ADDIS ABABA UNIVERSITY COLLEGE OF BUSINESS AND ECONOMICS DEPARTMENT OF MANAGEMENT

EMBA PROGRAM

THE EFFECT OF IFB SERVICE QUALITY ON CUSTOMER SATISFACTION: COMPARATIVE STUDY BETWEEN FULL-FLEDGED AND WINDOW SERVICE IFB OPERATING MODELS, A CASE OF AWASH BANK

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Approval Page

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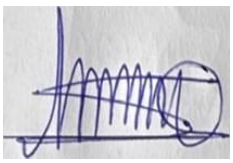

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STATEMENT OF CERTIFICATION

This is to certify that Natnael Abebe has carried out his thesis on the topic entitled '*The Effect of IFB Service Quality on Customer Satisfaction: Comparative Study Between Full-Fledged and Window Service IFB Operating Models, A Case of Awash Bank'*. This work is original in nature and suitable for the award of Executive Masters of Business Administration (EMBA) in Management

Certified by:

Desalegn Amlaku (PhD)  10/06/2024

Signature Date

STATEMENT OF DECLARATION

I, the undersigned, declare that this research is my original work, prepared under the guidance of **Desalegn Amlaku (PhD)**. All sources of materials used for this research have been duly acknowledged, the researcher further confirm that the research has not been submitted either in part or in full to any other higher learning institution for the purpose of earning any degree.

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Natnael Abera

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Acronyms

BSQ	Banking Service Quality
CARTER	Customers, Actors, Regulations, Technology, Economics and Resources
CFA	Conformity Factor Analysis
EFA	Exploratory Factor Analysis
FFB	Full-fledged Branches
IFB	Interest Free Banking
NBE	National Bank of Ethiopia
SEM	Structural Equation Model
WBB	Window-Based Branches

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Abstract

This study was conducted to identify effect of service quality of Interest free banking (IFB) operating model on satisfaction of IFB customers of Awash Bank. This effect is comparatively analyzed for customers of full-fledged windows and window-based branches. Service quality is indicated by 5 dimensions (Reliability, Assurance, Tangibility, Empathy and Responsiveness) from SERVQUAL model and compliance to Shariah Principles from CARTER model. Hence, the study has examined effect of reliability, assurance, tangibility, empathy, responsiveness and compliance to Shariah principles on customer satisfaction; comparatively for full-fledged windows and window-based branches. The study has targeted IFB customers of Awash Bank in branches in Addis Ababa and sampled 384 customers both from full-fledged branches and window-based branches. However, data was collected from 349 customers (107 customers from fully-fledged branches and 242 from window-based branches) and analyzed by using descriptive statistics and Structural Equation Model (SEM). As a procedure of SEM, this study has applied Exploratory Factor Analysis (EFA) and Conformity Factor Analysis (CFA). By applying SEM, this study identified that, on overall, reliability, assurance, tangibility, empathy, responsiveness and compliance to Shariah principles positively and significantly affects satisfaction of IFB customers of the bank. However, effect of tangibility is not significant. Further, this study identified that reliability and empathy positively and significantly affect satisfaction of IFB customers in both full-fledged branches and window-based branches. However, assurance and compliance to shariah principles significantly affect satisfaction of IFB customers in full-fledged windows. On the other hand, responsiveness significantly affects satisfaction of IFB customers in window-based branches. The difference of effect of service quality on customer satisfaction between the IFB operating models is significant for only compliance to shariah principles. Hence, IFB operating model of the bank moderates' effect of compliance to shariah principles on customer satisfaction. Therefore, this study reveals that satisfaction of IFB customers of Awash Bank is positively affected by service quality in IFB services.

Keywords: Customer Satisfaction, Interest Free Banking, IFB Operating Models, Service Quality, SERVQUAL

CHAPTER ONE

INTRODUCTION

The first chapter consists of seven sections. The first section discusses the background of the study by providing an overview about the topic. Followed by the basis of the Research problems by providing the need to compare the two widely used Interest-Free Banking service models in order to build the concept. The third section presents the research questions followed by the fourth part of this section consisting the aim and purpose of the work. The fifth and sixth part of this section includes significance and scope of this research work. Finally, the last part explains the limitation of the study.

1.1 Background of the Study

In today competitive financial sector, how to satisfy customers becomes the ultimate concern of most of the companies in any kind of business. Therefore, understanding customer satisfaction dimensions, measuring it and taking advantage from these measurements become the urgent need for managers and establish the mainstream in academic literature about customer satisfaction in the recent past. Customer satisfaction is important to measure because of its significant impacts on firms' long-term performance and also customer purchasing behaviors. In the academics, consistently providing high customer satisfaction is well acknowledged to be associated with higher customer loyalty and enhanced reputation (Fornell, 1992; Anderson & Sullivan, 1993; Wangnheim & Bayon, 2004).

The financial sector is crucial importance for a country's growth and development. The development and the sophistication of the financial sector has gradually become very important for any nation interested in sustainable growth (Paun et.al, 2019). Among the services given by the financial sector one is Interest-Free Banking. Interest-Free Banking in the modern financial sector is unceasingly growing throughout the globe based on the demand of countries introducing the services.

Interest-Free Banking (IFB) is termed by scholars and practitioners in different countries; Islamic Banking, Participatory Banking and Sharia – Compliant Banking are the major names (Aman, 2019). The concept of interest free banking originated from the holy Quran and the traditions of the prophet. In the time of the prophet, there were foundational finance-related practices based on

Islamic teachings. Some of the practices were, Bait-ulMaal an institution that practiced the principles of Islamic economics. Which was also active, in the time of the second Khalifa, Umer Ibn-Khattab, and further practices were introduced. Al-Zubair bin Al-Awam was also known for his exemplary business transactions. The basic concern of the business transactions was the elimination of interest or Riba, which was strongly prohibited in Islam (Aman,2019).

In the modern period, the first Interest-Free Bank was established by Ahmed Nejar in Egypt in 1963. This bank, called Mit Ghamr Local Savings Bank, was successful in meet the saving and credit service demands of its customers. Therefore, it paved the way for modern Interest-Free Banks throughout the globe. The Nasir Social Bank has followed its way in 1967, which was acknowledged as the first Full-Fledged Sharia-compliant bank. Similarly, it became as a motivational project for many Muslim nations. The Islamic Development Bank of Saudi Arabia (1975), Dubai Islamic Bank (1975), Faisal Islamic Bank of Egypt (1976), Faisal Islamic Bank of the Sudan (1977), Jordan Islamic Bank (1978), Jordan Financial and Investment Bank (1978), Islamic Investment Company Ltd of the United Arab Emirates (1978), and Kuwait Finance House (1979) have emerged in the following decades (Venardos, 2005).

In recent years, there is a rapid expansion of Interest-Free Banks and Financial Institutions in every corner of the world. The sector is continuously increasing its share in the economies of the countries where it is allowed to operate. It is attracting investors and entrepreneurs even in non-Muslim nations such as the UK. Similarly, the sector is expanding in many African nations. Egypt is the first country to implement the model while Sudan has introduced it into the national banking system. Kenya, Nigeria, Tanzania, Ghana, Gambia, Togo, Niger, Somalia, Uganda, the Democratic Republic of the Congo, Zimbabwe, Namibia, South Africa, and Ethiopia are the major countries in Africa who has introduced Interest-Free Banking practices in its various forms and levels. Ethiopia has introduced an Interest-Free Window Banking model in 2013. Since this time, almost half of the commercial banks in the countries have introduced the service (Aman,2019).

In the last decade, the banking regulation of Ethiopia has permitted the operations of only Window Models. Consequently, within six years (2013-2019), ten conventional banks have rapidly commenced Window-Based IFB services. Starting with Commercial Bank of Ethiopia and followed by Oromia International Bank in December 2013. Awash Bank did not lag behind, as it prepared to complete set of documents required by regulatory body to offer the IFB service timely.

Awash Bank is a commercial bank in Ethiopia that was established in 1994 by 486 founding shareholders with a paid-up capital of birr 24.2 million and started banking operations on 13th February 1995. Awash Bank managed to achieve the leading position among the private banks in Ethiopia maintaining a stable growth throughout its year of service. Its total assets reached Birr 224 billion, the number of the Bank's shareholders reached over 4369, and its paid-up capital raised from 24.2 million (upon establishment) and stood at Birr 14.6 billion as at June 30,2023 (Annual Report of Awash Bank 2023). As a result, the bank has shown a remarkable improvement for the past consecutive financial periods. Some of the major IFB products and services for which Awash Bank was authorized by the NBE to offer to its customers include; IFB Deposit mobilization scheme (Wadiha Saving, Wadiah Current, Mudarabah Saving (Investment accounts) and IFB Financing Schemes (Murabaha, Musharakah, Salam, Istisna'I, Ijarah (Leasing) along with Kafalah (Guarantees) and various trade services through IFB. However, the Bank is offering deposit mobilization products while picking up only Murabaha, Financing Ijarah (Ijarah Muntahi Bi Temleek-IMB), Qard (Interest Free Export Financing facility) and IFB Trade services as its financing scheme with those service-based products Kafalah (Guarantees), Hiwalah, Wakalah (Agency Banking). Though authorized to operate, for the time being, the bank is not offering Musharakah, Salam and Istisna'l financings due to certain legal and regulatory constraints related to them, absence of proper core banking to support their operations, high degree of risks attached to them and their respective operational complexity from legal, regulatory body and Shariah perspectives.

With the expansion of the Interest free banking several models have been employed. Full-Fledged Banking, Subsidiary Banking, and Window Banking models are the prominent types. In Ethiopia Interest free banking is given in two forms, Full-Fledged and Window Banking.

The Islamic bank window is the department of a conventional bank offering Islamic or Sharia compatible financial products and services. The Islamic bank window is valid only if it complies with the requirements set by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) (Yaquby, 2005). The requirements of Islamic financial institution include Complete segregation of funds, Existence of a Sharia supervisory board (Sharia board), Management based fully on Islamic concepts, Safeguarding of Muslim investors' funds against negligence, trespass and fraud and Compliance with the Standards of the Accounting and Auditing Organization for Islamic Financial Institution (Ratnasari. et. al., 2021).

The majority of the Islamic bank's jurisdictions do not allow the Islamic bank window or require the conventional bank to separate different Islamic Bank units into their corporate structures to avoid mixing of funds that are raised separately from the conventional bank and Islamic bank activities and the risk of regulatory arbitrage due to the difference in regulatory issues between banks (International Monetary Fund, 2017). Whereas, the full-fledged Islamic bank is believed to offer a broader range of Shariah-compliant products (Solé, 2007). And also, it is perceived Full-fledged Islamic Banks have more opportunity to introduce new-to-market products based on the approvals obtained from Shariah Committees.

Based on the two operating models several researches have been conducted to study the performance of IFB considering customer satisfaction a huge influence. Researchers such as Lone, (2017) found a better image about full fledge Islamic banks, as perceived by their customers. Nonlinear classification techniques reveal that expectation of tangibles, empathy, and responsiveness are the most significant constructs that distinguish Islamic banks with respect to service quality on a comparative study conducted on the two models of IFB banking. On the other hand, an empirical study found that Islamic windows were more efficient than their full-fledged counterparts (Salami and Adeyemi, 2015). Similarly, Solé, (2007) suggest the Islamic bank window's growing activities may drive the conventional bank to establish an Islamic subsidiary or even fully convert into a full-fledged Islamic bank considering the prospect. The advantage of the full-fledged Islamic bank over the Islamic bank window is that the full-fledged Islamic bank will offer a broader range of Shariah-compliant products (Solé, 2007). The full conversion of the Islamic bank window into full-fledged Islamic banks signals the conventional bank's firm commitment to Shariah principles, enhancing its credibility (Solé, 2007). Full-fledged Islamic Banks have more opportunity to introduce new-to-market products based on the approvals obtained from Shariah Committees. In addition, the full-fledged Islamic banks are more efficient than Islamic windows (Mokhtar et al., 2008, 2006). Another study supported these results found that Islamic banks perform better in terms of cost (or profit), technical, allocative, and scale of efficiency (Kamaruddin et al., 2008). Another study that examined the conversion of the Islamic bank windows into the full-fledged Islamic bank also found that the conversion effectively optimizes some funding sources such as capital injection and an increase in temporary investment deposits (Siswantoro, 2014).

Several studies had examined and compared both the full-fledged Islamic bank to an Islamic bank window, but the majority of studies have compared those two entities based on the level of efficiency or productivity (Kamaruddin et al., 2008; Mokhtar et al., 2008, 2006; Salami and Adeyemi, 2015; Siswantoro, 2014). and Isa, 2008). In addition, some studies only examine one type of customer, either the Islamic bank window only (Shafii and Khafafa, 2013) or the full-fledged customer only (Rehman and Masood, 2012; Rustam et al., 2011). Moreover, there is a lack of research in the body of the literature that compares the Islamic banking window and full-fledged Islamic bank from the customer's satisfaction perspective in Ethiopian context. Therefore, the aim of this study is, to compare Interest Free Banking services given by IFB full-fledged branches and window based IFB service giving branches of Awash Bank regarding customer satisfaction by reviewing AB's IFB service using service quality measuring dimensions; compliance, assurance reliability, tangibility, empathy and responsiveness.

1.2 Statement of the Problem

In Ethiopia many commercial banks projected introduction of Interest Free Banking will induce a new paradigm and target customer in the financial sector. This discernment was built on promoting opportunity for the sector to expand its customer base, products and services. In the attempt to take advantage of this development window alongside with conventional operations and full-fledged IFB service models were introduced.

Although it appears to be on its infant stage IFB service in Ethiopia has been under operation by commercial banks for quite some time. During this period several researchers in Ethiopia investigated the service regarding many dimensions and identified numerous gaps. Researcher such as Hailu (2015) investigated challenges and prospects of Islamic banking for resource mobilization in Ethiopian commercial banks which mainly focused on resource mobilization challenges and opportunities. Aman (2019) also suggested, most of window based became terribly lame in financing, but they could attract billions of Ethiopian Birr (ETB) within a short period. As a result, the Window-Based IFB sector of the country became exceedingly characterized by cost-free deposit accumulation under the cover of a manipulated term of Interest-Free Banking. Similarly, Sisay (2017) conducted research on challenges and opportunities of interest free banking and stated lack of awareness by customers and difficulty to segregate fund for effective implementation of IFB service happens to be major challenges then concluded the opportunities

of interest free banking are more significant than the challenges. On the other hand, Getachew (2018) on a similar topic concluded lack of Sharia advisors' boards, lack of awareness of customers regarding interest free banking, lack of confidence by customers, unavailability of the service in all branches are challenges of interest free banking operation. In addition, Demissie (2019) conducted research on factors affecting implementation of interest free banking service in Ethiopia: the mediation role of customer involvement and concluded that awareness, comparability, complexity, observability, perceived risk; religious beliefs and customers' involvement were significant on the implementation of interest free banking service. Lone, (2017) also found a better image about full fledge Islamic banks, as perceived by their customers. Nonlinear classification techniques reveal that expectation of tangibles, empathy, and responsiveness are the most significant constructs that distinguish Islamic banks with respect to service quality on a comparative study conducted on the two models of IFB banking.

With all these gaps identified by researchers the competitive financial industry induced by globalization and advanced information technology has obliged banks to focus on managing customer's service satisfaction in order to maximize performance. Thus, in this age of customer's focus, delivering quality service is considered as an essential strategy to insure sustainable performance in today competitive environment (Tanga & Bayeh ,2018).

As stated above, previous studies merely analyzed effect of service quality on customer satisfaction. However, different companies applied different strategies to improve customer satisfaction. IFB operating is one of examples of the strategies. But there were no studies that identified effect of service quality on customer satisfaction by comparing effect of IF operating models. Customer satisfaction being one of the determinant factors for performance, it is mandatory to assess service quality to insure sustainable growth in the industry. But very few researches have been conducted on interest free banking service qualities comparing the two operating models. Therefore, this study aims to compare the service quality given by the two operating models of Interest Free Banking in Awash Bank specifically in Addis Ababa.

1.3. Research question

1. What is the impact of reliability on satisfaction of IFB customers of Awash Bank at full-fledged and window-based branches?
2. What is the impact of assurance on satisfaction of IFB customers of Awash Bank at full-fledged and window-based branches?
3. What is the impact of tangibility on satisfaction of IFB customers of Awash Bank at full-fledged and window-based branches?
4. What is the impact of empathy on satisfaction of IFB customers of Awash Bank at full-fledged and window-based branches?
5. What is the impact of responsiveness on satisfaction of IFB customers of Awash Bank at full-fledged and window-based branches?
6. What is the impact of compliance to Shariah Principles on satisfaction of IFB customers of Awash Bank at full-fledged and window-based branches?

1.4 Research Objective:

1.4.1 Main Objective

The main objective of this study is to assess and compare the IFB services of Awash Bank with dedicated IFB window at conventional banking branches and full-fledge IFB branches in Addis Ababa. The review and comparison will be done on the basis of accepted standards on Interest Free Banking with regards to customer satisfaction.

1.4.2 Specific Objectives

The specific objectives of the study are:

- To assess and compare how reliability affects satisfaction of IFB customers of Awash Bank at full-fledged and window-based branches;
- To assess and compare how assurance affects satisfaction of IFB customers of Awash Bank at full-fledged and window-based branches;
- To assess and compare how tangibility affects satisfaction of IFB customers of Awash Bank at full-fledged and window-based branches;

- To assess and compare how empathy affects satisfaction of IFB customers of Awash Bank at full-fledged and window-based branches; and
- To assess and compare how responsiveness affects satisfaction of IFB customers of Awash Bank at full-fledged and window-based branches; and
- To assess and compare how compliance affects satisfaction of IFB customers of Awash Bank at full-fledged and window-based branches.

1.5 Significance of the Study

Keeping the above objective in mind, this study may bring far reaching to improving service quality and enhance customer satisfaction to Awash Bank and the Interest Free Banking industry in general. Hence, this study will be important for IFB management of Awash Bank to improve customer satisfaction through service quality management. In addition, this will benefit to provide information for academicians and researchers in the area of IFB service quality and customer satisfaction. Moreover, this study advances application of Structural Equation Model by implementing in the area of effect service quality on customer satisfaction in IFB. Therefore, this study will have managerial and theoretical importance in the area of service quality and customer satisfaction in IFB.

1.6 Scope of the Study

The scope of the study would be on Awash Bank S.C which is the leading private bank in Ethiopia by reviewing the service given by the bank's full-fledged IFB branches and window based IFB services on the conventional banking branches in Addis Ababa. Geographically, this study is scoped to customers of the bank using IFB service in branches in Addis Ababa. In regards to time scope, this study applied current practices and it has not included historic information. Methodologically, this study had included only questionnaire as instrument of data collection because questionnaire can provide relevant data in relation to the research objectives.

1.7 Limitation of the Study

One of the limitations of this study is that the study was conducted on only one private bank in Addis Ababa. Although it is the largest and leading private bank in the country, it will be challenging to state this experience absolute. Therefore, the study cannot consider other bank's

experience that are giving IFB services either at their full-fledged IFB branches and window-based services at conventional banking branches due to resource and time limitations.

1.8 Organization of the paper

The rest of the chapter is categorized as follows. Chapter Two presents literature review with general descriptions by different researchers, and conceptual framework. Chapter Three depicts about research methodology followed by Chapter Four consisting of research findings and discussions. Finally, Chapter Five presents' conclusions, recommendations and suggestions areas for future study.

CHAPTER 2
LITERATURE REVIEW

Introduction

This chapter presents review of related literatures that include theoretical and empirical literature. The literature was used to develop hypotheses for the study and design conceptual framework of the study. The chapter is presented under five sub-sections. The first section presents concepts of interest free banking, and the second section of the chapter presents theoretical framework of the study. Third, this chapter presents empirical review. The theoretical and empirical literatures were summarized to develop hypotheses. Finally, this chapter presents conceptual framework of the study.

2.1 Concepts of Interest Free Banking

2.1.1 Interest Free Banking Inception and Development

The term Interest free banking implies a banking system which operated as well as controlled under Shariah guidelines and completely free from non-Islamic elements, like interest, Gharar, etc. Interest Free Banking is a form of modern banking based on Islamic legal concepts developed in the first century of Islam, using risk-sharing as its main method and excluding financing based on fixed, predetermined return. This concept is driven from Shariah, which prohibits interest; commonly known as usury or Riba in Islamic disclosure. Therefore, unlike conventional banks Interest Free banking is based on risk sharing mechanism which is a vital component of business rather risk transferring which is commonly seen in conventional banking. (Usmani,1998). Islamic finance practices have been applied from the era of Prophet Muhammed (PBUH).

Alharbi (2015) stated that: "The origin of Islamic finance dates back to the dawn of Islam 1,400 years ago. Historical books written during the early years of Islam indicated that during the 1st century of Islam (AD 600), some forms of banking activities existed that were similar to modern banking transactions. Furthermore, these ancient books revealed that Al-Zubair bin Al-Awam, one of the most famous personalities in Islam, was accepting deposits from people as loans and investing that money. At the time of his death, his debt had reached 2,200,000 dinars, as counted by his son Abdullah."

This indicated that Islamic finance practices are ancient as Islam itself. As stated by Chachi (2005), Muslims have established their interest-free financial system for resource mobilization and to invest it for productive business and end-user needs from the early era of Prophet Muhammed (PBUH). They were applying Islamic finance practice through "profit and loss sharing modes" of Mudarabah (a form of partnership in which one individual gives capital and the other party effort) and Musharakah (a form of partnership in which two or more individuals or institutions contribute capital effort).

Among the Islamic finance products and services were applied by Muslims in the early age of Islam are banks, byta al-mal (the treasury of Islamic state), money order, bill of exchange, accepting the deposit, and using of the cheque are common examples (Chachi, 2005; Mohamad, Abdullah, Mohamad, & Abidin, 2013; Alharabi, 2015). For instance, byta al-mal (the treasury of Islamic state) was performed as a central bank of a state by collecting income from Zakat, land tax, donation and ownerless properties and supporting the needy community from the collected income. Abdullah bin Zubayr, the companion of Prophet (PUBH), once collect money from the people of Mecca and he wrote an approval letter to his brother in Iraq, where the possessor of the letter can take his money there (Mohamad, et al., 2013).

As time goes through, the Muslim world vanished its technological and economic advancement due to deviation from Shariah principles, extravagance, lack of organizational culture, political failure, and several wars. Due to these reasons, financial institutions which provide services based on Shariah principles were replaced by interest-based western financial institutions (Chachi, 2005).

2.1.2 Modern Days of Interest free banking

In the 19th century, almost all Muslim countries adopted interest-based western financial systems. Considering this, Nassir, cited in Alharabi (2015) stated that when the western banking system is practiced in all Muslim countries, three main opinions are provided by Muslim scholars. Following a long period of dominance by conventional finance throughout the world, the Sharia Compliant Islamic finance system engaged in the finance industry as an alternative to those who are not accessing conventional finance due to religious reasons (Tiby & Grais, 2015).

According to Alharabi (2015), the development of modern Islamic finance can be categorized into three stages. The first stage covers from 1930-1963 and during this period the establishment of Sharia compliant financial institutions was under theoretical work by scholars. The second stage

is known as the introduction and establishment period of Sharia-compliant financial institutions. This stage covers the period from 1963-1976. In this stage, the first attempts were made to establish Sharia compliant banks in Pakistan and Egypt in 1950 and 1963 respectively. In this stage, several conferences were carried out on Islamic finance in the middle east.

The third stage of the development of modern Islamic finance is called the spread of Islamic finance across the globe. This stage covers the period from 1997 to the present. During this period several Islamic Finance Institutions are established and continuing establishing around the world. Currently, Islamic finance is expanding in all Muslim and non-Muslim countries as an alternative to the conventional financial system. Nagaoka (2012) indicated that Islamic finance is growing quickly after the year 2000 due to the commencement of new Islamic financial products like "Sukuk, commodity Murabaha and Islamic derivative." Islamic Shariah has several contracts which are playing a significant role in developing Sharia-compliant financial products and services.

Interest-free finance in Ethiopia was established a decade ago realizing the economic contributions it is going to offer. The potential benefits of allowing Islamic banking include; decreased economic disparity between the rich and poor, better integration, and consequently accelerated economic growth (Mohamed Muhumed, 2012). Government of Ethiopia can leap a step closer towards the fulfillment of the much-appreciated dream of "Middle Income Country " by reforming its banking sector and allowing the establishment of Islamic Banks.

Even if the developments of Islamic finance in the Ethiopia have taken place since the first individual and group initiatives surfaced in early 2008 years it is at developing stage. The past legal framework in Ethiopia does not permit full-fledged Islamic Banking which offers the owners of capital to share the profits made by the entrepreneur who comes up with investment projects, rather the National Bank of Ethiopia (NBE) issued a directive to banks allowing them to provide interest-free banking (Islamic banking) service using a separate window along with their other banking services to suit society's diverse financial needs. The National Bank of Ethiopia's directive came into force in October 2011 about first Islamic Financial Institution in Ethiopia, However, the implementation of this banking system was started only in 2013 by few commercial banks like Oromia International Bank S.C, Commercial Bank of Ethiopia and United Bank S.C.

