

**A Study on Beneficiaries' Satisfaction at Employees
Provident Fund, Nepal**

Submitted By:

Shanta Gauatam

T.U. Reg. No. 32859-89

Central Department of Public Administration

Jamal, Kathmandu, Nepal

Aujust, 2014

Submitted to:

Central Department of Public Administration,

Faculty of Management, Tribhuvan University,

Kathmandu

**A Thesis for the Partial Fulfillment of the Requirements for the
Master in Philosophy in Public Administration (M. Phil.)**

DECLARATION

I hereby declare that this thesis entitled "**A Study on Beneficiaries' Satisfaction at Employees Provident Fund, Nepal**", submitted to Central Department of Public Administration, Faculty of Management, Tribhuvan University, has been completed as per the prescribed format of Tribhuvan University and this is my original work done for the partial fulfillment of the requirement of the degree of Masters of Philosophy in Public Administration (M. Phil.) under the guidance and supervision of Prof. Dr. Teknath Dhakal, Head of the Central Department of Public Administration (CDPA). I personally will have no objection if data and work of my thesis, in part or whole, is photocopied or used for other research purpose.

Shanta Gautam

M. Phil. in Public Administration

Central Department of Public Administration (CDPA)

Jamal, Kathmandu, Nepal



TRIBHUVAN UNIVERSITY
FACULTY OF MANAGEMENT
CENTRAL DEPARTMENT OF PUBLIC ADMINISTRATION
(1976)

Jamal
Kathmandu, Nepal
Date 29 August 2014

Ref. No.

VIVA-VOCE SHEET

We have conducted the viva-voce examination of the thesis

Submitted by:

SHANTA GAUTAM


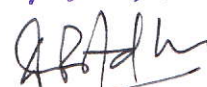

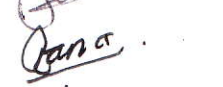




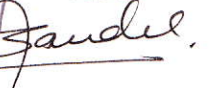


Entitled

A study on beneficiaries' satisfaction at Employees Provident Fund
of Nepal

and found the thesis to be the original work of the students and written according to the prescribed format. We recommended the thesis to be accepted as the partial fulfillment of the requirements for Master of Philosophy.

Evaluation Committee:

Signature

1. Tek Nath Dhakal 
2. Prof. Dev Raj Adhikari 
3. Purusottam Sharma 
4. Shree Krishna Shrestha 
5. Rajib Bikram Rana 
6. Dhruva Raj Prasad 
7. Rama Raj Niroula 
8. Prachanda Pradhan 
9. Hari Bhakta Shahi 
10. Gurindal D. Shukel 
11. Narendra R. Paudel 



FACULTY OF MANAGEMENT
CENTRAL DEPARTMENT OF PUBLIC ADMINISTRATION
(1976)

Jamal
Kathmandu, Nepal
Date 29 August 2014

Ref. No.

M.Phil. in Public Administration Program

RECOMMENDATION

This is to certify that the Thesis

Submitted by

SHANTA GAUTAM

Entitled:

**A study on beneficiaries' satisfaction at Employees Provident Fund
of Nepal**

has been prepared as approved by this program in the prescribed format of the
Faculty of Management. This thesis is forwarded for examination.

Thesis Supervisor

1. Prof. Dr Tek Nath Dhakal


.....

ACKNOWLEDGEMENT

This research work would not have been possible if it were not for the support I received from several individuals and organizations. It is my great joy to acknowledge them here.

Firstly, I thank God as the supreme source of my inspiration, for His peace, grace and providence which were indispensable to accomplish the assigned task. Without you, Oh God, I would not have come this far!

Secondly, I would like to express my hearty gratitude to Prof. Dr. Tek Nath Dhakal, my thesis supervisor for his invaluable, insistent, critical review, comments, suggestions, constructive and inspiring guidance in the whole process of writing the thesis. I would also like to extend my sincere appreciation to Prof. Dr. Shree Krishna Shrestha who has been always supportive, encouraging and inspiring me to complete my Thesis. My hearty gratitude goes to Prof. Dr. Govind Prasad Dhakal, Prof. Dr. Rajiv Bikram Rana, Prof. Dr. Prachanda Pradhan, Prof. Dr. Devendra Bahadur Chhetri and Prof. Ratna Raj Niroula for their guidance in my work. My sincere and special gratitude to Dr. Narendra Raj Paudel, Dy. Coordinator of M. phil. Program for his continuous support, feedback, suggestions and corrections in every step of my research work. Similarly, I am very grateful to all the staff of CDPA specially Mr. Bholu Pokharel, Mr. Krishna Amgai, Prabin Dhakal, all family member of Library of Public Administration Campus, Jamal, all family member of Central Library of Tribhuvan University, Kirtipur and all the family member of Social Science Baha, Battispatali with whom I interacted during the entire period of my M.Phil studies. This experience opened my mind to new ways of thinking.

Thirdly, I recognize the love, support and encouragement I received from my wife Shakuntala and my children Shrutee and Shristee throughout my research work.

Fourthly, I am indebted to all the informants, respondents who participated in the research and to those who provided me with rich information that was indispensable for research work.

Fifthly, I would also like to express my sincere thanks to Mr. Krishna Prasad Acharya, Administrator (CEO) of EPF, Chief Officers Mr. Radha Krishna Pote and Mrs. Hasana Sharma, Department Chiefs Mr. Kailash Bhakta Karanjit and Mr. Rajendra Kafle respectively, all my seniors, colleagues and friends at EPF and Beneficiaries of EPF. My hearty gratitude goes to all seniors, colleagues, friends and participants for responding the questionnaire despite their busy schedule. Their valuable inputs and opinion through questionnaire are the foundation of this research work.

I appreciate my colleagues of M. Phil. especially to Mr. Maharaj Koirala, Chetnath Dahal, Iswar Babu Karki, Tanka Ram Gautam, Badri Subedi, Hasana Sharma, Pratap Kumar Pathak, Chudamani Sharma, Raj Kumar Khadka, Arjun Kumar Gautam, Jeevan Kumar katwal and Dilip Raj Paudel for their inspiring, encouraging and supportive role to complete this task. I would like to express my sincere thanks to Mr. Tula Ram Giri, Raj Kumar Khadka, Mr. Topa Ram Pandit, Mr. Bhesh Nath Bhattarai, Mr. Lal Bahadur Sunuwar, Mr. Ram Prasad Lamichhane and Madhu Sudhan Adhikari for their support in distributing and collecting questionnaires. Managers (Project) of EPF, Mr. Madan Suvedi's contributions along with his stimulating suggestions enrich me to complete my thesis.

Last but not the least; I appreciate my employer, the Employees Provident Fund, Nepal, for granting me a study leave. I thank all those who come to help me in fulfilling this endeavor in a way or other, directly or indirectly. I beg apology if I miss anyone to remember who supported my effort and forget to mention here.

ShantaGautam

M.Phil in Public Administration

Central Department of Public Administration (CDPA)

Kathmandu, Nepal

August, 2014

ABSTRACT

This study is a descriptive research aimed at accessing and describing beneficiaries' expectation and perception of service quality at Employees Provident Fund, Nepal and subsequently identifying the dimensions of service quality that drives customers' perceived service quality at EPF, Nepal. The target population of the study was beneficiaries' of EPF, Nepal. Of the total target population, 160 beneficiaries' of EPF in Kathmandu valley were selected as the sample size of the study. The critical dimensions of service quality (SERVQUAL Model) at EPF, Nepal are examined in six dimensions: Tangibility, Reliability, Responsiveness, Assurance, Empathy and Corporate Governance. The findings of the study revealed that beneficiaries' perception on service quality at EPF is found below their expectation. The average satisfaction level in all six dimensions is 77 percent.

Beneficiaries' perception level in all the dimensions is found lower than the beneficiaries' expectations. The findings of the study revealed that the most influential dimension that drives beneficiaries' perception of overall service quality is the corporate governance. The corporate governance dimension has shown the minimum expectation perception gap score. It is also found that background characteristics such as gender, service period, academic qualifications and service post of beneficiaries have significant influence on beneficiaries' perception and expectation of service quality. The study has also explored the present status of EPF in terms of its effectiveness in the area of its services such as social security benefits and loan schemes.

It is found that greater emphasis should be placed on Tangibility, Responsibility Reliability, Assurance, Empathy and Corporate Governance dimensions which have higher to lower gap score respectively to meet the expectations of the beneficiaries. Policy makers of EPF should focus on beneficiaries' expectations while formulating policies on improving service quality. Future studies are encouraged to perform a cross country comparison and compare their findings in other Asian countries with the results of current study.

TABLE OF CONTENTS

Declaration	I.
Viva-Voce Sheet	II.
Recommendation	III.
Acknowledgements	IV.
Abstract	V.
Table of Contents	VII
List of Table	XIII
List of Figure	XIV
List of Abbreviation	XIV

CHAPTER ONE

INTRODUCTION

1.1 Background.....	1
1.2 Scope of the Study	6
1.3 Statement of the Problem	8
1.4 Research Questions	9
1.5 Research Objective of the Study	9
1.6 Rationale of the Study	10
1.7 Limitations of the Study	11
1.8 Organization of the Study	12

CHAPTER TWO

CONCEPTUAL FRAMEWORK ON CUSTOMER SATISFACTION

2.1	Background.....	13
2.2	Customer satisfaction.....	14
2.3	Service	16
2.4	Relationship among the concept of customer satisfaction.....	17
	2.4.1 Service quality and satisfaction.....	17
	2.4.2 Corporate Governance and customer satisfaction.....	18
	2.4.3 Total quality management and customer satisfaction.....	20
2.5	Beneficiary Expectations.....	22
	2.5.1 The Zone of Tolerance.....	22
2.6	Beneficiary Perceptions.....	24
2.7	The service quality model	25
	2.7.1 The five gap model of service quality.....	28
	2.7.2 Service quality dimensions	33
	2.7.2.1 Tangibility.....	
	2.7.2.2 Reliability.....	
	2.7.2.3 Responsibility.....	
	2.7.2.4 Assurance.....	
	2.7.2.5 Empathy.....	
	2.7.2.6 Corporate governance.....	
2.8	Theoretical Framework of the study.....	37
	2.8.1 Dependent Variables.....	40
	2.8.1.1 Perceived service quality and Customer satisfaction.	
	2.8.2 Independent variables.....	43

2.8.2.1	Tangibility.....	43
2.8.2.2	Reliability.....	43
2.8.2.3	Responsibility.....	44
2.8.2.4	Assurance.....	44
2.8.2.5	Empathy.....	44
2.8.2.6	Corporate governance.....	44
2.9	Analytical Framework of the study.....	45
2.10	Research Gap.....	45

CHAPTER THREE

RESEARCH METHODOLOGY

3.1	Research Philosophy.....	47
3.1.1	Ontological Assumptions.....	47
3.1.2	Epistemological Assumptions.....	48
3.2	Back ground.....	50
3.3	Research Design.....	52
3.4	Population and sampling design.....	53
3.4.1	Sampling Method.....	54
3.5	Nature and sources of Data	56
3.5.1	Primary Data	56
3.5.2	Secondary Data.....	57
3.6	Data Collection Techniques	58
3.6.1	Questionnaire.....	59
3.7	Analytical Tools	59
3.8	Validity and Reliability of the data	60
3.9	Ethical Consideration	61

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

4.1	Back ground	62
4.2	Schemes/ services conducted by EPF,Nepal	62
4.2.1	Benefits and Schemes	64
4.2.1.1	Social Security Benefits/Services	64
4.2.1.1.1	Accident Indemnity	65
4.2.1.1.2	Funeral Grants	66
4.2.1.1.3	Employees welfare	67
4.2.1.1.4	Medical Reimbursement Plan	68
4.2.1.1.5	Periodic Pension Plan	68
4.2.1.2	Loan Schemes/ Services	69
4.2.1.2.1	Special Loan 2057 (2000 A.D.)	71
4.2.1.2.2	House Loan 2057 (2000 A.D)	72
4.2.1.2.3	Education Loan 2058 (2001 A.D.)	73
4.2.1.2.4	Revolving Loan 2068 (2011 A.D.)	74
4.2.1.2.5	Low Cost Housing	75
4.3	Overall effectiveness of the EPF activities	75
4.4	Descriptive Analysis	76
4.4.1	Gender of the respondents	77
4.4.2	Education of the respondents.....	77
4.4.3	Service Period of the respondents.....	78
4.4.4	Designation of the respondents	79
4.4.5	Occupation of the respondents.....	79
4.4.6	Service taken place by the respondents.....	80
4.4.7	Cooperativeness of the employees.....	81

4.4.8	Perception score as a measurement of the satisfaction	81
4.5	Service Quality Dimensions	82
4.5.1	Tangibility	82
4.5.2	Reliability	84
4.5.3	Responsibility	85
4.5.4	Assurance	87
4.5.5	Empathy	88
4.5.6	Corporate governance	90

CHAPTER FIVE

SUMMARY AND CONCLUSION

5.1	Summary.....	92
5.2	Category / Dimensions wise findings.....	93
5.2.1	Category wise.....	93
5.2.2	Dimensions wise	95
5.2.2.1	Tangibility.....	95
5.2.2.2	Reliability.....	96
5.2.2.3	Responsibility.....	96
5.2.2.4	Assurance.....	97
5.2.2.5	Empathy.....	98
5.2.2.6	Corporate governance.....	99
5.3	Conclusion	100
5.4	Suggestion for Further research	103

BIBLIOGRAPHY	I-XVI
APPENDICES	XVII -XLVII
1 Request Letter for the Questionnaire.....	XVII
2 Questionnaire	XVIII
3 Composition of Respondents	XXIII
4 Opinion of Respondents	XLVII

LIST Of TABLE

S.N.	Table No.	Title	Page No.
1	Table 3.1	Total Population and Sample size.....	55
2	Table 4.1	Services provided by EPF to Beneficiaries 2013-14	63
3	Table 4.2	Total members of EPF and Beneficiaries of Benefits	64
4	Table 4.3	Total members and Beneficiaries of Loan Schemes.....	70
5	Table 4.4	Gender of the Respondents	77
6	Table 4.5	Education level of the Respondents	78
7	Table 4.6	Service period of the Respondents	78
8	Table 4.7	Designation of the Respondents	79
9	Table 4.8	Nature of the service of the Respondents	80
10	Table 4.9	Services taken from Head office or Branch offices	80
11	Table 4.10	Cooperativeness of the employees in EPF	81
12	Table 4.11	Tangibility Dimensions	83
13	Table 4.12	Reliability Dimensions	84
14	Table 4. 13	Responsibility Dimensions	86
15	Table 4. 14	Assurance Dimensions	87
16	Table 4.15	Empathy Dimensions	89
17	Table 4.16	Corporate Governance Dimensions	90

LIST OF FIGURES

S.N.	Figure No.	Title	Page No.
1	2.1	Desired and Acquired Services.....	22
2	2.2	Zones of Tolerance.....	23
3	2.3	Gaps bases on SERVQUAL Model	29
4	2.4	Dimensions of the SERVQUAL	33
5	2.5	Variables	45
6	3.1	Research Method- Study Objectives Matrix	51

ABBREVIATIONS

BOD	Board of Director
CDPA	Central Department of Public Administration
CG	Corporate Governance
CS	Customer satisfaction
EPF	Employees Provident Fund
GON	Government of Nepal
GOV	Government
ISSA	International Social Security Association
MOF	Ministry of Finance
PF	Provident Fund
SERFPERF	Service Performance
SERVQUAL	Service Quality
TU	Tribhuvan University

CHAPTER ONE

INTRODUCTION

The aim of this section is to identify the research topic and to formulate research questions. Thus the chapter begins with a background of the study which includes the importance of customer satisfaction in business and the reasons for researching in this area, the research questions and purpose of the study will follow. Delimitation and structure of the thesis will end the chapter.

1.1 Background of the Study

Service Quality and customer satisfaction have long been recognized as playing a crucial role for success and survival in 21st century's global market. Service quality is a recent, decisive issue in the marketing policy. It also helps to control the competitive position and consequently, determines the market share and profits. Therefore, survival of every organization in the market depends on their ability to respond to the requirements of change and interaction with the output of it. As the beneficiaries' needs and wishes are shaped and formed in the light of their economic, social and civilization conditions. There is a close relationship between the organization's ability to continue, to survive and their ability to produce services that fit in with the increasing and changing needs of the customers. So, organizations, especially service ones, work hard to find effective ways to counter external changes in order to survive and they enhance their effectiveness by means of activating their services and creating and developing new ones according to the desire of the customers.

Service quality is an approach to manage business processes in order to ensure full satisfaction of the beneficiaries (in this study the word beneficiaries is used for the representation of the customers) which will help to increase competitiveness and effectiveness of the organizations. Quality in service is very important especially for the growth and development of service sector business enterprises (Powell, 1995). Various strategies are formulated to retain the customer and the key of it is to increase the service quality level.(parsuraman & zeithaml V.A. and Berry, 1985). The key strategy for the success and survival of any organization is based on the satisfied

customer or stakeholder. To satisfy the stakeholder or beneficiary, organization need to move according to the will of them.

Service quality is a concept that has aroused considerable interest and debate in the research literature because of the difficulties in both defining it and measuring it with no overall consensus emerging on either (Wisniewski, 2001). There are a number of different “definitions” as to what is meant by service quality. One that is commonly used defines, 'service quality as the extent to which a service meets customers' needs of expectations' (Lewis, 1990) (Dotchin, 1994a). Service quality can thus be defined as the difference between customer expectations are greater than performance, then perceived quality is less than satisfactory and hence customer dissatisfaction occurs (Parasuraman, Zeithmal, & Berry, 1985) cited in Shahin, 2010.

Always there exists an important question why should service quality be measured? Why should assess the beneficiaries satisfaction? Finding the important dimensions of the service quality through which satisfaction can be perceived is a researchable issue. Service is intangible and it is totally a psychological phenomenon. We can only compare between what should be and what is, comparison between two same service provider, same service in different time in the same organization, before and after complain or feedback. It is important for the organization to locate the quality related problems and for the continuous improvement with clear standards for services.

