจใส่ข้าพเจ้าแบบตัวต่อตัวได้					
21.	แผนกบริหารงานจัดซื้อต้องคำนึงถึงประโยชน์ที่ข้าพเจ้าจะได้รับเป็นหลัก					
22.	พนักงานของแผนกบริหารงานจัดซื้อต้องเข้าใจถึงความต้องการที่เฉพาะเจาะจงของข้าพเจ้า					

ส่วนที่ 2 ความรู้สึกต่อบริการที่ได้รับจริงจากแผนกบริหารงานจัดซื้อ

ตามความคิดเห็นของท่าน กรุณาเลือกระดับความเห็นของท่านที่มีต่อการบริการ ที่ท่านได้รับจริงจากแผนกบริหารงานจัดซื้อ
คำตอบในช่องที่ตรงกับความเห็นของท่านมากที่สุด

	= 1
	= 2
เฉยๆ	= 3
เหนดวย	= 4
	= 5

ลำดับ	ลักษณะการให้บริการ	1	2	3	4	5
	รูปลักษณ์ภายนอก					
23.	แผนกบริหารงานจัดซื้อมีอุปกรณ์และการตกแต่งที่ดูทันสมัย					
24.	แผนกบริหารงานจัดซื้อมีอุปกรณ์สำนักงานที่อำนวยความสะดวก สวยงามและสะอาดตา					
25.	พนักงานของแผนกบริหารงานจัดซื้อแต่งกายสุภาพเรียบร้อย					
26.	แผนกบริหารงานจัดซื้อมีวัสดุอุปกรณ์สำหรับการให้บริการที่ใช้งานสะดวก สวยงามและสะอาดตา					
	ความไว้วางใจ					
27.	เมื่อพนักงานของแผนกบริหารงานจัดซื้อให้สัญญาว่างานจะเสร็จในเวลาใด ก็ทำได้ตามนั้น					
28.	พนักงานของแผนกบริหารงานจัดซื้อให้ความช่วยเหลือเมื่อท่านมีปัญหาอย่างเต็มใจ					
29.	พนักงานของแผนกบริหารงานจัดซื้อทำงานได้ถูกต้องครบถ้วนเสมอ					
30.	พนักงานของแผนกบริหารงานจัดซื้อให้บริการตามเวลาที่ได้ตามที่สัญญาไว้ว่าจะทำให้					
31.	แผนกบริหารงานจัดซื้อมีการเก็บข้อมูลที่ถูกต้องสมบูรณ์					
	ความรับผิดชอบ					
32.	พนักงานของแผนกบริหารงานจัดซื้อแจ้งให้ท่านทราบถึงเวลาที่แน่นอนในการให้บริการ					
33.	พนักงานของแผนกบริหารงานจัดซื้อให้บริการที่รวดเร็วทันใจและมีประสิทธิภาพแก่ท่าน					
34.	พนักงานของแผนกบริหารงานจัดซื้อมีความยินดีและเต็มใจให้บริการแก่ท่านเสมอ					
35.	พนักงานของแผนกบริหารงานจัดซื้อพร้อมที่จะให้บริการแก่ท่ นในเวลาที่ท่านต้องการ					
	ความมั่นใจ					
36.	สิ่งที่พนักงานของแผนกบริหารงานจัดซื้อปฏิบัติ ทำให้ท่านเกิดความมั่นใจได้ว่างานจะออกมาสมบูรณ์					
37.	ท่านรู้สึกไว้วางใจการทำงานของแผนกบริหารงานจัดซื้อ					
38.	พนักงานของแผนกบริหารงานจัดซื้อปฏิบัติกับท่านด้วยความสุภาพ อ่อนโยนเสมอ					
39.	พนักงานของแผนกบริหารงานจัดซื้อมีความรู้เพียงพอที่จะตอบคำถามท่านได้ (Liu การสั่งสินค้าออนไลน์ หรือ ระเบียบปฏิบัติในการจัดซื้อสินค้า)					
	ความเข้าใจ					
40.	พนักงานของแผนกบริหารงานจัดซื้อเอาใจใส่ท่านแบบตัวต่อตัว					
41.	แผนกบริหารงานจัดซื้อเปิดให้บริการในเวลาที่สะดวกสำหรับท่าน					
42.	แผนกบริหาร นจัดซื้อมีพนักงานเพียงพอที่จะให้บริการแก่ท่านแบบตัวต่อตัว					
43.	แผนกบริหารงานจัดซื้อคำนึงถึงประโยชน์ของท่านเสมอ					
44.	พนักงานของแผนกบริหารงานจัดซื้อเข้าใจถึงความต้องการที่เฉพาะเจาะจงของท่าน					