Customers who are interested in the interest free banking are assured that they will obtain all those services that they would get from a fully-fledged interest free banking. However, the implementation part is not as speedy as the business persons would prefer, who would like to move immediately and get financing for their projects as quickly as possible because the newly established interest free banking must first collect enough deposits, since the principle does not allow them to finance Murabaha projects from the bank's conventional deposits.

2.1.3 Window and full-fledged IFB

The development of interest free banking and its implementation models have been questioned by many scholars especially in the financial industry. According to Aman (2019), the appropriateness and the future of the Window Model came to be doubtable by many Muslim intellectuals in many countries. There are strong critics on the Shariah-Compliancy of its character. Consequently, some countries, such as Qatar and Kuwait, have discouraged the Window-Based activities and pushed for its convergence into the other models.

However, Aman, et.al (2020) also suggested full-fledged IFBs in Ethiopia will confront severe competition from the existing window banks that has big potential, better experience, and flexible Shariah controls. Similarly, Lone, (2017) also found a better image about full fledge Islamic banks, as perceived by their customers. Nonlinear classification techniques reveal that expectation of tangibles, empathy, and responsiveness are the most significant constructs that distinguish Islamic banks with respect to service quality on a comparative study conducted on the two models of IFB banking. On the other hand, an empirical study found that Islamic windows were more efficient than their full-fledged counterparts (Salami and Adeyemi, 2015). Researchers such as Solé, (2007) suggest the Islamic bank window's growing activities may drive the conventional bank to establish an Islamic subsidiary or even fully convert into a full-fledged Islamic bank considering the prospect.

The advantage of the full-fledged Islamic bank over the Islamic bank window is that the full-fledged Islamic bank will offer a broader range of Shariah-compliant products (Solé, 2007). The full conversion of the Islamic bank window into full-fledged Islamic banks signals the conventional bank's firm commitment to Shariah principles, enhancing its credibility (Solé, 2007). Full-fledged Islamic Banks have more opportunity to introduce new-to-market products based on the approvals obtained from Shariah Committees. In addition, the full-fledged Islamic banks are

more efficient than Islamic windows (Mokhtar et al., 2008, 2006). Another study supported these results found that Islamic banks perform better in terms of cost (or profit), technical, allocative, and scale of efficiency (Kamaruddin et al., 2008).

Another study that examined the conversion of the Islamic bank windows into the full-fledged Islamic bank also found that the conversion effectively optimizes some funding sources such as capital injection and an increase in temporary investment deposits (Siswantoro, 2014). Several studies had examined and compared both the full-fledged Islamic bank to an Islamic bank window, but the majority of studies have compared those two entities based on the level of efficiency or productivity (Kamaruddin et al., 2008; Mokhtar et al., 2008, 2006; Salami and Adeyemi, 2015; Siswantoro, 2014). and Isa, 2008). In addition, some studies only examine one type of customer, either the Islamic bank window only (Shafii and Khafafa, 2013) or the full-fledged customer only (Rehman and Masood, 2012; Rustam et al., 2011).

On the other hand, other researchers argue after the establishment of window IFB several conventional banks have established Islamic window banks because commercial banks can diversify their revenue by operating in Islamic, conventional, or both ways (Umam, 2010). Because the Islamic window banks' operation uses assets and resources from its conventional parent bank, Islamic window banks can have better efficiency than full-fledged Islamic banks (Salami & Adeyemi, 2015). And as far as customer satisfaction and proper implementation of sharia compliant IFB is concerned conventional banks have a separate Islamic Banking division to run Islamic window banks business (Abdul-Majid et al.,2011). Furthermore, Islamic window banks' business activity reports and Islamic banking portfolios are included in the conventional parent's main financial report. Conventional banks must form committees containing Islamic banking experts to determine the products' suitability offered with Islamic principles, and it must periodically be reported (AbdulMajid et al., 2011).

In Ethiopia, the number of banks with IFB Window Services is continuously increasing. And unlike the deposits, the financing services of the window services in all banks are still acutely limited. This reality signals that there is an immense potential in Ethiopia for Interest-Free Banking and financing services in general. However, the deposit services are tremendously dominant and made the sector decidedly deposit oriented. This orientation, as a result, made billions of ETB to be idle or freely used by the banks. But currently some full-fledged banks are emerging; the

Commercial Bank of Ethiopia and the other private banks are utterly working on opening special branches for IFB services and retain their customers. It seems that they are immensely attracted by the ever-increasing deposits made by the clients in the IFB windows.

2.2 Theoretical Framework

2.2.1 SERVQUAL Model:

The SERVQUAL model, developed by Parasuraman, Zeithaml, and Berry in 1988, is a widely used framework for assessing and measuring service quality. It helps organizations understand customer perceptions of service quality by comparing their expectations with their actual experiences across various service dimensions. The SERVQUAL model is based on the premise that service quality is a critical determinant of customer satisfaction and loyalty. It identifies five key dimensions of service quality: reliability, responsiveness, assurance, empathy, and tangibles provide a comprehensive framework for assessing service quality and its impact on customer satisfaction.

Reliability

Reliability is the ability of the service provider to perform the promised service accurately and dependably. Reliability refers to the ability of the service provider to perform the promised service accurately and dependably. It involves delivering services consistently and as agreed upon. Customers value reliability because it instills confidence and trust in the service provider. Reliability is a critical dimension of service quality as it directly influences customer perceptions of a service provider's credibility and dependability. Research has shown that reliability is a key driver of customer satisfaction and loyalty across various industries (Parasuraman, Zeithaml, & Berry, 1988). For example, in a study by Cronin and Taylor (1992), reliability was found to have a significant positive impact on customer satisfaction in the banking sector.

Reliability is a critical dimension of service quality in IFB, as customers expect consistent adherence to Islamic principles and reliable service delivery. For IFB customers, reliability entails receiving services accurately and dependably, without errors or delays. Research in service quality literature suggests that reliability significantly influences customer satisfaction in various industries (Parasuraman et al., 1988). In the context of IFB, institutions that consistently deliver on their promises, adhere to Shariah principles, and provide services accurately and dependably

are likely to enhance customer satisfaction by building trust and confidence in their service delivery.

Assurance:

Assurance refers to the knowledge, competence, and courtesy of the service providers, and their ability to instill confidence and trust in customers. It involves demonstrating expertise and professionalism in delivering services. Assurance plays a crucial role in shaping customer perceptions of service quality and building trust in the service provider (Parasuraman et al., 1988). Research has shown that assurance positively influences customer satisfaction and loyalty, particularly in service encounters where expertise and credibility are important (Cronin et al., 2000). For example, in a study by Caruana et al. (2000), assurance was found to be a significant predictor of customer satisfaction in the healthcare industry.

Assurance is essential in IFB to instill confidence and trust in customers regarding adherence to Islamic principles and the competency of the institution. Customers seek assurance that IFB institutions are knowledgeable, credible, and trustworthy in providing Shariah-compliant financial services. Research suggests that assurance significantly affects customer satisfaction in various service settings (Parasuraman et al., 1988). Therefore, IFB institutions that demonstrate competence, professionalism, and trustworthiness in their interactions with customers are likely to enhance customer satisfaction by building confidence and credibility in their services.

Tangibility

Tangibles is the physical facilities, equipment, personnel, and communication materials used to deliver the service. Tangibles refer to the physical facilities, equipment, personnel, and communication materials used to deliver the service. It involves the appearance of physical surroundings and the visual cues that customers encounter. Tangibles play a significant role in shaping customers' perceptions of service quality, particularly in industries where physical elements are prominent (Parasuraman et al., 1988). Research has shown that tangible aspects of service influence customer satisfaction and loyalty by enhancing the overall service experience (Bitner et al., 1990). For example, in a study by Zeithaml and Bitner (2000), tangibles were identified as a significant predictor of customer satisfaction in the hospitality industry.

Empathy

Empathy is the extent to which the service provider offers caring, individualized attention to customers' needs. Empathy refers to the extent to which the service provider offers caring, individualized attention to customers' needs. It involves understanding and addressing customers' emotions and concerns. Empathy is a critical dimension of service quality as it contributes to building strong emotional connections with customers (Parasuraman et al., 1988). Research has shown that empathetic service leads to higher levels of customer satisfaction and loyalty, as it demonstrates a genuine concern for customers' well-being (Berry et al., 1990). For instance, in a study by Mattila and Wirtz (2001), empathy was identified as a significant predictor of customer satisfaction in the restaurant industry

Empathy is crucial in IFB to understand and address the unique needs and preferences of customers seeking Shariah-compliant services. Customers expect personalized attention and empathy in their interactions with IFB institutions, considering the ethical and religious considerations involved in Islamic finance. Research suggests that empathy significantly influences customer satisfaction in service industries (Parasuraman et al., 1988). Therefore, IFB institutions that demonstrate empathy by understanding customer needs, providing personalized service, and showing genuine care and concern are likely to enhance customer satisfaction by fostering positive customer experiences and relationships.

Responsiveness

Responsiveness is willingness of the service provider to help customers and provide prompt service. Responsiveness refers to the willingness of the service provider to help customers and provide prompt service. It involves being attentive to customer needs and addressing them in a timely manner. Responsiveness is crucial for enhancing customer satisfaction and loyalty, as it demonstrates a service provider's commitment to meet customer needs promptly (Parasuraman et al., 1988). Research has shown that responsive service leads to higher levels of customer satisfaction and positive word-of-mouth recommendations (Babakus & Boller, 1992). For instance, in a study by Spreng et al. (1995), responsiveness was identified as a significant predictor of customer satisfaction in the hotel industry.

Responsiveness is crucial in IFB to address customer inquiries, provide assistance, and deliver services promptly. In IFB, customers expect quick responses and timely service delivery to meet

their financial needs while adhering to Islamic principles. Research indicates that responsiveness significantly influences customer satisfaction in service industries (Parasuraman et al., 1988). Therefore, IFB institutions that demonstrate responsiveness by promptly addressing customer inquiries, providing timely service delivery, and efficiently handling customer requests are likely to enhance customer satisfaction by meeting customer expectations for prompt and efficient service.

2.2.2 CARTER Model

Literature indicates that Islamic banks operate under strict integrity principles, which led researchers to developed a unique model to analyze the Islamic approach of banking as Islamic banking practices are guided by the principles, values and priorities of the Shariah (Fauzi & Suryani, 2019; Amirzadeh & Shoorvarzy, 2013; Hossain & Leo, 2009). For such reasons, the CARTER model was developed for measuring service quality of Islamic banks (Othman & Owen, 2001). The CARTER model is a strategic management tool used for analyzing and evaluating the internal and external environment of an organization. It provides a structured framework for conducting a comprehensive analysis of various factors that can influence an organization's strategic decisions and performance. The CARTER model is particularly useful for assessing the following key areas: Customers, Actors, Regulations, Technology, Economics, and Resources (Clegg & Hardy, 1996).

1. **Customers**:

Understanding the needs, preferences, and behaviors of customers is essential for any organization. In the CARTER model, the "Customers" component focuses on identifying and analyzing the characteristics of the target market or customer segments. This involves conducting market research, collecting demographic and psychographic data, and gaining insights into customer motivations and buying behavior. By understanding customers' needs and expectations, organizations can tailor their products and services to meet customer demands effectively (Armstrong & Kotler, 2015).

Customers in the context of Interest-Free Banking, understanding customers is crucial. This includes identifying the needs, preferences, and behaviors of individuals or businesses seeking Islamic banking services. Customers in IFB are typically those who prefer banking products and

services that comply with Islamic principles, such as avoiding interest (riba) and adhering to Shariah-compliant practices.

2. **Actors**:

The "Actors" component of the CARTER model refers to the key stakeholders and actors, both internal and external, who influence the organization's operations and performance. This includes employees, managers, shareholders, suppliers, customers, government agencies, regulatory bodies, competitors, and other relevant parties. Identifying and understanding the interests, motivations, and power dynamics of these stakeholders is crucial for effective stakeholder management and strategic decision-making (Mitchell et al., 1997).

Actors in the IFB landscape include various stakeholders involved in providing and regulating Islamic banking services. This encompasses financial institutions offering IFB products, regulatory bodies overseeing compliance with Shariah principles, scholars providing guidance on Islamic finance matters, and customers engaging with IFB products and services.

3. **Regulations**:

The "Regulations" component focuses on the regulatory environment in which the organization operates. This includes laws, policies, regulations, standards, and industry codes of practice that govern the organization's activities. Regulatory compliance is essential for ensuring legal and ethical conduct, maintaining public trust, and avoiding penalties or sanctions. Organizations need to stay abreast of regulatory developments, assess compliance requirements, and implement appropriate measures to meet regulatory obligations (Keohane & Victor, 2011).

Regulations in the IFB sector pertain to Shariah principles and guidelines governing Islamic finance activities. These regulations ensure that IFB products and services comply with Islamic law, including prohibitions on interest-based transactions (riba) and adherence to ethical and moral standards. Regulatory bodies such as central banks and Islamic financial authorities play a significant role in overseeing and enforcing compliance with these regulations.

4. **Technology**:

Technology plays a significant role in shaping organizations' capabilities, operations, and competitive advantage. The "Technology" component of the CARTER model involves assessing the technological landscape and identifying opportunities for leveraging technology to improve

efficiency, innovation, and customer experience. This includes evaluating existing technologies, monitoring emerging trends, and investing in technology infrastructure, systems, and processes to enhance organizational performance (Laudon & Laudon, 2016).

Technology plays a vital role in facilitating IFB operations and services. Islamic banks leverage technological advancements to offer a wide range of Shariah-compliant products and services, including online banking platforms, mobile banking apps, and digital payment solutions. Technology enables IFB institutions to enhance customer experience, streamline processes, and expand their reach to a broader audience.

5. **Economics**:

The "Economics" component focuses on analyzing the economic factors that impact the organization's operations and performance. This includes macroeconomic indicators such as GDP growth, inflation rates, interest rates, exchange rates, and unemployment rates, as well as industry-specific factors such as market trends, competition, pricing strategies, and supply chain dynamics. Understanding the economic environment enables organizations to anticipate market changes, identify growth opportunities, and formulate effective business strategies (Mankiw, 2014).

The economic landscape influences IFB in various ways. Market trends, economic conditions, and competition impact the growth and performance of Islamic banking institutions. Economic factors also influence customer preferences and demand for IFB products and services. Additionally, considerations such as pricing strategies, profitability, and financial stability are essential aspects of IFB economics.

6. **Resources**:

The "Resources" component of the CARTER model involves assessing the organization's internal resources and capabilities. This includes human resources, financial resources, physical assets, intellectual property, technology infrastructure, and organizational culture. Evaluating and optimizing these resources enables organizations to build competitive advantage, improve operational efficiency, and achieve strategic objectives (Barney, 1991).

Internal resources are fundamental for IFB institutions to operate effectively. This includes human resources with expertise in Islamic finance, financial resources for capital and liquidity management, and physical infrastructure to support banking operations. Furthermore, IFB

institutions need to invest in educational and training resources to ensure staff competency in delivering Shariah-compliant banking services.

Therefore, CARTER model provides a comprehensive framework for analyzing and evaluating the internal and external environment of an organization. By systematically assessing Customers, Actors, Regulations, Technology, Economics, and Resources, organizations can gain valuable insights into their market, stakeholders, regulatory environment, technological capabilities, economic landscape, and internal resources to inform strategic decision-making and enhance performance. By applying the CARTER model to Interest-Free Banking, organizations can systematically analyze and address various factors that influence the provision and adoption of IFB products and services. This structured approach helps IFB institutions understand their market, stakeholders, regulatory environment, technological capabilities, economic landscape, and internal resources to effectively navigate the complex landscape of Islamic finance.

The theoretical framework of this study is conceptualized based on the five dimensions of SERVQUAL (reliability, assurance, tangibility, empathy and responsiveness) (Parasuraman, Zeithaml, & Berry, 1988) and one dimension from CARTER model (compliance to Shariah) (Othman & Owen, 2001). The compliance with Shariah, which indicates observance and adherence to the requirements prescribed by the Shariah law. Assurance reflects how trustworthy the employees are both in their service as well as the nature of communication. Next is reliability, and it specifies the capability of banks to deliver customers superior performance by following the imposed standards. Furthermore, the model also includes the aspect of tangibility which resembles the appearance of the physical elements and facilities used. Finally, empathy and responsiveness make up the last two dimensions whereby, the first focuses on paying personalized attention to every customer, and the latter symbolizes the willingness of employees in responding to the customers' requests and inquiries. Othman and Owen (2001) demonstrated that in the context of Islamic banking customers, the aspect of compliance to Shariah is highly considered by Muslim customers since most of the respondents agreed that Islamic banks must execute their activities by observing the Islamic principles and law.

2.3 Empirical Reviews

Sivadas and Bhakat (2010) conducted a study titled "The Impact of Service Quality on Customer Satisfaction in Internet Banking," aiming to explore the relationship between service quality and

customer satisfaction in the context of internet banking. The researchers collected data through surveys from internet banking customers and analyzed it using regression analysis. The study found that service quality dimensions, including reliability, responsiveness, assurance, empathy, and tangibles, significantly influence customer satisfaction in internet banking. Specifically, reliability and responsiveness were identified as the most critical factors affecting customer satisfaction. The study highlights the importance of ensuring the reliability and responsiveness of internet banking services to enhance customer satisfaction. Furthermore, the study contributes to the understanding of how service quality dimensions impact customer satisfaction in the digital banking environment. It emphasizes the need for internet banking providers to focus on improving service quality dimensions to meet the evolving needs and expectations of customers in the digital era. Overall, the findings of the study provide valuable insights for internet banking providers seeking to enhance customer satisfaction by improving service quality.

The study conducted by Yousuf and Jamal (2012) titled "Service Quality, Customer Satisfaction, and Loyalty in Indian Commercial Banks" aims to investigate the relationship between service quality, customer satisfaction, and loyalty in the Indian commercial banking sector. The researchers collected data through surveys from bank customers and analyzed it using structural equation modeling (SEM) to examine the relationships between the variables. The findings of the study reveal a significant positive relationship between service quality, customer satisfaction, and loyalty in Indian commercial banks. Specifically, the study identifies reliability, responsiveness, assurance, empathy, and tangibles as key dimensions of service quality that influence customer satisfaction and subsequent loyalty to banks. Among these dimensions, reliability and assurance were found to have the most significant impact on customer satisfaction and loyalty. Furthermore, the study highlights the mediating role of customer satisfaction in the relationship between service quality and customer loyalty. It suggests that improving service quality dimensions can lead to increased customer satisfaction, which in turn enhances customer loyalty to banks. The study contributes to the understanding of the importance of service quality in the Indian commercial banking sector and emphasizes the need for banks to focus on enhancing service quality dimensions to improve customer satisfaction and loyalty. The findings provide valuable insights for bank managers and policymakers seeking to develop strategies to enhance customer satisfaction and loyalty in the competitive banking industry.

The study conducted by Priluck and Lala (2014) titled "Service Quality, Customer Satisfaction, and Loyalty: A Test of Mediation" investigates the relationship between service quality, customer satisfaction, and loyalty in the retail industry. The researchers collected data through surveys from retail customers and analyzed it using structural equation modeling (SEM) to examine the mediating role of customer satisfaction in the relationship between service quality and customer loyalty. The findings of the study indicate a significant positive relationship between service quality, customer satisfaction, and loyalty in the retail sector. Specifically, the study identifies reliability, responsiveness, assurance, empathy, and tangibles as key dimensions of service quality that influence customer satisfaction and subsequent loyalty to retail stores. Customer satisfaction was found to mediate the relationship between service quality and customer loyalty, indicating that improving service quality dimensions leads to increased customer satisfaction, which in turn enhances customer loyalty to retail stores. Overall, the study emphasizes the importance of service quality in the retail industry and highlights the role of customer satisfaction as a mediator between service quality and customer loyalty. The findings provide valuable insights for retail managers and policymakers seeking to improve customer satisfaction and loyalty in the competitive retail market.

Mittal and Dhar (2015) conducted a study titled "Service Quality and Customer Satisfaction in Banking: A Comparative Study of Rural and Urban Customers" to compare the perceptions of service quality and customer satisfaction between rural and urban bank customers in India. The researchers collected data through surveys from both rural and urban bank customers and analyzed it to identify differences in their perceptions of service quality dimensions. The study found that while both rural and urban customers prioritize service quality dimensions such as reliability, responsiveness, assurance, empathy, and tangibles, there are differences in their perceptions. Rural customers placed relatively higher importance on assurance and tangibles, while urban customers emphasized reliability and responsiveness. Furthermore, the study revealed that overall satisfaction levels were higher among urban customers compared to rural customers. However, both customer segments indicated that improvements were needed in certain service quality dimensions, particularly in reliability and responsiveness. The findings of the study highlight the importance of understanding and addressing the unique needs and preferences of rural and urban bank customers. It suggests that banks need to tailor their service quality strategies to meet the

specific expectations of each customer segment in order to enhance overall customer satisfaction and loyalty.

The study conducted by Al-Smadi, Ahmad, and Abu Rumman (2016) titled "An Empirical Study of the Impact of Service Quality Dimensions on Customer Satisfaction in the Jordanian Banking Sector" aims to investigate the impact of service quality dimensions on customer satisfaction in the Jordanian banking sector. The researchers collected data through surveys from bank customers in Jordan and analyzed it to assess the relationship between service quality dimensions (reliability, responsiveness, assurance, empathy, and tangibles) and customer satisfaction. The findings of the study reveal a significant positive relationship between service quality dimensions and customer satisfaction in the Jordanian banking sector. Specifically, reliability, assurance, and empathy were identified as the most influential dimensions affecting customer satisfaction. The study highlights the importance of these dimensions in shaping customer perceptions and satisfaction levels in the banking sector. Furthermore, the study provides valuable insights for Jordanian banks seeking to improve customer satisfaction by focusing on enhancing service quality dimensions. It suggests that banks need to prioritize investments in areas such as reliability, assurance, and empathy to meet the evolving needs and expectations of customers and maintain a competitive edge in the banking industry.

Adewoye, Popoola, and Ola-David (2019) examined the influence of service quality on customer satisfaction in the Nigerian banking sector. The researchers collected data through surveys from bank customers in Nigeria and used regression analysis to analyze the relationship between service quality dimensions (reliability, responsiveness, assurance, empathy, and tangibles) and customer satisfaction. The study found that service quality significantly affects customer satisfaction in the Nigerian banking industry, with reliability, responsiveness, and tangibles identified as the most critical dimensions influencing customer satisfaction. Specifically, customers placed high importance on reliable service delivery, prompt responsiveness to their needs, and the tangible aspects of banking services. Furthermore, the study highlights the importance of addressing these dimensions to enhance customer satisfaction and loyalty in the Nigerian banking sector. It provides valuable insights for Nigerian banks seeking to improve their service quality and strengthen customer relationships. The findings emphasize the need for banks to prioritize investments in areas such as reliability, responsiveness, and tangible service attributes to meet customer expectations and achieve sustainable growth in the competitive banking market in Nigeria.

Opoku, Abratt & Pitt (2019) examined the relationship between service quality and customer satisfaction in the telecommunication industry in Ghana. The researchers collected data through surveys from telecommunication customers and utilized structural equation modeling (SEM) to analyze the relationship between service quality dimensions and customer satisfaction. The findings reveal a positive relationship between service quality and customer satisfaction in the Ghanaian telecommunication industry. Specifically, reliability, responsiveness, and assurance were identified as significant predictors of customer satisfaction. The study underscores the importance of improving service quality dimensions to enhance customer satisfaction and loyalty in the competitive telecommunication market in Ghana.

Dedoussis Petropoulos & Boustras (2018) investigated the relationship between service quality and customer satisfaction in the Greek shipping industry, focusing on a large-sized Greek shipping company. The researchers collected data through surveys from customers of the shipping company and used correlation analysis to examine the associations between service quality dimensions and customer satisfaction. The study found a positive relationship between service quality and customer satisfaction in the Greek shipping industry, with reliability, assurance, and empathy identified as the most critical dimensions influencing customer satisfaction. The findings suggest that Greek shipping companies should focus on improving these dimensions to enhance customer satisfaction and maintain competitiveness in the industry.

Bashir, Zeeshan, & Raza (2017) explored the impact of service quality on customer satisfaction in the mobile telecom industry in Pakistan. Through survey data from mobile telecom customers, the researchers conducted regression analysis to analyze the relationship between service quality dimensions and customer satisfaction. The findings indicate a significant positive relationship between service quality and customer satisfaction in the Pakistani mobile telecom industry. Reliability, responsiveness, and assurance emerged as the most influential factors affecting customer satisfaction. The study emphasizes the need for mobile telecom companies in Pakistan to focus on improving these dimensions to enhance customer satisfaction and loyalty.