Measuring service quality is difficult due to its unique characteristics: Intangibility, heterogeneity inseparability and perishability. (Bateson, 1995) Service quality is linked to the concepts of perceptions and expectations. (Parasuraman et. al. 1985, 1988; Lewis and Mitchell, 1990). Customers' perceptions of service quality result from a comparison of their before service expectations with their actual service experience. The service will be considered excellent, if perceptions exceed expectations; it will be regarded as good or adequate, if it only equals the expectations; the service will be classed as bad, poor or deficit, if it does not meet them. (Vazquez, 2001)

Customer satisfaction has significant implication for the economic performance of firms (Bolton, Lemon, & Verrgief, The theoretical underpinnings of customer asset management: A framework and Propositions for Future Research, 2004). For example,

customer satisfaction has been found to have a negative impact on customer complaints and a positive impact on customer loyalty and usage behavior (Bolton R. N., 1998;)(Fornell, 1992) Instead customer loyalty may increase usage levels.(Bolton, Kannan, & Bramlett, Implications of Loyalty Program Membership and Service Experiences for customer Retention and value, 2000), secure future revenues and minimize the likelihood of customer defection(Anderson and Sullivan 1993;Mithas, Jones and Mitchell 2002).Customer satisfaction may also reduce costs related to warranties, complaints, defective goods and field service costs (Fornel, 1992).Finally, in a recent study, Anderson, Fornell and Mavanchery 2004) find a strong relationship between customer satisfaction and tobin's (as a increase of shareholder's value) after controlling for fixed, random and unobservable factors.(cited in the Mithas, Krishnan and Fornel, 2005)

Employees Provident Fund, Nepal (EPF) is an organization for the management of the provident fund through which it provides financial and social security for its members / beneficiaries. EPF management claims that it is providing the best return and services to satisfy the contributors in the line with its mission-a happy big family with satisfied membersthrough provident fund and social security schemes management.(Kosh, 2068). Primary objective of EPF is to provide some financial protection to its contributors/depositors (here after termed as beneficiaries) during the period of crisis while in service or out of the services. EPF has initiated various schemes to provide financial support and social security to its beneficiaries. Is the organization heading towards the mission? It is the questions for everyone. It is very difficult to answer this question. To find out the reality, researcher has interested to use the developed model for the test. There are different ways to find out the effectiveness of the organization i.e. process, outcome etc. Here researcher's main focus is on the process - how EPF is providing services to its beneficiaries and how the beneficiaries are responding the service quality provided by the EPF.

There are several provisions related with service quality such as tangible, responsiveness, assurance, empathy, reliability and provision of the corporate governance. The relation between service quality and beneficiaries satisfaction has been accepted as dispensable. The present study has made attempts to see that relation and degree of its satisfaction level.

The Provident Fund scheme came into existence with the establishment of SainikDrabyaKosh (Army Provident Fund) in *Rana regime in Nepal*. This scheme was initiated with the intention of removing financial hardships to the army personnel after their retirement. Under the scheme, the army staffs were required to contribute a specific percentage of their salary to their provident fund (PF) account in SainikDrabyaKosh. The establishment of this programe was influenced by the British System.

A decade later, the Provident Fund scheme was extended to civil services also. A separate organization named Nijamati Provident Fund was established in 1944 AD to manage the scheme for civil servants working within Kathmandu Valley. However, the scheme was not mandatory. In 1948 AD the coverage of the scheme was extended and made mandatory providing the coverage to the entire civil servants working throughout Nepal. In 1959 AD, Employees' Provident Fund Department was established under the Ministry of Finance and Economic Affairs. This department was entrusted with the management of both SainikDrabyaKosh and Nijamati Provident Fund. With this, the scope of the scheme was extended to cover all government employees including the police.

Three years after the establishment of Employees Provident Fund Department, a Special Act called "KarmachariSanchayaKosh Act (or Employee's Provident Fund Act)" was legislated in the year 1962 AD. The same year the present KarmachariSanchayaKosh (Employees Provident Fund/EPF) was established under the act as an autonomous provident fund organization of Nepal as a Statutory Protection. After the establishment of EPF the erstwhile SainikDrabyaKosh, Nijamati Provident Fund and Provident Fund Department were merged into the EPF. Since then EPF has grown by leaps and bounds and today it stands as a strong social security providing organization and biggest retirement saving entity in Nepal.

Employees Provident Fund Act, 1962 has made the following provisions to protect the rights of members on their PF deposits: (Employees Provident Fund Act, 1962)section 19

- Co-partner or creditors of the member shall not have any claim on the amount deposited with EPF.
- Government cannot realize its claim or arrears from the PF deposited in the KSK.
- The members of EPF are entitled to receive a fixed rate of interest on their PF deposit until withdrawal or for a period of six years even after their retirement.
- Government of Nepal has guaranteed at least three percent interests annually on member's account.

Similarly, following provisions are made in the Act for institutional protection of the EPF: Section 18

- The EPF shall have preference right on the assets of institutional or individual borrower for realizing its arrears.
- The EPF can take possession of the security given by the borrower to realize its arrears by sale or otherwise.
- The EPF will not have obligation of government tax or other similar charges while taking possession of any property or while lending or realizing any loan.
- The EPF is free to determine the rate of interest on its investment.

After the establishment of EPF the previous SainikDrabyaKosh, and Nijamati Provident Fund were merged into the EPF. Since then EPF has grown by leaps and bounds and today it stands as a strong social security providing organization and biggest retirement saving entity in Nepal. As of July 2014 it is mobilizing 160 billion rupees. The membership to EPF stands at 483,000 members and is growing gradually (Source: EPF Nepal, 2014).

Besides PF management, EPF is also offering a number of other social security schemes to its contributors with the objective of furthering the benefits to its contributors/Beneficiaries. These are introduced in EPF's own initiatives and sources. Additional social security schemes introduced by EPF includes (1) Contributors additional scheme based on PF contribution in case of voluntary or compulsory retirement, (2) Work accident compensation of Rs. 1, 00,000 in case of permanent disability or death due to the accident and (3) funeral grant of Rs. 25,000 to the family of deceased member. Apart from the PF, all other forms of benefits are non-

contributory and fall under employer's liability schemes in Nepal. During the service contributors are provided financial support providing different kinds of loan schemes. They are (a) Special Loan which is provided against the provident fund up to 90 percent.(b) House Loan which is provided to the contributors on the basis of the collateral to construct new house, to purchase the land and building, to add the additional floor in the existing building of the prescribed area. (c) Educational Loan which is provided to the contributor, contributor's wife/husband or son or daughter's higher education against the collateral of the prescribed area.(d) Revolving Loan which is provided to the contributor against the collateral of the prescribed area for the fulfillment of the casual functions and needs of the beneficiaries.

EPF maintains the provident fund of the formal sector. To provide the better services to its beneficiaries it has started citizen charter, for the uniform service delivery without any discrimination it has prepared policies and working manuals. For the effective service delivery at central to the local level, it has established eight branches according to the region of the nation and one service centre at SinghaDarbar. Through the latest information technology all the services are provided at the local level. In the previous days contributors/ beneficiaries have to reach Kathmandu to take the same services.

It is quite difficult to justify that what are the dimensions which plays role to satisfy the beneficiaries. In EPF, till now, there is not any research for tracing satisfaction of the beneficiaries using any service quality model. As other researchers have already used many models for assessing the customers' satisfaction in service delivery through different dependent variables in other organizations in the world. In this research researcher is going to use the service quality(SERVQUAL) model developed by Parshuraman et.al (1985).

1.2 Scope of the study

The respondents of the study were those beneficiaries who have provident fund account in the EPF and currently working in the organization i.e. beneficiaries are in services. Hence retired and other members are excluded in this research. Basically, only those beneficiaries were considered as the respondents who had used the services

of the EPF for the questionnaire regardless of the gender, period of service, position at the office where they work, organizations whether they are public or private. So the study does consider the aspects of service quality and their feeling of satisfaction.

Nowadays every organization is looking forward for the welfare of the stakeholders. Customer satisfaction depends upon the service quality of the provided services. Service quality depends or measure through two components i.e. customers expectations and perceptions. Customer expectations are those that the customer expects as “should be” and “can be” type of services. The more customers perceived as compare to the expectations has more satisfaction otherwise vice versa.

The gap between what is thought or expect is to be adequate service and desired service is known as zone of tolerance. The more important the SERVQUAL dimension, the higher is the desired service level and narrower the satisfaction level like this the less important the SERVQUAL dimensions, the desired level of service is much lower and the satisfaction level is broader too. What the researcher presumes here is that EPF do study beneficiaries’ expectations and then design service offerings. Therefore the first component beneficiaries’ expectations are not researched in the current perceptions of the following SERVQUAL dimensions: Tangibles, Reliabilities, Responsiveness, Assurance, Empathy and corporate governance.

"EPF as an institution, has sound and healthy financial condition, participative management system, optimum utilization of the technology, financial transparency, corporate governance, committed and accountable employees towards organization, continuing in good interrelationship among board, management and employees' unions giving more priority for contributors' benefits and satisfaction" (Patak, 2011).

The study focuses on the present status of the EPF services to its beneficiaries. Attempt also will be made to understand the beneficiaries' attitude towards the EPF service delivery process and system.

The findings of this study will be useful to explore the major dimensions of the modified SERVQUAL for policy making and implementation to improve the quality of the services for management of EPF. Above all, it will provide meaningful insights to policy makers in order to prepare appropriate measures to organize appropriate

service delivery mechanism and products or schemes too. So the study does consider the aspects of service quality and their feeling of satisfaction.

1.3 Statement of the problem

Satisfaction is crucial concern for both customers and organizations including provident fund. Satisfaction is a subjective concept and therefore difficult to determine. (European institute of public administration, 2008). It depends upon personal beliefs and values and differs from product to product, person to person, place to place and time to time. Some of the main concepts of satisfaction in the literature include value, quality and satisfaction. (Mensah, 2010). Service quality and customer satisfaction have been proven from past researches to be positively related (Baker-Prewitt, 2000; Kuo, 2003; Gera, 2011).

Everybody analyze the every activity in terms of cost and benefit. Employees Provident Fund is a social security and a trusty organization which mobilizes the contributory fund from its beneficiaries. The organization remains prominent when it moves according to the desire and expectation of the beneficiaries. Every beneficiary of any organization demands and expects quality service. It is the human nature. The challenging job of the modern organization is to find out the beneficiaries' needs and expectations. The organization has to find out gap between beneficiaries' expectations and perceptions.

Extensive work has done on customer satisfaction in the banking industry. Most of the studies however concentrated on banking sector but none of them find out the perceptions of customers about the quality of provident fund's services in Nepal.

Perceptions however influenced by many factors. Kotler et al (1999) posits that individuals' consumption behavior is influenced by personal characteristics like age and life style, occupation, economic situation, personality and self concept.

The mission of Employees Provident fund is to make a big happy family of satisfied members and the services provided to its beneficiaries are in the line with mission or

not in terms of the beneficiaries' service period, gender, expectations of the beneficiaries are going together or not is the problem of the study.

Research has always been concentrated in measuring customer satisfaction or SERVQUAL for customer services. What most researchers agree and have a consensus on it that SERVQUAL being a crucial element in customer satisfaction even when the offering involved a combination of a product and service. The current study aims at measuring the influences of SERVQUAL in EPF with beneficiaries' satisfaction taken as the effective outcome measure. Every activity and effort is directed to be beneficiary focused and have it is imperative that SERVQUAL initiatives result in higher beneficiaries satisfaction.

1.4 Research Questions

Considering the above described background; it is to explore answers to the following research questions:

- A. What is the level of satisfaction on the basis of the categories of the beneficiaries in EPF, Nepal?
- B. Which of the dimensions of service quality affect beneficiaries' satisfaction in EPF?

1.5 Research Objectives

A thorough review of the literature of customer satisfaction in the banking industry showed that no studies have been conducted to find out the satisfaction level in provident fund Nepal. Most of the research concentrated to measure satisfaction in banking sector in Nepal. They never attempted to find out the extent to which the sex, service period, education level as well as service providing locations to beneficiaries influenced their perceptions of the quality of EPF's services. As a result this research fills the gap.

The purpose of this research is to understand and analyze the quality of services provided to its beneficiaries. In this study researcher focused to analyze existing services and social security schemes of the Employees Provident Fund and try to

propose desirable and practical recommendations for quality improvement in the quality dimensions in the context of Nepal. This research aims to measure the satisfaction level in service quality at EPF Nepal with the help of the SERVQUAL model. The following are the research objectives:

- A. To find out the level of satisfaction on the basis of the categories of the beneficiaries of EPF Nepal.
- B. To find out the dimensions of service quality that affect beneficiaries' satisfaction in EPF.

1.6 Rationale of the study

Financial institution (Social security organizations) now are facing top challenges of the investment and stiff competition in providing beneficiary services, giving special facilities and ensuring beneficiaries satisfaction in Nepal. Especially EPF, Nepal has been trying to ensure quality service as the organization claims. Again beneficiaries of the different institutions are not satisfied on their institutions because of low quality services. EPF is not limiting with the beneficiaries satisfaction but also contributing for the economic development of the country through investing in the infrastructure development like hydropower, Education, Industry, Health, transportation (Cable car and airplane) etc. EPF mobilizes the long term fund of its beneficiaries. This is only possible when its' beneficiaries satisfy with the present performance of the EPF. The organization has already celebrated its Golden Jubilee Anniversary but there is not any research assessing the beneficiaries' satisfaction in service quality in service delivery. It is the most important to find out the beneficiaries' expectations and perceptions. Hence the study is rationale for measuring service quality using SERVQUAL model in the EPF Nepal.

There is no specific work carried out on beneficiaries' satisfaction in provident fund Nepal in terms of SERVQUAL. This study is going to add the knowledge on beneficiaries' satisfaction in social security and financial institutions. Primarily, it will serve as guidelines for the formulation of policies and improvement on the quality of provident fund's services. On the other hand, it will assist EPF to know the

expectations and perceptions of the beneficiaries in terms of sex, service period, education, service level and service location.

This study is going to improve on the researcher's academic knowledge and skill in the research field. This paper is further going to provide some insight about service quality and customer/ beneficiary's satisfaction. This study is intending to fill the literature gap related to service quality and customer/ beneficiaries' satisfaction using a model that will describe the various factors of service delivery. More especially this study is served as preliminary work or a stepping stone for further study on the issues.

1.7 Limitation of the study

There are some limitations in this study as well as others have. This study is conducted the partial fulfillment of the thesis writing for the degree of M. Phil in Public Administration. This study does not cover and analyze about the other stakeholders or beneficiaries except contributors (Beneficiaries). It has some limitation in this study like as time, data collection, and sample size, geographical and content of Services provided by EPF.

The research work conducted within a six month. Due to the short span of time, researcher is unable to study the whole population. Assuming the no. of beneficiaries' that is around four hundred eighty thousand (Population N), the one hundred sixty number of sample size (sample n) has taken from population as convenience data collection techniques as easy way, which seems to be very small. The respondents are from civil servants, Nepal Army, Nepal Police, Teachers, Employees from public and private sector serving in the offices in Kathmandu valley. The result generalized on the basis of analysis based on too small sample size may content high sampling error.

For the respondents, the selected variables contributing to service quality might not be the only contributing factors as guided by SERVQUAL that are important. Out of five variables such as Tangibles, Reliabilities, Responsiveness, Assurance, Empathy and one more factor like corporate governance is taken into discussion in this study but

others factors have not been investigated or discussed in the present study. Hence, the internal validity of the study will adversely be affected.

1.8 Organization of the chapter

This study has been organized into five chapters. Introduction is in the first chapter, which contains background of the study, statement of the problem, research questions, objectives of the study, rationale of the study, limitation of the study, organization of the study and chapter summary.

Chapter two presents the Literature Review related to this study. In literature review meaning and concept of service and service attributes, service quality and models of the service quality, expectation, perceptions and customer satisfaction, relationship between service quality and satisfaction, Relationship between corporate governance and customer satisfaction, relationship between total quality management and customer satisfaction, models of service quality and customer satisfaction, the five gap model of service quality and recent research on provident fund if any otherwise (Banking sectors) will be describe. Conceptual framework, related theories, identified variables of this studies are mentioned in this section.

Chapter three describes the Research Methodology, which includes research philosophy, background, research design, population and sampling design, sampling method, nature and sources of data, data collecting techniques, analytical tools, validity and reliability of data, ethical considerations delimitations and chapter summary.

Chapter four describes about the data presentation and analysis of the service quality categories and dimensions wise. This chapter includes background of the EPF services, schemes conducted by the EPF for the beneficiaries, descriptive analysis and analysis of the information according to the SERVQUAL dimensions.

The chapter five summarizes the summary, findings and conclusion as well as suggestion for the further research study.

CHAPTER TWO

CONCEPTUAL FRAMEWORK ON CUSTOMER SATISFACTION

The aim of this chapter is to present literatures relevant to this research and to provide a conceptual framework. The chapter begins with a review of consumer behavior, customer satisfaction, service, relationship among the concept of the customer satisfaction such as corporate governance, total quality management, beneficiaries expectation, beneficiaries perceptions, Service quality model, five gap model of service quality (SERVQUAL) model and its dimensions which leads to the conceptual framework of the study. Identification of relevant variables ends chapter.

2.1 Background

The behavior of the customers is not predictable since their preferences are becoming more complex and differentiated. Individuals differ from one another and even perceive the same thing differently within a period of time (Smith, 2009). Nowadays many companies and organizations are provisioning feedback system using complain box, public hearing, social web sites and surveys. It is believed that knowing the types of complaints will give a clue to companies to have an in-depth knowledge about customers' satisfaction, thus indirectly knowing the quality of services or products offered. (Fornell, 2007). Customer's behavior is influenced by the many factors. The major factors are social, economical, ecological, cultural, political, personal, psychological factors etc. These factors influence the customer expectation and perceptions.

Competing services often become similar in design and, as buyers become more aware of service quality dimensions, they also become more price sensitive and value oriented (Bojanic & Rosen, 1994, p.3). It is very important to measure service quality and find out how beneficiaries perceive it in order to know dimensions that need improvement in case weaknesses are found. In order to do this, organizations must know what service quality is and how it is measured so that findings can be used

for quality management. This is why researchers chose to use the SERVQUAL instrument to assess satisfaction level of the beneficiaries in EPF. This model seeks to know the difference between beneficiaries' expectations of how EPF should be like and their perceptions in terms of realization in EPF services in different dimensions (tangibles, reliability, responsiveness, assurance, empathy and corporate governance). How the beneficiaries respond in these dimensions in context. Trying to meet or exceed beneficiaries' expectations helps EPF to maintain a high quality image. Researchers chose to focus his study on service quality through which satisfaction can be traced. It is antecedent to other constructs beneficiaries' satisfaction, profitability, beneficiaries' loyalty and value maximization. All these concepts help organizations to have a competitive advantage in case they have a proper understanding of service quality and its important dimensions.