3 ข้อมูลทั่วไปของผู้ตอบแบบสอบถาม

กรุณาทำเครื่องหมาย (X) ในช่องว่างสำหรับคำตอบของท่าน

(1) เพศ ⬜ ชาย

(2) อายุ 20 ปี   ⬜ 20-25

         O 26-30ปี   ⬜ 31-35ปี

         D 36-40ปี   ⬜ 41-45ปี

         ❑ 46-50ปี   ⬜ 51ปี

(3) ระดับการศึกษาสูงสุด

         ❑ ต่ำกว่าปริญญาตรี   ⬜

         ❑ ปริญญาโท   ❑ ปริญญาเอก

(4) ตำแหน่ง

         ❑ พนักงานระดับ 1-3   ❑ พนักงานระดับ 4-6

         EI พนักงานระดับ 7 91 4 ปี
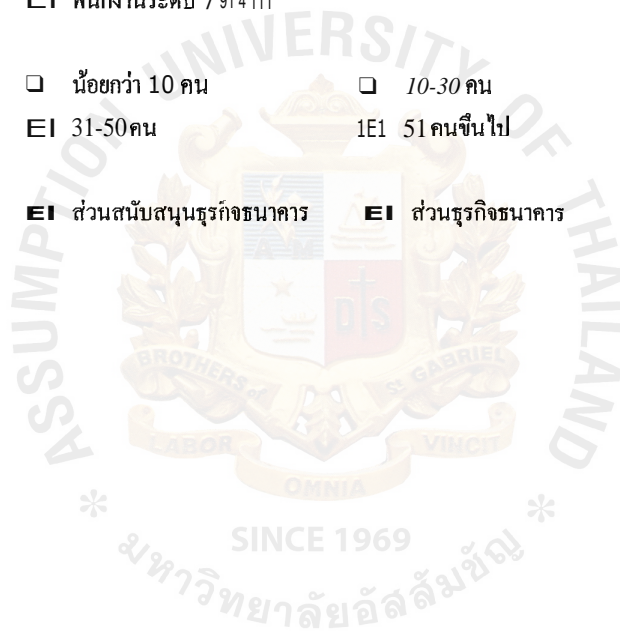
(5) ขนาดของแผนก

         ❑ น้อยกว่า 10 คน   ❑ *10-30* คน
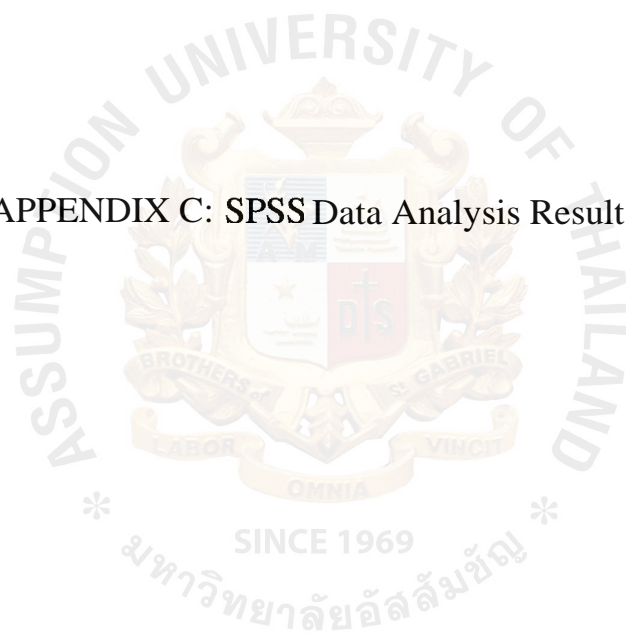
         EI 31-50คน   1E1 51 คนขึ้นไป

(6) ส่วนความรับผิดชอบ

         EI ส่วนสนับสนุนธุรกิจธนาคาร   EI ส่วนธุรกิจธนาคาร

APPENDIX C: SPSS Data Analysis Result

Descriptive Analysis

GENDER

	Frequency	Percent	Valid Percent	Cumulative Percent
Male	69	35.4	35.4	35.4
Female	126	64.6	64.6	100.0
Total	195	100.0	100.0	