Alnsour, Al-Shatnawi, & Al-Nsour (2016) investigated the influence of service quality dimensions on customer satisfaction in the insurance industry in Jordan. Through survey data from insurance customers, the researchers employed correlation analysis to examine the associations between service quality dimensions and customer satisfaction. The study found a positive relationship

between service quality and customer satisfaction in the Jordanian insurance industry. Reliability, assurance, and empathy were identified as the most important dimensions influencing customer satisfaction. The findings underscore the importance of improving these dimensions to enhance customer satisfaction and loyalty in the competitive insurance market in Jordan.

Masood and Bora (2009), have conducted study in Jordan to investigate the customer satisfaction and preferences in Islamic banking. Their findings reveal that most of the respondents have showed the high level of satisfaction towards different factors and aspects of Islamic banking, for example, Islamic bank's name and image, customer confidentiality, customer-client interaction, and physical aspects like the internal layout, suitability of furniture, the architectural design of the bank.

Asma Abdul Rehman (2015) finding study in the three countries (Pakistan, UK and UAE) of service quality dimensions has appropriate reliability. According to the Pakistani and UK customers; compliance, tangible, and assurance is most important service quality dimensions, whereas UAE customers reveals that compliance, tangible, and empathy are important service quality dimensions. According to Pakistan customers' assurance, reliability, tangible, and empathy has significant relationship with customer satisfaction whereas UK customers reveals that assurance, reliability, and empathy have significant relationship with customer satisfaction and UAE customer consider assurance, and tangible have significant relationship with customer satisfaction. Results indicate that most of the respondents of Pakistan, UK, and UAE are satisfied with the banking services provided to them. Hence, SERVQUAL model is a vital instrument for Islamic bank managers in UK, UAE, and Pakistan to measure their service quality and improve it if there is any gap between qualities of services that is being delivered to customers.

Abdullah et.al (2009) found that all the four dimensions – human skills, online banking, tangible and empathy – were significant to customer satisfaction. The tangible facets of the service facility, i.e. the man-made physical environment (such as equipment, machinery and employee appearance) strongly influenced both employees and customers in physiological, psychological, emotional, sociological and cognitive ways, particularly as the core service becomes intangible. An organization characterized by such a service orientation is more likely to offer a reliable, responsive, empathetic service to customers and provide them with the assurance in conveying trust and confidence that will result in improved quality in service delivery which, in turn, leads to

higher perceived service quality from the customer point of view. However, only two service quality dimensions (human skills and empathy) were found to be statistically significant when measuring customer satisfaction. Human skill has a strong impact on customers' satisfaction when engaging in Islamic banking transactions.

Dusuki and Abdullah (2006) found that the staff factor is one of the most important factors that customers use to evaluate Islamic banking services, as well as to select an Islamic bank. Incompetence and lack of courtesy of the bank's personnel was the major reason why customers turn away from an Islamic bank impact on customer satisfaction. Indeed, the relative importance of these dimensions varies from one country to another and, also, may depend upon the age, gender, income, marital status, occupation and cultural background of customers.

According to Abu Saleh, et. al. (2017) the impact of service quality dimensions on service image factors imply that Islamic bank services are uniquely different from those of conventional banks in terms of perceptions of customer service reliability, responsiveness, tangibility and assurance. Prior research on the Islamic banking services in Bangladesh revealed that Islamic banks are consistently maintaining a higher level of quality in serving their customers. This has been instrumental in building a highly favorable reputation in the minds of customers. Due to better service quality and image of Islamic banks in Bangladesh, more customers from various backgrounds, are keen to use the Islamic banking system.

2.4 Literature Summary and Hypotheses

2.4.1 Reliability and Customer Satisfaction in IFB

Reliability is a critical dimension of service quality in Interest-Free Banking (IFB) as it pertains to the consistent adherence to Islamic principles and the dependable delivery of financial services. In the context of IFB, customers expect reliability not only in the execution of financial transactions but also in the adherence to Shariah-compliant practices, ensuring that their financial dealings align with their religious beliefs. Researches in the field of service quality supported that reliability significantly influences customer satisfaction across various industries (Parasuraman et al., 1988; Arshad et al., 2016).

Reliability encompasses several aspects in the IFB context, including the accurate processing of transactions, the timely delivery of services, and the consistent adherence to Shariah principles. Firstly, customers in IFB expect their financial transactions to be processed accurately and

efficiently. This includes activities such as fund transfers, bill payments, and account management. Reliability in transaction processing ensures that customers' financial needs are met without errors or discrepancies, leading to a positive customer experience and satisfaction (Parasuraman et al., 1988). Secondly, the timely delivery of services is crucial in IFB, where customers expect prompt and efficient service that aligns with their religious obligations. This includes timely processing of account openings, loan approvals, and other financial services. Reliability in service delivery ensures that customers receive timely assistance and support, fostering trust and satisfaction with the IFB institution (Arshad et al., 2016).

Moreover, reliability in IFB extends beyond transactional activities to encompass the consistent adherence to Shariah-compliant practices. Customers rely on IFB institutions to uphold Islamic principles in all aspects of their operations, including product offerings, investment activities, and financial reporting. Reliability in adhering to Shariah principles builds trust and confidence among customers, enhancing their satisfaction and loyalty towards the IFB institution (Khan & Bhatti, 2012). Furthermore, research suggests that reliability is a key determinant of customer loyalty and retention in service industries (Cronin et al., 2000; Johnson et al., 2001).

In the IFB context, customers who perceive high levels of reliability are more likely to develop long-term relationships with the institution, leading to increased customer retention and loyalty. Reliability in delivering promised services consistently and accurately positively affects customer satisfaction in Interest-Free Banking (IFB). Customers value reliability in transaction processing, service delivery, and adherence to Shariah principles, leading to enhanced satisfaction and loyalty towards the IFB institution. In IFB, reliability is crucial as customers expect consistent adherence to Islamic principles and timely delivery of services. Studies have shown that reliability significantly influences customer satisfaction in various service contexts (Parasuraman et al., 1988; Arshad et al., 2016). Therefore, IFB institutions that consistently deliver on their promises, adhere to Shariah principles, and provide services accurately and dependably are likely to enhance customer satisfaction. Reliability in delivering promised services consistently and accurately positively affects customer satisfaction in IFB. Therefore, it is hypothesized as follows;

H1: Reliability has positive and significant effect on satisfaction of IFB customers

H1a: Reliability has positive and significant effect on satisfaction of IFB customers in full-fledged branches

H1b: Reliability has positive and significant effect on satisfaction of IFB customers in window-based branches.

H1c: IFB operating model moderates effect of reliability on customer satisfaction.

2.4.2 Assurance and Customer Satisfaction in IFB

In the realm of Interest-Free Banking (IFB), assurance serves as a fundamental dimension of service quality that significantly impacts customer satisfaction. Assurance encompasses various elements such as the competence and professionalism of staff, the credibility of the institution, and the courtesy extended to customers in their interactions with the IFB provider. Research in the field of service quality supports the notion that assurance plays a pivotal role in shaping customer satisfaction across diverse industries (Parasuraman et al., 1988; Shahin & Jan, 2016). In the context of IFB, where customers seek financial services aligned with their religious beliefs, assurance assumes heightened significance. Customers expect IFB institutions to demonstrate competence in providing Shariah-compliant financial products and services, thereby instilling confidence in the reliability and integrity of the offerings.

The professionalism and courtesy displayed by IFB staff also contribute to customer satisfaction. Customers value interactions characterized by respect, attentiveness, and clarity, as these factors enhance their overall experience with the institution (Shahin & Jan, 2016). Moreover, the credibility of the IFB institution, including its adherence to Islamic principles and ethical standards, plays a crucial role in shaping customer perceptions of service quality and satisfaction. Furthermore, assurance in IFB extends beyond individual interactions to encompass the overall reputation and trustworthiness of the institution. Customers are more likely to be satisfied with an IFB provider that is perceived as reliable, trustworthy, and committed to ethical business practices (Khan & Bhatti, 2012). Assurance in IFB thus encompasses both the tangible aspects of service delivery, such as the professionalism of staff and the reliability of services, as well as intangible factors related to the institution's reputation and credibility.

In IFB, assurance is vital to instill confidence and trust in customers regarding adherence to Islamic principles and the competency of the institution. Studies have shown that assurance significantly affects customer satisfaction in various service settings (Parasuraman et al., 1988; Shahin & Jan, 2016). IFB institutions that demonstrate competence, professionalism, and trustworthiness are likely to enhance customer satisfaction. Assurance, reflecting the competence, courtesy, and

credibility of IFB institutions, positively influences customer satisfaction. Different studies in the area service quality proposes that assurance, reflecting the competence, courtesy, and credibility of IFB institutions, positively influences customer satisfaction. Customers value professionalism, reliability, and ethical integrity in their interactions with IFB providers, and institutions that prioritize these aspects are likely to foster higher levels of satisfaction and loyalty among their clientele. Therefore, it is hypothesized as follows;

H2: Assurance has positive and significant effect on satisfaction of IFB customers

H2a: Assurance has positive and significant effect on satisfaction of IFB customers in full-fledged branches

H2b: Assurance has positive and significant effect on satisfaction of IFB customers in window-based branches.

H2c: IFB operating model moderates effect of assurance on customer satisfaction.

2.4.3 Tangibility and Customer Satisfaction in IFB

In IFB, tangible factors play a significant role in shaping customer perceptions of service quality. The physical environment, including facilities, equipment, and the appearance of personnel, serves as tangible cues that influence customer expectations and satisfaction (Abdullah et al., 2018). Research indicates that customers perceive well-maintained and modern facilities, along with professional and courteous staff, as indicators of service quality in banking environments (Parasuraman et al., 1988). Therefore, in IFB, institutions that invest in enhancing tangible elements such as facility cleanliness, modern infrastructure, and employee appearance are likely to positively impact customer satisfaction by creating a favorable service environment. Tangible factors, such as the physical facilities and appearance of personnel in IFB institutions, positively influence customer satisfaction. Therefore, it is hypothesized as follows;

H3: Tangibility has positive and significant effect on satisfaction of IFB customers

H3a: Tangibility has positive and significant effect on satisfaction of IFB customers in full-fledged branches

H3b: Tangibility has positive and significant effect on satisfaction of IFB customers in window-based branches.

H3c: IFB operating model moderates effect of tangibility on customer satisfaction.

2.4.4 Empathy and Customer Satisfaction in IFB

Empathy is a crucial dimension of service quality in the context of Interest-Free Banking (IFB) as it reflects the institution's ability to understand and address the unique needs and preferences of customers seeking Shariah-compliant financial solutions. Research in the field of service quality underscores the significance of empathy in influencing customer satisfaction across various industries (Parasuraman et al., 1988). In the context of IFB, where customers often seek financial services aligned with their religious beliefs and ethical considerations, empathy assumes heightened importance. Customers expect IFB institutions to demonstrate understanding and sensitivity to their religious and cultural values, thereby fostering trust and rapport. Empathy in IFB encompasses various aspects, including personalized attention, active listening, and customized service offerings tailored to individual customer needs. Customers value interactions characterized by empathy, as they feel understood and valued by the institution (Vida et al., 2016).

IFB providers that demonstrate empathy by taking the time to understand customer preferences, providing personalized financial advice, and offering customized solutions are likely to enhance customer satisfaction and loyalty. Moreover, empathy plays a crucial role in addressing customer concerns and resolving issues effectively. Customers appreciate IFB institutions that demonstrate empathy in handling complaints or inquiries, as it signifies a genuine commitment to addressing their needs and ensuring a positive customer experience. Furthermore, research suggests that empathy contributes building trust and fostering long-term relationships with customers in service industries (Parasuraman et al., 1988). In the context of IFB, where trust is paramount due to the ethical considerations involved, empathy plays a key role in building and maintaining customer trust and loyalty. Empathy, including personalized attention and understanding of customer needs, positively affects customer satisfaction in Interest-Free Banking (IFB). Customers value interactions characterized by empathy, as it demonstrates a genuine commitment to addressing their needs and fostering trust and loyalty. Therefore, it is hypothesized as;

H4: Empathy has positive and significant effect on satisfaction of IFB customers

H4a: Empathy has positive and significant effect on satisfaction of IFB customers in full-fledged branches

H4b: Empathy has positive and significant effect on satisfaction of IFB customers in window-based branches.

H4c: IFB operating model moderates effect of empathy on customer satisfaction.

2.4.5 Responsiveness and Customer Satisfaction in IFB

In the context of Interest-Free Banking (IFB), responsiveness plays a pivotal role in influencing customer satisfaction. Responsiveness involves the willingness and ability of the IFB institution to promptly assist customers, address inquiries, and deliver services in a timely manner. Research suggests that responsiveness significantly influences customer satisfaction in various service industries (Parasuraman et al., 1988; Akroush & Dahiyat, 2016). In IFB, where customers often seek financial services aligned with their religious beliefs, the responsiveness of the institution is crucial. Customers expect swift responses to inquiries related to Shariah-compliant financial products, account management, and other IFB services. Prompt assistance in handling customer requests and inquiries contributes to a positive customer experience in IFB. Timely service delivery, whether in processing financial transactions or addressing customer concerns, enhances customer satisfaction by meeting their expectations for efficient and responsive service (Akroush & Dahiyat, 2016).

Responsiveness in handling customer complaints or issues is essential. Swift and effective resolution of problems contributes to customer satisfaction and builds trust in the IFB institution. Studies indicate that responsiveness in complaint resolution is a key factor influencing customer perceptions and satisfaction (Parasuraman et al., 1988). Additionally, in the IFB sector, where ethical considerations are paramount, responsiveness becomes intertwined with the institution's commitment in providing services aligned with Islamic principles. Institutions that demonstrate responsiveness in ensuring the Shariah compliance of their services contribute to customer satisfaction by reinforcing the ethical foundation of their offerings. In conclusion, the hypothesis suggests that responsiveness, encompassing prompt assistance and timely service delivery, positively impacts customer satisfaction in Interest-Free Banking (IFB). Timely responses to inquiries, efficient service delivery, and effective complaint resolution contribute to a positive customer experience and foster satisfaction and loyalty toward the IFB institution.

Prompt response and timely service are essential in IFB to address customer inquiries, provide assistance, and deliver services efficiently. Research indicates that responsiveness significantly

influences customer satisfaction across different service industries (Parasuraman et al., 1988; Akroush & Dahiyat, 2016). Therefore, IFB institutions that demonstrate responsiveness by promptly addressing customer needs and providing timely service delivery are likely to enhance customer satisfaction. Responsiveness, including prompt assistance and timely service delivery, positively impacts customer satisfaction in IFB. Therefore, it is hypothesized as follow;

H5: Responsiveness has positive and significant effect on satisfaction of IFB customers

H5a: Responsiveness has positive and significant effect on satisfaction of IFB customers in full-fledged branches

H5b: Responsiveness has positive and significant effect on satisfaction of IFB customers in window-based branches.

H5c: IFB operating model moderates effect of responsiveness on customer satisfaction.

2.4.6 Compliance to Shariah and Customer Satisfaction in IFB

In the context of Interest-Free Banking (IFB), compliance to Shariah principles serves as a fundamental aspect of service quality that significantly influences customer satisfaction. Shariah compliance ensures that financial products and services offered by IFB institutions adhere to Islamic principles and ethical standards, aligning with the religious beliefs and values of customers. Compliance to Shariah principles in IFB encompasses various dimensions, including the prohibition of interest (Riba), avoidance of uncertainty (Gharar), adherence to ethical investment principles, and transparency in financial transactions. Customers value IFB institutions that demonstrate a commitment to Shariah compliance, as it reflects integrity, trustworthiness, and ethical conduct. Compliance to Shariah principles fosters a sense of community and belonging among customers, as it reflects shared religious values and beliefs. Customers are more likely to be satisfied with IFB institutions that prioritize Shariah compliance, as it resonates with their identity and religious convictions.

Research in the field of Islamic finance emphasizes the importance of Shariah compliance in shaping customer perceptions and satisfaction (Arshad et al., 2019; Hassan et al., 2017). Customers seeking IFB services prioritize Shariah compliance as a key factor in their decision-making process, as they expect financial products and services to be ethically and religiously permissible. Moreover, research suggests that Shariah-compliant financial products and services contribute to customer satisfaction by addressing the ethical and religious considerations of customers (Ahmad

et al., 2018; Arshad et al., 2019). Customers perceive IFB institutions that adhere to Shariah principles as more trustworthy and reliable, leading to enhanced satisfaction and loyalty. Therefore, different studies indicated that compliance to Shariah principles positively influences customer satisfaction in Interest-Free Banking (IFB). Customers value IFB institutions that demonstrate a commitment to Shariah compliance, as it reflects integrity, trustworthiness, and adherence to ethical and religious principles. Therefore, effect of compliance to shariah on customer satisfaction is hypothesized as follows;

H6: Compliance to Shariah Principles has positive and significant effect on satisfaction of IFB customers

H6a: Compliance to Shariah Principles has positive and significant effect on satisfaction of IFB customers in full-fledged branches

H6b: Compliance to Shariah Principles has positive and significant effect on satisfaction of IFB customers in window-based branches.

H6c: IFB operating model moderates effect of compliance to Shariah principles on customer satisfaction.

These hypotheses provide a detailed exploration of how each dimension of service quality in Interest-Free Banking (IFB) may influence customer satisfaction. By considering tangible factors, reliability, responsiveness, assurance, and empathy, IFB institutions can better understand and address customer expectations, ultimately leading to enhanced customer satisfaction and loyalty.

2.5 Conceptual Framework

The theoretical model is developed based on evidence available in the body of the literature. The dependent variable is customer satisfaction and six constructs of independent variable for service quality are Sheriah Compliance, tangibility, reliability, responsiveness, assurance and empathy to influence customer satisfaction according to the body of literature. To test the relationship between dependent and independent variables against each service model, 12 hypotheses (6 hypotheses for full-fledged branches and 6 hypotheses for window-based branches) were formulated. These hypothetical hypotheses provide insights into how dimensions of service quality may influence customer satisfaction in Interest-Free Banking, highlighting the importance of various factors such as tangible aspects, reliability, responsiveness, assurance, and empathy in shaping customer

perceptions and satisfaction, and compliance to Shariah principles. Conceptual Framework of this study is presented in Figure 2.1 below.

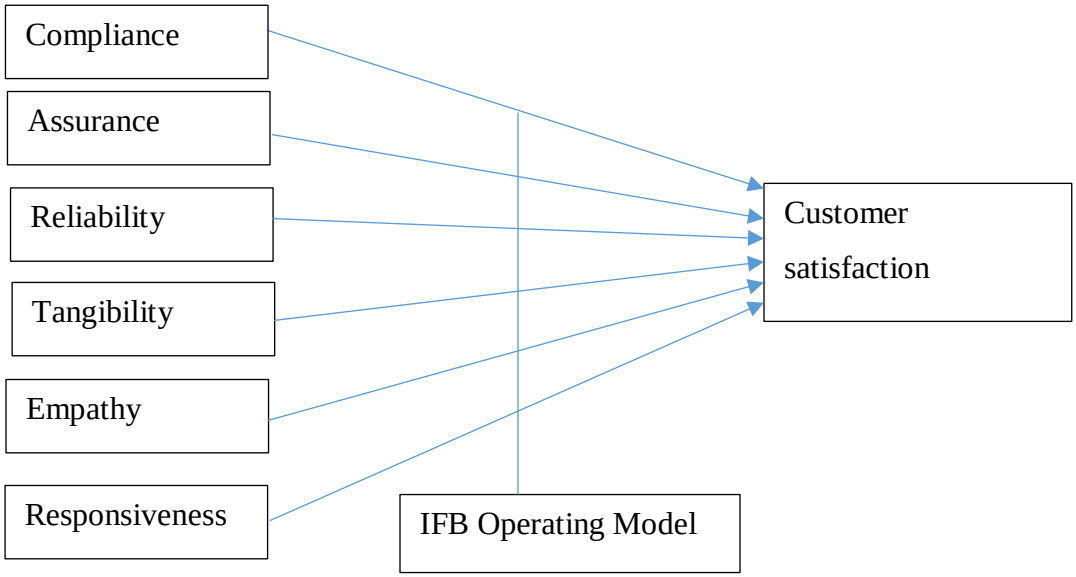

Figure 2. 1: Conceptual Framework
Source: Parasuraman, Zeithaml, & Berry (1988) and Othman & Owen (2001)

CHAPTER 3
RESEARCH METHODOLOGY

Introduction

This chapter is concerned with the research design and research methodology. In particular, first section of chapter presents research approach and followed by research design. In addition, the chapter presents population and sampling method of the study. Further, the chapter presents method of data collection and instrument design. Furthermore, method of data analysis is presented in fifth section. The six section of this chapter presents validity and reliability analysis methodology. Finally, the chapter presents ethical issues of the study.

3.1 Research Approaches

According to Creswell (2007) three methods that are commonly implemented in research are quantitative, qualitative and mixed, where one of them is not better than the others, all of this depends on how the researcher want to do a study. This study has followed a quantitative research approach that uses statistical tools and numbers. Quantitative research is the systematic and scientific investigation of quantitative properties and phenomena and their relationship (Kothari, 2005). The quantitative data was collected by using structured questionnaire. Therefore, in terms of approach, this study has employed quantitative method. In addition, this approach was intended to compare the difference between window based and full-fledged IFB service giving models regarding customer satisfaction.

3.2 Research Design

A research design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure. Designing a study helps to plan and implement a way that enable to obtain intended results, thus increasing the chances of obtaining information that could be associated with the real situation (Burns & Grove, 2001).

After undertaking a literature review, this research was designed based on SERVQUAL and CARTER models. CARTER model was adopted for measuring compliance to Shariah Principles (Othman & Owen, 2001). Compliance to Shariah indicates observance and adherence to the requirements prescribed by the Shariah law. In addition, SERVQUAL has been adopted and five

dimensions of SERVQUAL (reliability, assurance, tangibility, empathy and responsiveness) were included in the study (Parasuraman, Zeithaml, & Berry, 1988). Reliability specifies the capability of banks to deliver customers superior performance by following the imposed standards. Assurance reflects how trustworthy the employees are both in their service as well as the nature of communication. Furthermore, the model also includes the aspect of tangibility which resembles the appearance of the physical elements and facilities used. Finally, empathy and responsiveness make up the last two dimensions whereby, the first focuses on paying personalized attention to every customer, and the latter symbolizes the willingness of employees in responding to the customers' requests and inquiries.

The research design for this study followed cross-sectional survey method. In cross-sectional surveys, independent and dependent variables were measured at the same point in time using a single questionnaire. Along with the cross-sectional nature, the study has employed descriptive research design and explanatory research design. The descriptive design is intended to assess practice of project quality management and customer satisfaction and it was applied by using descriptive statistics such as frequencies, percentage, and mean. Further, the study has applied explanatory design while examining effect of service quality on customer satisfaction of both full-fledged branches and window-based branches. For this purpose, the study uses inferential statistics such as correlation and regression based on Structural Equation Model (SEM).

3.3. Target Population and Sampling Methods

3.3.1 Target Population

This study targeted IFB customers of Awash Bank at branches in Addis Ababa. In relation to the IFB provision model, there are 2 groups of branches. First group is full-fledged branches (FFB) that provide the IFB services by fully-fledging the branch and the second group is window-based branches (WBB) that provide the service by dedicating window for only IFB services. According to Awash Bank (2023), totally, the IFB service is provided in 373 branches; 43 fully-fledged branches and 330 window-based branches total of 1821756 customers. The number of branches and customers in the branches is presented in Table 3.1.

The number of customers in the 43 full-fledged and 330 window-based branches is 532,623 and 1,289,133 respectively. On average, the fully-fledged branches have 12,387 customers and the single window branches have 3,906 customers in Addis Ababa. On overall, the IFB providing

branches of the bank in Addis Ababa have 4,884 customers. The number of customers is larger in fully-fledged branches than window-based branches.

Table 3. 1: Target Population

IFB Service model	**branches**		**customers**		
	Number	Percentage	Number	Proportion	Average
Full-fledged branches	43	11.53	532,623.00	29.24	12,387
Single window branches	330	88.47	1,289,133.00	70.76	3,906
Total	**373**		**1,821,756.00**		4,884

Source: Awash Bank, 2023

3.3.2 Sampling Method

Alreck & Settle (2005) noted that the choice of sample size is made after considering statistical precision, practical issues and availability of resources. There is no a single and precise way to determine size of sample; hence there are a number of inadequacies for deciding on sample size. The sample size was computed with a standard method of sample size determination. Proportionate to size sampling methodology as specified by Kothari (2004) was used for a finite population. The formula to determine sample will be the following:

$$\boldsymbol{n = \frac{z^2 pqN}{e^2(N-1) + z^2 pq}}$$

Where**:** N (the target population) = 1,821,756

p = the sample proportion (q=1-p), p and q have a value of 0.5 and 0.5 consecutively

Z (at confidence level of 95%) = $(1.96)^2$

e (level of acceptable error precision) = $(0.05)^2$

n = sample size

$$n = \frac{(1.96)^2(0.5)(0.5)(1{,}821{,}756)}{(0.05)^2(1{,}821{,}756-1) + (1.96)^2(0.5)(0.5)} = 384$$

Therefore, this study has sampled 384 customers for the study. Then the study, proportionally computed samples from each type of service model; full-fledged branches and window-based branches. Accordingly, 112 (29.24%) customers were sampled from fully-fledged branches and

272 (70.76%) customers were sampled from window-based branches proportionally computed for fully-fledged branches and window-based branches.