2.2 Customer Satisfaction

A customer is said to be satisfied when the actual performance of the product exceeds the expected performance of the customer. Normally, customer satisfaction occurs in one of the following forms;

- If Actual Performance equals Expected Performance, customer is satisfied.
- If Actual Performance is more than Expected Performance, a customer is said to be delighted or highly satisfied.
- If Actual Performance is less than Expected Performance, a customer is dissatisfied.

When a consumer/customer is contented with either the product or services it is termed satisfaction. Satisfaction can also be a person's feelings of pleasure or disappointment that results from comparing a product's perceived performance or outcome with their expectations (Kotler & Keller, 2009, p. 789). Client happiness, which is a sign of customer satisfaction, is and has always been the most essential thing for any organization. Customer satisfaction is defined by one author as "the consumer's response to the evaluation of the perceived discrepancy between prior

expectations and the actual performance of the product or service as perceived after its consumption” (Tse& Wilton, 1988, p. 204)

Customer satisfaction is one of the most popular phrases in business, with over 72 million links on the Internet and also a very broad subject that is interpreted in many ways in business practices and in academic literature. The word “satisfaction” seems to derive from Latin words *satis* (enough) and *facere* (to do or make) (Oliver, 1997).

Customer satisfaction is defined as the number of customers or percentage of total customers, whose reported experience with firm, its products, or its services exceeds specified satisfaction goals, customer satisfaction is the primary mental state of customer which comprise by two things one is expectation before purchase and another is perception about performance after purchase (Oliver, 1997)

Literature establishes that customer satisfaction is a key to long-term business success (Zeithmal et al., 1996). To protect/ gain market shares, organizations need to outperform competitors by offering high quality product or services to ensure satisfaction of customers. (Tsoukatos and Rand, 2006) According to the many scholars' customer satisfaction is the feelings of customer in the process that what has been received against what was accepted including expectation and perception about purchase decision and need and want associated with purchase or consumption decisions.

Expectation is an important part of the satisfaction process and is the “anticipation of future consequences based on prior experience, current circumstances, or other sources of information.” Expectation can be many things varying from wishes to hopes (Oliver, 1997:69; Bolton & Drew, 1991:20). Katona (1975:381) notes that satisfaction “depends not only on the quality of the product, but also what the person whose satisfaction is studied expects from the product.” Mihelis et al. (2001:357) argue that customer satisfaction is a dynamic parameter of the business organization and is affected by the changes in customer’s preferences and expectations.

The key factors influencing customers' satisfaction of a bank include the range of services (Abratt and Russell, 1999) Therefore service excellence, meeting client

needs, and providing innovative products are essential to succeed in the financial sector like employees provident fund.

Similarly, Anderson and Sullivan (1993) suggest that “customer satisfaction is the overall or global judgment regarding the extent to which product or service performance matches expectations”. According to Oliver (1997:11), “satisfaction is the consumer fulfillment response. It is a judgment that a product or service feature, or product or service itself, provided (or is providing) a pleasurable level of consumption related fulfillment, including levels of under- or over fulfillment.” Consumer Satisfaction is also defined as a post-consumption evaluation that a chosen alternative at least meets or exceeds the expectations. Dissatisfaction, on the other hand, is the outcome of negatively confirmed expectations (Engel, Blackwell, &Miniard, 1990:545).

2.3 Service

Scholars have defined the service concept in many different ways. Most often activities, deeds, processes and interactions are used when defining the concept of service (Solomon et al., 1985; Lovelock, 1983; Zeithaml and Bitner, 2003; Vargo and Lusch, 2004). Lovelock (1983) defines services as “a process or performance rather than a thing”.According to the Japanese philosophy, quality is zero defects-- doing it right the first time ((Crosby, 1979) cited in (Parasuraman, Zeithmal, & Berry, 1985) Quinn (1992) argues that, assuming service oriented managers accept the predominant roles of values and technology in service firm performance, most authorities would agree that striving for service quality and productivity are the most powerful and directly useful goals for service firms from a strategic view point. Quinn further argues that quality and productivity from the customer's viewpoint are the critical perspectives for service firm success; therefore, the management of the delivery of service quality should be a primary objective of service firms. (Cited in Steven A. Taylor, 1992)

2.4 Relationship among the concept of customer satisfaction

Discussion has been made on the concept of customer satisfaction and its relationship among the different variables. These are discussed in the following section.

2.4.1 Service quality and satisfaction

Customer satisfaction is influenced by customer's perceptions of quality (Zeithmal and Bitner, 2000)A review of the relevant literature indicates that service quality is closely tied to customer satisfaction (Wisniewski & Donnelly, 1996; Hernon, Nitecki, & Altman, 1999; Sureschandar, Rajendran, &Nitecki, 2002; Kumar, Smart, Maddern&Maull, 2008). Quality and customer service have been identified as critical strategic issues for both public and private sector organizations (Donnelly, Wisniewski, Dalrymple, & Curry, 1995). The “use of a variety of measures of service quality in the private sector as critical indicators of both organizational performance and general customer satisfaction is widely accepted and has given rise to considerable empirical research” (Wisniewski & Donnelly, 1996).

In the private sector, customer satisfaction and loyalty are secured through high quality products and services. They provide the consumer value for their money and are seen as being essential for the long-term survival and success of all organizations (Donnelly, Wisniewski, Dalrymple, & Curry, 1995). Public sector organizations are under constant pressure to improve customer service on a continuous basis (Donnelly, Wisniewski, Dalrymple, & Curry, 1995). Some of these pressures arise internally from a genuine desire to improve quality of services provided to communities; others are demanded by outside sources such as governing bodies, oversight groups or the general public (Donnelly, Wisniewski, Dalrymple, & Curry, 1995). It is *Chris Gibson* - 8 recognized that public sector organizations face more difficulties than those in the private sector in their efforts to improve customer service (Donnelly et. al, 1995).

Peter Hernon, DanutaNitecki (1999) assert in an article entitled "Service quality and Customer Satisfaction: An Assessment and Future Directions" that “service quality, developed over time, relates to customer expectations, whereas satisfaction is transaction-specific, is a more short-term measure, and focuses on a personal,

emotional reaction to service”. Research on service quality has tended to focus on one dimension – expectations – and has defined service quality in terms of reducing the gap between service provided and customer expectations (Hernon&Nitecki, 1999). This suggests that if public sector leaders want to increase service quality, the gap needs to be narrowed. The potential payoff from improved service quality is considerable. Providing excellent service, which should be the goal of every organization, leads to greater efficiency and effectiveness and a loyal customer base in Delivering Quality Service - Balancing Customer perceptions and Expectations. (Zeithaml, Parasuraman, & Berry, 1990).

2.4.2 Corporate governance and customer satisfaction

The concept of governance has developed overtime. Private organizations are the first to apply it as corporate governance context and subsequently spread to the public sector.

Governance is seen to cover a wide area that involves principles, rules, procedures and good practices that allow organizations to be efficaciously run within the constraints of evolving and changing institutions, including the design, implementation and follow-up of functional mechanisms for representation, voting, accountability, transparency, countervailing monitoring, incentives and standards of performance, the management of conflicts of interest and the enforceability of decision authority (Apeda 2005).

In its Principles of Corporate Governance, the OECD defines the concept as the system by which business corporations are directed and controlled. It also involves the set of relationships between a company’s management, its Board, its shareholders and other stakeholders. It covers the structures a company puts in place to achieve its objectives, and the policies and practices through which conflicting interests of its various stakeholders are reconciled. To effectively manage the principal-agent problem, company objectives should be clear, rules to handle conflicts of interest are firmly established, and decisions and performance are disclosed with clear incentives and accountability for each player.(Musalem and soto, 2012).

Researching the literature it has concluded that it is necessary to design corporate governance that completely takes into accounts the needs and expectations of stakeholders. Meeting and overcoming expectations of stakeholders is the key determinant for satisfying and loyalty of others. This is the prerequisite for process of building commitment of stakeholders which is one of the basic conditions of success of the company (Ljubojevic and Ljubojevic, 2011).

The board members has the willingness to respond to the demands of stakeholders and this convinced in the presence of elements of stakeholders' approach to corporate governance.(Ljubojevic and Ljubojevic, 2011)

From a EPF perspective, corporate governance involves the manner in which the business and affairs of EPF is governed by its boards of directors and senior management, which affects how they: set corporate objectives; operate the EPF's business on a day-to-day basis; meet the obligation of accountability to their beneficiaries and take into account the interest of other stakeholders/beneficiaries; Align corporate activities and behavior with the expectation that EPF will operate in a safe and sound manner, and in compliance with applicable laws and regulations; and protect the interests of depositors. In view of the important attached to the institution of effective corporate governance. The EPF has issued a corporate governance directives, 2071 (2014) and assigned roles and responsibilities for the board, management, important departments, rights and privileges of the beneficiaries/depositors, roles and responsibilities of the employees and trade unions are fairly mentioned.

Measuring the quality of corporate governance is extremely important, especially in the developing countries, since these countries don't have long tradition of establishing the infrastructures of the financial institutions. This works deals with the problem of measuring the quality of corporate governance in order to satisfy interests and needs of the key stakeholders in the countries where the markets are still developing (Ljubojevic and Ljubojevic, 2011).

2.4.3 Total quality management and customer satisfaction

In the past producers could sell all they made service organizations did not worry about service they provided. Now things have changed because of the development of the education, advancement in technology and more is the globalization. Companies now are becoming more responsive, they offer a better product and keep improving through total quality management (TQM) techniques. TQM increases customer satisfaction by boosting quality. (Nagaprasad & Yogesha, 2009)

There were many forms of best management practices in operation management area i.e. Just In Time (JIT) systems, Material Requirement Planning (MRP), Six Sigma, Lean Manufacturing, Enterprises Resources Planning (ERP), Supply Chain Management (SCM) and Total Quality Management (TQM). One of the best forms of operations management practices is Total Quality Management (TQM). It has received great attention in the last two decades (Jung & Wang, 2006)

There is no universal, common and consensus definition of quality. It differs from expert to expert. It seems to be more contextual and situational too. The key concepts in the TQM effort undertaken by the Navy in the 1980s include: "Quality is defined by customers' requirements."

- "Top management has direct responsibility for quality improvement."
- "Increased quality comes from systematic analysis and improvement of work processes."
- "Quality improvement is a continuous effort and conducted throughout the organization." (wikipedia, 2014)

Gurus of the total quality management disciplines such as Garvin, Juran, Crosby, Deming, Ishikawa and Feigenbaum defined the concept of the quality and total quality management in different ways. Garvin proposed a definition of quality in terms of the transcendent, product based, user based, manufacturing based and value based approaches. Garvin also identified eight attributes to measure product quality. (Garvin, 1987). Juran defined quality as "fitness for use". Juran focused on a trilogy of quality planning, quality control and quality improvement. Crosby defined quality as "conformance to requirements or specifications". According to Crosby,

requirements are based on customer needs. Crosby identified 14 steps for a zero defect quality improvement plan to achieve performance improvement.(Musran, 2013)

According to Demming, quality is a predictable degree of uniformity and dependability, at low cost and suited to the market. Deming also identified 14 principles of quality management to improve productivity and performance of the organizations' performance.(Musran, 2013)

Feigenbaum described the concept of organization wide total quality control. He was the first user of total quality control concept in the quality literature. He defined quality as "the total composite product and service characteristics of marketing, engineering, manufacturing and maintenance through which the product and service in use will meet the expectations by the customer."(Kruger, 2001).Total quality management is the culture of an organization committed to customer satisfaction through continuous improvement. These concept varies varies both from one country to another and between different organization, but has certain essential principles which can be implemented to secure greater market share increased profits and reduced costs.(Kanji & Wallace, 2000).

There is not any single method to identify or measure the quality. Many scholars have described differently to measure the performance of the quality.(Saraph, Benson, & Schroder, 1989)developed 78 items which were classified into eight critical factors to measure the performance of the quality. The critical factors are Role of divisional top management and quality policy, role of the quality department, training, product and service design, supplier quality management, process management, quality data and reporting and employee relations. Likewise(Flynn, Schroder, & Sakakibara, 1994) identified seven quality factors. They are top management support, quality information, supplier involvement and customer involvement.(Anderson, Rungtusanatham, & Schroeder, 1994)examined the Deming's 14 points and reduced the 37 points to 7 points using Delphi method. They are visionary leadership, internal and external cooperation, learning, process management, continuous improvement, employee fulfillment and customer satisfaction.

There is an agreement between Deming and Juran that the purpose of quality management is to reduce costs and improve customer satisfaction. These ideas fit closely with the market based view of competitive advantage arising from a superior cost structure or being able to differentiate products in a way that adds value for customers.(Musran, 2013)

TQM is defined as an action plan to produce and deliver commodities or services, which are consistent with customers' needs or requirements by better, cheaper, faster, safer, easier processing than competitors with the participation of all employees under top management leadership.(Lakhal, Pasin, & Liman, 2006)

2.5 Beneficiaries expectation

Expectations are reference points against which service delivery is compared is only a beginning. The level of expectation can vary widely depending on the reference point the customer holds. Although most everyone has an intuitive sense of what expectations are, service marketers need a far more thorough and clear definition of expectations in order to comprehend, measure and manage them.

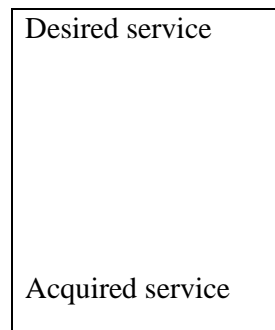


Figure 2.1 L.L. Berry, A. Parasuraman and V.A. Zeithaml, (May 1993)

2.5.1 The zone of tolerance

Services are heterogeneous in that performance may vary across providers, across employees from the same provider and even with the same service employee. The extent to which customers recognize and are willing to accept this variation is called the zone of tolerance. If service drops below adequate service – the minimum level considered acceptable – customers will be frustrated and their satisfaction with the

company will be undermined. If service performance is higher than the zone of tolerance at the top end – where performance exceeds desired service –customers will be very pleased and probably quite surprised as well. When it falls outside the range (either very low or very high), the service gets the customer’s attention in either a positive or negative way. As an example, consider the service at a checkout queue in a electricity authority. Most customers hold a range of acceptable times for this service encounter – probably somewhere between 10 and 20 minutes. If service consumes that period of time, customers probably do not pay much attention to the wait. If a customer enters the line and finds sufficient checkout personnel to serve him or her in the first 5 or 10 minutes, he or she may notice the service and judge it as excellent. On the other hand, if a customer has to wait in line for 25 minutes, he or she may begin to grumble and look at his or her watch. The longer the wait is below the zone of tolerance, the more frustrated the customer becomes.

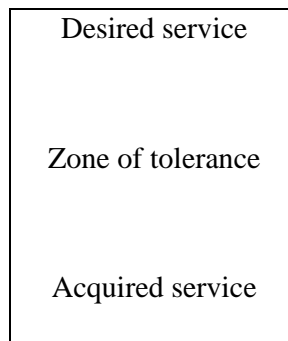


Figure 2.2 L.L. Berry, A. Parasuraman and V.A. Zeithaml, (May 1993) -Zones of tolerance for different service dimensions

The boundaries of customer expectations of service with two different levels of expectations: desired service and adequate service. The desired service level is less subject to change than the adequate service level. A zone of tolerance separates these two levels. This zone of tolerance varies across customers and expands or contracts with the same customer.

The two largest influences on desired service level are personal needs, beliefs, contextual environment and philosophies about service. Personal need, those states or

conditions essential to the physical or psychological well-being of the customer, are pivotal factors that shape what customers desire in service. Personal needs can fall into many categories, including physical, social, psychological and functional.

Customers hold different types of service expectations:

- (1) Desired service, which reflects what customers want;
- (2) Adequate service, or what customers are willing to accept; and
- (3) Predicted service, or what customers believe they are likely to get.

These different levels of service are reflected within the customer's zone of tolerance which establishes the variability in the service delivery that the customer is willing to accept. Customer expectations and tolerance levels are influenced by a variety of factors. The types and sources of these are the same for end consumers and business customers, for pure service and product-related service, and for experienced customers and inexperienced customers. (Adhikari, 2011)

2.6 Beneficiaries' Perception:

Perception is a marketing concept that encompasses a customer's impression, awareness and/or consciousness about a company or its offerings. Customer perception is typically affected by advertising, reviews, public relations, social media, personal experiences and other channels.

Quality is the keyword for survival of organizations in the global economy. Organizations are undergoing a shift from a production led philosophy to a customer focused approach. Competitiveness of a firm in the post liberalized era is determined by the way it delivers customer service. Service quality is a concept that has aroused considerable interest and debate in the research literature because of the difficulties in both defining it and measuring it with no overall consensus emerging on either (Wisniewski, 2001). Firms with high service quality pose a challenge to other firms. Many scholars and service marketers have explored consumers cognitive and affective responses to the perception of service attributes in order to benefit by providing what consumers need in an effective and efficient manner. Organizations can achieve business excellence through quality control in services (Shahin, 2010). Again service

quality considered as the difference between customer expectations of service and perceived service. If expectations are greater than performance then perceived quality is less than satisfactory and hence customer dissatisfaction occurs (Parasuraman et al, 1985; Lewis and Mitchell, 1990). There is general agreement that the aforementioned constructs are important aspects of service quality but many scholars have been skeptical about whether these dimensions are applicable when evaluating service quality in other service industries (Cromin and Taylor, 1992). This has more exploratory power than measures that are based on the gap between expectation and performance. In addition, Kang and James (2004) argued that SERVQUAL focuses more on the service delivery process than another attributes of service, such as quality, there has been no general agreement on the measurement of the concept. The majority of the work to date has attempted to use the SERVQUAL (Parasuraman et al, 1985, 1988) methodology in an effort to measure service quality (e.g. Brooks et al, 1999)

2.7 The service quality model

The most widely applied models in measuring service quality in the service industry in general and in banking/ financial sector in particular are the SERVQUAL and SERVPERF models. Here the literature on SERVQUAL is reviewed.