AGE

	Frequency	Percent	Valid Percent	Cumulative Percent
20-25	36	18.5	18.5	18.5
26-30	58	29.7	29.7	48.2
31-35	56	28.7	28.7	76.9
36-40	21	10.8	10.8	87.7
41-45	15	7.7	7.7	95.4
46-50	7	3.6	3.6	99.0
51 up	2	1.0	1.0	100.0
Total	195	100.0	100.0	

EDUCATION

	Frequency	Percent	Valid Percent	Cumulative Percent
Under Bachelor Degree	10	5.1	5.1	5.1
Bachelor Degree	153	78.5	78.5	83.6
Master Degree	32	16.4	16.4	100.0
Total	195	100.0	100.0	

POSITION

	Frequency	Percent	Valid Percent	Cumulative Percent
level1-3	135	69.2	69.6	69.6
level 4-6	50	25.6	25.8	95.4
level 7 up	9	4.6	4.6	100.0
Total	194	99.5	100.0	
Missing	1	.5		
Total	195	100.0		

POSITION (New Group)

	Frequency	Percent	Valid Percent	Cumulative Percent
level1-3	135	69.2	69.6	69.6
level 4 up	59	30.3	30.4	100.0
Total	194	99.5	100.0	
System	1	.5		
	195	100.0		

SIZE OF DIVISION

	Frequency	Percent	Valid Percent	Cumulative Percent
less than 10	68	34.9	34.9	34.9
10-30	94	48.2	48.2	83.1
31-50	33	16.9	16.9	100.0
TOTAL	195	100.0	100.0	

FUNCTION OF DIVISION

	Frequency	Percent	Valid Percent	Cumulative Percent
support	57	29.2	29.5	29.5
banking	136	69.7	70.5	100.0
Total	193	99.0	100.0	
Missing	2	1.0		
TOTAL	195	100.0		

Reliability of All Expectations Items

Case Processing Summary

		N	Percent
Cases	Valid	195	100.0
	Excluded	0	.0
	Total	195	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Number of Items
.966	22

Reliability of All Perceptions Items

Case Processing Summary

		N	Percent
Cases	Valid	191	97.9
	Excluded	4	2.1
	Total	195	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.959	22

Reliability of Expectations and Perceptions in Five-Dimensions

	Items	Cronbach's Alpha	Number of Items
Expectations	Tangible	.846	4
	Reliability	.979	5
	Responsiveness	.968	4
	Assurance	.782	4
	Empathy	.988	5
Perceptions	Tangible	.771	4
	Reliability	.904	5
	Responsiveness	.896	4
	Assurance	.841	4
	Empathy	.909	5

LSD – Multiple Comparisons

PERCEPTIONS	(I) Size of Division	(J) Size of Division	Mean Difference (I-J)	Std. Error	Sig.
Tangible	less than 10	10-30	-.00587	.11264	.959
		31-50	.38001*	.15010	.012
	10-30	less than 10	.00587	.11264	.959
		31-50	.38588*	.14316	.008
	31-50	less than 10	-.38001*	.15010	.012
		10-30	-.38588*	.14316	.008
Reliability	less than 10	10-30	-.02847	.12837	.825
		31-50	.57585*	.17107	.001
	10-30	less than 10	.02847	.12837	.825
		31-50	.60432*	.16315	.000
	31-50	less than 10	-.57585*	.17107	.001
		10-30	-.60432*	.16315	.000
Responsiveness	less than 10	10-30	-.08824	.13079	.501
		31-50	.41176*	.17430	.019
	10-30	less than 10	.08824	.13079	.501
		31-50	.50000*	.16624	.003
	31-50	less than 10	-.41176*	.17430	.019
		10-30	-.50000*	.16624	.003
Assurance	less than 10	10-30	-.02566	.12011	.831
		31-50	.57041*	.16007	.000
	10-30	less than 10	.02566	.12011	.831
		31-50	.59607*	.15266	.000
	31-50	less than 10	-.57041*	.16007	.000
		10-30	-.59607*	.15266	.000

PERCEPTIONS	(I) Size of Division	(J) Size of Division	Mean Difference (I-J)	Std. Error	Sig.
Empathy	less than 10	10-30	-.07841	.12879	.543
		31-50	.34622*	.17130	.045
	10-30	less than 10	.07841	.12879	.543
		31-50	.42463*	.16298	.010
	31-50	less than 10	-.34622*	.17130	.045
		10-30	-.42463*	.16298	.010