This study applied different sampling strategies, purposive sampling, stratified sampling and random sampling technique. A stratified random sampling technique was used to obtain a representative sample of the target population. According to Trochim and Donnelly (2008), stratified random sampling is a technique that involves dividing the population into subgroups or strata based on certain characteristics, and then randomly selecting participants from each stratum. In this study, the strata were constructed based on the type of IFB service providing model of the bank (i.e., full-fledged branches and window-based branches) to ensure that each stratum is representative of the target population.

Awash bank has four divisions in Addis Ababa that include branches at different level. These divisions include branches that provide IFB service under full-fledged and window-based modality. This study has randomly selected 4 fully-fledged branches (1 branch from each division) and 12 window based branches (3 branch from each division). Therefore, for the fully-fledged branches 28 respondents were sampled from each branch and for the window-based branches 23 customers were sampled from 8 branches and 22 customers from 4 branches. after determining number of customer for each branch, assuming that customers that come to the branches are random, all sampled customers to the selected branches were selected based on convenience sampling.

3.4 Data Collection and Instrument Design

Survey research is a commonly used method of collecting information about a population of interest. There are many different types of surveys, several ways to administer them, and many methods of sampling. One of the key features of a survey research is questionnaires: a predefined series of questions used to collect information from individuals. After evaluating various methods this study has used employee assisted self-administered questionnaires to collect the required information for analysis, since each person (respondent) was asked to respond to the same set of questions. This provides an efficient way of collecting reliable data from a sample prior to quantitative analysis. This study has used primary data that was through questionnaires from customers of IFB service of the bank.

This study adopted Banking Service Quality (BSQ) to measure perceived service quality developed by (Parasuraman et al., 1991). This scale is used to measure service quality in banking settings. It assesses service quality based on five dimensions: reliability, responsiveness, assurance, empathy, and tangibles (Parasuraman et al., 1991). Further, Various indices have been developed to measure the performance and compliance of Islamic financial institutions, including Islamic banks and Islamic financial markets. These indices often include Shariah compliance as one of the criteria used to evaluate the performance and suitability of Islamic financial products and services (Hassan & Naiim, 2019). This study adopted Islamic Banking and Finance Indices to measure compliance to shariah principles developed by Hassan & Naiim (2019). Compliance to Shariah principles is measured by 3 items. Moreover, the customer satisfaction was measured by using 8 items that were adopted from Smith & Johnson (2019).

The questionnaire was prepared using 5-point Likert-Scale approach (i.e., from "Strongly Disagree to Strongly Agree"). Accordingly, respondents were asked to indicate their level of agreement on 5-point Likert scale with the following ratings; Strongly Disagree (1), Disagree (2), neutral (3), Agree (4) and Strongly Agree (5) for ordinal scale measurement and to generate data suitable for quantitative analysis.

Therefore, primary data was collected from sampled customers in fully-fledged branches and window-based branches by using structured questionnaire. The study has used questionnaire as a quantitative data collection instrument that helps to cover larger target groups than the interview, given the quality and chance of no response. Customers were approached with support of branch management.

3.5 Method of Data Analysis

To analyze the data, descriptive and inferential statistics were calculated. First, descriptive statistics were calculated for demographic information of participants, service quality and customer satisfaction. Means, frequencies, and percentages were calculated and coded within SPSS from numerical data obtained from participant responses.

Second, inferential statistics were calculated for each instrument and subscale. This study employs measurement model and structural equation model. For the purpose of measurement model development, the study uses Exploratory Factor Analysis (EFA) and Conformity Factor Analysis

(CFA). Further, for path analysis the study has Structural Equation Model (SEM). In addition to SPSS 25, this study uses AMOS 23 software to analyze CFA and SEM.

3.6 Instrument Validity & Reliability

3.6.1 Validity

Validity refers to the degree to which results obtained from the analysis of the data actually represents the phenomena under study. Validity is a matter of degree and not a specific value. In order to check instrument validity, a pilot study will be conducted to refine the methodology and test instrument such as a questionnaire before administering the final phase. Issues that were raised by respondents during the interview (expert opinion) will be used to correct and refine the questionnaires. The preview of the questionnaire was checked by experts to avoid any redundancy or error. Moreover, proper detection and approval by the research advisor was adopted to ensure validity of the instruments. Finally, the improved version of the questionnaires was printed, duplicated and dispatched.

It is necessary to assess construct validity through CFA before assessing the structural model and testing the research hypotheses (Byrne, 2010). Construct validity assesses the extent to which a set of measured items actually reflect the underlying factor model that those items are designed to measure (Hair et al., 2010). The construct validity focuses on the measurement of individual constructs. Two construct validity assessments; convergent and discriminant were tested. The tests are undertaken for the full measurement model (Lewis et al, 2005). The second condition in structural model is the model should have adequate construct validity. Construct validity of the structural model is tested by examining Goodness of Fit (GOF) indices and comparing factor loadings of the structural model with that of the underlying measurement model and the difference should not be more than 0.05. Convergent validity measures whether items of the same variable or construct measure the same thing and, therefore, reveal correlations to each other.

In CFA, convergent validity measures whether items of the same latent factor share a proportion of variance (Hair et al, 2006). Convergent validity is, therefore, a direct measure of the extent of the relationship between an observed variable and a latent construct. According to Holmes- Smith (2007), convergent validity is achieved when this relationship, represented by factor loadings, is significantly different from zero. To assess the statistical significance of the factor loading, critical ratios and p-values were calculated for each factor loading. Critical ratios outside the -1.96 to +1.96

z-value range and p-values below $p<0.05$ indicate factor loadings that are significantly different from zero (Holmes-Smith, 2007). Furthermore, regression weights, standardized regression weights and squared multiple correlations (SMC) can be calculated to assess convergent validity. Standardized regression weights should be above 0.5, with values of above 0.7 optimal. SMC are squared standardized factor loadings and represent the extent to which a measured variable's variance is explained by a latent factor. SMC can also be used to assess item reliability. An SMC between 0.3 and 0.5 indicates that the item is a weak but adequate measure of the construct (Holmes, 2007).

Discriminant validity measures to what extent latent variables differ from each other. In contrast to convergent validity, which is a measure within latent variables, discriminant validity is a measure between variables. Discriminant validity can be assessed based on correlations between different constructs. High correlations (above 0.8 or 0.9) between constructs indicate a lack of discriminant validity (Holmes, 2007). Discriminate validity is provided through the comparison of the squared factor correlation outputs in re-specified measurement model and AVE scores for each of the pair-wise constructs. The discriminant validity is met when the AVEs are greater than the values of the Squared Correlation between latent variables.

3.6.2 Reliability

Once all the measurement factors underlying the research construct have been empirically derived and validated, the instrument is checked for reliability before proceeding with the structural model (Lewis et al, 2005). Reliability is concerned with the internal consistency of the items. Hair et al. (2006) defined reliability as the extents to which a variable or a set of variables are consistent in what it is extended to measure. The idea behind reliability is that any significant results must be more than a one-off finding and be inherently repeatable. Reliability assesses how consistent the items measuring a construct are and as such ensures trustworthiness of the measurement instrument. A common statistic for evaluating reliability is the coefficient of internal consistency (Cronbach's Alpha). This statistic should be computed for each of the factors that passed all tests of validity. The recommended and widely accepted threshold in the literature is 0.7 (Hair et al., 2010). As the current study uses multiple items in all variables, internal consistency analysis was carried out through Cronbach's alpha reliability tests.

3.7 Ethical issues

In conducting this study, the privacy of participants was kept. The confidentiality of data and the participants' anonymity were maintained. In all cases, name the participated was not requested. The researcher has not taken into account the issues of feasibility and efficiency in relation to gaining access to data and the impact of these on the nature and content of the study questions and objectives. In addition, all sources cited in this study were appropriately acknowledged.

CHAPTER 4
RESULT AND DISCUSSIONS

Introduction

This chapter presents result of data analysis and discussion based on the results. First, the chapter presents result of descriptive analysis that was conducted to assess perceived service quality and customer satisfaction. Second, the chapter presents result of exploratory factor analysis that was conducted as a procedure of SEM. Third, result of conformity factory analysis is presented. Finally, the chapter presents the result of SEM and discussions on the results and it is organized based on research objectives.

4.1 Response Rate

Based on the sampling strategy, this study has distributed 384 questionnaires to 112 IFB customers from fully-fledged branches and 272 IFB customers from window-based branches. However, the questionnaires were returned properly filled from 349 customers; 107 customers from fully-fledged branches and 242 from window-based branches. Therefore, the overall response rate was 90.9% and the response rate was 95.5% and 89.0% for customers from fully-fledged branches and window-based branches, respectively.

4.2 Descriptive Analysis

The descriptive analysis was conducted to assess characteristics of customers, IFB services, service quality and customer satisfaction. It is intended to support findings through regression analysis. This analysis has applied descriptive statistics such as frequency, percentage, mean and standard deviation. This analysis is presented comparatively for customers of fully-fledged and window-based branches; and pooling customers of fully-fledged branches and window-based branches.

4.2.1 General Information

General information includes about characteristics of customers and IFB services provided to the customers. Characteristics of customers include gender, age, religion, education, and experience to IFB service of the bank. On the other hand, information about IFB services include deposit and financing services. The deposit accounts can be either saving or demand accounts. In addition to the deposit services, IFB provides financing services with different purposes. The general

characteristics of customers and the service are summarized by using frequencies and percentage and the survey result is summarized in Table 4.1 below.

Table 4. 1: Characteristics of Customers and IFB Services

		Service Model				Total	
		Full-fledged		window			
		N	%	N	%	N	%
Gender	Male	68	63.6	187	77.3	255	73.1
	Female	39	36.4	55	22.7	94	26.9
Age	25 or below	14	13.1	12	5.0	26	7.4
	26-35	23	21.5	59	24.4	82	23.5
	36-45	30	28.0	99	40.9	129	37.0
	Above 45	40	37.4	72	29.8	112	32.1
Religion	Muslim	102	95.3	228	94.2	330	94.6
	Non-Muslim	5	4.7	14	5.8	19	5.4
Education	Secondary School	9	8.4	11	4.5	20	5.7
	TVET/Colleges	15	14.0	8	3.3	23	6.6
	Bachler's Degree	53	49.5	137	56.6	190	54.4
	Masters & above	30	28.0	86	35.5	116	33.2
Experienc e	Less than 1 year	12	11.2	24	9.9	36	10.3
	1-3 years	15	14.0	50	20.7	65	18.6
	3-5 years	39	36.4	70	28.9	109	31.2
	Above 5 years	41	38.3	98	40.5	139	39.8
IFB Services	Wadiah Amanah Saving	73	68.2	140	57.9	213	61.0
	Wadiah Amanah Current	46	43.0	122	50.4	168	48.1
	Mudarabah Saving	48	44.9	135	55.8	183	52.4
	Mudarabah Investment Deposit	40	37.4	98	40.5	138	39.5
	Labbaik-wadiah	41	38.3	115	47.5	156	44.7
	Financing Service	26	24.3	61	25.2	87	24.9
	Murabaha (Cost Plus)	15	57.7	42	68.9	57	65.5
	Ijarah (Leasing)	6	23.1	5	8.2	11	12.7
	Qard (Export)	5	19.2	14	22.9	19	22.8

Source: Own Survey, 2023

As presented in Table 4.1, from the customer in the study, 73.1% were male and 26.9% were female. Further, it is computed that from users of fully-fledge branches, 63.6% are male and 36.4% are female customers; and on the other hand, from customers of window-based branches, 77.3% were males and 22.7% are female customers.

The service is used by customers with different age groups; the largest number of customers were at age range of from 36 to 45 years that includes 37% of the customers; and followed by customers at age of above 45 years that includes 32.1% of the customers.

Although IFB service is provided to irrespective to religion of a customer, 94.6% of the users of the service were Muslim customer and only 5.4% of the customers were non-Muslim.

Moreover, the customers have different educational level, majority (54.4%) of customers have Bachelor's Degree and 33.2% customers have Master's degree. The customers have different experience in IFB services. On overall, 39.8% of the customers have the experience for more than 5 years. Comparatively, this experience includes 38.3% of customers of fully-fledged branches and 40.5% of customers of window-based branches. The smallest number of customers have the experience for less than a year in both fully-fledged and window-based branches.

The customers are holders of different account types. As depicted in Table 4.2, majority of the customers are holders of saving accounts; where, 61.0% of customers have Wadiah Amanah saving and 52.4% of customers have Mudarabah saving. This proportion is similar for the customers in fully-fledged branches and window-based branches. On other hand, 48.1% of customers possess Wadiah Amanah current account and 39.5% of customers possess Mudarabah investment deposit account. Moreover, 44.7% of customers are users of Labbaik-wadiah account. This account type is used by 38.3% of customers of fully-fledged branches and 47.5% of customers of window-based branches.

Another service of IFB of the bank used by its customers is financing service. This service is provided based on 3 products; Murabaha, Ijarah, and Qard. On overall, 24.9% of the customers use the financing services. It is used by 24.3% of customers of fully-fledged windows and 25.2% of window-based branches. The Murabaha is the mainly used type of financing service that includes 65.5% of the financing service users. This service is used by 57.7% of customers of financing service in fully-fledged branches and 68.9% of customers of financing service in window-based branches.

Therefore, this study reveals that customers of IFB services mainly use the deposit services and few customers use the financing services, mainly, the Murabaha financing services.

4.2.2 Service Quality and customer Satisfaction

Since this study was conducted to examine effect of service quality on customer satisfaction, before examining the effect, the study has assessed perceived service quality and customer satisfaction to evaluate the service quality and the customer satisfaction. The survey result is

summarized by using descriptive statistics for total customers and comparatively for customers of fully-fledged branches and window-based branches; and the result is presented in Table 4.2 below.

Table 4. 2: Descriptive Statistics on Service Quality and Customer Satisfaction

		1	2	3	4	5	6	7	8	Mean	t-test
Reliability	FF	3.78	3.67	3.51	3.64	4.35	3.89			3.81	-1.541
	W	3.75	3.75	3.82	3.95	4.45	4.10			3.97	(.124)
	Total	3.76	3.73	3.72	3.85	4.42	4.04			3.92	
Assurance	FF	3.56	3.51	3.24	3.67	4.17	3.76			3.65	-5.153
	W	4.43	4.10	3.83	4.09	4.44	4.12			4.17	(.000)
	Total	4.16	3.92	3.65	3.96	4.36	4.01			4.01	
Tangibility	FF	3.17	3.50	3.53	3.72	2.61				3.31	-5.885
	W	3.61	3.92	3.92	3.95	4.68				4.02	(.000)
	Total	3.47	3.79	3.80	3.88	4.05				3.80	
Empathy	FF	3.95	3.67	4.03	3.80	3.55	3.95	3.92	4.15	3.88	-3.696
	W	4.31	3.84	4.49	4.33	4.05	4.48	4.53	4.56	4.32	(.000)
	Total	4.20	3.79	4.35	4.17	3.90	4.32	4.34	4.44	4.19	
Responsiveness	FF	4.07	3.73	3.72	3.79	3.53	4.57			3.90	-4.745
	W	4.57	4.43	4.28	4.33	4.24	4.69			4.42	(.000)
	Total	4.42	4.21	4.11	4.16	4.02	4.66			4.26	
Compliance to Shariah	FF	3.64	3.69	3.63						3.65	-3.304
	W	4.25	4.22	3.98						4.15	(.001)
	Total	4.06	4.06	3.87						4.00	
Customer satisfaction	FF	3.62	3.42	3.73	3.71	3.53	3.69	3.66	3.64	3.63	-3.750
	W	4.04	3.82	4.05	3.99	4.06	4.23	4.25	4.35	4.10	(.000)
	Total	3.91	3.70	3.95	3.91	3.90	4.06	4.07	4.13	3.95	

Source: Own Survey, 2023

The reliability feature of service quality is indicated by 6 items. The survey result shows that the IFB service is reliable for total customers, customers of the fully-fledged branches and customers of window-based branches, with mean scores of 3.92, 3.81 and 3.97, respectively. The IFB service is more reliable to customers of window-based branches than customers of fully-fledged windows. however, the result of t-statistics (t= -1.541; p = 0.124) shows that there is no significant difference between customers of full-fledged branches and window-based branches on reliability of IFB services of Awash Bank.

The assurance feature of service quality is indicated by 6 items. On overall, the mean score is 4.01 suggesting that the bank provides quality IFB service in regards to assurance. However, mean score is smaller for fully-fledged branches than the window-based branches. In this regard, the IFB service quality is lower for customers of fully-fledged branches than customers of window-based

branches. Further, the t-test statistics (t = -5.153; p = 0.000) implies this difference is significant suggesting that there is significant variation of service assurance within full-fledged branches and window-based branches in Awash Bank.

The third feature of service quality is tangibility of service. On overall, the mean score of 3.80 suggests that customers of IFB feel that Awash Bank provide tangible service. However, customers of fully-fledged branches feel that the service is not that much tangible (mean = 3.31); especially, in regards to presence attractiveness of the service providing windows. The result of t-test (t = -5.885; p = 0.000) evidences that there is significant difference of tangibility of IFB service within full-fledged and window-based branches of Awash Bank.

The empathy feature of service quality includes 8 indicators. In all measures of empathy, customers of IFB feel that they get quality service. However, as summarized by mean scores of 3.88 and 4.32 for customers of fully-fledged branches and window-based branches, respectively, comparatively, empathy of IFB service is weaker for customers of fully-fledged branches than customers of window-based branches. Further, as depicted in Table 4.2 above, t-statics (t = -3.696) is statistically significant (p = 0.000). This shows that perceived service empathy is significantly lower in full-fledged branches than window-based branches.

Responsiveness in IFB service is indicated by 6 measurements and, in overall, it is indicated that the bank provides responsive IFB service. However, perceived quality of responsiveness of the service is lower for customers of fully-fledged branches than customers of the window-based branches in all measures of responsiveness of the service; especially in regards to speed and efficiency of the service. The result of t-test shows that the responsiveness is significantly higher in window-based branches than the full-fledged branches (t = -4.745; p = 0.000).

Finally, IFB service quality is characterized by compliance to Shariah Principles. This feature of quality service is indicated by 3 items that focus on relevance to Islamic Banking, Shariah aspects of financing, and awareness of employees about Shariah based banking procedures. The survey result shows that the IFB services comply to Shariah principles. However, this quality of IFB service is not for customers of fully-fledged branches and window-based branches. It is lower for customers of fully-fledged branches than customers of window-based branches. The result of t-test statistics (t = -3.304; p = 0.000) shows that compliance to Shariah principles is significantly lower in full-fledged branches than the window-based branches.

In addition to the service quality, descriptive analysis is conducted for customer satisfaction from IFB. The customer satisfaction is assessed by using 8 measurement items. As presented in Table 4.3, on overall, customers were satisfied (mean = 3.95) from IFB services provided by Awash Bank. However, the level satisfaction is not similar for customers of fully-fledged branches and window-based branches. The customer satisfaction is higher in window-based branches (mean = 4.10) than fully-fledged branches (3.63). In addition to the overall result, the customer satisfaction is lower for customer of fully-fledged branches than customers of window-based branches for all individual measures of customer satisfaction. This difference is evidenced by result of t-test ($t = -3.750$; $p = 0.000$) suggesting that customer satisfaction is significantly higher in window-based branches than the full-fledged branches.

Therefore, the result of descriptive analysis shows that Awash bank provides quality IFB service for its customers. In addition, the survey shows that customers of IFB are satisfied from the IFB services. However, both the service quality and customer satisfaction are higher in window-based branches than the fully-fledged branches.

4.3 Exploratory Factor Analysis

With the purpose of producing an appropriate SEM, EFA is intended to obtain set of dimensions (factors) which explain the structure of items that are related to each other (Hair et al., 2010) whilst retaining as much of the original information as possible (Field, 2009). Initial EFA was conducted by using 42 items that are related to service quality (34 items) and customer satisfaction (8 items).

EFA was applied by extraction method of principal component and Rotation Method of Varimax with Kaiser Normalization. For the theoretical significance, factor loadings should be 0.35 or more for a sample of 300 or greater (Hair et al., 1998). Based on the initial model, items with communalities of below 0.4 and factor loadings below 0.35 were dropped.

The KMO/Kaiser-Meyer-Olkin/ is 0.95, which is commonly above the recommended value of 0.6, indicating that the indicators are highly valid factors (Pallant, 2003; Kaiser, 1974). In addition, the Bartlett's test of sphericity was significant ($\chi 2 = 12089.00$, $p<0.01$). EFA extracted 7 components that explain 80.15% of variance.

Table 4. 3 Exploratory Factor Analysis

	CS	EMP	RSP	RLB	CMP		ASR
RLB1				0.801			
RLB2				0.799			
RLB3				0.747			
RLB4				0.803			
ASR1							0.840
ASR2							0.839
ASR3							0.844
TNG1					0.854		
TNG2					0.839		
TNG3					0.832		
TNG4					0.711		
EMP1		0.753					
EMP2		0.817					
EMP3		0.666					
EMP4		0.682					
EMP5		0.667					
EMP6		0.605					
EMP7		0.606					
EMP8		0.609					
RSP1			0.717				
RSP2			0.771				
RSP3			0.783				
RSP4			0.720				
RSP5			0.799				
CMP1						0.839	
CMP2						0.869	
CMP3						0.868	
CS1	0.684						
CS2	0.772						
CS3	0.740						
CS4	0.776						
CS5	0.620						
CS6	0.706						
CS7	0.674						
EV	5.23	4.984	4.642	3.419	3.234	2.882	2.859
% var	15.383	14.66	13.653	10.056	9.512	8.476	8.408
α	0.941	0.953	0.946	0.911	0.879	0.941	0.911
KMO = 0.950; Bartlett's Test; $\chi 2$ = 12089.00, df = 561, sig = 000							

Source: Own Survey, 2023

The EFA has extracted 34 items that were grouped into 7 components; namely Reliability, Assurance, Tangibility, Empathy, Responsiveness, Compliance to Shariah Principles and

Customer Satisfaction. Based on the EFA, 8 items; such as RLB5, RLB6, ASR4, ASR5, ASR6, TNG5, RSP6 and CS8 were dropped. These items insignificantly explain their respective constructs. In final EFA, the factor loading ranges from 0.605 to 0.869 that shows the items are strongly related.

The communalities of the items were above 0.4 confirming that each item shared some common variance with other items. Further, the reliability is assured since the Cronbach Alpha (α) is greater than threshold of 0.7; ranging from 0.879 to 0.953 that indicates a greater internal consistency of the items in the scale.

4.4 Conformity Factor Analysis

As a procedure of SEM, following result of EFA, Conformity Factor Analysis (CFA) was conducted. The CFA includes tests for convergent validity, discriminant validity, and reliability. CFA was initiated based on result of EFA. As presented in previous section, EFA extracted 34 measurement items under 7 components; 6 components about service quality and 1 component about customer satisfaction. The service quality components include reliability, tangibility, assurance, empathy, responsiveness, and compliance to Shariah Principles. As a result, CFA is initialed by using measurement model which is constructed from 34 measurement items and 7 latent variables (customer satisfaction, and 6 features of service quality). CFA was conducted by applying maximum-likelihood method to evaluate parameters of the theoretical model where all tests were operated on variance–covariance matrices (Hair, et.al., 2014).

4.4.1 Data Examinations

Before conducting statistical analysis in relation to objective of the study, as a procedure of SEM, this study has conducted data handling. Accordingly, before proceeding to the CFA, data used in CFA was tested for assumptions of normality and outliers.

Prior to CFA, it is import to check the normality of the data that conducting analysis on non-normally distributed data leads to incorrect results (Butt, 2009; Mukerji, 2008). As long as the sample size is 30 or more; the sampling distribution would tend to be normal irrespective of the population distribution and the larger the sample size, the more precise and stable the estimates of the population parameter would be for statistical inferences (Field, 2009). The sample size used in this study is large enough (n = 349) to satisfy the requirement of normality. Hence, this study has assessed the distribution of each variable prior to CFA. For normally distributed data, it is

suggested that the skewness values fall within the range of -2 to +2 and the kurtosis values fall within the range of -7 to +7 (Mukerji, 2008). Based on the standards adopted, this study computed that there is no evidence of excessive skewness and kurtosis; where the largest skewness and kurtosis values were 0.761 and 1.088, respectively. This suggests that the normality assumption is not violated for the data used in the study.