Nowadays, with the increased competition, service quality has become a popular area of academic research and has been acknowledged as an observant competitive advantage and supporting satisfying relationships with customers (Zeithmal, 2000). Service quality refers to customers' appraisals of the service core, the provider, or the entire service organization. According to Holbrook and Corfman (1985), perceived quality is a global judgment relating to the superiority of a product. Defining service quality as a measure of excellence in terms of perceptions is not sufficient according to Langevin (1988). He maintains that "it is obvious that understanding customer expectations and meeting customer needs is the single most critical issue and determinant of service quality" (1988:4). Parasuraman, Berry and Zeithaml (1988) agree that expectations are important but add that it is actually the difference between perceptions of a service and expectations for that service which should be used as the

measure of service quality. This line of reasoning follows the disconfirmation of expectation paradigm proposed by Oliver (1980). Parasuraman et al. (1988) developed the SERVQUAL instrument to measure perceived service quality in terms of the gaps between customer expectations and actual judgment of performance along five dimensions of service quality. Cited in Joann M. Duffy and Alice A. Ketchand,1998

Gronroos, for example, postulated that two types of service quality exist: Technical quality, which involves what the customer is actually receiving from the service. The dimensions consists of the seven attributes that are process related behavior, attitude, accessibility, appearance, customer contact, internal relationship, service mindedness. Functional quality, which involves the manner in which the service is delivered. The dimensions consists of the five output related attributes. They are employees' technical ability, employees' knowledge, technical solutions, computerized systems and machine quality (Gronroos, 1982). We may conclude that service quality is linked to activities, interactions and solutions to customer problems.

Consumer perception of service quality is a complex process. Therefore, multiple dimensions of service quality have been suggested (Brandy and Cronin, 2001). One of the most popular models, SERVQUAL, used in service marketing was developed by Parasuraman et al. at 1985, 1988. SERVQUAL is based on the perception gap between the received service quality and the expected service quality and has been widely adopted explaining consumer perception of service quality. Originally 10 dimensions of service quality were proposed (reliability, responsiveness, competence, access, courtesy, communication, credibility, security, understanding the consumer and tangibles). Later these were reduced to five (reliability, responsiveness, empathy, assurances and tangibles). (Ravichandran et al, 2010)

The message is obvious- satisfied customers improve business and dissatisfied customers impair business (Leland and Bailey, 1995). Customer satisfaction is an asset that should be monitored and managed just like any physical asset. Therefore, businesses that hope to prosper will realize the importance of this concept, putting together a functional and appropriate operational definition. This is true for both

service oriented and product oriented organizations(Suresh chander, Rajendran and Kamalanabhan, 2001)

There is general agreement that the aforementioned constructs are important aspects of service quality, but many scholars have been skeptical about whether these dimensions are applicable when evaluating service quality in other service industries (Cronin and Taylor, 1992). For example Cronin and Taylor (1992) argued that the evaluation of service quality based on the expectation, performance gap derived from parsuraman et al (1985, 1988) is insufficient because much of the empirical research supported performance based measures of service quality. This has more explanatory power than measures that we based on the gap between expectations and performance (e.g. Babakus and Boller, 1992; Babakus and Mangold, 1992).In addition, kang and James (2004) argued that SERVQUAL focuses more on the service delivery process than on other attributes of service, such as service encounter outcomes(i.e. technical dimensions).In other words the SERVQUAL measurement does not adequately explain a technical attribute of service (Ravicharan, 2010).

The primary issue with developing and operational definition with the specific components of customer satisfaction is to clearly identify the nature of the organizations' business. This further extends into the effective collection, analysis and application of customer satisfaction information.(Krishna Naik et al, 2010)

Services and products are the two major orientations of business. Products also referred to as goods, are the physical output of a business. There are tangible objects that exist in time and space. They are first created, then inventoried and sold. It is after purchase that these are actually consumed (Suresh Chander, Rajendran and Kamalanabhan, 2001). Products might include computers or food of a restaurant.

Services on the other hand are less materially based. In fact, Bateson (Cited in sureshchanderRajendran and Kamalanabhan, 2001) noted that there is one major distinction between a service and a product. This differentiation is the intangible nature of a service- it cannot be touched, held , and so on. Another difference is the issue that consist primarily of social interactions or actions (Berry, 1980). The consumption of a service involves the interaction between the producers and the

consumers. Also services are produced and consumed simultaneously (Carman and Langeard, 1980). Services might include computer repair, automobiles sales or the attendance of a server at a restaurant. Delivering quality service is a business necessity.

2.7.1 The five gap model of service quality

The Beneficiaries gap is the difference between beneficiaries' perceptions and expectations. Perceptions and expectations are two interrelated elements equally important to deliver quality service. Beneficiaries expectations are the desires and wishes that beneficiaries make prior to the service whereas perceptions are the assessments of the services experienced. Expectations are generally beliefs of what should be and perceptions are formed based on the experienced services. (Zeithaml et al. 2006, 33-34) believes, the smaller the gap between expectations and perceptions are, the better the service quality will be.

The five gap model of SERVQUAL

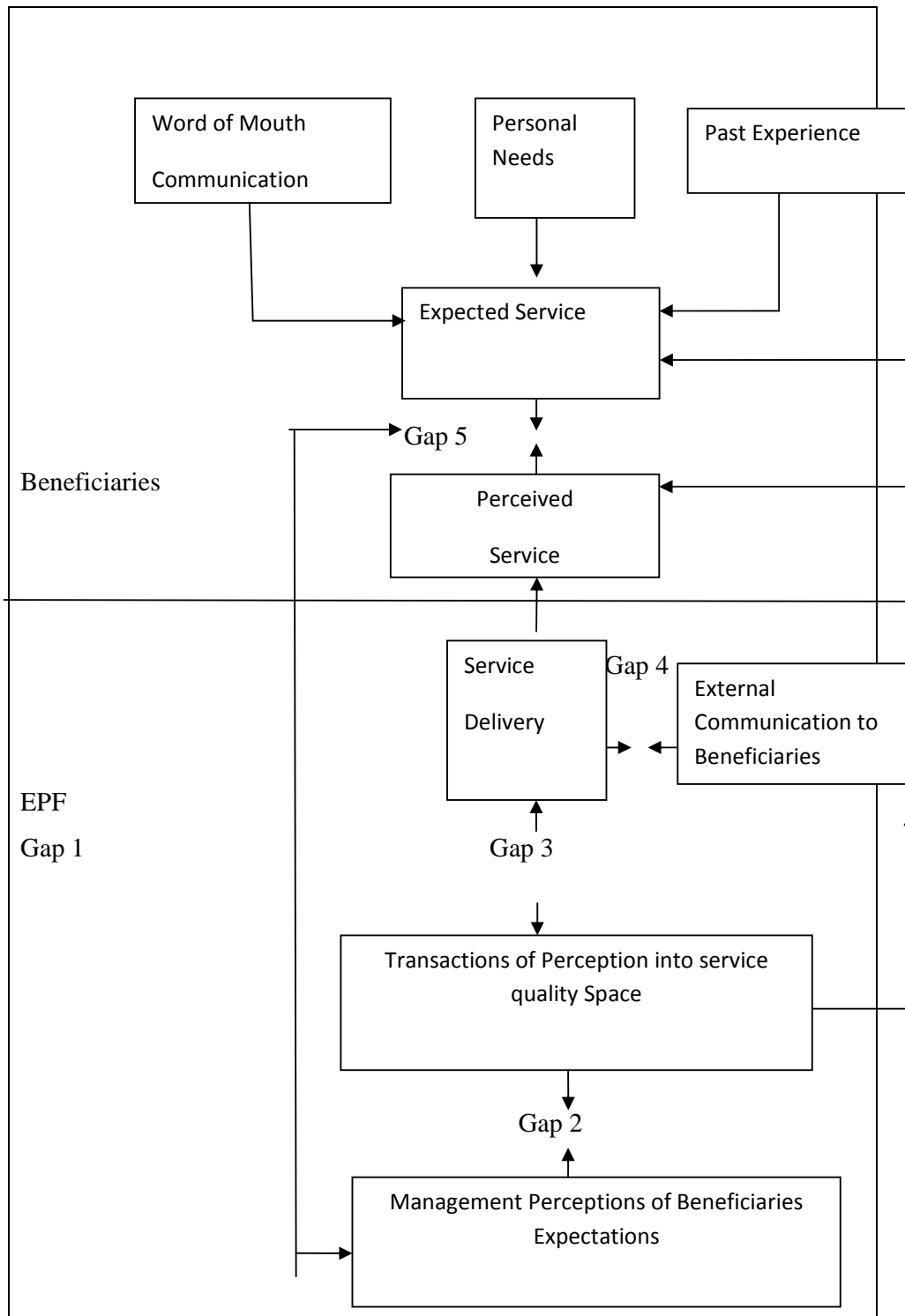


Figure 2.3 Author development based on Parasuraman et.al, 1985

Gap 1 “Beneficiaries expectations and management of EPF perceptions of beneficiaries' expectations”

This is the gap between beneficiaries’ expectations and the perception of those expectations by management. The gap results due to lack of understanding of beneficiaries’ needs and wants. The situation is likely to happen due to the result of inadequate customer satisfaction research. Bureaucracy in different management level is equally responsible to create this gap since it lacks the communication and effective management policy among staffs. The management should be always keen on finding what customers expect from them conducting several researches. A well managed company always tries to seek best ways to get interacted with the customers' expectation.

To narrow the gap 1, the organization needs to set up plans to deal with the beneficiaries’ expectations and work on finding the reliable ways to fulfill those expectations. Moreover creating a strong relationship with customers can be an idle solution to cover up this gap. (Zeithaml et al. 2006, 35-38)

Gap 2 “Management of EPF's perceptions on expectations and service quality specifications of EPF actually set.”

Along with the understanding of beneficiaries’ need and wants it is also important to know what kind of products and service to design to meet up the beneficiaries’ expectation. Provider gap 2 is the result of organization having service and products that is not designed according to customers' wants. Absence of beneficiary, inadequate service scope and inappropriate physical evidences also create this gap. Physical evidences are the physical tools such as business cards whereas service scopes mean the physical settings that the service is delivered in for example the location of business premises.

To close the provider gap 2, Zeithaml suggests that company should introduce important Customer satisfaction barometers into the measurement system so that the perceived desired quality can be designed. “Companies need measurement systems

that incorporate and align measures of customer perceptions and satisfaction with pivotal operational and performance indicators.” (Zeithaml et al. 2006, 38-39)

Gap 3 “service quality specifications of EPF and actual service delivery by EPF”

This is the gap between service quality specifications and delivery of the service. It is very important that the right service is to be rendered in the right time to the right person. The key drivers of customer service; systems, processes, and people are needed to ensure that the service delivered should match the set standards. Deficiencies of human resource policies and failure to match supply and demand are the key driver to create this gap. For example, a management in a organization may establish a standard such that the payment should be completed in 20 minutes. However, if it takes more than the standard time to deliver the service then it is said to be delivery gap.

To close gap 3 the company should always focus on employee training and establish plans to gear up the workers' motivation since motivation and right training plays vital role in creating prompt and punctual service. Team work, great co-operation among staffs, effective recruitment, etc. are the major elements that company should take care of to avoid this gap. Customers are sometimes responsible to create this gap since they may not realize their roles and responsibilities which may deteriorate the whole service process. (Zeithaml et al. 2006, 39-42)

Gap 4 “Actual service delivery by EPF and external communications about service”

It is the gap between what was promised or communicated to customers and what actually is delivered. Basically it is communication gap that many organizations are facing while rendering service. The organization prepares citizen charter of its products and services through different media, notice board and beneficiary start expecting the quality of service or product on how they have been promised. If the service is not delivered as promised, the beneficiary will perceive low service quality. Thus, company should always focus on creating systematic and accurate communication unit so reach to customer to provide standard service in right way. (Zeithaml et al. 2006, 42-43)

To close gap 4, Organization should always focus on inter-communicational aspects among its staffs. The internal service department should always be in touch with the external and advertising department to know the promised schemes and offers. Customers should be educated properly to use the service provided to get maximum utilization. (Zeithaml et al. 2006, 42-43)

Gap 5 “The result of the four above gaps”

Closing all the provider gap 1 to 4 means to improve the service quality. It is very essential issue regarding customer satisfaction. If a company wants to create quality service in all aspects to meet up customers' expectations it should always focus on closing these gaps. Several researches should be carried out to find out the core expectations of customers. Service quality can be standardize knowing what wants and desires of customers. Communication unit should be active enough to know customers expectations and to deal with the internal management unit to provide promised service in right time and in right way. Additionally, provider gap 4 plays an important role in case of Nepal SBI Ltd. (Dahal, 2012)

Many scholars and service marketers have explored consumers cognitive and affective responses to the perception of service attributes in order to benefit by providing what consumers need in an effective and efficient manner. Consumer satisfaction (e.g. Cadolt et al, 1987; Fornell, 1992; Oliver, 1997) and PSQ (e.g. Parasuraman et al, 1985, 1988; Zeithaml et al 1996) have been considered the primary intervening constructs in the area of service marketing because ultimately they lead to the development of consumer loyalty or re-attribution of a product or service. (Ravichandran, 2010; Prabhakaran, 2010; Arun Kumar, 2010)

Good customer satisfaction has an effect on the profitability of nearly every business. For example, when customer perceives goods or service, each will typically tell nine to ten people. It is estimated that nearly one half of American business is build upon this informal, "word of mouth" communication (Gitomer, 1998). Improvement in customer retention by even a few percentage points can increase profit by 25 percent or more (Griffin, 1995). The university of Michigan found that for every percentage increase in customer satisfaction, there is an average increase of 2.37% of return an

investment (Keiningham and Vavra, 2001). Most people prize the business that treated; they'll even pay more for this service. (Krishna Naik et al, 2010)

2.7.2 Service Quality Dimensions:

Among the models for measuring service quality, the most acknowledged and applied model in different service sector is the SERVQUAL (Service Quality) model developed by Parshuraman et al.(1988).The SERVQUAL model of Parshuraman et al.(1988) proposed five dimensional construct of perceived service quality i.e. Tangibility, Reliability, Responsibility, Assurance, Empathy. Researcher added one more dimension to know the effect in expectation and perception in service quality i.e. corporate governance.

Dimensions of SERVQUAL

Responsiveness	Willingness to help customers and provide prompt service.
Assurance	Employees' knowledge and courtesy and their ability to inspire trust and confidence.
Empathy	Caring, individualized attention given to customers.
Tangibles	Physical facilities, equipment, personnel, and written materials.
Reliability	Ability to perform the promised service dependably and accurately.
Corporate Governance	Transparency in transactions, Participative in policy making, Accountability in service delivery, Equality in serving

Figure 2.4 Dimensions of Service Quality (SERVQUAL) (Parasuraman, Zeithaml, &Berry, 1988; Zeithaml&Bitner, 2003)

2.7.2.1 Tangibility

Parshuraman et al.(1985) defined tangibility as the appearance of physical facilities, equipment, personnel and written materials. It is frequently referred by the researcher to tangibility in their study of private banks as modern looking equipment, physical

facility, employees with well dressed and material visually appealing. In this research researcher has followed the same as used in the banking sector.

This is one of few dimensions that have been consistently used by different researchers (Bahia and Nantel, 2000) . However tangibles refer to physical facets of service facility equipment machinery, communication material (Bahia and Nantel, Parshuraman et al. 1985). It included the physical evidence of service except the personal appearance of staff which was included in human element, employees and customers are usually influenced by the tangible facets of service in physiological, psychological, emotional and cognitive ways. (Bitner,1992). Tangibles are associated with the impact on the customer's inferences about what service should be like and therefore will influence the evaluation of service quality (Parasuraman et al. Customers' perception of tangibles was generally considered important in the case of the bank than others. EPF is also doing the some of the financial transitions so it is applicable to here also. In case of EPF, It has provided update computers to the personnel, modern and visibly appealing service counter, office uniform for the employees with identity card so that beneficiary can easily know the employee, contributors charter describing types of services, required documents, service charges if any, time for completing the service, responsible person to complete the process, grievance and complain handling person etc. Tangibility was one of the original dimensions that were not modified by Zithmal et al. 1988.

2.7.2.2 Reliability

Reliability based on performing services right the first time, provide services at the promised time, handling customer problems and maintaining error free record. According to (Parsuraman et al. 1988) reliability as the most important factor in service quality. Numerous researchers, including Gravin (1987) found that reliability tends to always show up in the evaluation of service. It was also determined by Parshuraman, et al (1991) that the conversion of negative wording to positive wording as suggested by the Barbakus and Boller, (1991) and Carman, (1990) increased the accuracy of this particular determinant. Walker, (1995)found that if there is an adequate delivery of the basic level of service, then peripheral performance leads consumers to evaluate the service encounter as satisfactory. Reliability was the one of

the original dimensions not modified by Zeithmal, et al (1988). This is more important in beneficiaries' financial transactions maintaining in EPF.

2.7.2.3 Responsibility

Responsiveness defined as the willingness or readiness of employees to provide service. The desire and willingness to assist customers and deliver prompt service makes up the dimension of responsiveness. Parasuraman et al., 1991 include such elements in responsiveness as telling the customer the exact time frame within which services will be performed, promptness of service, willingness to be of assistance, and never too busy to respond to customer requests. Responsibility was the one of the original dimensions not modified by Zeithmal, et al (1988).

2.7.2.4 Assurance

Parasuraman et al. (1985) defined assurance as knowledge and courtesy of employees and their ability to inspire trust and confidence. Knowledgeable and courteous employees who inspire confidence and trust from their customers establish assurance. According to Sadek et al. (2010), in British banks assurance means the polite and friendly staff, provision of financial advice, interior comfort, eases of access to account information and knowledgeable and experienced management team. Parasuraman et al., 1991 included actions by the employees such as courteous behavior of the employees, level of confidence and knowledge in dealing the customer, feel secure in the activities. Robert (1997) considers accessibility to be approachability to the service location, including the ease of find one's way around the service environment and clarity of route. In the case of contact staff with means both the staff and customer ratio and amount of time each staff member has available to spend with each customer for service goods, accessibility includes both quality and range to product like account types available to the customer. Assurance replaces competence, courtesy, credibility, and security in the original ten dimensions for evaluating service quality. Zeithmal, et al (1988).

2.7.2.5 Empathy

Parasuraman et al. (1985) defined empathy as the caring and individual attention the firm provides its customers. Empathy is the caring and personalized attention the organization provides its customers. Individual attention It involves giving customers individual attention, employees give customer personal attentions, keep the best interest of the beneficiaries at the heart and employees who understand the needs of their beneficiaries and convenience service hours. Ananth et al. (2011) has also referred to empathy in their study on private sector banks as giving individual attention; convenient operating hours; giving personal attention; best interest in heart and understand customer's specific needs. Empathy replaces access, communication and understanding the customer in the original ten dimensions for evaluating service quality (Zeithmal, et al. 1988).