In addition, outliers were checked by using the CFA results that the SEM assumes no outliers. Test for outliers was made by using critical values of Mahalnobis Distance (MD) and cases with critical values above 71.5 MD are considered as outliers and excluded from further analysis. It is computed that there were 5 outlier observations; 1 observation from fully-fledged branches and 4 observations from window-based branches. These observations were dropped from the CFA. Therefore, the CFA was proceeded by using 344 observations (106 customers from fully fledged branches and 238 observations from window-based branches).

Based on the initial measurement model, convergent validity was analyzed by using suggested indices; factor loading and average variance explained (AVE). In this process, modified measurement model was constructed from the initial measurement model. After convergent validity is established, model fit was tested and the measurement model is re-specified to reach on best fit model by using modification indices. In this process, additional items were removed based on result of modification indices. Fitness of the models was checked by using suggested fit indices; such as, adjusted chi-square ($\chi 2/df$), goodness-of-fit index (GFI), root mean square residuals (RMR), comparative fit index (CFI) and the root mean square error of approximation (RMSEA) (Hair et al., 2014; Kline, 2015; Kenny, 2020). In this process, third measurement model was constructed by removing items based on the modification statistics. This model meets standards of convergent validity and fit CFA model. Further, after establishing convergent validity and maintaining fit model, multiple group analysis was conducted in relation to convergent validity for group of fully-fledged and window-based branches. The third measurement model was used as baseline model to conduct the multiple group analysis. The conceptual initial measurement model for CFA and its standardized estimates are presented in Figure 4.1.

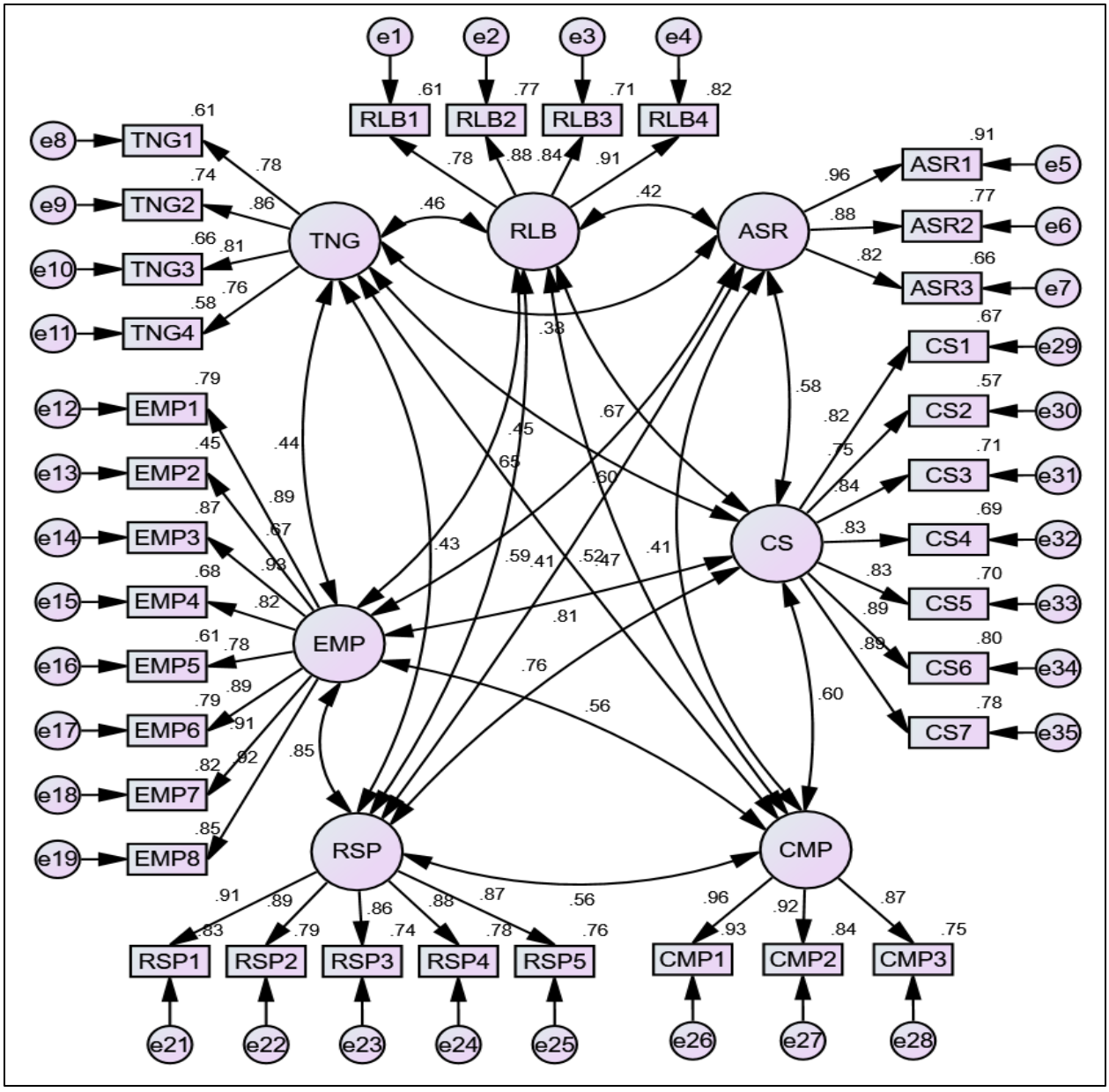

Figure 4. 1: Initial Measurement Model

4.4.2 Convergent Validity

Convergent validity indicates extent of the relationship between an observed variables and a latent construct (Collier, 2020). Convergent validity is achieved when this relationship, by factor loadings, is significantly different from zero (Hair et al, 2006). It is established when standardized regression weight is above 0.5, with values of above 0.7 optimal. Convergent validity was analyzed by using CFA and the result is presented in Table 4.4 for total customers and separately for samples from fully-fledged branches and window-based branches.

Table 4. 4: Standardized Regression Weights and Model Fit

		CFA1	CFA2	CFA3						
Items				Total		FFB		WBB		
				SRW	AVE	SRW	AVE	SRW	AVE	CRD
RLB1		.779	.779	.778	0.728	.671	0.731	.849	0.728	
RLB2		.878	.878	.877		.884		.859		-2.458
RLB3		.843	.843	.844		.911		.795		-3.070
RLB4		.908	.908	.908		.929		.907		-2.511
ASR1		.956	.956	.955	0.912	.954	0.910	.940	0.884	
ASR2		.877	.877	.878		.989		.781		-0.630
ASR3		.815	.815	.816		.946		.703		-0.689
TNG1		.783	.783	.843	0.711	.879	0.773	.815	0.670	
TNG2		.861	.861	.801		.824		.778		-0.732
TNG3		.813	.813	.849		.834		.860		0.302
TNG4		.764	.764							
EMP1		.891	.885	.893	0.800	.922	0.842	.879	0.759	
EMP2		.673								
EMP3		.934	.931	.936		.960		.911		-1.368
EMP4		.824	.822	.819		.835		.799		0.729
EMP5		.783	.780							
EMP6		.888	.891							
EMP7		.908	.910	.891		.919		.853		-2.223
EMP8		.921	.923	.927		.946		.908		-2.108
RSP1		.911	.911	.911	0.780	.901	0.831	.908	0.718	
RSP2		.890	.890	.889		.931		.840		-1.846
RSP3		.859	.859	.860		.906		.807		-2.455
RSP4		.882	.882	.882		.936		.823		-1.574
RSP5		.873	.874	.874		.882		.854		-0.051
CMP1		.965	.965	.965	0.840	.970	0.878	.955	0.814	
CMP2		.916	.916	.916		.941		.897		-0.236
CMP3		.866	.866	.866		.899		.851		0.923
CS1		.817	.817	.822	0.695	.901	0.801	.747	0.608	
CS2		.752	.752	.773		.810		.766		2.883
CS3		.842	.842	.857		.930		.796		0.300
CS4		.831	.830	.866		.928		.819		0.762
CS5		.834	.835	.828		.906		.738		-0.808
CS6		.892	.892	.853		.890		.809		0.640
CS7		.886	.886							
						Model Comparison $\Delta df = 22$; $\Delta\chi2 = 52.734$; $p = .000$				
Model Fit	$\chi2/df$	2.813	2.792	2.228		2.055				
	GFI	.804	.811	.869		.797				
	CFI	.923	.927	.955		.923				
	SRMR	.048	.046	.042		.059				
	RMSEA	.073	.072	.060		.056				

Note: CRD = Critical Ratio of Difference

As shown in Table 4.4, the initial measurement model meets all of the suggested standards of fit model ($\chi 2/df = 2.813$; GFI = 0.803; CFI = 0.923; SRMR = 0.048; RMSEA = 0.073) that indicates the conceptualized model fits observed data. In addition, convergent validity is established for all items, except EMP2 ($\lambda < 0.7$) that shows convergent validity is not established for empathy. As a result, the initial measurement model is modified by removing item that fails to meet convergent validity, EMP2. The conceptual model and standardized estimates of the modified measurement model is presented in Figure 4.2 below.

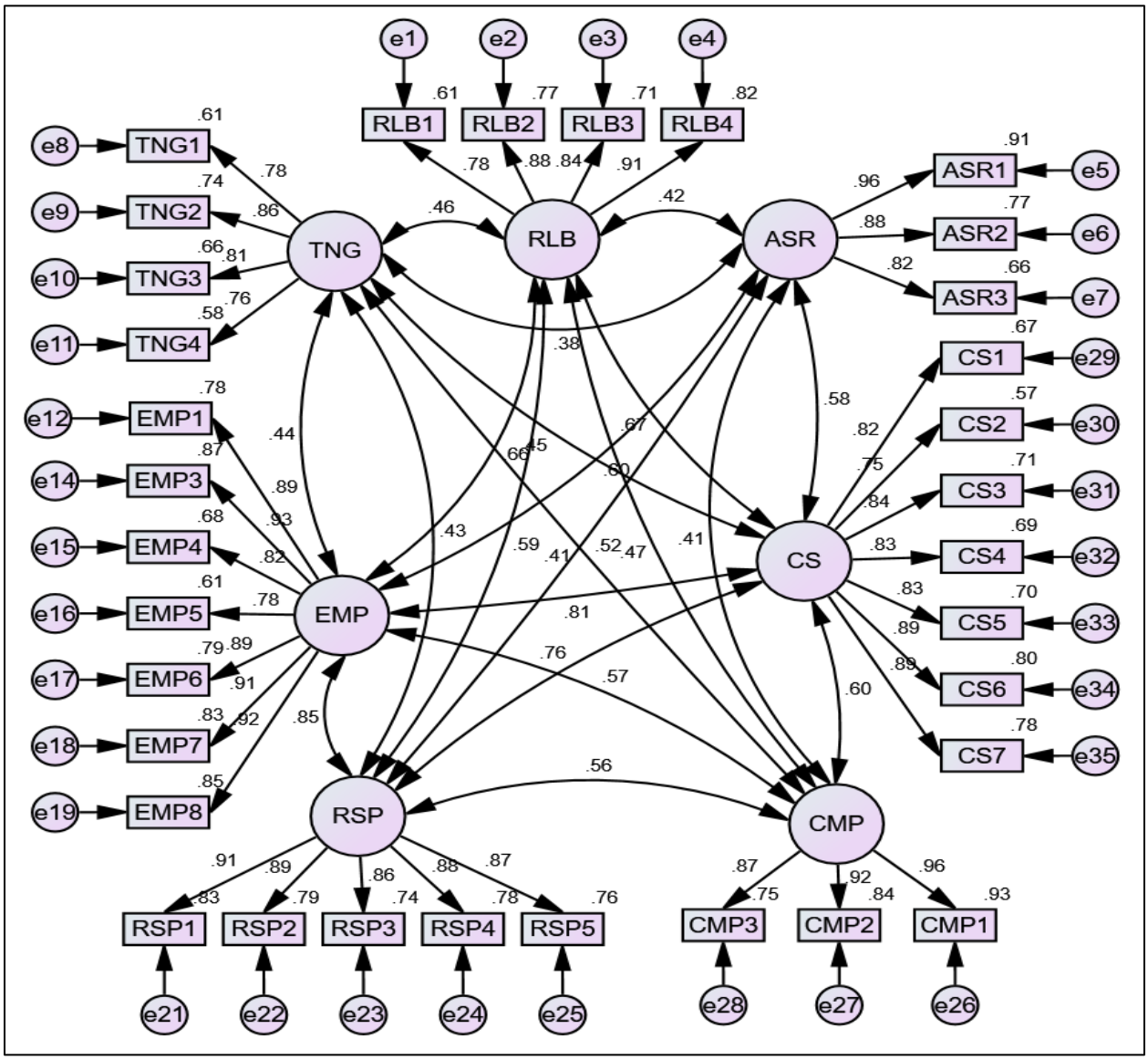

Figure 4. 2: Modified Measurement Model

As presented in Table 4.5 (CFA2), convergent validity is established for all constructs ($\lambda > 0.7$) and all fit statistics are met for the model, except GFI and RMSEA with ideal values of GFI > 0.9 and RMSEA < 0.05, respectively. By using modification indices, number of models were computed to reach on these standards and the best fitting measurement model is constructed from modified measurement model by removing items strongly correlated with other item and items that have smaller variance when compared to correlated item. Accordingly, 4 items, TNG4, EMP5, EMP6, and CS7, were removed and the final measurement model was constructed by using 29 items (Figure 4.3).

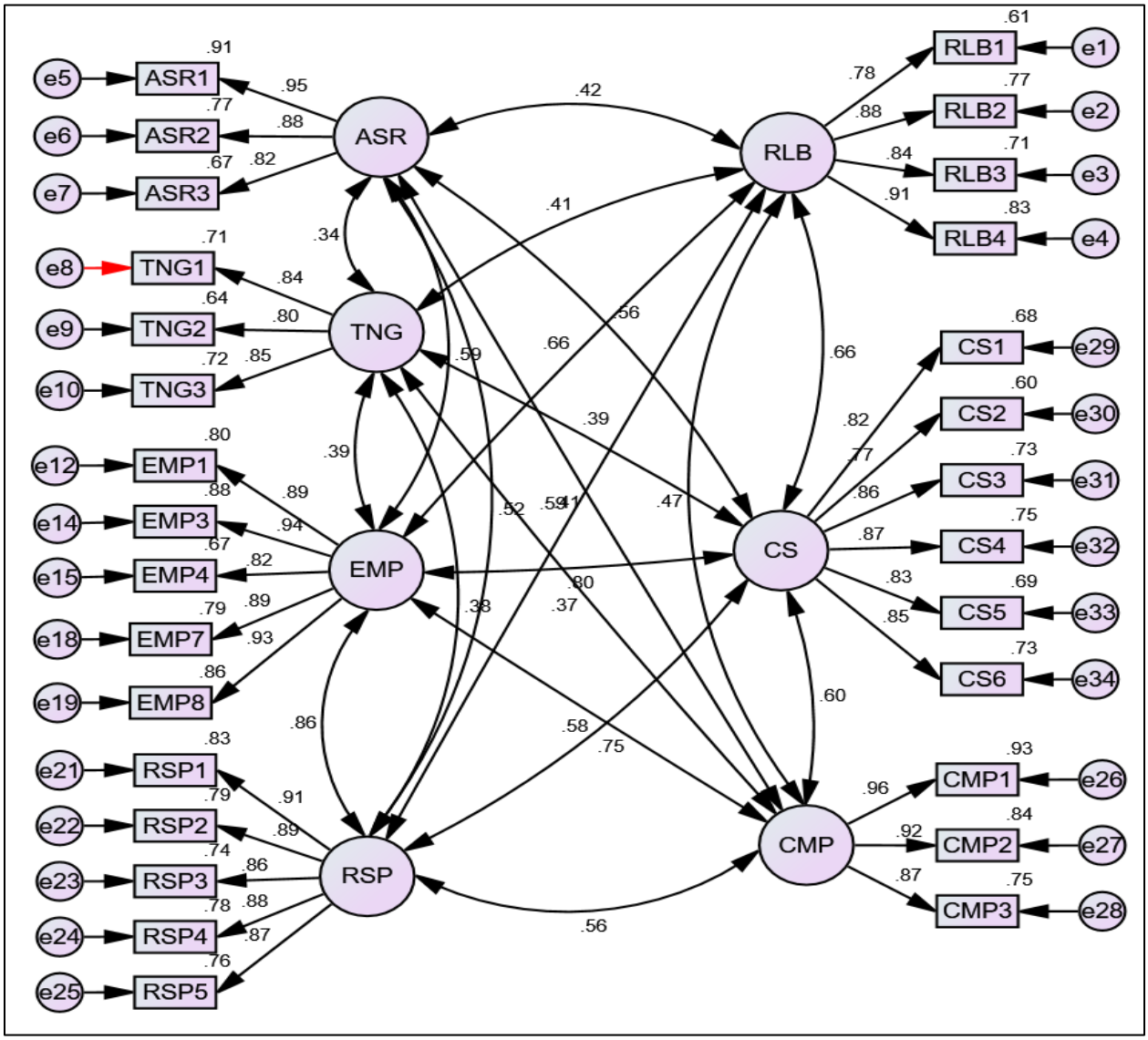

Figure 4. 3: Final Measurement Model

In this model, SRW is well above 0.7 (minimum of $\lambda_{CS2} = 0.773$); hence, AVE is above threshold of 0.5 with minimum of $AVE_{RLB} = 0.728$. In addition, this model is much better than the modified measurement model when compared with respect to all fit indices. As a result, this model is used for further analyses convergent validity of multiple-group.

This study conducted multiple group analysis to examine invariance of measurement items. This analysis was conducted based on result final measurement model. Based on multiple-group analysis, constrained model (measurement weights) is rejected, supporting that unconstrained model is correct model for CFA of fully-fledged branches and window-based branches. Hence, CFA was conducted based on results from constrained model.

The result of CFA, based on SRW, shows that convergent validity is established for all constructs; where, AVE of constructs is above cut-off value of 0.5 for both fully-fledged branches and window-based branches. In addition, factors loadings are above threshold value of 0.7, excepts RLB1 ($\lambda = 0.671$) that shows all measurement variables significantly explain respective latent variable. Since the factor loading of RLB1 is above 0.5 and AVE of the respective construct is above 0.5, convergent validity of this item is maintained and this item is retained for further analysis. In this model, on average, reliability explains 73.1% of variance of its measures (Hair et al, 2006). Therefore, convergent validity is established for all constructs of service quality and the customer satisfaction.

Moreover, the result of model comparison suggests that the influence of measurement items on latent constructs significantly differs within fully-fledged branches and the window-based branches. As presented in Table 4.5, critical ratio of difference of unstandardized regression weights is significant for reliability, empathy (EMP7 & EMP8), responsiveness (RSP3), and customers satisfaction (CS2). On other hand, it is not significant for all measurement items of assurance, tangibility, and compliance to Shariah Principles.

4.4.3 Discriminant Validity

The discriminant validity is assessed based on correlations between constructs; and examined by comparing the factor correlation with squared root of AVE scores for each of the pair-wise constructs and discriminants validity is met when the squared roots of AVEs are greater than the values of the correlation between latent variables (Holmes-Smith 2007). The summary statistics

for discriminant validity measurement is presented in Table 4.5 below; where, the diagonal values are square roots of AVE.

Table 4. 5: Discriminant Validity

Service		RLB	ASR	TNG	EMP	RSP	CMP	CS
Total	RLB	0.853						
	ASR	0.423	0.955					
	TNG	0.412	0.338	0.843				
	EMP	0.656	0.591	0.386	0.894			
	RSP	0.592	0.516	0.383	0.859	0.883		
	CMP	0.467	0.410	0.371	0.578	0.557	0.917	
	CS	0.659	0.564	0.386	0.8	0.753	0.597	0.834
Fully-Fledged	RLB	0.855						
	ASR	0.547	0.954					
	TNG	0.456	0.291	0.879				
	EMP	0.72	0.616	0.274	0.917			
	RSP	0.687	0.494	0.286	0.872	0.911		
	CMP	0.484	0.434	0.275	0.448	0.499	0.937	
	CS	0.762	0.658	0.366	0.847	0.799	0.638	0.895
Window-Based	RLB	0.853						
	ASR	0.364	0.940					
	TNG	0.379	0.329	0.818				
	EMP	0.621	0.511	0.434	0.871			
	RSP	0.530	0.441	0.419	0.821	0.847		
	CMP	0.448	0.336	0.396	0.654	0.566	0.902	
	CS	0.590	0.404	0.375	0.735	0.675	0.532	0.780

Source: Own Survey, 2023

As shown in Table 4.5, discriminant validity for the construct is established that both row and column values of the constructs; where. pairwise correlations are smaller than the diagonal values (i.e., square roots of AVE). For all constructs square root of AVE is larger than correlation coefficient of the constructs for total, fully-fledged and window-based branches. Hence, discriminant validity of the respecified measurement model is established in all cases. The result of discriminant validity shows that the constructs diverge or minimally correlate with one another. This shows that all features of service quality and the customer satisfaction are unique constructs.

4.4.4 Reliability Test

After validating measurement factors underlying the construct, reliability is checked before proceeding with the structural model (Lewis et al, 2005). It is intended to assess how consistent

the items measuring a construct. The reliability is assessed by composite reliability based on the result of CFA after all tests of validity and it is determined based on the recommended and widely accepted threshold of 0.7 (Hair et al, 2010). The reliability is analyzed by separately for Fully-fledged branches and window-based branches and by pooling the service types and the result of reliability analysis is presented in Table 4.6 below.

Table 4. 6: Reliability Analysis

Constructs	Items	Total	FFB	WBB
Reliability	4	0.914	0.915	0.915
Assurance	3	0.915	0.975	0.853
Tangibility	3	0.870	0.883	0.859
Empathy	5	0.952	0.964	0.940
Responsiveness	5	0.955	0.969	0.935
Compliance to Sharia Principles	3	0.940	0.956	0.929
Customer Satisfaction	6	0.932	0.960	0.903

Source: Own Survey, 2023

Based on result of final CFA model, CFA3, it is computed that the specified model meets reliability standards. The composite reliability scores of the constructs are above 0.7 for all groups suggesting consistency of items in measuring respective constructs. The minimum value of composite reliability statistics is 0.87 that suggests the measurement items in the final model are highly reliable in measuring the constructs. Thus, the measurement items are reliable to apply SEM.

The modified model fits standards of fit model, convergent validity, discriminant validity and reliability. As a result, this study proceeds to conduct Structural Equation Model to analyze effect of service quality on customer satisfaction at the selected organization.

4.5 Structural Equation Model

As presented in previous section, the measurement model analyzed how well the observed variables of a hypothesized construct relate to one another. The result of CFA shows that the measurement model fitted the data of the study and SEM is developed for the hypothesized research model following results of the measurement model. The SEM is constructed based on the respecified measurement model (Appendix E1: Overall SEM).

First, this study examined effect of service quality on customer satisfaction by pooling customers from fully-fledged branches and window-based branches. Then, the effect of service quality on customer satisfaction is analyzed separately for each service model. For this purpose, multiple group analysis was conducted using an unconstrained-constrained approach. Multiple group analysis was conducted for both measurement weights and structural weights. The unconstrained model allows parameters to vary freely and the constrained model restricts parameters to be equivalent across groups (Hoyle, 2012). The unconstrained and constrained models were then compared using Chi square difference test to examine invariance of regression weights (Gaskin, 2012). Against the unconstrained model, 'SEM1', constrained model, 'SEM2' was formulated by constraining all measurement parameters (Table 4.7). The model comparison result indicated that constrained model was rejected ($\chi2 = 52.732$; df = 22; p = 0.000) against unconstrained model. This suggested that there is difference of measurement weights within measurement items of service quality and customer satisfaction between fully-fledged branches and the window branches.

Then, based on result of comparison on SEM1 and SEM2, additional 2 models, SEM3 and SEM4 were formulated. The third model, 'SEM3' was computed by unrestricting measurement parameters that are significantly different across the groups and unrestricting the structural weights. In the unconstrained model, 6 measurement items were significantly different (RLB2, RLB3, RLB4, RSP3 and CS2) within the groups ($z > 1.96$). These items were unrestricted and other items were unrestricted in SEM3. In addition, SEM3 unrestricted structural parameters. Therefore, this model is unconstrained-constrained model that unconstrained measurement items that significantly vary across the groups and structural weights; and constrained insignificant measurement items.

Against SEM3, in addition to restricted items in SEM3, SEM4 (constrained model) formulated by restricting the structural parameters. The model comparison statistics ($\chi2 = 22.911$; df = 6; p = 0.001) indicated that there is significant difference of structural parameters within the groups. Hence, result of SEM3 was accepted and critical ratio of difference was analyzed to modify SEM4 and formulate SEM5 by restricting invariant parameters and unrestricting significant parameters. Hence, finally, based on result of comparison on SEM3 and SEM4, final SEM, SEM5, was computed by restricting the measurement weights and structural weights that are invariant across the groups and unrestricting weights that are significantly different across the groups.