2.7.2.6 Corporate governance

The concept of governance has developed overtime. Private organizations are the first to apply it as corporate governance context and subsequently spread to the public sector.

Governance is seen to cover a wide area that involves principles, rules, procedures and good practices that allow organizations to be efficaciously run within the constraints of evolving and changing institutions, including the design, implementation and follow-up of functional mechanisms for representation, voting, accountability, transparency, countervailing monitoring, incentives and standards of performance, the management of conflicts of interest and the enforceability of decision authority (Aprea 2005).

In its Principles of Corporate Governance, the OECD defines the concept as the system by which business corporations are directed and controlled. It also involves the set of relationships between a company's management, its Board, its shareholders and other stakeholders. It covers the structures a company puts in place to achieve its objectives, and the policies and practices through which conflicting interests of its various stakeholders are reconciled (Carmichael 2002). To effectively manage the

principal-agent problem, company objectives should be clear, rules to handle conflicts of interest are firmly established, and decisions and performance are disclosed with clear incentives and accountability for each player.(Musalem and souto, 2008)

"The objective of the e-governance is to support and simplify governance for all parties' government, citizen, business and its employees. Two major objectives of e-governance are 'service to the public sector and efficient government'. The services to the public fulfill the public's needs and expectations satisfactory on the front office side, by simplifying their interaction with various online services.The other objective efficient government helps for government operations to facilitate speedy, transparent, accountable, efficient and effective process for performing government administration activities. Significant cost savings(per transactions) in government operations can be the result" (Dhakal, 2010)

2.8 Theoretical Framework of the Study

The main objective of EPF is to provide financial support to its members or beneficiaries through different social security schemes. The major functions of the provident fund system in Nepal is to incorporate employees from formal sector, to provide higher rate of return on provident fund, to provide more social security benefits to the contributors/ beneficiaries and to mobilize the fund for return and value maximization.This research basicallyfocuseson how the EPF isproviding the services to its beneficiaries whether they are in the line of the beneficiaries' expectation or not. It is believed in behavioral science that what you given to anyone do not keeps any meaning but how you give keeps more meaning. To find out the realization and feelings of the beneficiariesregarding the services of EPF, gathered facts based on the tested modeland analysis will give the result. The theoretical framework of the study is stated as follow in brief.

EPF system is one of the oldest systems of social security in the world. Most of the developed countries have converted this system into other social security that is social insurance and social protection. Primarily this system is in existence in Asian countries.

Employees Provident Fund of Nepal was first started in the name of Provident Fund by the then prime minister of Nepal- JuddhaSamsher JBR with the advance deposit of 100 thousand Nepalese rupees, on the 20th August 1934 (4th of Bhadra 1991). Later, it was named SaninikDrabyaKosh and then to Employees Provident Fund in 1962 (2019 BS). (katuwal, 2013)

EPF is one of the oldest organizations in Nepal. It had already celebrated golden jubilee. Provident Fund (PF) system in Nepal has been operating under the special Employees Provident Fund Act, 2019 (1962). By the Act EPF is a fund manager and social security provider for member that collects contribution from the corresponding employers on behalf of their employees. EPF accumulates savings on personalized basis by creating individual account to each member and mobilizes the fund to provide benefits to its beneficiaries. As the foremost social security scheme, EPF returns the accumulated fund back to the members on lump sum basis at time of retirement or separation from the job or resignation or demise of the employees. It aims to support beneficiaries financially during the service and after their retirement. So, the primary objective of the EPF is to manage the provident fund of government, public and private sector employees and help them financially on retirement or separation from their job.

In the organized sector, EPF with the resource of 163 billion Nepalese rupees as on mid July 2014, EPF Nepal is providing social security services to its 483,000 members (Beneficiaries). It is derived from the vision “to establish the fund as a social security institution in international level through role of national level social security benefits provider” and the objective of the " a big happy family with satisfied members". In the line of vision, mission and objectives EPF has been performing the following activities as its core functions:

- Mobilizing savings through compulsory provident fund contributions on the part of employers and employees.
- Extending its coverage to a larger section of organized sector employees with a view to benefit them.

- Generating a reasonable return on its investment for the benefits of the beneficiaries.
- Undertaking activities, which protect social security of its beneficiaries.
- Suggesting the government in the policy formation for the benefits of the employees
- Conducting research activities to explore welfare schemes for EPF members.

EPF is an associate member of ISSA since 1980 representing social security institution of Nepal. Since then, being single member institution of ISSA from Nepal, it has been taking active participation in meetings, seminars and training organized by the ISSA (EPF, 1999).

As per the provision of the Employees Provident Fund Act, 1962 the EPF is an autonomous body under Ministry of Finance (MOF), Government of Nepal. The administration of EPF rests on the Board of Directors (BOD) consisting of seven members nominated by the Government of Nepal (GoN).

The BOD represents the all sector of the members (Beneficiaries) i.e. representation from civil servants, Nepal army, Nepal Police, Banking and financial Expert, Professors from the university. The Act has insured and compiled the principle of the corporate governance.

The BOD formulates policies, plans, and programs of EPF and oversees their implementation. The Administrator, who is appointed by the GoN, is the Chief of EPF. He/she is responsible for the effective execution of such type of plans and programs. Under the Administrator, there are two chief officers, ten departments and altogether five hundred ninety three employees are working. Currently, it has been providing its services from its Head Office located in Kathmandu valley, seven branches all over the country and one service center at Nepal's administrative center in SinghaDarbar, Kathmandu.

2.8.1 Dependent Variables:

The study identified beneficiaries' satisfaction as dependent variable of the title and discussed accordingly. The basic assumption of the study is that the higher level of perceptions; as compare to the expectations in the independent variables are parameters of the beneficiaries' satisfaction from EPF services. They are also based on the Tangibility of the services, Reliability, Responsiveness, Assurance, Empathy and corporate governance of EPF. In other words, they are determinants for the beneficiaries' satisfaction of EPF and vice versa. The basic guidelines about the measurement of the dependent variables regarding the beneficiaries' satisfaction of EPF in this study are as follows:

2.8.1.1 Perceived service quality and customer Satisfaction:

Customer satisfaction is influenced by customers' perceptions of quality (Zeithaml and Bitner,2000). Service quality is an antecedent of the broader concept of customer satisfaction (Gotlibet al., 1994; Buttle, 1996; Zeithaml and Bitner, 1996; Lee et al., 2000) and the relationshipbetween service quality and loyalty is mediated by satisfaction (Caruana, 2002; Fullerton andTaylor (2002). Customer satisfaction is the customers' evaluation of services after purchase or receives asopposed to their expectation (Oliver, 1997; Zeithaml&Bitner, 2000).

Several studies report that quality effect on customer satisfaction is often seen as greater thanother antecedents (Anderson andSullivan, 1993). Furthermore, Cronin and Taylor, 1992 concludes perceived service quality leadsto customer satisfaction which in turn, has a significant effect on purchase/ consumption intentions. Bouldingand Zeithaml (1993) points out the positive effect of perceived service quality on behavioralintention. Expectations and delivered service influenced perceived service quality, which in turn, has an impact on behavioral intentions such as willingness to provide favorable word of mouthand engage in repeat business (Bernhardt et al., 2000).

There is also a controversy regarding the relationship between customer satisfaction and service quality. Some authors reported that relationship exist between customer satisfaction and service quality (Oliver and DeSarbo 1988; Parasuraman, Zeithaml, and Berry 1994). Some posit that service quality is important antecedent of customer satisfaction (Parasuraman et al. 1988; Churchill and Suprenant 1982; Cronin and Taylor 1992; Oliver, 1993; Fornell 1992; Oliver and DeSarbo 1988). Some other argues that customer satisfaction is an antecedent of service quality. Finally, it is agreed that customer satisfaction is broader construct than service quality, so service quality assumed to be an important antecedent of customer satisfaction.

Kotler and Armstrong (2012) preach that satisfaction is the post-purchase/ consumption evaluation of products or services taking into consideration the expectations. Researchers are divided over the antecedents of service quality and satisfaction. Whilst some believe service quality leads to satisfaction, others think otherwise (Ting, 2004). The studies of Lee et al. (2000); Suleiman (2011) suggest service quality leads to customer satisfaction. To achieve a high level of customer satisfaction, most researchers suggest that a high level of service quality should be delivered by the service provider as service quality is normally considered an antecedent of customer satisfaction. As service quality improves, the probability of customer satisfaction increases.

Baker and Crompton (2000) defended satisfaction as a personal experience and mentality related the variation between personal expectation and actual receive. Customer satisfaction is the overall evaluation to services. It is the reflection customers make to their previous purchase. If it always exceeds their expectation, their loyalty increases. Customer satisfaction should be highly valued in business (Ostrom & Iacobucci, 1995). The relationship among service quality and customer satisfaction has received considerable attention in the marketing literature (Cronin and Taylor, 1992; Olorunniwo et al., 2006; Zeithaml et al., 1996). Within this research area, numerous empirical studies have reported the positive relationship between customer satisfaction and service quality (Andaleeb and Conway, 2006). The European and American customer satisfaction indices models, however, suggest that service quality is a component of satisfaction (Fornell et al., 1996).

Poon (1993) contends that there is need for loyalty for customers, quality labor and ensureservices are consistently good. Thusmeans that quality concerns visitor expectation of services and what is received and delivered. Abad customer service experience is used as an example of common customer service error hencecustomer turnover.

Customer satisfaction is another important aspect for service organizations and ishighly related with service quality (Bolton and Drew, 1991; Cronin and Taylor, 1992; Taylor andBaker, 1994).

As service quality improves, customer satisfaction probability increases. In this way, the association between service quality andcustomer satisfaction has emerged as a topic of significant and strategic concern (e.g. Bolton andDrew, 1991; Cronin and Taylor, 1992; Taylor and Baker, 1994). Customer satisfaction depends upon the service quality of the services of the service organization. Customers' evaluations of theservice quality are critical to service firms that aim to improve their marketing strategies (Croninand Taylor, 1992).

Customer satisfaction is viewed as influencing repurchase intentionsand behavior, which, in turn, leads to an organization's future revenue and profits. As a result ofthe direct link with profits, the issue of service quality and customer satisfaction has become afocus of the EPF organizations. More and more companies are compelled to assess and improvetheir service quality in an effort to attract customers (Gilbert and Veloutsou, 2007).Servicequality is an antecedent of the broader concept of customer satisfaction (Gotlieb et al., 1994;Buttle, 1996; Zeithaml and Bitner, 1996; Lee et al., 2000) and the relationship between servicequality and loyalty is mediated by satisfaction (Caruana, 2002). Therelationship among service quality and customer satisfaction has received considerable attentionin the marketing literature (Cronin and Taylor, 1992; Olorunniwo et al., 2006; Zeithaml et al., 1996). Within this research area, numerous empiricalstudies have reported the positive relationship between customer satisfaction and service quality(Andaleeb and Conway, 2006).

2.8.2 Independent Variables:

Being a deductive research the independent variables are identified as suggested by the SERVQUAL Model they are Tangibility, Reliability, Responsiveness, Assurance, and Empathy. The author added additional independent variable i.e. corporate governance in EPF on service delivery. Finally, the role of independent variables for increasing the perception of the services provided by the EPF has been seen, is insured by the analysis of data and information collected from primary sources as well as secondary sources concerning on the identified variables using a questionnaire method.

Further it is assumed that the independent variables definitely impact on the satisfaction level of the beneficiaries of the EPF. So, in this study, the researcher has only tried to analyze the important dimensions of the beneficiaries' satisfaction and categories which have more satisfaction level as compare to others.

2.8.2.1 Tangibility

Tangibility in services in EPF stands for the EPF service units have modern looking equipment i.e. update computers, operating systems, visually appealing physical facilities i.e. well equipped service counters, professionally dressed employees i.e. compulsory dresses and identity card and materials associated with a service (Like charts, citizen charter, notices, bulletins etc.) visually appealing i.e. contributors charter and web based information.

2.8.2.2 Reliability

Reliability in services in EPF stands for the EPF service units act according to the promises i.e. mention in the contributors charter, sincere interest in solving problems, services are performed right the first time, provide services at time promised and insist on error free transactions.

2.8.2.3 Responsibility

Responsibility in services in EPF stands for the EPF service units inform exactly when services will be provided, provides prompt services, always willing to help and never too busy to respond to service requests.

2.8.2.4 Assurance

Assurance in services in EPF stands for the EPF service units' employee behavior instills confidence, beneficiaries feel secure in their transactions, employees are consistently courteous and employees have the knowledge to answer questions.

2.8.2.5 Empathy

Empathy in services in EPF stands for the EPF service units provide individual attention, have convenient operating hours, employees provide personal attention, has the best interest of the beneficiaries at heart and employees understand the needs of the beneficiaries.

2.8.2.6 Corporate Governance

Corporate governance in services in EPF stands for the EPF service units maintained transparency in every activity related to beneficiary, follow the participative approach at the time of formulating policy/plan for the beneficiary, corruption less transaction and have continuous improvement for the beneficiary's welfare. "EPF should focus on increase the corporate values through the improvement of financial performance and operational performance based on good business practices. Good governance gives pressures to the EPF to add value for all stakeholders which resulting in more attention being given to efficiency, effectiveness and quality of services. EPF has to go far ahead then where it is in upcoming years" (Dhital, 2010).

2.9 Analytical Framework of the Study

Based upon the identified dependent and independent variables the analytical framework of the study is shown in the following figure:

Variables

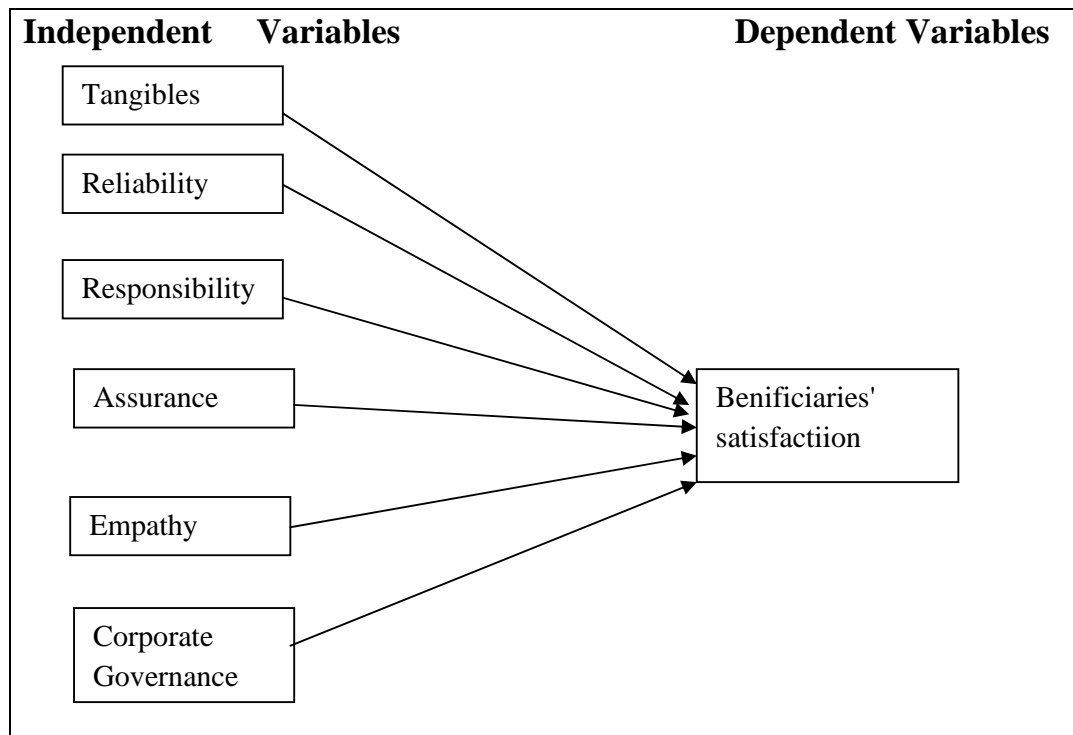


Figure 2.5 Author's development based on (Parasuraman, Zeithaml, & Berry, 1988; Zeithaml&Bitner, 2003)

2.10 Research Gap

It is evident from the literature that numerous studies have been conducted on customer satisfaction in banking industry. They only focus on banking service quality and satisfaction measurement. Provident funds are handling a huge trustee fund and also managing social security functions towards its beneficiaries. There is not any past study or research in the assessment of the beneficiaries' satisfaction in EPF using service quality model. ISSA has been working for the improvement of the quality and effective service delivery to the beneficiaries.

Social security institutions around the world continue facing pressures to improve the service quality of the programs and products to maximize the satisfaction of the beneficiaries. The organization which has already passed 50 years of the establishment, having huge fund, is facing challenges to improve the service quality. Provident fund system, adjusting with rival systems of economic governance, social security and social protection, is an important and growing area of research in economics and management. Recent years have seen a wave of provident fund system and product reforms across the globe to meet the need and expectations of the beneficiaries. Provident fund reforms would be only sustainable when it meets the expectations of the beneficiaries.

In this regards, this study will support to fill the research gap in the area. EPF is one of the most pioneer institutions managing the public provident fund in Nepal for more than five decades. So, this study only attempts to assess the beneficiaries' satisfaction in EPF, Nepal.

CHAPTER THREE

RESEARCH METHODOLOGY

The aim of this chapter is to explain methods used in carrying out this research, how the research was design and reasons for the choices. Thus the chapter begins withresearch philosophies, then research Approach, research design, and the chosen research strategy. The research techniques are also presented in this chapter. The chapter also presents the questionnaire structure and explains data collection method. The chapter ends with the analysis method and precision measurement.

3.1 Research Philosophy

The decision to use quantitative or qualitative methods is dependent upon the assumptions concerning the nature of knowledge and reality, how one understands knowledge and reality, and the process of acquiring knowledge and knowledge about reality. Researcher makes certain assumptions concerning knowledge and reality, which enables us to choose a particular research approach and these assumptions shape the research process, from the methodology employed to the type of questions asked (Hathaway, 1995). Considering the subject matter, researcher need to clarify what my epistemological and ontological assumptions are so that i can be able to decide on the exact method to approach in research work.

3.1.1 Ontological Assumptions

Ontology refers to assumptions held about the nature of social reality that is, whether reality is objective and external to the individual, or whether it is subjective and cognitively constructed on an individual basis (Long et al., 2000). It involves what exists in the world. These positions are frequently referred to respectively as objectivism and constructivism. Objectivism is an ontological position which states that, social phenomena confront us as external facts that are beyond our reach or influence. This means that social phenomena and the categories that we use in everyday discourse have an existence that is independent or separate from actors (Bryman& Bell, 2007, p.22). Constructivism is an alternative ontological position

which asserts that social phenomena and their meanings are continually being accompanied by social actors. Realities are constructed by the social actors (Bryman& Bell, 2007, p.23). According to Bryman& Bell, (2007, p.24), categories that people employ in helping them understand the world are considered social products, in which meanings are constructed in and through interaction. In relation to my study, i believe that there is a reality that can be apprehended or perceived; beneficiaries' satisfaction and service quality do exist out there and are external to the beneficiaries that perceive these realities. This tilts my study towards an objectivist way of looking at social phenomena. It is a clear fact that organizations strive hard to improve service quality and beneficiaries' satisfaction. Researcher is convinced that satisfaction could be one of the imminent effects of good service quality. These realities of service quality and beneficiaries' satisfaction can be captured out there by trying to find out how beneficiaries' perceive service quality thus resulting to beneficiaries' satisfaction. I will use structured questions developed from the SERVQUAL model in which respondents will choose their answers from. Through this method, I will be very objective in my study and thereby answer my research questions and attain my objectives. Researcher is not seeking to understand each respondent's perceptions but rather get a general answer on beneficiaries' perceptions and expectations by using an already designed model. Researcher is going to classify expectations and perceptions into levels where each respondent identifies the range where he/she belongs by using the likert scale.

3.1.2 Epistemological Assumptions

Epistemology can be defined in a broad sense as the study of knowledge (Bryman& Bell, 2007, p.16). In the extremes, knowledge can be viewed as objective and theoretically accessible to all, or else subjective and dependent on an individual experience (Long et al., 2000). The conflicting issue with epistemology is whether or not the social world should be studied according to the same principles, procedures and ethos as the natural science (Bryman& Bell, 2007, p.16). Positivism advocates the application of the methods of natural science to the study of social reality and beyond. According to Bryman& Bell, (2007, p.16) positivism can entail the following principles;

- The principle of phenomenalism which states that only phenomena and hence knowledge confirmed by the senses can genuinely be warranted as knowledge.
- The principle of deductivism which states that the purpose of theory is to generate hypotheses that can be tested and that will thereby allow explanations of laws to be assessed.
- The principle of inductive which states, knowledge is arrived at through the assemblage of facts that provide the basis for laws.
- Objective, that is, science must be conducted in a way that is value free.
- There is a clear distinction between scientific statements and normative statements and a belief that the former are true domain of scientist.

According to Bryman & Bell, (2007, p.17) some writers influenced by different intellectual traditions think that interpretive which contrasts positivism shares a view that the subject matter of the social sciences – people and their institutions is fundamentally different from that of the natural science. This implies that studies of the social world require an approach that differentiates humans against the natural order. In a nutshell, interpretivism is concerned with the empathic understanding of human action rather than the forces that act on it while positivism lays emphasis on the explanation and understanding of human behavior (Bryman & Bell, 2007, p.18). In this study, we will follow a positivist view of epistemology. We are going to assess beneficiaries' satisfaction in EPF using the SERVQUAL model basing on previous studies from where we obtain more knowledge. This topic is dealing with social phenomena, which are service quality and beneficiaries' satisfaction from the beneficiaries' point of view. This knowledge will be developed through an objective measurement using the measurable dimensions of service quality as proposed by Parasuraman et al., (1988). Service quality and customers' satisfaction are realities that exist outside the researcher's mind and I am trying to study these using methods of natural science. There is connection between theory and research in my study implying that i will collect observations in a manner that is influenced by pre-existing theories. However, researcher has to take an epistemological stand because some pre-existing theories are not genuinely scientific and must be applied in observations. We are interested in finding out if the SERVQUAL model is applicable in the EPF context and identifying what dimensions of service quality beneficiaries are satisfied with. Taking a positivist view will enable me to attain the research objectives

mentioned earlier. From my positivist view, the researcher and the objects of investigation (respondents) are independent from each other and they will be investigated without being influenced by the researcher. Researcher will limit interaction with the respondents to mere handing of the questionnaires to respondents in order to make the findings fully dependent on the respondents.

3.2 Background

Research in common parlance refers to a search for knowledge. One can also define research as a scientific and systematic search for pertinent information of a specific topic. In fact research is an art of scientific investigation. (Kothari, 2011)

Research is a careful investigation or inquiry especially through search for new fact in any branch of knowledge. The main aim of research is to find out the truth which is hidden and which has not been discovered yet. The important principle is that the exclusive demands of the problem should indicate the method to be followed, rather than a pre-selected method which limits the kind of problem to be explored and "establish a cause and effect relationship between variables with the purposes of explaining and predicting phenomena" (Best & Kahu, 2007, p.9 camp, 2001). However we must keep in mind that any exact method is not the end (Creswalls 2006; Johnson & Onwuegbuzie, 2004; Sing, 2007). Reimuth, (2009) contends that the knowing of absolute truth is impossible since what we see as 'truth or knowledge' is inherently flawed by our own social constructions. So, ultimate reality behind the model is meaningless (Heylighen, 1993). We should explore model, as the study of the nature and extent of knowledge and truth which is appropriate to my epistemological concern in public policy analysis research. An explicit specification of a conceptualization with multiple constructed realities in my research is ontology framework.

Research methodology is a guide to find the solution of the research problem. It may be understood as a science of studying how research is done scientifically. Thus several techniques and methods have been used for the collection of various data and information required for this study (Bernard, 1994).

The purpose of research is to discover answers to questions through the application of scientific procedures. The main aim of research is to find out the truth which is hidden and which has not discovered as yet. (Kothari, 2011)

This research will adopt a blend of exploratory and conclusive research design. Exploratory research is designed to understand and define the research problem clearly. This stage will incorporate literature review conceptual model and operationlization. Conclusive research is designed by descriptive and research design. Descriptive research studies are those studies which are concerned with describing the characteristics of persons, groups and any phenomena (Kothari, 2011). The objective of descriptive research is to collect detailed information that describes the current phenomena, identify problems, make evaluation and also explore for the future course of action (Wolf and Pant, 2002). Data are collected only once at a particular point in time from sample group of the contributors. In another part, casual research is also designed to test the relationship between independent and dependent variables. Relationship between contributors' satisfaction and factors effecting satisfactions are to be tested.

I try to simplify the research by showing the research objectives, its sources of data, research method and techniques respectively so that everybody can understand easily.

Research Method-Study objectives matrix

S. N.	Objectives	Nature and sources of data	Research Method	Techniques
1.	To find out the important dimensions of service quality that affect beneficiaries' satisfaction in EPF. To find out the level of satisfaction on the basis of categories of beneficiaries in EPF Nepal.	Primary / Secondary data	Questionnaire	content analysis/ opinion survey

Figure No. 3.1

3.3 Research Design

The phrase Research design denotes both a process and a product aimed at facilitating the construction of sound arguments .An argument is a logical structure that marshals both evidence and reasons why that evidence supports some claim or point. A sound argument is one that supports its claim in a way which is, even in the eyes of a skeptical and well-informed audience, credible and useful to the greatest degree feasible given resources we have available for gathering and analyzing evidence in support of that claim.(Justice, 2007) Jonathan B. Justice Purpose and significance of Research Design, CRC book page no. 75-95)

The formidable problem that follows the task of defining the research problem is the preparation of the design of the research project, popularly known as the research design. Decisions regarding what, where, when, how much, by what means concerning an inquiry or a research study constitute a research design. (Kothari, 2011).

The research design is the strategy for conducting research work, which describes the general frame work for collection, analysis and evaluation of identified data. It also provides the basis for further inquiry. What the researcher wants to know? And what has to be dealt with in order to obtain required information? The research design shed light on the methodology employed for collection, analysis and evaluation of the data (Sekaran, 1992).The Research design is a blue print specifying the method to be adopted for gathering and analyzing data (Pant, 2012).

A Research design helps in dealing with arranging and collecting the data and at the same time analysis of data in a manner so that the research objective can be achieved. It is the planning to flow the study or research and guide to meet the research objectives. It bridges and validates the conceptual framework and theory.

Therefore descriptive method has been found suitable and hence adopted for this study on the basis of the selected research questions and prescribed objective. This research has attempted to describe the overview of all services provided to the

beneficiaries of Employees Provident Fund in Nepal and has focused with the service quality and the satisfaction level.

The dependent variable for the purpose of the study is the satisfaction level of beneficiaries due to the facilities and service quality of EPF. Here service quality is the independent variable which is measured by the renounced model SERVQUAL. The unit of observation involves in Service Quality dimensions such as Responsiveness, Reliability, Assurance, Tangible and Accuracy provided by EPF. The evidence for analysis will be collected through questionnaire with earlier stated beneficiaries such as civil, army, police, teacher and employees from corporation and private sector, as well as discussions and interactions with focused group (respondents), experts, concerning authority and other relevant persons.

3.4 Population and Sampling Design

All items in any field of inquiry comprise a Universe or Population. A complete enumeration of all items in the population is known as a census inquiry. It is nearly impossible to enumerate all the population for the research because of the resources and time constrains. The selected respondents constitute what is technically called is sampling design. The survey so conducted is known as is known as sample survey. (Kothari, 2010)

A sample design is a definite plan for obtaining a sample from a given population. It refers to the technique or the procedure the researcher would adopt in selecting items for the sample. Sample design is determined before data are collected.

In this study, "Population- N" denotes the total member (Beneficiaries) of Employees Provident Fund, Nepal consisting Civil Servants, Nepal Army, Nepal Police/Armed Police, Teachers, Employees form Corporation, Private sector and other organized sector.

3.4.1 Sampling Methods

It is not possible to collect the information and data of all members or beneficiaries in EPF who are identified as population and comprehensive information related with identified variables due to time and other factors hence some key informants are selected as samples. On the basis of the nature of the topic to be studied and the requirements of data and information, the judgmental non-random sampling method is used. Judgmental methods are suitable for this study for the representativeness and authenticity of data from different sectors and variables.

In this research the representing of the beneficiaries used to gather the information through the questionnaire determine the "sample-n". The "sample" is firstly picked from among the civil, Army, Police, Teacher, Employees from Corporation and Private Sector then judgmental principles of convenience and ease sampling method from the population (Beneficiaries). Since the study population is homogeneous with respect to the characteristics of the society, nature, size, geography, EPF knowledge or experiences.

In order to reduce the negative externalities of heterogeneity, population was stratified into different groups and from that stratified group, a disproportionate number of people were selected keeping inclusiveness into mind that sample is composed of incorporating all segments of the contributors or beneficiaries or the stakeholders.

The number of the population in this study is 483 thousand up to Mid July, 2013. Among the total population 91 thousand represented by civil servants, 100 thousand by Nepal army, 98 thousand by Nepal Police/Armed Police, 105 thousand by Teachers and 89 thousand by the employees worked in public enterprises, private sector and other sectors.

Similarly, 200 members were chosen as the sample of the study which represents the whole population of different sectors such as civil servants, Nepal Army, Nepal Police/Armed Police, Teachers, employees from public enterprises, private sectors and other organized sectors. The only 160 respondents responded the questionnaires.

Within the constraints of time and money, it is impossible for the researcher to collect all information's from the vast population. Convenience sampling method has been used for collection of primary data and information through questionnaire process, i.e. individual sample is selected from the different strata as per convenience of the researcher. The ratio of total population and the sample size is shown in Table 3.1.

Table 3.1

Total Population and Sample Size

Sector	No. of Member in	Sector wise %	% of sample (Basis 0.03%)	Sample Size
Civil servants	91	18.84	0.03	160
Nepal Army	100	20.70		
Nepal Police/Armed police	98	20.29		
Teachers	105	21.74		
Employees from public enterprises, private and other organized sectors	89	18.43		
Total Population	483	100.00		

Source: KOSH, 2014

The respondents of the study were members of the EPF only whose special information are mentioned here. There were all together 160 respondents in the study. They are from different service sectors including Civil Servants, Nepal Army, Nepal Police/Armed Police, Teachers and Public/ Other enterprise. The members or beneficiary are in homogeneous nature so that samples are taken grossly from different sectors without allocating according to the group wise weight age.

Out of total 160 respondents, 73.1 % are male and 26.9 % are female. Similarly, among them, 26.2% are non officers and 73.8 % are officers. On the basis of Educational background, there are 3.1 % respondents having School leaving Certificate (SLC), 3.1 % having intermediate or +2, 46.6 % having Graduate and 52.5 % having post graduate and only 0.6 % having M.Phil. or Doctorate degrees. Among the total respondents i.e. 27.5% respondents have below 10 years service period, 72.5% have more than 10 years service period. (See detail in Appendix -3).

The ethical issue in the research is maintained. The research question and semi structured questionnaires were developed with consultation with supervisors. The researcher neither tried to maintain integrity of not affecting respondents' private information, nor influence positively or negatively. The sensitive information of EPF and other respondents had not asked.

The questionnaires with supporting letter from EPF, had sent to the respondents. The respondents were requested to return the questionnaire by the month of chaitra, 2070. The researcher attached a request letter to the questionnaires to explain the objectives and relevance of the study and to assure respondents of anonymity.

3.5 Nature and Sources of Data

Data and information's were obtained from several sources; it is not easy to list them in detail. Basically the sources of data are form primarily and secondarily. The study is based on both the primary as well as secondary sources of data. Two main sources of information in management and social science research come from the inner world of library, online library and the outside world of living people. Such sources are simply named as "Paper" and "People".

3.5.1 Primary Data

Data are collected from primary source using questionnaire as an instrument. Questionnaire was prepared in English language. Then it was briefed in Nepali language to the respondents. Questionnaire survey was administered with those contributors (Beneficiaries) who took the services from the EPF, Nepal. The study was conducted through the questionnaire in employees provident fund office at Thamel, SinghaDarbar and its beneficiaries' office some with the help of the office friends and some researcher himself. The quantitative data were collected by questionnaires methods. The quantitative method is effective in interpretive method. It is more appropriate method to study the behavioral aspect of social science. The questionnaires data was tabulated into one data base and be analyzed through using mathematical and statistical tools.

With the help of SPSS, descriptive analysis was conducted to identify the dimensions most strongly associated with Beneficiaries' satisfactions. Primary data from questionnaires was analyzed and interpreted by applying statistical tools and logical reasoning.

This study is basically designed to find out the impact of EPF's activities in Nepal. The proposed study was carried out in EPF.

The administrator and other designated officials of EPF were contacted to explain the purpose of the study and assistance need from the EPF, and seek permission to take information and data from the EPF.

This source has been used to explore the feelings, attitudes, opinions and their personal views on the issues of this study. A questionnaire survey was conducted in May to end of June, 2014.

The sample questionnaire in the survey is attached in the annex-2.

3.5.2 Secondary Data

Secondary sources data was obtained from internal and external sources. These data and information's were generated by others. The secondary sources of data in this study were gathered from various sources including different books, management, marketing journals, bulletins, reports, research articles, dissertations and websites such as ISSA, ILO and PF. Basically, this study is based on the EPF Act, EPF journal, bulletin, report, contributor's charter, government policy in service delivery and other information through concern authority. Aspects like reliability, suitability, adequacy and relevancy have been taken into consideration while collecting and using secondary data.

3.6 Data Collection Techniques

We collect primary data during the course of doing experiments in an experimental research but in case we do research of the descriptive type and perform surveys, whether sample surveys or census surveys, then we can obtain primary data either through observation or through direct communication with respondents in one form or another or through personal interviews.(Kothari, 2011)

Data collection activity consist of taking ordered information from reality and transferring it into some recording system so that it can later be examined and analyzed for patterns. Without the data, methodology cannot be utilized to bring us to the conclusion. Hence, data gathering is a very crucial part of any research project (Pant, 2012).

Data is the building block of any research. Data can be defined as the values collected through record keeping or polling, observing or measuring, more simply, data is facts, texts or numbers that can be collected (Pant, 2012).

During the data collection process, Questionnaire is the chief method applied for data collection in the study. A totalof 160 individuals were selected as key informants during the study. A set of questionnaire (*see Appendix 2*) was prepared and sent to total number of one hundred eighty respondents in hard copy and twenty respondents in mail during May to June, 2014 time period of the study through different EPF service counters, personal visit in beneficiaries' offices.

Field visit and observation of some EPF service counters or service centers have been made as the methods used for collection of data and information. The service counter of contributors service and social security department and contributors loan and recovery department at thamel, Service Centre at SinghaDarbar, Ministry of General Administration.During the field visits both primary and secondary data and information have been collected by using official documents, interactions and discussions with the officials ranging from Department chief to other employees who directly involve in service delivery.

The required data and information's have been obtained from different management and policy journals, books, bulletins, reports, research articles and websites. These materials were published from EPF and other related organizations in span of the period.

3.6.1 Questionnaire

A total of two hundred individuals were selected as key informants during the study. A set of questionnaire (see appendix -2) was constructed and sent to a total number of two hundred respondents by mail and hard copy. The questionnaires administered in four sections. The general information such as Name (optional), Gender, Service period, Education, Positions etc. of respondents mentioned in section one. In section two, administer the general question about the services and effectiveness of the schemes provided to the beneficiaries. Then after, it was administered as a variable wise such as responsiveness, accuracy, empathy, tangible, reliability and corporate governance in service delivery of provident fund in section third to four. In third section, the questions were related with the expectations of the beneficiaries and in the last section four; questions were related with the opinion about the perception in service delivery. Opinion about the given statements related to the EPF spells the expectation and perceptions.

These questions provide more descriptive information which laid the foundation for questions that identified their expectations, perceptions, opinions, values, attitudes and emotions help for this study.

3.7 Analytical Tools

The systematic way of the collecting data and processing it is the most important aspect of the data analysis. Organization and processing of data require systematic knowledge with technical tools and methods. There is a systematic sequence for

analyzing data. Basically data processing include: editing, coding, classification, and tabulation of facts and figures.

Data processing is the first step as a tool of the data analysis in the research. Where checking and correcting the data gathered from questionnaires, interviews, field visit and observations in systematic way to ensure their consistency, accuracy and completeness. All the complete information has been entered into the SPSS version 20 and MS Excel after manual coding. SPSS is basically the data entry application used for entering, editing, tabulating and disseminating survey data received from the questionnaire survey.