Table 4. 7: SEM fit summary and model comparison

		Overall	Multiple Group Analysis				
Model Fit Indices			SEM1	SEM2	SEM3	SEM4	SEM5
Chi-Square	DF	356	712	734	728	734	733
	CMIN	793.250	1463.244	1515.977	1482.926	1505.837	1488.253
	CMIN/DF	2.228	2.055	2.065	2.037	2.052	2.030
	p	.000	.000	.000	.000	.000	.000
GFI		.869	.797	.791	.795	.792	.794
CFI		.955	.923	.919	.922	.920	.922
SRMR		.042	.059	.065	.059	.066	.061
RMSEA		.060	.056	.056	.055	.055	.055
AIC		951.250	1779.244	1787.977	1766.926	1777.837	1762.253
BIC		966.394	1865.343	1862.088	1844.305	1851.947	1836.908
Model comparison				SEM1		SEM3	
Δχ2(Δdf)				52.734(22)	19.682 (16)	22.911 (6)	5.327(5)
p				0.000	0.235	0.001	0.377

Source: Own Computation, 2023

The results of SEM analyses are summarized in Table 4.8 for overall effects, comparative analysis and adjusted based on comparative analysis.

As depicted in Table 4.8, estimates are positive for all constructs that indicates service quality positively influence customer satisfaction. However, the estimates have coefficients have different magnitude and the significance statistics vary for the estimates.

Table 4. 8: Results of Structural Equation Models

	Total				Comparative Analysis					Adjusted			
	β	S.E.	C.R.	P	β	S.E.	C.R.	P	Invariance (z)	β	S.E.	C.R.	P
RLB	.199	.051	3.895	.000	.262	.124	2.109	.035	-0.830	.157	.047	3.337	.000
					.151	.051	2.947	.003					
ASR	.095	.038	2.505	.012	.114	.056	2.057	.040	-1.224	.073	.039	1.867	.062
					.018	.056	.327	.744					
TNG	.003	.035	.072	.943	.032	.057	.558	.577	-0.284	.021	.035	.602	.547
					.011	.045	.251	.802					
EMP	.347	.084	4.133	.000	.429	.125	3.436	.000	-0.415	.421	.083	5.101	.000
					.361	.109	3.310	.000					
RSP	.202	.080	2.536	.011	.126	.120	1.045	.296	0.515	.165	.077	2.133	.033
					.206	.101	2.045	.041					
CMP	.116	.035	3.316	.000	.217	.051	4.210	.000	-2.432	.253	.048	5.319	.000
					.044	.049	.900	.368		.010	.043	.228	.819

Note: In columns under Comparative Analysis, first row is result of fully-fledged branches and second row is results for window-based branches.

Source: Own Survey, 2023

4.5.1 Effect of Reliability on Customer Satisfaction

Coefficient of reliability ($\beta = 0.199$) is statistically significant ($t = 3.895$; $p = 0.000$) at 0.01 significance level. This indicates that reliability of service has positive significant effect on customers satisfaction. For 1 unit variation of customers on reliability of service, the customer satisfaction varies with 0.199 units. Specifically, for customer with 1 higher level of perceived quality on reliability of the service, their satisfaction is higher by 0.199 level. The estimation result about effect of reliability on customer satisfaction shows that customer satisfaction from using IFB service is influenced by reliability practice of service provided by the bank. Similar to the total effect, coefficient of service reliability is positive and significant for both users of the service in fully-fledged branches ($\beta = 0.226$; $p = 0.034$) and window-based branches ($\beta = 0.152$; $p = 0.003$) at 0.05 and 0.01 significance levels, respectively. This result implies, reliability of IFB services positively and significantly affect customer satisfaction in both fully-fledged and window-based branches. The critical value of the difference ($z = -0.843$) is not significant. This result shows that reliability of service has similar effect on customer satisfaction in both full-fledged branches and window-based branches.

When customers perceive a service as reliable, their overall satisfaction with the service increases (Parasuraman, Zeithaml, & Berry, 1988). Reliable services are crucial for achieving high customer satisfaction. Accurate and dependable service delivery is found to be a major driver of positive customer experiences (Ladhari, 2009). banks providing reliable services enjoy higher levels of customer satisfaction, leading to greater customer loyalty and positive word-of-mouth (Siddiqi, 2011). Service reliability has a profoundly positive effect on customer satisfaction in the banking sector. Reliable services build trust and confidence, increase customer loyalty, enhance the overall customer experience, and reduce the incidence of complaints. By prioritizing reliability, banks can ensure higher customer satisfaction, which is essential for long-term success and competitiveness in the market.

4.5.2 Effect of Assurance on Customer Satisfaction

The estimation result has shown that coefficient of assurance ($\beta = 0.095$ is positive and statistically significant ($z = 2.505$; $p = 0.012$) at 0.05 significance level. This result indicates that, on overall, assurance of service positively and significantly affects the customer satisfaction. The effect of assurance on customer satisfaction is positive and significant at significant at 0.05 significance level for fully-fledged branches. However, it is not significant for window-based branches. This result shows assurance of service has positive and significant effect on customer satisfaction in full-fledged branches but not in window-based branches. The critical ratio of difference ($z = -1.224$) is not significant ($z<1.96$) that implies the difference of effect of service assurance on customer satisfaction is not significantly different between fully-fledged branches and window-based branches. The difference of effect of service assurance on customer satisfaction is not caused by providing specialized IFB branches or providing in dedicated windows in conventional banking services. Therefore, effect of service assurance on customer satisfaction is estimated by constraining invariance between fully-fledged and window-based branches. Based on this estimation, effect of assurance on customer satisfaction ($\beta = 0.073$; $p = 0.062$) is not significant at 0.05 significance level; instead, this effect is significant at 0.1 significance level. This result shows there is weak effect of service assurance on customer satisfaction of IFB customers of Awash Bank.

Service assurance positively affects customer satisfaction in the banking sector by building trust and confidence, enhancing customer relationships, and reducing perceived risks associated with financial transactions. Courteous and respectful interactions from bank staff contribute significantly to positive customer experiences. Friendly, polite, and empathetic behavior from employees makes customers feel valued and respected. Banks that invest in training their employees to be knowledgeable, courteous, and trustworthy, and that ensure robust security measures, are more likely to achieve higher levels of customer satisfaction. customers feel more satisfied when they perceive bank employees to be competent, courteous, and trustworthy (Amin & Isa, 2018). Customers value knowledgeable and courteous staff, and that assurance plays a crucial role in their overall satisfaction with banking services (Kumar, Kee, & Charles, 2020). knowledgeable and courteous employees who inspire trust and confidence significantly enhance customer satisfaction (Parasuraman, Zeithaml, & Berry, 1988). Banks that demonstrate high levels

of knowledge and expertise instill confidence in their customers. When employees are well-trained and knowledgeable, customers feel assured that their financial matters are in capable hands.

4.5.3 Effect of Tangibility on Customer Satisfaction

The overall effect of tangibility on customer satisfaction ($\beta = 0.003$; $p = 0.943$) is not statistically significant at any convention significance levels. In addition, this effect is insignificant for both fully-fledged branches ($\beta = 0.032$; $p = 0.577$) and window-based branches ($\beta = 0.011$; $p = 0.802$). This effect is not significantly different ($z = -0.284$) within type of branches. This result suggests that the effect of service tangibility on customer satisfaction is not moderated by IFB service specialization of branches of Awash Bank. Therefore, the service tangibility has no effect on satisfaction of IFB customers of Awash Bank. The overall effect of service tangibility on customer satisfaction is estimated by restricting the indifference. Similar to overall effect in unrestricted estimation, it is insignificant ($\beta = 0.021$; $p = 0.547$) in restricted estimation. Therefore, based on this result, this study revealed that tangibility has no effect of satisfaction of customers of IFB services of Awash Bank.

Service tangibility has a positive effect on customer satisfaction in the banking sector by enhancing the perception of quality, improving customer confidence and trust, increasing usability and accessibility, and eliciting positive emotional responses. By investing in high-quality physical and digital environments, maintaining professional appearances, and ensuring the usability of their services, banks can significantly boost customer satisfaction and loyalty. A bank environment that provides comfort and convenience can positively impact customers' emotional responses. Comfortable waiting areas, complimentary refreshments, and attentive staff can make customers feel valued and cared for (Ranaweera and Neely, 2003; Jamal & Naser, 2002).

A well-maintained, clean, and aesthetically pleasing physical environment in bank branches enhances customers' perceptions of the bank's overall quality. Comfortable seating, professional decor, and modern facilities contribute to a positive first impression and can significantly affect customer satisfaction. High-quality, professionally designed brochures, forms, and online interfaces can make information easier to understand and more appealing, thereby enhancing the overall customer experience. Modern, efficient, and easy-to-use equipment, such as ATMs, digital kiosks, and online banking platforms, convey a sense of reliability and innovation. This reassures

customers that the bank is investing in quality and staying current with technological advancements (Bitner, 1992).

4.5.4 Effect of Empathy on Customer Satisfaction

The effect of empathy, on overall, ($\beta = 0.347$; $p = 0.000$) is positive and significant at 0.01 significance level. This effect is positive and significant for both fully-fledged branches ($\beta = 0.429$; $p = 0.000$); and window-based branches ($\beta = 0.361$; $p = 0.000$). Empathy positively and significantly affects the customer satisfaction at IFB branches and window-based IFB service providing branches. The effect is larger in fully-fledged branches than the window-based branches. however, difference of the effect between the service mode is not statistically significant ($z = -0.415$) that implies the effect of empathy on customer satisfaction is not moderated by service provision modality. This result suggests effect of empathy on customer satisfaction is similar in fully-fledged branches and window-based branches. Therefore, to adjust the sampling variability, the overall effect of empathy on customer satisfaction in IFB services is predicted by constraining the equality of effect. The result of constrained model shows that effect of empathy ($\beta = 0.421$; $p = 0.000$) is positive and statistically significant. The service empathy positively and similarly affects satisfaction of customers of IFB services of Awash Bank.

Empathy has a profoundly positive effect on customer satisfaction in the banking sector. By providing personalized attention, building strong emotional connections, understanding and anticipating customer needs, and delivering tailored solutions, banks can significantly enhance customer satisfaction. Empathy not only fosters loyalty and positive word-of-mouth but also differentiates banks in a competitive market, making it an essential component of superior customer service. Empathetic employees can better understand and anticipate customer needs, leading to more effective and satisfactory service delivery. This proactive approach can prevent problems before they arise and ensure that customers feel supported throughout their interactions with the bank. Personalized attention and understanding customer needs are critical to enhancing satisfaction (Parasuraman, Zeithaml, & Berry, 1988). Empathy helps in building an emotional connection between the bank and its customers. When customers feel that their bank understands and cares about their personal and financial well-being, they are more likely to develop a sense of loyalty and trust. Friendly and understanding staff can turn potentially negative experiences into positive ones, enhancing overall satisfaction. Banks that invest in empathetic service practices tend

to have higher customer satisfaction scores (Caruana, 2022). Customers who feel understood and cared for are more likely to continue their relationship with the bank, resulting in higher retention rates. Empathy can be a key differentiator in a competitive banking market, making it a crucial factor for customer retention. Customers who perceive their bank as empathetic are more likely to be satisfied with the overall service quality (Arasli, Smadi, & Katircioglu, 2015).

4.5.5 Effect of Responsiveness on Customer Satisfaction

The effect of responsiveness ($\beta = 0.202$; $p = 0.011$) on satisfaction of customers is positive and statistically significant at 0.05 significance level. This result shows, on overall, responsiveness in service provision has positive and significant effect on customer satisfaction in IFB. However, this effect is not similar for customers that use services of fully-fledged branches and window-based branches. This effect is larger for customers that use the services in window-based branches ($\beta = 0.206$; $p = 0.041$) than customers that use fully-fledged branches ($\beta = 0.126$; $p = 0.296$). The effect is insignificant in the fully-fledged branches. On the other hand, it is statistically significant for window-based branches at 0.05 significance level. However, after adjusting the sampling variability, the difference of effect of responsiveness on customer satisfaction is not significant ($z = 0.515$) based on service models of the bank. Hence, the effect of responsiveness on customer satisfaction is not moderated by type of IFB that shows the difference of effect of responsiveness on customer satisfaction is not linked to providing IFB services by fully-fledging branches and dedicating windows for IFB services in conventional banking branches. Since, the effect of responsiveness is insignificantly related to method of service provision, overall effect is estimated by restricting this invariance. In constrained model, effect of responsiveness on customer satisfaction ($\beta = 0.165$; $p = 0.033$) is positive and statistically significant at 0.05 significance level. Therefore, this study reveals that responsiveness in service provision positively and significantly affects customer satisfaction in IFB at Awash Bank. Although this effect is significant for branches that provide the service in window bases, the association is not accompanied with the method of service provision.

Service responsiveness positively affects customer satisfaction in the banking sector by ensuring prompt service delivery, providing proactive customer support, enhancing the overall customer experience, and increasing customer loyalty and retention. By prioritizing responsiveness, banks can significantly improve customer satisfaction, leading to stronger customer relationships and a

better competitive position in the market. Customers highly value banks that offer quick and efficient service, which directly impacts their satisfaction levels (Ladhari, 2019). Customers value quick and efficient service. When banks respond promptly to customer inquiries and requests, it enhances the overall customer experience and satisfaction. Long waiting times and delays can lead to frustration, whereas prompt service fosters a positive perception of the bank's efficiency. When customers encounter issues with their accounts or transactions, timely intervention by bank staff ensures minimal disruption and stress, leading to higher satisfaction. Customers appreciate timely and effective responses to their needs and inquiries (Al-Hawari, Ward, & Newby, 2019).

4.5.6 Effect of Compliance to Shariah on Customer Satisfaction

The effect of compliance to Shariah on customer satisfaction ($\beta = 0.111$; $p = 0.000$) is positive and statistically significant at 0.01 significance level. This result suggests compliance to Shariah principles positively and significantly affects satisfaction of customers of IFB services at Awash Bank. Comparatively, this overall effect is similar to effect in fully-fledged branches ($\beta = 0.217$; $p = 0.000$). However, it is not significant for window-based branches ($\beta = 0.044$; $p = 0.368$) that suggests Compliance to Shariah principles has no significant effect on customer satisfaction in window-based branches. The effect of compliance to Shariah Principles is significantly different for fully-fledged branches and the window-based branches ($z = -2.432$; $z > 1.96$). This result shows that method of IFB service provision moderate effect of Compliance to Shariah Principles on satisfaction of customers of IFB services at Awash Bank. Because of its significant difference, effect of Compliance to Shariah Principles on customer satisfaction is estimated by unconstrained effects in constrained model that is applied for other constructs. Based on this model, it is predicted that effect of compliance to Shariah Principles is positive and significant for fully-fledged branches ($\beta = 0.253$; $p = 0.000$) but insignificant for window-based branches ($\beta = 0.010$; $p = 0.819$). Hence, this study implies that compliance to Shariah Principles positively and significantly affects satisfaction of customers of IFB services at Awash Bank. However, it has positive and significant effect on satisfaction of customers of fully-fledged branches. This finding is similar to Othman and Owen (2001) that identified service quality in Islamic banks and revealed that compliance to Shariah is highly considered by Muslim customers since most of the respondents agreed that Islamic banks must execute their activities by observing the Islamic principles and law.

Compliance with Shariah principles has a profoundly positive effect on customer satisfaction in Islamic banking. It builds trust and confidence, enhances customer loyalty, improves the overall customer experience, and contributes to financial stability. By ensuring that their operations and products adhere strictly to Islamic principles, Islamic banks can meet the unique needs of their customers, fostering higher satisfaction and long-term loyalty. Customers expressed higher satisfaction when they perceived the bank's products and services to be fully compliant with Islamic law (Osman et al., 2019). For devout Muslim customers, the primary reason for choosing Islamic banking is to ensure that their financial activities comply with their religious beliefs. Shariah compliance provides assurance that the bank's operations are conducted in a manner consistent with Islamic values, fostering trust and confidence in the banking system. Strict adherence to Shariah principles enhances customer trust and satisfaction (Hassan & Lewis, 2017). Banks that strictly adhere to Shariah principles are perceived as more transparent and ethical. This perception of ethical conduct enhances customer trust, as they believe their funds are managed responsibly and ethically. Adherence to Islamic principles in banking operations positively influences customer perceptions and satisfaction levels (Amin, Isa, & Fontaine, 2013). By avoiding interest-based transactions and speculative activities, Islamic banks often exhibit greater financial stability. Customers who value these principles feel more secure and satisfied knowing that their bank operates in a stable and risk-averse manner.

CHAPTER 5
SUMMARY OF MAJOR FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

Introduction

This study examined effect of service quality on satisfaction of IFB customers of Awash Bank. The features of service quality included in this study were reliability, assurance, tangibility, empathy, responsiveness and compliance to the Shariah principles. This chapter presents summary of major findings, conclusions drawn based on the findings, suggestions provided to management of the bank and the branches. Further, this chapter presents limitation of the study and suggestions to further studies.

5.1 Summary of Major Findings

This study has applied descriptive statistics and SEM. The descriptive statistics was used to assess level of perceived service quality and satisfaction of the customers and the SEM was applied to examine effect of the service quality on customer satisfaction. The result of descriptive statistics indicated that perceived service quality differs for the features of the service quality and for all features perceived service quality is lower at fully-fledged branches than the window-based branches. Similarly, customer satisfaction is higher in window-based branches than the fully-fledged branches. Based on SEM, this study identified that service quality significantly affects satisfaction of customer of IFB on total, and specifically, the customers of fully-fledged branches and window-based branches. However, there is difference of the effect on customers of fully-fledged branches and the window-based branches based on the feature of service quality.

First, this study identified effect of reliability on satisfaction of IFB customers of Awash Bank. The result of SEM, on overall, shown that reliability has positive and significant effect at 0.01 significance level. Similarly, reliability has positive and significant effect on satisfaction of customers of both fully-fledged branches and window-based branches at 0.05 and 0.01 significance levels, respectively. However, this difference is not statistically significant suggesting that effect of reliability on the customer satisfaction is similar at fully-fledged branches and window-based branches. Hence, equality of the effect is constrained but the result is similar to the

unrestricted overall effect and it is identified that reliability has positive and significant effect on satisfaction of IFB customers of Awash Bank.

Second, this study identified effect of service assurance on IFB customers of Awash Bank at fully-fledged branches and window-based branches. The result of descriptive analysis has shown that perceived service quality is lower in fully-fledged branches than the window-based branches. On overall, it is identified that service quality has positive and significant effect on satisfaction of IFB customers. This effect is significant for customers of fully-fledge branches at 0.05 significance level; but it is not significant for customers of window-based branches. Nevertheless, difference of this effect is not significant and constraining this indifference resulted on insignificant effect of service assurance on satisfaction of IFB customer.

Third, this study has identified effect of service tangibility on satisfaction of IFB customers. Although, the descriptive statistics have shown that perceived service tangibility and customer satisfaction is lower for customers of full-fledged windows than the customers of window-based satisfaction, the SEM result has shown that service assurance has no significant effect on customer satisfaction on overall and separately for fully-fledged and window-based branches. The difference of this insignificant effect is not statistically significant for fully-fledged branches and window-based branches. moreover, constraining this equality has resulted similar insignificant effect.

Fourth, this study examined the effect of empathy on satisfaction of IFB customers of Awash Bank. The result of descriptive analysis has shown high perceived quality of service and customer satisfaction. The SEM result supported that empathy positively and significantly affect customer satisfaction at 0.01 significance level. The effect is similar for IFB customers at fully-fledged branches and window-based branches.

Fifth, this study analyzed the effect of responsiveness on satisfaction of IFB customers of Awash Bank. The customers perceived that there is high responsiveness in service provision in both fully-fledged branches and window-based branches with higher perception by customers of window-based branches than the fully-fledged branches. The SEM result has shown that, on overall, responsiveness positively and significantly affects the customer satisfaction at 0.05 significance level. Comparatively, it is computed that responsiveness has positive and significant effect on satisfaction of the customers at Window-based branches and it has positive but no significant effect satisfaction of customers at fully-fledged branches. However, this effect is not significantly

different suggesting that when sampling variability is adjusted responsiveness has similar positive and significant effect on satisfaction of the customers.

Finally, this study explored the effect of compliance to Shariah principles on satisfaction of IFB customers of Awash Bank. The result of descriptive analysis has shown that, on overall, the IFB of Awash Bank comply the Shariah Principles. However, perception by customers at fully-fledged branches and window-based branches are similar about compliance to the principles that rating to compliance to Shariah principles is lower for customers at fully-fledged branches (mean = 3.65) than the customers at window-based branches (mean = 4.15). The result of SEM shows that customer satisfaction is positively and significantly linked to compliance to the Shariah principles at 0.01 significance level. However, this effect is significant for only customers of fully-fledged branches which is significant at 0.01 significance level. The difference of this effect is statistically significant suggesting that effect of compliance to Shariah principles on satisfaction of IFB customers significantly differ based on the service provision method.

5.2 Conclusion

Customers of IFB of Awash Bank are satisfied from the service provided by the bank with small difference in fully-fledged branches and window-based branches. The customer satisfaction is higher in window-based branches than fully-fledged branches. Satisfaction of the customers is related to the quality of the banking services. It is directly influenced by reliability, assurance empathy, responsiveness, tangibility and compliance to Shariah principles.

IFB of Awash Bank availed windows that helps to provide speedy service at normal and peak times. In addition, the provided diversified products in relation to the demand of its customers. Moreover, the bank provides IFB service that the customers feel sense of security and privacy. In addition, the satisfaction of IFB customers of Awash Bank at fully-fledged branches is influenced by service assurance. In fully-fledged branches, satisfaction of the customers is not beyond their expectation due moderate on relationship with staffs, financial advices, and comfort.

Further, empathy of staffs in providing the IFB services influenced satisfaction of IFB customers of the bank both in fully-fledged and window-based branches. It is influenced by location of branches, capacity of the bank, confidentiality on transactions, charges on services and cooperativeness of employee on requests of customers. Customer satisfaction in IFB of Awash bank is improved due to convenience of branches to customers, image of the about the to handle

the customer requests, provision of confidential transaction, low charges on IFB services and cooperativeness of the employees. Furthermore, for customers in window-based branches, customer satisfaction is influenced by responsiveness in service provision. The employees were willing to help customers, and customer handling policy of the bank.

Moreover, the lower customer satisfaction in fully-fledged branches when compared to window-based branches is directly related compliance to Shariah principles. Customers of IFB that use fully-fledged branches are highly sensitive to compliance to Shariah Principles. In these branches the customers feel that the Shariah principles are not adequately complied; hence, their satisfaction is significantly influenced by these practices.

5.3 Recommendations

Based on the conclusion drawn, this study provides suggestions to corporate management and branch management of IFB to improve some area of service quality management and satisfaction of IFB customers of Awash Bank.

First, branch management at fully-fledged branches and window-based branches are suggested to improve their service reliability further. Since fully-fledged branches have weaker service reliability when compared with window-based branches, the management of fully-fledged branches are suggested to improve their current service provision practices; especially, IFB products provided to customers and security of transactions. The fully-fledged branches provide limited products when compared to window-based branches; particularly, in financing products. Hence, the management is suggested to revise the financing products based on demand and capacity of customers of the fully-fledged branches. Moreover, the management in both service modes are suggested to revise the security in transactions with more attention to be provided by fully-fledged branches. As the bank is using open window model to provide service to customers, this needs revision in relation to interest of some customers. In addition, management of fully-fledged branches is suggested to improve service assurance practices that the branches were not surpassing the expectation of their customers; especially, in providing advices requested by customers. Hence, branch management of fully-fledged branches are suggested to coach staffs to be cooperative for requests of the customers and to make interior of the branches to comfortable in line with the IFB principles.

Further, branch management in IFB suggested to sustain the current empathy practices with some improvements. The management of fully-fledged branches are suggested to revise confidentiality of transactions and provide rationale of service charges. The management is recommended to inform how the service charges on transactions are determined by the bank. Furthermore, branch management in customer relationship is suggested to improve responsiveness in service provision, especially, the management in fully-fledged branches to improve responsiveness of employees in handling requests of customers, increase supply of favorable credit, and improve skill of employees to provide fast and efficient service. On the other hand, the management in window-based branches is suggested to sustain current practices of providing responsive services.

Finally, this study suggests management of fully-fledged branches to highly consider compliance of IFB service provided to Shariah principles. Hence, they are suggested to meet the Shariah principles in the procedures of service provision. In addition, they are suggested to develop ethics of employees to comply the code of Shariah based banking procedures; including the dressing and knowledge of Islamic banking.

5.4 Suggestions to Further Studies

This study has tried to reach on generalizable fundings. However, it has some limitations that can be improved in further studies. First, this study has included customers from Addis Ababa although there are number of branches of Awash Bank throughout the country. In addition, there are other commercial banks providing IFB services in Addis Ababa. Therefore, further studies are suggested to include other commercial banks and branches in other parts of the country because findings of this study might be different based on management practices in different banks and location of customers of IFB services in other parts of the country.

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APPENDICES

Appendix A: Questionnaire in English

Addis Ababa University

College of Business and Economics

Department of Management

Dear respondents, I am conducting research in partial fulfillment of my EMBA Program at College of Business and Economics Department of Management, Addis Ababa University. The purpose of this study is to compare the IFB operating models and its effect on customer satisfaction in Awash Bank. Therefore, this is to kindly request you to take your precious time to fill the questionnaire. Your honest and accurate response will make this study more valuable. Your responses are only meant for academic purpose and will be kept confidential. So, please read it carefully and give your opinion.

Thank you in advance for your time!

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Important aspects of the questionnaire

1. There is no need to write your name or any other personal identity
2. For all questions, mark the alternative numbers of your choice
3. Select more than one answer, if applicable

Part One: Demographic Information

Please use this √ mark for each question to indicate your response

1.1: Gender

Male ☐ Female ☐

1.2: Age:

25 or below ☐ 26-35 ☐ 36-45 ☐ >46 ☐

1.3: Religion

Muslim ☐ Non- Muslim ☐

1.4 Educational Background or Years in Education _____

1.5 For how long you have been customer of AB?

Less than 1 year ☐ 1-3 years ☐

3-5 years ☐ >5 years ☐

1.6 Which window are you currently using?

Full-fledged Interest free banking ☐

Conventional banking IFB Window ☐

1.7 Which interest free banking accounts do you have with AB? (You can choose more than one)

Wadiah Amanah (saving account) ☐ Wadiah Amanah (current account) ☐

Mudarabah (investment deposit account) ☐ Mudarabah (savings account) ☐

Labbaik-wadiah (savings account)

1.8 What type of IFB financing service did you use?

Murabaha (Cost Plus) ☐ Ijarah Financing (Leasing) ☐

Interest Free Export Financing (Qard) ☐

Part Two: Customers' Expectation and Perception

The following statement relates to your Perception about the service quality of Awash Bank Interest Free Banking Service. Please indicate how much each of the following factors or criteria (were) are important to your service satisfaction by mark the number for each statement that is closest to your evaluation of the question using the following scale:

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

S.N	Measurements of Service Quality	1	2	3	4	5
RELIABILITY						
1	IFB takes short time for service anywhere.					
2	There is wide range of IFB products.					
3	There is security of transaction in IFB					
4	There are sufficient windows opened at peak time.					
5	Employees provide service at time they promise to do so					
6	I am satisfied with dependability of the IFB service					
ASSURANCE						
7	Staffs are polite and friendly.					
8	Employees provide financial advice when needed.					
9	IFB has an attractive interior comfort					
10	There is ease access to my interest free account information.					
11	Employees are knowledgeable and experienced					
12	I am satisfied with the service guarantee of IFB					
TANGIBILITY						
13	IFB windows are attractive from the outside.					
14	IFB windows offers speedy and efficient transactions.					
15	IFB have operating hours convenient to its customers.					
16	IFB are convenience to get the service.					
17	I am satisfied with the presence of the IFB					
EMPATHY						
18	IFB services are located in easy getting areas.					
19	IFB service is a bank service you can rely on.					
20	AB has the capacity to provide IFB service at customers need.					
21	There is confidentiality of transaction in IFB services					
22	I have confidence in IFB service providing windows team.					
23	IFB provides better profit comparing with conventional bank.					
24	IFB service providing windows charges low service charge.					
25	Employees in IFB are knowledgeable about my business.					
RESPONSIVENESS						

26	Employees are willing to help customers					
27	Employees provide courteous counter service					
28	IFB offers credit on favorable terms					
29	There is adequate number of branches offering IFB service.					
30	Employees provide fast and efficient services					
31	I am satisfied with openness of employees in IFB					
COMPLIANCE TO SHARIAH						
32	IFB products are based on Shariah aspects of Islamic Banking.					
33	IFB financing follows the Shariah aspects of financing.					
34	Employee are aware of the Shariah based banking procedures.					

Part Three: Overall satisfaction

Please rate AB's IFB services and performance by marking the number from the 5- point scale below that reflects your satisfaction level.

KEY: 1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly Agree

		1	2	3	4	5
35	There is a privacy in customer records and transactions					
36	AB gives breadth and depth customer service					
37	I will say positive things about the bank to other people					
38	I will never change to IFB of other banks					
39	AB offers fast and efficient services					
40	Friendliness of AB's personnel					
41	I feel safe when using AB's IFB					
42	AB cares about success of its customers					

Thank you for taking time to complete this questionnaire!

Appendix B: Questionnaire in Amharic

አዲስ አበባ ዩኒቨርሲት

የቢዝነስና እና ኢኮኖሚክስ ኮሌጅ

ማኔጅመንት ትምህርት ክፍል

ውድ ምላሽ ሰጪዎች፣ በአዲስ አበባ ዩኒቨርሲቲ የቢዝነስና ኢኮኖሚክስ ኮሌጅ ማኔጅመንት ትምህርት ክፍል የኢኤምቢኤ ፕሮግራምን በከፊል ለማሟላት ጥናት እያደረግሁ ነው። የዚህ ጥናት ዓላማ ከወለድ ነፃ የባንክ አገልግሎት ኦፕሬቲንግ ሞዴሎችን እና በአዋሽ ባንክ የደንበኞችን እርካታ ላይ የሚያሳድረውን ተጽዕኖ ለማነፃፀር ነው። ስለዚህ መጠይቁን ለመሙላት ውድ ጊዜያችሁን እንድትወስዱ በአክብሮት ለመጠየቅ ነው። የእርስዎ ታማኝ እና ትክክለኛ ምላሽ ይህን ጥናት የበለጠ ዋጋ ያለው ያደርገዋል። ምላሾችዎ ለትምህርት ዓላማ ብቻ የታሰቡ ናቸው እና በሚስጥር ይጠበቃሉ። ስለዚህ እባክዎን በጥንቃቄ ያንብቡት እና አስተያየትዎን ይስጡ.

አስቀድሜ አመሰግናለሁ።

ናትናኤል አበራ

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+251 911425153

የመጠይቁ ማብራሪያ

1. ስምዎን ወይም ሌላ የግል ማንነትዎን መጻፍ አያስፈልግም

2. ለሁሉም ጥያቄዎች፣ በመረጡት አማራጭ ቁጥሮች ላይ ምልክት ያድርጉ

3. ከተፈለገ ከአንድ በላይ መልስ ይምረጡ

ክፍል አንድ፡ ምላሽ ሰጭ መረጃ

እባክዎን ምላሽዎን ለማመልከት ለእያንዳንዱ ጥያቄ ይህንን √ ምልክት ይጠቀሙ

1.1: ጾታ

ወንድ ☐ ሴት ☐

1.2: ዕድሜ:

< 25 ☐ 26-35 ☐ 36-45 ☐ >46 ☐

1.3: ሃይማኖት

ሙስሊም ☐ ሙስሊም ያልሆነ ☐

1.4 የትምህርታዊ ደረጃ ወይም በትምህርት የቆዩበት ጊዜ _____

1.5 ለምን ያህል ጊዜ የአዋሽ ባንክ ደንበኛ ሆነል?

ከ1 አመት በታች ☐ 1-3 ዓመታት ☐

3-5 ዓመታት ☐ ከ 5 ዓመት በላይ ☐

1.6 አሁን የምትጠቀመው የትኛውን መስኮት ነው?

ሙሉ ከወለድ ነፃ የባንክ ቅርንጫፍ ☐

በመስኮት ከወለድ ነፃ አገልግሎት የሚሰ¼ቅርንጫፍ ☐

1.7 ከአዋሽ ባንክ ጋር ምን አይነት ከወለድ ነፃ የባንክ አካውንቶች አሉዎት? (ከአንድ በላይ መምረጥ ይችላሉ)

ዋዲያ ቁጠባ (saving account) ☐ ዋዲያ ተንቀሳቃሽ (current account) ☐

ሙዳራባህ (investment deposit account) ☐ ሙዳራባህ ቁጠባ(savings account) ☐

ሃጅ ና ሁመራ ቁጠባ (savings account) ☐

1.8 ምን አይነት የ ከወለድ ነፃ ብድር አገልግሎት ተጠቅመዋል?

ሙዳራባህ (Cost Plus) ☐ ኢጃራ (Leasing) ☐

ቀርድ ኤክስፖርት (Qard) ☐

ክፍል ሁለት፡ የአገልግሎት ጥራት

የሚከተለው መግለጫ ስለ አዋሽ ባንክ ከወለድ ነፃ የባንክ አገልግሎት የአገልግሎት ጥራት ጋር በተያያዘ የእርስዎን ግንዛቤ ይመለከታል። እባኮትን በሚከተለው ሚዛን በመጠቀም ለጥያቄዎ መልስ ቅርብ በሆነው ለእያንዳንዱ መግለጫ ቁጥር ላይ ምልክት በማድረግ ለአገልግሎት እርካታዎ ምን ያህል አስፈላጊ እንደሆኑ ያመልክቱ።

1. በጣም አልስማማም 2. አልስማማም 3. ገለልተኛ 4. እስማማለሁ 5. በጣም እስማማለሁ

	የአገልግሎት ጥራት መለኪያዎች	**1**	**2**	**3**	**4**	**5**
አስተማማኝነት						
1	ከወለድ ነፃ በየትኛውም ቦታ ለአገልግሎት አጭር ጊዜ ይወስዳል።					
2	ሰፊ ከወለድ ነፃ አገልግሎቶች አሉ።					
3	በወለድ ነፃ አገልግሎት ውስጥ የግብይት ደህንነት አለ።					
4	ከወለድ ነፃ የተከፈቱ በቂ መስኮቶች አሉ።					
5	ሰራተኞች ቃል በሚገቡበት ጊዜ አገልግሎት ይሰጣሉ					
6	ከወለድ ነፃ አገልግሎት በሰራተኞች ታማኝነት ረክቻለሁ					
ዋስትና						
7	ሰራተኞች ጨዋ እና ተግባቢ ናቸው።					
8	አስፈላጊ ሆኖ ሲገኝ ሰራተኞች የገንዘብ አ፱ቃቀም ምክር ይሰጣሉ.					
9	ከወለድ ነፃ ማራኪ ውስጣዊ ምኞት አለው					
10	የእኔን ፍላጎት በተመለከተ መረጃ በቀላሉ ማግኘት ይቻላል					
11	ሰራተኞች እውቀት ያላቸው እና ልምድ ያላቸው ናቸው					
12	ከወለድ ነፃ የአገልግሎት ዋስትና ረክቻለሁ					
ተጨባጭነት						
13	ከወለድ ነፃ መስኮቶች ከውጭ ማራኪ ናቸው.					

14	ከወለድ ነፃ መስከቶች ፈጣን እና ቀልጣፋ ግብይቶችን ያቀርባል።					
15	ከወለድ ነፃ ለደንበኞቹ ምቹ የስራ ሰዓቶች አሉት።					
16	ከወለድ ነፃ ቅርንጫፎች አገልግሎት ለማግኘት ምቹ ወይም ተስማሚ ናቸው።					
17	ከወለድ ነፃ አገልግሎት መኖር ረክቻለሁ					
ርህራሄ						
18	ከወለድ ነፃ አገልግሎቶች በቀላሉ ማግኘት በሚቻልባቸው አካባቢዎች ይገኛሉ።					
19	ከወለድ ነፃ አገልግሎት ሊተማመኑበት የሚችሉት የባንክ አገልግሎት ነው።					
20	ባንኩ ከወለድ ነፃ አገልግሎት የመስጠት አቅም አለው።					
21	ከወለድ ነፃ አገልግሎቶች ውስጥ የግብይት ሚስጥራዊነት አለ።					
22	ከወለድ ነፃ መስኮት አገልግሎት ላይ እምነት አለኝ።					
23	ከወለድ ነፃ ከተለመደው ባንክ ጋር ሲወዳደር የተሻለ ትርፍ ይሰጣል።					
24	በመስከቶች የሚሰጥ የከወለድ ነፃ አገልግሎት ዝቅተኛ የአገልግሎት ክፍያ ያስከፍላል።					
25	ከወለድ ነፃ ውስጥ ያሉ ሰራተኞች ስለ ንግድ ስራዬ እውቀት አላቸው።					
ምላሽ ሰጪነት						
26	ሰራተኞች ደንበኞችን ለመርዳት ፈቃደኞች ናቸው					
27	ሰራተኞች ጨዋነት ያለው አገልግሎት ይሰጣሉ					
28	ከወለድ ነፃ በተመቸ ሁኔታ ብድር ያቀርባል					
29	ከወለድ ነፃ አገልግሎት የሚሰጡ በቂ ቅርንጫፎች አሉ።					
30	ሰራተኞች ፈጣን እና ቀልጣፋ አገልግሎት ይሰጣሉ					
31	ከወለድ ነፃ ውስጥ ባሉ ሰራተኞች አገልግሎት ረክቻለሁ					
የ ሸሪዓ መርሆዎችን ማክበር						

32	ከወለድ ነፃ ባንኩ ያቀረበው አገልግሎት/ፕሮዳክቶች/ በኢስላሚክ ባንኪንግ ሸሪዓዊ ገጽታዎች ላይ የተመሰረቱ ናቸው።					
33	ከወለድ ነፃ የብድር አቅርቦት የሸሪአዊ ገጽታዎች ይከተላል.					
34	ሰራተኛው በሸሪዓ ላይ የተመሰረተ የባንክ አሰራርን ያውቃል።					

ክፍል ሶስት፡ አጠቃላይ የደንበኛ እርካታ

አጠቃላይ የአዋሽ ባንክ የከወለድ ነፃ አገልግሎቶች ላይ ያሎትን እርካታ ይመለካታል።

1. በጣም አልስማማም 2. አልስማማም 3. ገለልተኛ 4. እስማማለሁ 5. በጣም እስማማለሁ

	አጠቃላይ የደንበኛ እርካታ	1	2	3	4	5
35	በደንበኛ መዝገቦች እና ግብይቶች ውስጥ ግላዊነት አለ።					
36	አዋሽ ባንክ ሰፊና ጥልቀት ያለው የደንበኞች አገልግሎት ይሰጣል					
37	ለሌሎች ሰዎች ስለ ባንኩ አዉንታዊ ነገሮችን እናገራለሁ					
38	ወደ ሌሎች ባንኮች ከወለድ ነፃ በፍጹም አልቀየርም።					
39	አዋሽ ባንክ ፈጣንና ቀልጣፋ አገልግሎት ይሰጣል					
40	ከአዋሽ ባንክ ሰራተኞች ጋር መልካም የስራ ግንኙነት አለኝ					
41	ከወለድ ነፃ የአዋሽ ባንክን ስጠቀም ደህንነት ይሰማኛል።					
42	አዋሽ ባንክ ለደንበኞቹ ስኬት ያስባል					

ይህን መጠይቅ ለመሙላት ጊዜ ስለወሰዱ እናመሰግናለን!

Appendix C: Normality Test

Variable	min	max	skew	c.r.	kurtosis	c.r.
CS7	1.000	5.000	-1.330	-10.070	.437	1.656
CS6	1.000	5.000	-1.331	-10.082	.352	1.331
CS5	1.000	5.000	-1.141	-8.636	.159	.604
CS4	1.000	5.000	-1.081	-8.186	-.097	-.366
CS3	1.000	5.000	-1.162	-8.797	.156	.590
CS2	1.000	5.000	-.804	-6.091	-.572	-2.167

CS1	1.000	5.000	-1.015	-7.684	-.171	-.647
CMP3	1.000	5.000	-.946	-7.164	-.459	-1.737
CMP2	1.000	5.000	-1.221	-9.248	-.056	-.212
CMP1	1.000	5.000	-1.349	-10.212	.320	1.213
RSP5	1.000	5.000	-1.210	-9.164	.221	.838
RSP4	1.000	5.000	-1.404	-10.633	.828	3.134
RSP3	1.000	5.000	-1.328	-10.056	.708	2.682
RSP2	1.000	5.000	-1.516	-11.477	1.219	4.615
RSP1	1.000	5.000	-1.898	-14.370	2.330	8.822
EMP8	1.000	5.000	-2.167	-16.408	3.641	13.784
EMP7	1.000	5.000	-1.811	-13.711	2.437	9.227
EMP6	1.000	5.000	-1.751	-13.257	2.068	7.829
EMP5	1.000	5.000	-1.091	-8.262	-.082	-.311
EMP4	1.000	5.000	-1.417	-10.726	.657	2.486
EMP3	1.000	5.000	-1.992	-15.083	2.737	10.363
EMP2	1.000	5.000	-.924	-6.998	-.375	-1.420
EMP1	1.000	5.000	-1.649	-12.488	1.638	6.202
TNG4	1.000	5.000	-.986	-7.468	-.383	-1.451
TNG3	1.000	5.000	-.978	-7.403	-.268	-1.014
TNG2	1.000	5.000	-.899	-6.804	-.624	-2.363
TNG1	1.000	5.000	-.531	-4.019	-1.199	-4.539
ASR3	1.000	5.000	-.636	-4.818	-.760	-2.877
ASR2	1.000	5.000	-1.161	-8.793	.028	.106
ASR1	1.000	5.000	-1.514	-11.461	1.019	3.857
RLB4	1.000	5.000	-.940	-7.114	-.387	-1.465
RLB3	1.000	5.000	-.814	-6.161	-.590	-2.234
RLB2	1.000	5.000	-.790	-5.981	-.584	-2.210
RLB1	1.000	5.000	-.843	-6.384	-.602	-2.280
Multivariate					146.921	27.538

Appendix D: CFA Results

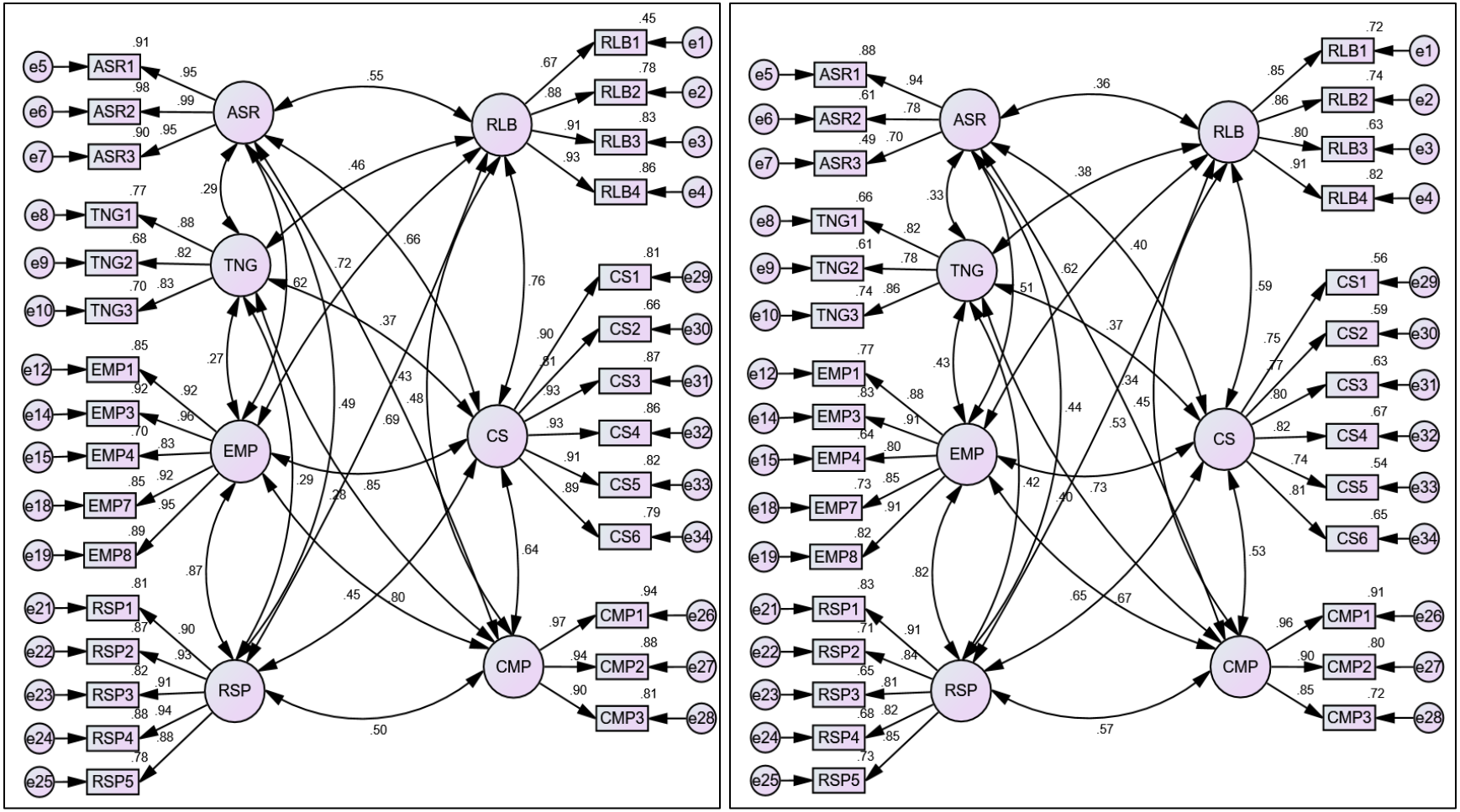
Appendix D1: Regression Weights

			Initial Model				Modified Model			
			Estimate	S.E.	C.R.	P	Estimate	S.E.	C.R.	P

RLB1	<---	RLB	1.000				1.000			
RLB2	<---	RLB	1.098	.061	18.009	***	1.098	.061	18.005	***
RLB3	<---	RLB	1.075	.063	17.125	***	1.075	.063	17.122	***
RLB4	<---	RLB	1.152	.061	18.743	***	1.153	.062	18.739	***
ASR1	<---	ASR	1.000				1.000			
ASR2	<---	ASR	.966	.038	25.207	***	.967	.038	25.210	***
ASR3	<---	ASR	.894	.041	21.596	***	.894	.041	21.600	***
TNG1	<---	TNG	1.000				1.000			
TNG2	<---	TNG	1.053	.063	16.668	***	1.053	.063	16.668	***
TNG3	<---	TNG	.923	.059	15.706	***	.923	.059	15.704	***
TNG4	<---	TNG	.901	.062	14.632	***	.901	.062	14.633	***
EMP1	<---	EMP	1.000				1.000			
EMP2	<---	EMP	.828	.055	15.023	***				
EMP3	<---	EMP	1.024	.036	28.440	***	1.028	.037	27.676	***
EMP4	<---	EMP	.973	.046	21.256	***	.977	.047	20.912	***
EMP5	<---	EMP	.965	.050	19.290	***	.968	.051	18.970	***
EMP6	<---	EMP	.932	.037	24.984	***	.941	.038	24.775	***
EMP7	<---	EMP	.908	.034	26.385	***	.916	.035	26.065	***
EMP8	<---	EMP	.931	.034	27.386	***	.940	.035	27.047	***
RSP1	<---	RSP	1.000				1.000			
RSP2	<---	RSP	1.037	.040	26.073	***	1.037	.040	26.068	***
RSP3	<---	RSP	1.022	.043	23.869	***	1.022	.043	23.871	***
RSP4	<---	RSP	1.069	.042	25.450	***	1.069	.042	25.434	***

RSP5	<---	RSP	1.134	.046	24.840	***	1.135	.046	24.858	***
CMP1	<---	CMP	1.000				1.000			
CMP2	<---	CMP	.961	.030	31.876	***	.961	.030	31.878	***
CMP3	<---	CMP	.888	.033	26.972	***	.888	.033	26.971	***
CS1	<---	CS	1.000				1.000			
CS2	<---	CS	.941	.059	15.982	***	.941	.059	15.985	***
CS3	<---	CS	1.026	.054	18.841	***	1.026	.054	18.843	***
CS4	<---	CS	1.041	.056	18.445	***	1.041	.056	18.446	***
CS5	<---	CS	1.020	.055	18.576	***	1.020	.055	18.581	***
CS6	<---	CS	1.130	.055	20.628	***	1.129	.055	20.629	***
CS7	<---	CS	1.085	.053	20.376	***	1.085	.053	20.381	***

Appendix D2: Measurement Model: Groups (FFB and WBB)