The data has been analyzed using both quantitative as well as qualitative techniques. The qualitative inputs were applied to the results of quantitative analysis to gain insight into the findings and provide plausible explanation to variances. For the purpose of analysis of collected data, methods of content analysis, percentage, table's charts and factor analysis has been used as analytical tools.

Frequency tables, percentage tables of the variables are used for the quantitative data analysis. Moreover, to examine the real aspects of the expectations and perceptions, cross tabulations of the various independent variables according to the sector of provident fund's member of the benefits or scheme providing by EPF. Analysis of historical records and documents is yet another technique included for data analysis. During the data analysis, for the consistency check up as well as further analysis of the information, the researcher has been used to MS Excel also by transferring data in the Excel format.

3.8 Validity and Reliability of data

Pallant (2005) describes the reliability of a scale as how free it is from random error. Whereas Field (2009) describes validity as “whether an instrument measures what it was designed to measures.”

Researcher has collected data from the different respondents for this research work, and only confirmation of data was addressed. Researcher, even though, it is practically impossible to remain totally neutral and objective toward the information,

provided by the respondents (Hammersley & Atkinson, 1995). Sincerity and Every attempt were made to maintain sensitivity. So the researcher is aware of subjective attributes in the process. Questions were designed with objective and close-ended questions in consultation of the supervisor and in the line of prescribed model to ensure that participants were not influenced by their perceptions with the views of researcher.

The researcher has been provided relevant information about the questionnaire as well as explained the objectives of the study to the respondent before collecting data. So that respondents were able to understand the research situation. Dependability and conformability was achieved by maintaining an audit trail consisting of research notes, memos and reflections on how categories were derived and how decisions were made throughout the inquiry.

The finding of the study is based on the opinion of the respondents and related information, which is gathered from secondary sources as review of related literature.

3.9 Ethical Considerations

During this study various aspects of ethical consideration were taken into consideration as much as possible it is maintained. The secondary information has been used from various sources, where it has cited and mentioned in the reference. Involvement of the participants in this study is voluntary. Each participant is contacted via friends, phone, and email and provided a written statement about the nature and purpose of the study in order to make an informed decision.

The primary data, information and opinion collected from the respondents/participants have been kept confidential. Opinion given by the participants, if used, are either only with the permission from them or in non-attributive way. The result and findings have also been shared with all respondents and their comments were also acquired in this regard.

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

This chapter focuses on the analysis of the data gathered from the respondents of different service sectors in EPF in Kathmandu. The data are presented in tables and are described as required. The aim of this section is to present the results and analysis of my work. Researcher decided to combine both the empirical findings and analytical part of this work together in this chapter to make it easier and for a better understanding for the reader. Researcher have also decided to present the findings of each service sectors separately so that the reader will get a clear picture of each of the organization's presentation for a better understanding of the analyses. Thus the chapter begins with discussion of the EPF services. The descriptive statistics are followed by the inferential statistics for each part. The chapter ends with the precision measures and discussion.

4.1 Background

This analytical study of assessment of beneficiaries' satisfaction in Employees Provident Fund basically focus on what are important dimensions that mostly effect the satisfaction of the beneficiaries and also to know how beneficiaries perceive service quality in EPF and identify which attributes bring satisfaction to above identified independent variables i.e.responsiveness, accuracy, empathy, tangible, reliability and corporate governance in service deliveryof EPF in the study.

4.2 Schemes / Services conducted from EPF, Nepal

EPF Nepal has initiated different financial and social security schemes for the beneficiaries to support in financial crisis and to provide social security. The schemes are mentioned in the table no 4.1.

Table no 4. 1 Service Provided by EPF for Contributor/Beneficiaries 2069/70

S. N.	Title of Loan/Facilities	Description	Eligible condition for Loan	Interest Rate (%)
1	Special Loan	90% of Deposit in PF	contributed for 2 years	9
2	House Loan	Equivalent amount up to 120 months Basic salary (Collator Basis)	contributed for 2 years	9.50
3	Education Loan	Equivalent amount up to 9 lac-12 lac (Collator Basis)	contributed for 5 years	9.50
4	Revolving Loan	up to 20 Lac (Collator Basis)	contributed for 2 years	10.50
5	Accidental Compensation	Rs 10000 to Rs 100000		-
6	Funeral Grants	Rs. 25000		-
7	Bima	Rs. 150000	After retirement	-
8	Health Insurance	Rs 15000 to Rs 35000	contributed for 2 years	-

Source :Kosh Annual report, 2014

"Except for Special Loan services, most of the respondents reported their satisfaction level to be very little to moderate for the services (Such as House Loan, Education Loan, Revolving Loan, Social Security Plan, Funeral Grant, Accidental Compensation and Medical Treatment Assistance) provided by EPF. Thus EPF requires improving its schemes and widely dissemination its schemes in order to inform its depositors. Similarly, while most of the customers were satisfied with the overall services provided by the EPF, when asked about specific service categories, majority reported to be satisfied very little to moderate." (NPA, 2014)

The explanation of all these schemes and their importance or effectiveness as perceived by the respondents are mentioned in the following sections in detail.

4.2.1 Benefits and Schemes

The study also considers the benefits as a factor for the effective role of EPF. The benefits of EPF have been evaluated in two aspects, namely i) social security benefits, and ii) loan schemes to its members. They are stated as follows:

4.2.1.1 Social Security Benefits

EPF is providing some social security benefits to its beneficiaries in Nepal. These benefits are non-contributory. Schemes under this heading are managed by the surplus earning of the EPF. These benefits can be classified in to four categories. They are: (i) Accident Indemnity Scheme (ii) Funeral Grant Scheme (iii) Employees Welfare Scheme (iv) Member Medical Reimbursement Scheme and (v) Periodic Pension Plan EPF has provisioned a special fund to sustain these additional social security schemes out of its profit. Because of the special fund the social security schemes conducted by EPF are non-contributory. It is always questionable for its sustainability by the auditors.

The following table shows the beneficiaries from the schemes which is self-explanatory.

Table 4.2 Total Members of the EPF and Beneficiaries of Benefits (Year wise)

Particulars/ FY	2008/09	2009/10	2010/11	2011/12	2012/13
Total Members of EPF (in 000)	440	450	460	466	483
Total No. of Beneficiaries (in 000)	13.1	13.6	1.2	1.1	1.1
% of total Members	3.0	3.0	0.3	0.2	0.2

Source: EPF, Annual Report 2014

To date 17 July, 2013, among the total members of EPF i.e. 483 thousand, around 1.1 thousand or 0.2 % members are enjoying the benefits of social security. The total members of EPF were 440 thousand in FY 2008/09 and beneficiaries were 3 %. The

social security beneficiaries are very low because of the tight terms and conditions of the schemes.

The main reasons are in the case of the accident indemnity benefit, those members can only receive in case of death and fully disability due to accidents and similarly funeral grant benefits also can be available for death of the members. Another benefit, employee welfare is only for civil servant and member medical reimbursement benefit is newly started scheme. At the time of preparing the questionnaire these schemes effectiveness has not been questioned. So, the beneficiaries of these schemes are very low in comparison with its members.

4.2.1.1.1 Accident Indemnity Scheme

As a part of Social Security in Nepal, this scheme was introduced by EPF in February 1995. Under this scheme a lump sum amount of Rs.100 thousand in case of death or permanent disability and Rs. 10 to 25 thousand in case of partial disability due to an accident is paid to the members or their legal heir or nominee.

The EPF has generated special reserve funds out of its own earning to finance this scheme. The fund's name is "Sanchayakarta Welfare Fund". For the operation this scheme, Board of the EPF allocate the certain profit in this fund every year. So, this scheme is totally noncontributory.

It has been asked to the respondents about the effectiveness of the Accident Indemnity Scheme. Respondents from different groups and categories have diverse response. Male respondents go for effectiveness of the schemes by 58% while female go for 67%. The respondents having master degree education express their views on 54% on effectiveness of the program while bachelor degree holder respondents show their views on 63%. The respondents who have less than 10 years of service period express their view on 50% while the respondents having more than 10 years of service period 67% on effectiveness of the program. Respondents working in the officer level express their view at 62% on effectiveness of the scheme while non officer have 57% view on the same. Respondents having service from head office expressed their view

on effectiveness 63% is more than the respondents having service in branch office i.e. 60.6 %. Respondents felt that the service provided by the female staff in this scheme is 61% effective while male staff is 60.6%. Annex 4.1 shows result of the respondents in the effectiveness of the scheme.

4.2.1.1.2 Funeral Grants Scheme

This scheme is another product in the Social Security in Nepal, introduced in January, 1990 by EPF. Under this scheme the EPF provides a sum of Rs.25 thousand as funeral grant to the legal heir or the nominee of the deceased member, who dies within the service period.

The EPF has generated special reserve funds out of its own earning to finance this scheme namely “Sanchayakarta Welfare Fund”. For the operation of this scheme, Board of EPF allocates certain profit in this fund every year. So, this scheme is totally noncontributory.

It has been asked to the respondents about the effectiveness of the Funeral Grants Scheme. Respondents from different groups and categories have diverse response. Male respondents express their view in the effectiveness of the schemes by 65% while female response is 72%. The respondents having master degree education express their views by 59% on effectiveness of the schemes while bachelor degree holder respondents show their views by 73%. The respondents who have less than 10 years of service period express their view by 62% while the respondents having more than 10 years of service period by 67% on effectiveness of the schemes. Respondents working in the officer level express their view by 65% on effectiveness of the scheme while non officer by 71% view on the same. Respondents having service from head office expressed their view on effectiveness by 66% is more than the respondents having service in branch office by 68 %. Respondents felt that the service provided by the female staff in this scheme is by 65 % effective while male staff by 67% about the scheme out of 160 respondents. Annex 4.2 shows result of the respondents in the effectiveness of the scheme.

4.2.1.1.3 Employees Welfare Scheme

This scheme was fully initiated by Government of Nepal in the year 1979 when the country was in the insurgency due to Maoist Movement and is implemented through the EPF as a social security schemes. EPF is only working or facilitating the Government of Nepal. It is a reimbursement plan. According to this plan firstly, the EPF provides the amount of benefit to Government employees with verifying the necessary documents and then equivalent amount receives from the Government of Nepal through the Ministry of Finance. This scheme is only for the Government Employees. Hence, EPF cannot provide this facility to other sector's member.

Present level of benefit payable to different classes of Government employees are Peon or equivalent, Non officer and Officer. Between the period in 1997 and 2006, the amount of benefit was Rs. 40,000/- for Peon (supporting staff) or equivalent, Rs. 50,000/- for Non officer and Rs. 75,000/- for Officer. Prior to the year 1997, the amount of benefit to peon (supporting staff) or equivalent employees, non officers and officers were Rs. 10 thousand, 12 thousand and 20 thousand respectively (EPF, 2011). However, this scheme is reimbursement scheme; EPF has been operating this scheme through its "Sanchayakarta Welfare Fund". This scheme is totally noncontributory and EPF is serving this on behalf of the Nepal Government for providing facilities to the government employees only.

It has been asked to the respondents about the effectiveness of the Employees Welfare Scheme. Respondents from different groups and categories have diverse response. Male respondents express their view on effectiveness of the schemes by 63% while female by 72%. The respondents having master degree education express their views by 59% on effectiveness of the scheme while bachelor degree holder respondents show their views by 67%. The respondents who have less than 10 years of service period express their view by 59% while the respondents having more than 10 years of service period by 68% on effectiveness of the scheme. Respondents working in the officer level express their view by 62% on effectiveness of the scheme while non officer by 73% view on the same. Respondents having service from head office

expressed their view on effectiveness by 66% is more than the respondents having service in branch office by 62%. Respondents felt that the service provided by the female staff in this scheme is by 72 % effectiveness while male staff is by 62% about the scheme out of 160 respondents. Annex 4.3 shows result of the respondents in the effectiveness of the scheme.

This scheme was basically started by the GOV and EPF is facilitating Nepal Government in distribution function.

4.2.1.1.4 Medical Reimbursement Plan

EPF has started a new social security scheme called “Sanchayakarta Medical Reimbursement Plan” since May, 2013.

Under this scheme EPF provides a sum of Rs.15, 000 to 35,000 as lump sum amount to its members under treatment with chronic disease. EPF Board has created special reserve funds out of its own earning to finance this scheme which called “Sanchayakarta Welfare Fund”. This scheme is also totally a noncontributory scheme. Because of the newly started programme respondents were not asked about the effectiveness of the programme.

4.2.1.1.5 Periodic Pension Plan

EPF had introduced periodic pension plan in 1996. It was another financial support to the retired members irrespective of private or government employees as a non contributory scheme. Under this plan, periodic pension initially at the rate of five percent of the PF refunded to the members/ beneficiaries on their retirement was paid to them or heir for a maximum period of nine years.

Because of the non-contributory, the sustainability of the scheme was a great questionable by the external auditors. Then EPF Board however, this plan has lately been replaced by member additional benefit plan. It was lump sum retirement benefits. In the new provision, existing members who have contributed for at least three years can get a benefit amount equivalent to 0.75 percent of PF at time of refunding the PF to the beneficiaries or their heir.

EPF had created special reserve funds out of its profit to finance this scheme which called “Sanchayakarta Additional Benefit Plan Fund”. In FY 2008/09, EPF decided that to close this plan by transferring the all amount of special reserve to respective members account. For 2009/2010 EPF has started to provide certain benefit in addition to the interest in members account as profit on the basis of earnings or surplus of the EPF. This rate ranges from 1.5 percent to 0.75 percent of the PF fund of the members at the end of the respective fiscal year.

It has been asked to the respondents about the effectiveness of the rate of the return in Provident Fund. The rate of return provided by the EPF is higher than the other financial institution but lower than the inflation rate. Respondents from different groups and categories have diverse response. Male respondents express their view on the effectiveness of the rate of return by 78% while female by 90%. The respondents having master degree education express their views by 77% on effectiveness of the return while bachelor degree holder respondents show their views by 84%. The respondents who have less than 10 years of service period express their view by 84% while the respondents having more than 10 years of service period by 81% on effectiveness of the return. Respondents working in the officer level express their view by 79% on effectiveness of the rate of return while non officer by 88% view on the same. Respondents getting return from head office expressed their view on effectiveness by 81% while the respondents having return in branch office by 82%. Respondents felt that the service provided by the female staff in rate of return is by 83 % effective while male staff score is by 82% out of 160 respondents. Annex 4.3 shows result of the respondents in the effectiveness of the scheme. Annex 4.4 shows result of the respondents in the effectiveness of the interest and profit distributions.

4.2.1.2 Loan Schemes

For the financial support of the members or beneficiaries, EPF has started to provide loans to its members against the PF and collateral. Members can not withdraw their provident fund so long as they continue to remain in employment. However, a member can avail loan from EPF to meet his/her financial and social needs. EPF has

been providing different types of loan under different headings to its members or beneficiaries, according to the rule and regulations of the respective loan schemes.

Loan facility to the members was started from the name of house/land loan against the collateral then the special loan scheme. Now, EPF has four other loan schemes to its members/beneficiaries. Prior to the provision of special loan, members were entitled to receive partial withdrawals. An EPF member with a minimum of five year's contribution in the EPF may partially withdraw up to 60 percent of the total PF deposit in an interval of two years. After the amendment of the income tax act the partial payment of the PF fund was dropped.

The loan facilities are classified in to four categories. Namely: i) Special Loan scheme, ii) House Loan scheme, iii) Education Loan scheme, and iv) Revolving Loan scheme. EPF is supporting to its members/beneficiaries through different loan to meet their financial and social needs during the service period. This study took in consideration of all these services and the service quality.

Firstly, the comparative study of total beneficiaries of different loan schemes and total member of EPF in last five years are shown in Table 4.3

Table 4.3 Total Members and Beneficiaries of Loan Schemes (Year Wise)

Particulars/ FY	2008/09	2009/10	2010/11	2011/12	2012/13
Total Members of EPF (in 000)	440	450	460	466	483
Total No of Beneficiaries (in 000)	245	261	280	315	331
% of total Members	56	58	61	68	69

Source: EPF, Annual Report 2014

To the date 17 July, 2013, among the total members of EPF i.e. 483 thousand, around 331 thousand or 69 % members are taking the benefits of these schemes. It is gradually increasing in the last couple of year.

4.2.1.2.1 Special Loan-2057 (2000 A.D.)

Special loan is provided against the member's deposit in their PF account. Beneficiaries are eligible when they contribute their two years contribution in PF. This loan is renewable in every two years or immediately after settlement of existing dues. Member/ beneficiaries can take Special Loan from any branch of EPF in their convenience. They can take up to 90 percent of the accumulated amount in their PF account. The current (FY2013/14) rate of interest is 9 % p.a., it is revised from July, 2013.

It has been asked to the respondents about the effectiveness of the Special Loan-2057 (2000A.D.) Scheme. Respondents from different groups and categories have diverse response. Male respondents express their view on the effectiveness of the Special Loan- 2057 by 84% while female by 88%. The respondents having master degree education express their views by 80% on effectiveness of the special loan scheme while bachelor degree holder respondents show their views by 87%. The respondents who have less than 10 years of service period express their view by 87% while the respondents having more than 10 years of service period by 82% on effectiveness of the special loan schemes. Respondents working in the officer level express their view by 83% on effectiveness of the special loan scheme while non officer express by 90% view on the same. Respondents getting loan service from head office expressed their view on effectiveness by 79% while the respondents having loan service in branch office by 82%. Respondents felt that the service provided by the female staff in special loan is by 83 % on effectiveness while male staffs by 85% out of 160 respondents. Annex 4.5 shows result of the respondents in the effectiveness of the scheme. It shows that beneficiaries are utilizing the scheme and satisfying their needs and expectations.

4.2.1.2.2 House Loan-2057 (2000 A.D.)

EPF has initiated another loan scheme named "House Loan Scheme, 2057" in December, 2000 with the objectives of supporting its members in building or buying a residential home.

Under this scheme EPF provides house loan to its members for a period of 20 years or remaining service period of members whichever is less. Members with two years of regular contribution in their PF deposit and having two years term remaining are eligible to obtain loan up to a sum equivalent to 10 years basic salary. This loan is provided through its' head office and branches at specified/ confined area i.e. Kathmandu, Biratnagar, Pokhara, Butwal, Dhangadhi and Hetauda offices.