Appendix D3: Measurement Invariance Test

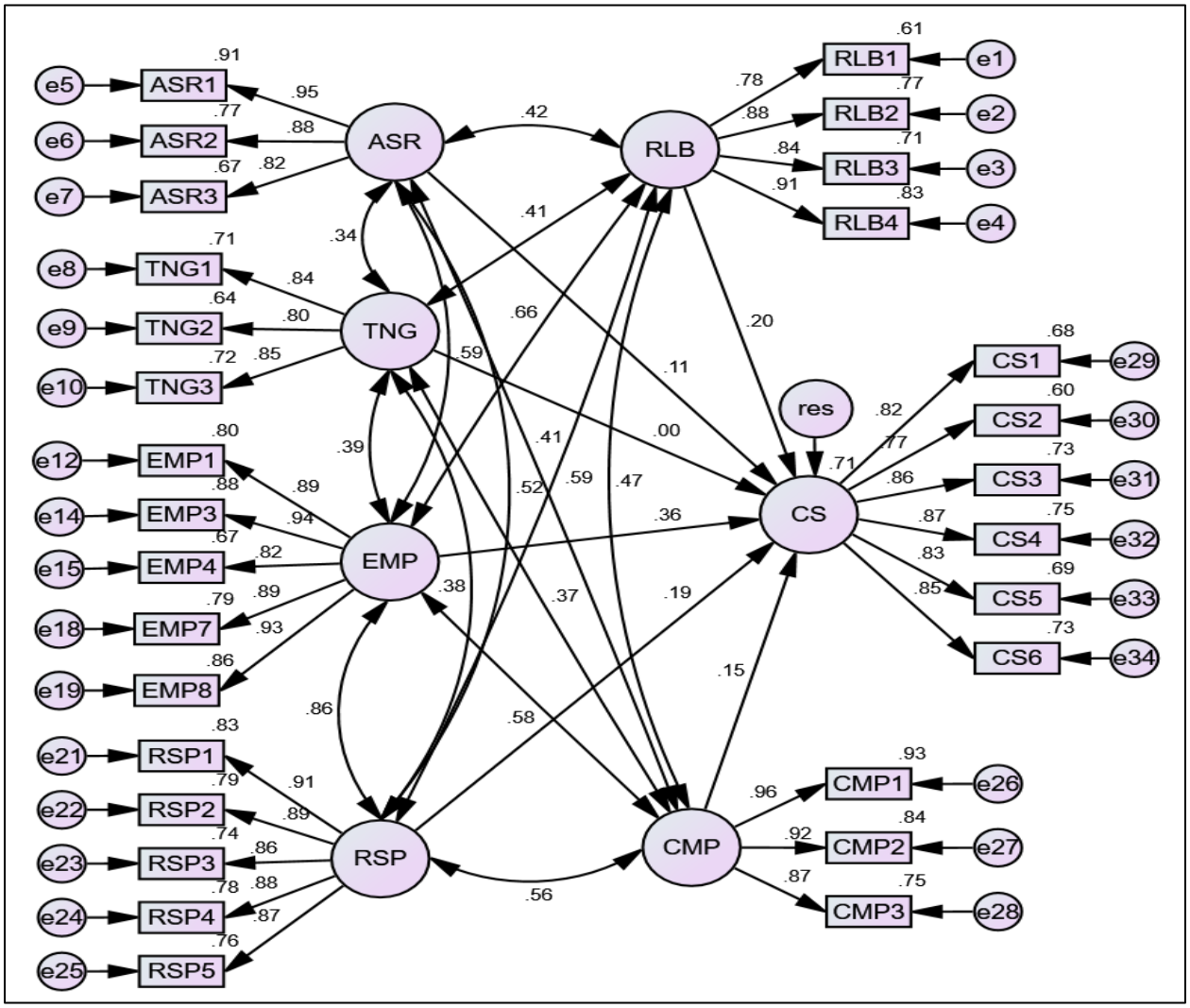
	a1	a2	a3	a4	a5	a6	a7	a8	a9	a10	a11	a12	a13	a14	a15	a16	a17	a18	a19	a20	a21	a22
a1	**-2.55**	-2.80	-2.89	-1.28	-0.18	-0.21	0.55	-1.56	0.40	-0.01	-0.79	-1.80	-2.13	-2.26	-1.87	-0.49	0.96	1.56	-1.08	-1.29	-1.06	-0.96
a2	-2.82	**-3.07**	-3.16	-1.97	-0.88	-0.67	0.04	-2.16	-0.19	-0.66	-1.42	-2.33	-2.62	-2.78	-2.35	-1.18	0.24	0.94	-1.65	-1.85	-1.61	-1.50
a3	-2.16	-2.42	**-2.51**	-0.22	0.83	0.42	1.23	-0.66	1.20	0.89	0.12	-1.00	-1.39	-1.48	-1.15	0.49	1.93	2.36	-0.25	-0.47	-0.27	-0.18
a4	-2.29	-2.54	-2.63	**-0.63**	0.26	0.09	0.81	-0.96	0.70	0.37	-0.30	-1.25	-1.59	-1.67	-1.38	-0.01	1.22	1.74	-0.59	-0.78	-0.60	-0.51
a5	-2.71	-2.96	-3.04	-1.59	**-0.69**	-0.58	0.09	-1.83	-0.11	-0.52	-1.18	-2.04	-2.33	-2.44	-2.10	-0.94	0.27	0.90	-1.41	-1.59	-1.39	-1.29
a6	-2.83	-3.07	-3.16	-1.89	-0.93	**-0.73**	-0.06	-2.10	-0.28	-0.73	-1.42	-2.28	-2.56	-2.69	-2.32	-1.19	0.09	0.76	-1.64	-1.82	-1.61	-1.51
a7	-2.62	-2.87	-2.96	-1.41	-0.44	-0.40	**0.30**	-1.67	0.13	-0.28	-0.98	-1.89	-2.20	-2.31	-1.96	-0.72	0.57	1.19	-1.23	-1.42	-1.22	-1.12
a8	-2.45	-2.71	-2.80	-1.04	0.19	0.01	0.83	**-1.37**	0.72	0.33	-0.52	-1.63	-1.99	-2.13	-1.71	-0.17	1.43	1.97	-0.85	-1.08	-0.84	-0.73
a9	-2.36	-2.62	-2.70	-0.77	0.25	0.07	0.83	-1.11	**0.73**	0.37	-0.37	-1.40	-1.75	-1.86	-1.51	-0.06	1.33	1.85	-0.69	-0.89	-0.69	-0.59
a10	-3.47	-3.72	-3.82	-4.28	-2.75	-1.69	-1.01	-4.02	-1.46	**-2.22**	-3.15	-3.90	-4.07	-4.37	-3.71	-3.05	-1.29	-0.21	-3.21	-3.40	-3.08	-2.90
a11	-3.06	-3.32	-3.41	-3.04	-1.57	-1.00	-0.26	-2.99	-0.56	-1.19	**-2.11**	-3.02	-3.26	-3.50	-2.93	-1.91	-0.16	0.71	-2.28	-2.49	-2.19	-2.04
a12	-2.56	-2.82	-2.91	-1.34	-0.16	-0.20	0.58	-1.62	0.43	0.01	-0.81	**-1.85**	-2.18	-2.32	-1.91	-0.50	1.03	1.63	-1.10	-1.32	-1.08	-0.97
a13	-2.71	-2.97	-3.06	-1.74	-0.58	-0.46	0.29	-1.96	0.10	-0.37	-1.17	-2.15	**-2.46**	-2.61	-2.18	-0.90	0.61	1.27	-1.43	-1.64	-1.40	-1.28
a14	-2.21	-2.47	-2.56	-0.36	0.68	0.34	1.13	-0.77	1.08	0.75	-0.01	-1.10	-1.48	**-1.57**	-1.24	0.35	1.77	2.23	-0.36	-0.58	-0.38	-0.28
a15	-1.56	-1.83	-1.92	1.34	2.27	1.37	2.23	0.71	2.35	2.19	1.47	0.21	-0.25	-0.27	**-0.05**	1.92	3.27	3.50	1.00	0.76	0.92	0.98
a16	-2.49	-2.75	-2.84	-1.17	0.14	-0.02	0.81	-1.48	0.70	0.29	-0.60	-1.73	-2.08	-2.24	-1.79	**-0.24**	1.45	1.99	-0.93	-1.16	-0.91	-0.80
a17	-2.65	-2.90	-3.00	-1.64	-0.36	-0.31	0.48	-1.86	0.31	-0.15	-1.01	-2.06	-2.38	-2.55	-2.09	-0.71	**0.92**	1.56	-1.30	-1.52	-1.26	-1.14
a18	-1.32	-1.57	-1.65	1.14	1.80	1.31	2.00	0.74	2.01	1.82	1.28	0.37	0.01	0.00	0.16	1.57	2.54	**2.88**	0.96	0.79	0.92	0.97
a19	-1.76	-2.01	-2.09	0.41	1.16	0.78	1.48	0.02	1.44	1.20	0.62	-0.32	-0.68	-0.71	-0.51	0.91	1.98	2.38	**0.30**	0.12	0.27	0.33
a20	-1.38	-1.63	-1.71	1.14	1.85	1.31	2.02	0.71	2.04	1.85	1.29	0.32	-0.06	-0.07	0.10	1.60	2.63	2.97	0.95	**0.76**	0.89	0.95
a21	-2.38	-2.62	-2.71	-0.86	-0.06	-0.13	0.53	-1.15	0.40	0.06	-0.55	-1.41	-1.72	-1.80	-1.52	-0.30	0.82	1.35	-0.81	-0.98	**-0.81**	-0.73
a22	-1.57	-1.82	-1.90	0.78	1.51	1.04	1.75	0.37	1.75	1.53	0.96	0.00	-0.37	-0.39	-0.20	1.26	2.31	2.68	0.63	0.44	0.58	**0.64**

Appendix D4: Regression Weights: Groups

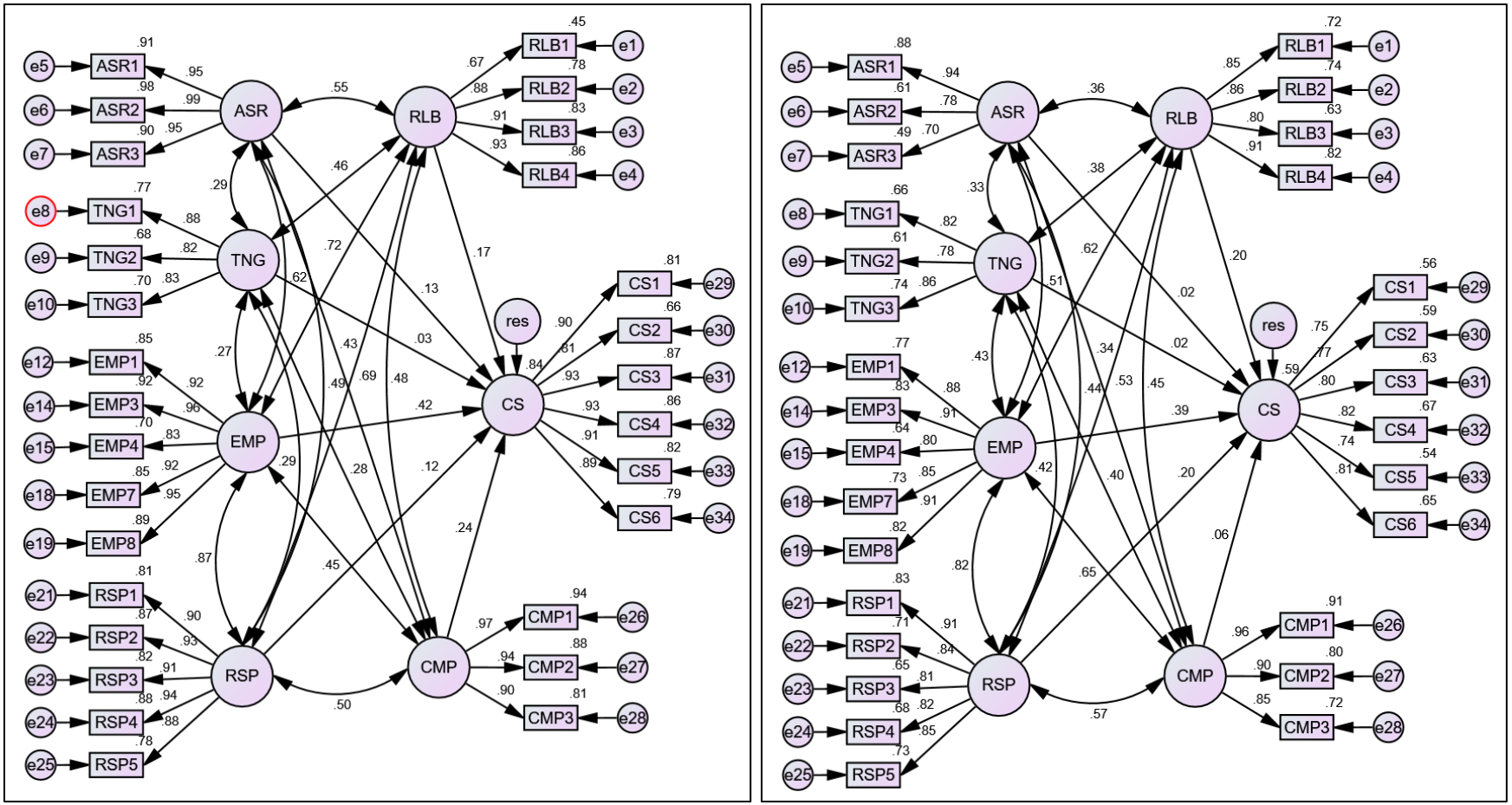
			Total				Fully-fledged Branches				Window-Based Branches			
			Est	S.E.	C.R.	P	Est	S.E.	C.R.	P	Est	S.E.	C.R.	P
RLB1	<---	RLB	1.000				1.000				1.000			
RLB2	<---	RLB	1.098	.061	17.935	***	1.406	.174	8.081	***	.941	.056	16.716	***
RLB3	<---	RLB	1.078	.063	17.114	***	1.459	.176	8.278	***	.888	.060	14.772	***
RLB4	<---	RLB	1.155	.062	18.706	***	1.473	.175	8.401	***	1.012	.056	18.202	***
ASR1	<---	ASR	1.000				1.000				1.000			
ASR2	<---	ASR	.969	.038	25.170	***	1.027	.037	27.973	***	.976	.072	13.507	***
ASR3	<---	ASR	.895	.042	21.567	***	.954	.044	21.839	***	.894	.075	11.926	***
TNG1	<---	TNG	1.000				1.000				1.000			
TNG2	<---	TNG	.910	.056	16.214	***	.965	.097	9.920	***	.877	.070	12.480	***
TNG3	<---	TNG	.896	.053	17.052	***	.884	.088	10.065	***	.918	.068	13.411	***
EMP1	<---	EMP	1.000				1.000				1.000			
EMP3	<---	EMP	1.023	.036	28.598	***	1.063	.054	19.619	***	.966	.046	20.971	***
EMP4	<---	EMP	.964	.046	20.959	***	.905	.070	12.904	***	.972	.060	16.091	***
EMP7	<---	EMP	.889	.035	25.217	***	.942	.056	16.806	***	.785	.043	18.243	***
EMP8	<---	EMP	.935	.034	27.884	***	1.003	.054	18.526	***	.859	.041	20.828	***
RSP1	<---	RSP	1.000				1.000				1.000			
RSP2	<---	RSP	1.035	.040	25.966	***	1.100	.069	16.034	***	.942	.051	18.396	***
RSP3	<---	RSP	1.023	.043	23.949	***	1.144	.077	14.876	***	.913	.054	16.955	***
RSP4	<---	RSP	1.069	.042	25.456	***	1.144	.070	16.303	***	1.002	.057	17.622	***
RSP5	<---	RSP	1.135	.046	24.876	***	1.125	.081	13.913	***	1.120	.059	19.059	***
CMP1	<---	CMP	1.000				1.000				1.000			
CMP2	<---	CMP	.961	.030	31.888	***	.977	.046	21.347	***	.962	.041	23.297	***
CMP3	<---	CMP	.888	.033	26.970	***	.869	.049	17.736	***	.931	.046	20.411	***
CS1	<---	CS	1.000				1.000				1.000			
CS2	<---	CS	.961	.058	16.625	***	.802	.069	11.570	***	1.144	.096	11.869	***
CS3	<---	CS	1.037	.053	19.394	***	1.033	.064	16.108	***	1.065	.086	12.392	***
CS4	<---	CS	1.078	.055	19.702	***	1.052	.066	15.983	***	1.137	.089	12.770	***
CS5	<---	CS	1.005	.055	18.393	***	1.036	.069	14.945	***	.948	.083	11.395	***
CS6	<---	CS	1.073	.056	19.256	***	1.028	.072	14.278	***	1.101	.087	12.608	***

Appendix E: Structural Equation Model Results

Appendix E1: Overall SEM



Appendix E2: Structural Model: Groups (FFB and WBB)



Appendix E3: Measurement Invariance Test: SEM

	a1	a2	a3	a4	a5	a6	a7	a8	a9	a10	a11	a12	a13	a14	a15	a16	a17	a18	a19	a20	a21	a22

a1	-2.42	-2.69	-2.80	-1.18	-0.08	-0.15	0.61	-1.33	0.58	0.21	-0.57	-1.69	-2.02	-2.15	-1.77	-0.42	1.03	1.21	-1.44	-1.66	-1.38	-1.28
a2	-2.71	-2.97	-3.08	-1.87	-0.78	-0.61	0.10	-1.95	-0.02	-0.45	-1.22	-2.22	-2.52	-2.67	-2.26	-1.10	0.31	0.62	-1.98	-2.19	-1.90	-1.79
a3	-2.01	-2.28	-2.39	-0.13	0.92	0.48	1.29	-0.41	1.39	1.12	0.35	-0.89	-1.28	-1.37	-1.05	0.56	1.99	1.98	-0.64	-0.87	-0.62	-0.54
a4	-2.14	-2.41	-2.51	-0.56	0.34	0.14	0.86	-0.77	0.86	0.56	-0.11	-1.16	-1.50	-1.58	-1.29	0.04	1.28	1.42	-0.94	-1.15	-0.91	-0.83
a5	-2.58	-2.84	-2.95	-1.52	-0.61	-0.52	0.14	-1.64	0.04	-0.33	-1.00	-1.94	-2.23	-2.35	-2.01	-0.88	0.34	0.62	-1.73	-1.92	-1.67	-1.58
a6	-2.73	-2.99	-3.10	-1.86	-0.89	-0.71	-0.04	-1.94	-0.17	-0.58	-1.28	-2.22	-2.50	-2.64	-2.26	-1.17	0.11	0.44	-2.00	-2.20	-1.93	-1.83
a7	-2.51	-2.77	-2.88	-1.38	-0.41	-0.38	0.32	-1.51	0.25	-0.13	-0.83	-1.83	-2.14	-2.26	-1.91	-0.71	0.59	0.84	-1.61	-1.82	-1.55	-1.46
a8	-2.29	-2.57	-2.68	-0.86	0.37	0.11	0.93	-1.06	0.97	0.63	-0.22	-1.47	-1.83	-1.97	-1.56	-0.03	1.57	1.61	-1.19	-1.42	-1.13	-1.03
a9	-2.19	-2.46	-2.57	-0.61	0.41	0.16	0.93	-0.83	0.96	0.64	-0.10	-1.24	-1.60	-1.70	-1.37	0.07	1.45	1.54	-0.99	-1.21	-0.96	-0.87
a10	-3.39	-3.65	-3.77	-4.09	-2.57	-1.60	-0.92	-3.78	-1.26	-1.97	-2.91	-3.76	-3.94	-4.23	-3.59	-2.91	-1.15	-0.47	-3.45	-3.65	-3.26	-3.10
a11	-2.95	-3.22	-3.34	-2.85	-1.39	-0.90	-0.15	-2.72	-0.33	-0.91	-1.84	-2.86	-3.12	-3.36	-2.79	-1.76	-0.01	0.40	-2.56	-2.78	-2.42	-2.28
a12	-2.45	-2.72	-2.83	-1.30	-0.11	-0.18	0.60	-1.43	0.58	0.19	-0.63	-1.78	-2.11	-2.26	-1.85	-0.48	1.06	1.23	-1.52	-1.75	-1.45	-1.35
a13	-2.60	-2.87	-2.99	-1.69	-0.52	-0.43	0.32	-1.77	0.24	-0.18	-0.99	-2.07	-2.38	-2.54	-2.11	-0.86	0.64	0.90	-1.82	-2.04	-1.74	-1.63
a14	-2.07	-2.35	-2.46	-0.32	0.73	0.36	1.16	-0.58	1.23	0.94	0.18	-1.03	-1.41	-1.50	-1.17	0.38	1.80	1.83	-0.78	-1.01	-0.75	-0.67
a15	-1.38	-1.66	-1.77	1.39	2.33	1.40	2.27	0.93	2.52	2.40	1.68	0.30	-0.16	-0.19	0.03	1.95	3.31	3.06	0.54	0.30	0.51	0.56
a16	-2.37	-2.65	-2.76	-1.12	0.20	0.00	0.84	-1.27	0.86	0.50	-0.40	-1.66	-2.01	-2.17	-1.73	-0.21	1.48	1.54	-1.39	-1.63	-1.31	-1.20
a17	-2.54	-2.82	-2.93	-1.60	-0.31	-0.29	0.50	-1.68	0.45	0.03	-0.84	-2.00	-2.32	-2.49	-2.03	-0.69	0.94	1.13	-1.74	-1.97	-1.65	-1.53
a18	-1.48	-1.74	-1.84	0.67	1.44	0.97	1.69	0.38	1.76	1.55	0.97	-0.08	-0.45	-0.48	-0.28	1.16	2.26	2.35	0.13	-0.08	0.12	0.18
a19	-1.94	-2.20	-2.30	-0.17	0.70	0.40	1.13	-0.40	1.15	0.88	0.23	-0.83	-1.18	-1.25	-0.98	0.40	1.61	1.77	-0.65	-0.87	-0.63	-0.55
a20	-1.55	-1.82	-1.91	0.63	1.45	0.94	1.69	0.32	1.78	1.57	0.94	-0.16	-0.54	-0.58	-0.36	1.16	2.33	2.41	0.06	-0.17	0.05	0.11
a21	-2.55	-2.81	-2.91	-1.51	-0.57	-0.50	0.18	-1.60	0.08	-0.29	-0.96	-1.93	-2.22	-2.34	-1.99	-0.86	0.39	0.69	-1.80	-2.01	-1.73	-1.63
a22	-1.72	-1.98	-2.08	0.29	1.13	0.71	1.45	0.01	1.51	1.28	0.64	-0.45	-0.82	-0.87	-0.63	0.84	2.03	2.14	-0.25	-0.47	-0.25	-0.18

Appendix E4: Regression Weights: Group Analysis - SEM

Model	Variables	FFB				WBB				R-square	
		Estimate	S.E.	C.R.	P	Estimate	S.E.	C.R.	P	FFB	WBB
SEM1	ASR	.119	.057	2.107	.035	.016	.053	.305	.761	.836	0.586
	TNG	.034	.058	.592	.554	.011	.044	.256	.798		
	EMP	.444	.131	3.393	***	.341	.104	3.266	.001		
	RSP	.140	.126	1.106	.269	.196	.097	2.012	.044		
	RLB	.266	.126	2.118	.034	.152	.051	2.985	.003		
	CMP	.216	.052	4.145	***	.045	.049	.921	.357		
SEM2	ASR	.113	.055	2.060	.039	.022	.056	.387	.699	.835	.596
	TNG	.033	.057	.584	.559	.011	.045	.241	.810		
	EMP	.425	.123	3.463	***	.374	.112	3.332	***		
	RSP	.122	.118	1.035	.301	.206	.103	1.992	.046		
	RLB	.188	.090	2.103	.035	.167	.056	2.956	.003		
	CMP	.214	.051	4.210	***	.050	.050	1.006	.314		
SEM3	ASR	.114	.056	2.057	.040	.018	.056	.327	.744	.835	.589
	TNG	.032	.057	.558	.577	.011	.045	.251	.802		
	EMP	.429	.125	3.436	***	.361	.109	3.310	***		
	RSP	.126	.120	1.045	.296	.206	.101	2.045	.041		
	RLB	.262	.124	2.109	.035	.151	.051	2.947	.003		
	CMP	.217	.051	4.210	***	.044	.049	.900	.368		
SEM4	ASR	.107	.040	2.672	.008	.107	.040	2.672	.008	.754	.644
	TNG	.004	.036	.118	.906	.004	.036	.118	.906		
	EMP	.343	.082	4.158	***	.343	.082	4.158	***		
	RSP	.228	.079	2.899	.004	.228	.079	2.899	.004		
	RLB	.152	.048	3.167	.002	.152	.048	3.167	.002		
	CMP	.116	.036	3.272	.001	.116	.036	3.272	.001		
SEM5	ASR	.074	.039	1.888	.059	.074	.039	1.888	.059	.818	.610
	TNG	.021	.035	.590	.555	.021	.035	.590	.555		
	EMP	.417	.082	5.062	***	.417	.082	5.062	***		
	RSP	.168	.077	2.175	.030	.168	.077	2.175	.030		
	RLB	.157	.047	3.347	***	.157	.047	3.347	***		
	CMP	.254	.048	5.323	***	.008	.043	.190	.849		