The current (FY2013/14) rate of interest is 9.50 % p.a., it is revised from July, 2013 and on timely payment of installment else 1% interests will be levied. This loan scheme is based on collateral. The collateral should be in the name of the member or members' husband or wife.

It has been asked to the respondents about the effectiveness of the House Loan-2057 (2000A.D.) Scheme. Respondents from different groups and categories have diverse response. Male respondents express their view on the effectiveness of the House Loan- 2057 by 82% while female by 86%. The respondents having master degree education express their views by 87% on effectiveness of the loan schemes while bachelor degree holder respondents show their views by 77%. The respondents who have less than 10 years of service period express their view by 84% while the respondents having more than 10 years of service period by 84% on effectiveness of the schemes. Respondents working in the officer level express their view by 82% on effectiveness of the loan scheme while non officer by 87% view on the same. Respondents getting loan service from head office expressed their view on effectiveness by 82% while the respondents having loan service in branch office i.e. by 85%. Respondents felt that the service provided by the female staff in house loan is by 86 % effective while male staff score is by 82% out of 160 respondents. It shows that beneficiaries are utilizing the scheme and satisfying their needs and expectations.

Annex 4.6 shows result of the respondents in the effectiveness of the House Loan scheme.

4.2.1.2.3 Education Loan-2058 (2001 A.D.)

The EPF has initiated another loan scheme named "Educational Loan Scheme, 2058" in November 2001 with the objectives of supporting its members/ beneficiaries for the higher studies of the member himself/herself or his/her spouse or children.

Under this scheme, members with three years of their regular contribution in their PF deposit and having at least 5 year term remaining are eligible to obtain loan up to a sum of Rs. 1.2 million for the study in foreign countries and Rs. 0.9 million for the study within the country for a period of 15 years or remaining tenure of members whichever is less. Members of EPF can apply for Education loan only at Kathmandu branch.

The current (FY2013/14) rate of interest is 9.50 % p.a., it is revised from July, 2013 and on timely payment of installment else 1% interests will be levied. This loan is also based on collateral which is confined to certain areas of Katmandu Valley and other major cities of the Nepal.

It has been asked to the respondents about the effectiveness of the Education Loan-2058 (2001 A.D.) scheme. Respondents from different groups and categories have diverse response. Male respondents express their view on the effectiveness of the Education Loan- 2058 (2001) by 62% while female by 64%. The respondents having master degree education express their views by 63% on effectiveness of the loan schemes while bachelor degree holder respondents show their views by 61%. The respondents who have less than 10 years of service period express their view by 58% while the respondents having more than 10 years of service period by 64% on the effectiveness of the schemes. Respondents working in the officer level express their view by 66% on effectiveness of the loan scheme while non officer by 55% view on the same. Respondents getting loan service from head office expressed their view on effectiveness by 86% while the respondents having loan service in branch office i.e. by 84%. Respondents felt that the service provided by the female staff in education

loan is by 65 % on the effectiveness while male staff score is by 62% out of 160 respondents. It shows that beneficiaries are not satisfied in this scheme as compare to Special and House loan schemes. This scheme is processed only from Kathmandu office only in the specified areas collateral. Annex 4.7 shows result of the respondents in the effectiveness of the educational loan scheme.

4.2.1.2.4 Revolving Loan-2068 (2011 A.D.)

EPF has initiated another Loan scheme named "Revolving Loan, 2068" in May, 2011 with the objectives of fulfilling casual needs of members. Under this scheme, members with three years of their regular contribution in their PF deposit and having at least 5 year term service period remaining are eligible to have loan up to a sum of Rs. 2.0 million for the loan period of 5 years and it is renewable scheme in every 5 years period. It is available in Kathmandu valley only.

The current (FY2013/14) rate of interest is 10.5 % p.a., it is revised from July, 2013 and on timely payment of installment else 1 % interests will be levied. This scheme is based on collateral which is confined to certain areas of Katmandu Valley only.

It has been asked to the respondents about the effectiveness of the Revolving Loan-2068 (2011 A.D.) scheme. Respondents from different groups and categories have diverse response. Male respondents express their view on the effectiveness of the Revolving Loan- 2068(2011) by 43% while female by 54%. The respondents having master degree education express their views by 46% on the effectiveness of the loan schemes while bachelor degree holder respondents show their views by 48%. The respondents who have less than 10 years of service period express their view by 45% while the respondents having more than 10 years of service period by 47% on effectiveness of the schemes. Respondents working in the officer level express their view by 46% on the effectiveness of the loan scheme while non officer by 45% view on the same. Respondents getting loan service from head office expressed their view on the effectiveness by 42%. Respondents felt that the service provided by the female staff in revolving loan is by 54 % on the effectiveness while male staff score is by 42% out of 160 respondents. It shows that beneficiaries are not well informed and

satisfied in this scheme as compare to Special and House loan schemes. Annex 4.8 shows result of the respondents in the effectiveness of the scheme.

"Regarding the customers' awareness about different services(schemes) provided by the EPF, most of the respondents were found to be aware only about special loan(89%) and House loan (55.8). Noticeably, less numbers of respondents were found to be aware about education loan(28.2%), Medical Treatment Assistance (23.2%), Accident Assistant Fund (15.8%), Funeral Fund (13.7%), Social Security Plan (4.4%) and Revolving Loan (3.7%)" (NPA, 2014).

4.2.1.2.5 Low Cost Housing Scheme

Housing is one of the most prioritized and secured sectors of investment to EPF. The EPF Act allows mobilizing of EPF funds in housing either by undertaking housing projects independently or jointly with other institutions; or establishing or operating company for the operation of housing projects.

EPF has initiated the low cost housing scheme for its members by constructing 112 core houses in 1.5 hector of land in Pokhara. Out of which 109 house were sold to its members on installment. Besides this, it has constructed six office cum shopping complexes in Kathmandu valley and three in Pokhara. However the concept of the EPF, providing low cost housing to its members is very appreciable and desirable. EPF has not started another project after completing only one project in Pokhara,So the beneficiaries under this scheme are very negligible.

4.3 Overall effectiveness of the EPF activities

Respondents are asked about the overall performance or effectiveness of the EPF activities. They were questioned related with the coverage in terms of members (Annex 4.9), social security benefits(Annex 4.10), loan schemes(Annex 4.11), return (Annex 4.12) and overall effectiveness of the activities(Annex 4.13). The below figures are in the average response of the 160 respondents from different groups and categories have diverse response. Male respondents express their view on the effectiveness of the overall EPF serviceis by 68% while female by74%. The

respondents having master degree education express their views by 72% on the effectiveness of the overall services while bachelor degree holder respondents show their views by 68%. The respondents who have less than 10 years of service period express their view by 72% while the respondents having more than 10 years of service period by 68% on effectiveness of the schemes. Respondents working in the officer level express their view by 68% on the effectiveness of the overall services while non officer by 74% view on the same. Respondents getting services from head office expressed their view on the effectiveness by 71% while the respondents having services in branch office by 65%. Respondents felt that the service provided by the female staff in services is by 72 % on the overall effectiveness while male staff score is by 68% out of 160 respondents. Annex 4.13 shows result of the respondents in the effectiveness of overall services and schemes of the EPF.

4.4 Descriptive analysis

This descriptive analysis is used to look at the data collected and to describe that information. It is used to describe the demographic factors for more clarification. It is mainly important to make some general observations about the data gathered for general or demographics questions. The demographics factors used in this research are gender, education qualification, service period, designation, office type, service taken from and cooperativeness of the male and female employees in service delivery are the respondents uses the EPF's services. For the scale typed questionnaires for all variables mean or average response of respondents were used. To analyze the collected data in line with the overall objective of the research undertaking, procedures were carried using SPSS 20.00. In this part to identify the major issues and to provide workable recommendations for the problems concerning service quality and customer satisfaction, the researcher has collected data through self-administered questionnaire.

In this chapter the findings of the study are presented. During the survey a total of 200 questionnaires were distributed to Beneficiaries. Out of 200 distributed questionnaires 160 questionnaires were returned. So the analysis was made based on 160 responded questionnaires. The questionnaire were developed in five scales ranging from five to one; where 5 represents strongly agree, 4 agree, 3 no opinion, 2 disagree, and 1

strongly disagree. All questionnaires were filled by the beneficiaries of EPF in Kathmandu. Beneficiaries were selected based on purposive and convenience sampling and efforts have been made to have representative sample and the results are considered as representative of the population. Descriptive statistics were used for demographic factors, percentage and factor analysis were conducted for scale typed questionnaires. The entire questionnaires used are attached at the back.

4.4.1 Gender respondents:

In the demographic analysis the gender is one of the most important aspects. Usually male respondents are greater than female as it is a regular phenomenon in other study too.

Table no 4.4 Gender of the respondents

Particulars	Frequency	Percent	Cumulative Percent
Male	117	73.1	73.1
Female	43	26.9	100.0
Total	160	100.0	

Source: Field Survey, 2014

The above table shows that out of the total sample size, male respondents are 117 (73.1%) and female are 43 (26.9%). It shows that the male number of beneficiaries is more than female number of beneficiaries in EPF, Nepal.

4.4.2 Education level of the respondents

The education level of the respondent's affects the survey result. The respondent's education level is asked whether they have SLC, Intermediate/ plus two, Bachelor, Master level or other education degree. It is shown in the following table.

Table no 4.5 Respondents' Education Level

Particulars	Frequency	Percent	Cumulative Percent
SLC	5	3.1	3.1
Intermediate	5	3.1	6.3
Graduate	65	40.6	46.9
Master	84	52.5	99.4
other	1	.6	100.0
Total	160	100.0	

Source: Field Survey, 2014

The above table shows that out of the total sample size, school leaving certificate passed respondents are of 3.1% (5), Intermediate or +2 passed respondents are 3.1 % (5), Graduate passed respondents are 40.6% (65), Master degree passed respondents are 52.5 % (84) and M.Phil or PhD employees is 0.6%(1). It shows that most of the respondents are with the master degree. So the responses have more reliability.

4.4.3 Service Period of the respondents

The respondent's service period means how many years they contributed provident fund to the EPF. It is believed that if the respondents' service period is long they have more visited in EPF and have entertained more services from EPF. The respondent's service period is shown in the following table.

Table No. 4.6 Service period of the respondents

Particulars	Frequency	Percent	Cumulative Percent
Less than 10 years	44	27.5	27.5
More than 10 years	116	72.5	100.0
Total	160	100.0	

Source: Field Survey, 2014

The above table shows that out of the total sample size, beneficiaries' service period with less than 10 years are of 27.5% (44) and working period with more than 10 years are 72.5 % (116). Among the 160 respondents more respondents have long period of service. Their response in the questionnaire is more reliable and practical because they have taken more services and visited to EPF as compare to the shorter service period beneficiaries.

4.4.4 Designation of the respondents

The designation of the respondents means the position in which they serve in their organization. It is believed that officers are more responsible and accountable as compare to the non officer. The respondent's designation is shown in the following table.

Table no 4.7 Respondents' designation

Particulars	Frequency	Percent	Cumulative Percent
Officer level	118	73.8	73.8
Non-officer level	42	26.2	100.0
Total	160	100.0	

Source: Field Survey, 2014

The above table shows that out of the total sample size, respondents' designation or servicing level at their organization in officer level are of 73.8% (118) and non officer are 26.2 % (42).

4.4.5 Occupation of the respondents

EPF has its members basically from five sectors. They are Civil Servants, Nepal Army, Nepal Police/Armed Police, Teachers and Employees from public enterprises, The respondent's services sector is shown in the following table

Table no.4.8 Occupation of the respondents.

Particulars	Frequency	Percent
Civil service Nepal Army Nepal Police Education/Teachers Public enterprises and other	160	100

Source: Field Survey, 2014

The above table shows that out of the sample size, respondents working in civil service, Nepal Army, Nepal Police/Armed Police, Teachers and respondents working in public enterprises, private sector and other institutions altogether are 160. The respondents represent all service sectors.

4.4.6 Services taken/ provided from EPF

EPF has many service outlets. Beneficiaries can take the services in their convenience. EPF service outlets are Kathmandu as head office, 7 branch offices, one service center. The respondents were asked from where they took the services. The following table shows the status.

Table no 4.9 Service taken from Head office or Branch office

Particulars	Frequency	Percent	Cumulative Percent
Head Office	131	81.9	81.9
Branch Office	29	18.1	100.0
Total	160	100.0	

Source: Field Survey, 2014

The table shows that respondent's service taken from head offices are of 81.9% (131) and services have been taken from branch offices by the respondents are 18.1% (29).

4.4.7 Cooperativeness of the employee

Employees are the most important for delivering the services to the beneficiaries. Respondents were asked among the employees who are more cooperative male employee or female. The respondent's observation in cooperativeness of the employees' service is shown in the following table.

Table No 4.10 Cooperativeness

Particulars	Frequency	Percent	Cumulative Percent
Male	99	61.9	61.9
Female	61	38.1	100.0
Total	160	100.0	

Source: Field Survey, 2014

The above table shows that out of the sample size, respondents of 61.9 % (99) observe male employees are cooperative while 38.1 % (61) respondents observe that female employees are cooperative.

In this research it shows that male employees are more cooperative as compare to the female according to the observation.

4.4.8 Perception score as a measure of the satisfaction:

For the purpose of this EPF service units, the perception score of 4 out of 5 (80% of the maximum) is the minimum score needed to measure true satisfaction for the combined dimensions as well as each sub category of the dimensions. For example, a SERVQUAL respondent perception score of 4 in Tangibility would indicate an acceptable level of satisfaction for that category. The same would be true for each of such category of that dimensions as long as each achieved at least a 4 perception score. Conversely, a SERVQUAL respondent perception of 3.7 in Responsibility would indicate a non acceptable level of satisfaction for that category.

The 80% threshold has been used in other customer service satisfaction assessment where SERVQUAL was used as the primary assessment tool. In a customer service assessment of the Shahjalal Islami Bank Limited, Azim Ferdous justified the 80 percent threshold. While Fedrous study deals with services provided by a private bank and this EPF deals with the services provided by a public sector social security organization. Customers of the bank who are unsatisfied will become less loyal and will go somewhere else to bank. But in the case of the EPF's beneficiaries have no alternatives to have services for other organization like EPF. There is only one institution in Nepal providing the EPF system services. It is difficult to set the standard for the public organization in comparison with the private sector. Here researcher also took the minimum standard of 80 percent for the analysis.

4.5 Service Quality Dimensions:

Among the models for measuring service quality, the most acknowledged and applied model in different service sector is the SERVQUAL (Service Quality) model developed by Parshuraman et al.(1988). The SERVQUAL model of Parshuraman et al.(1988) proposed five dimensional construct of perceived service quality i.e. Tangibility, Reliability, Responsibility, Assurance, Empathy. Researcher added one more dimension to know the effect in expectation and perception in service quality in EPF is by corporate governance.

4.5.1 Tangibility

The tangibility dimension of the SERVQUAL beneficiary perception tool is composed of the first four questions which assess EPF services perceptions of tangible appearance aspects (equipment materials, physical facilities available for the service delivery and employees) of EPF, Nepal. The following table shows the response on the above statement of respondents.

Table No. 4.11 Tangibility Dimensions

Factors	Mean of E.	C.V.	Mean of P.	C.V.	Gap score (E-P)	Grand Mean of Perception in Tangibility	Grand Mean Of the C.V. of E	Grand Mean Of the C.V. of P
Modern looking equipment	4.025	14.70	3.87	19.28	0.155	3.79	20.13	20.87
Physical facilities visually appealing	3.85	20.23	3.77	21.30	0.08			
Appear professionally dressed	3.87	22.85	3.83	19.32	0.04			
Materials associated with service visually appealing	3.92	22.81	3.73	23.43	0.19			
Grand Mean Gap Score					0.116			

E=Expectation, P=Perception, C.V. = Coefficient of variation

Source: Field Survey, 2014

When observing at each of the four factors making up the tangibility dimension of beneficiaries' satisfaction at above table, the expectations of the EPF beneficiaries exceed perceptions in the statement of the modern looking equipment gap score (E-P=0.155), in visually appealing physical facilities gap score (E-P= 0.08), in professional appearance of employees gap score (E-P=0.04) and in visually appealing materials gap score (E-P=0.19)

The grand mean gap score (E-P) for the Tangibility dimensions of beneficiaries' satisfaction are 0.116 then applying. The survey results show that the expectation of the EPF Nepal beneficiaries exceed their perceptions of the Tangibility aspects. The grand mean of the coefficient of variation in perception is 20.87%. Lesser the coefficient of variation shows the higher in homogeneity level. Thus, the mean value is representative.

4.5.2 Reliability

The Reliability dimension of the SERVQUAL beneficiaries' perception tool is composed of thesecond five questions which assess EPF services perceptions of reliability aspects (Act according to promises, Sincere interest in solving problems, Services are performed right the first time, Provide the services at the time of promised, Insistonerrorfree records.) of EPF, Nepal. The following table shows the response on the above statement of the respondents.

Table no 4.12 Reliability Dimension

Factors	Mean of E.	C.V.	Mean of P.	C.V.	Gap score(E-P)	Grand Mean of Perception in Reliability	Grand Mean Of the C.V. of E	Grand Mean Of the C.V. of P
Promise to do, by a certain time they do	4.03	17.69	3.90	18.20	0.13	3.81	21.17	18.37
Has a problem,show a sincere interest to solve	3.86	21.35	3.89	18.46	-0.03			
Perform the service right the first time	3.92	21.02	3.79	20.16	0.13			
Provide service at the time of promise	3.92	24.74	3.80	20.53	0.12			
Insist on error free records	3.85	23.71	3.65	23.84	0.20			
Grand Mean Gap Score					0.11			

E=Expectation, P=Perception, C.V. = Coefficient of variation

Source: Field Survey, 2014

When observing at each of the five factors making up the reliability dimension of beneficiaries' satisfactionabove table, the expectations of the EPF beneficiaries exceed

perceptions except sincere interest to solve the problem in which perception score is greater than expectation score i.e. (E-P= -0.03). The Gap score in the statement of the act according to promises is (E-P = 0.13) services are performed right the first time gap score (E-P=0.13),Provide the services at the time of promised gap score (E-P=0.12) and insist on error free records gap score (E-P=0.20).

The grand mean gap score is (E-P) for the Reliability dimensions of beneficiaries' satisfaction is 0.11 when applying. Among the five questions or aspects in reliability dimensions the sincere interest in solving problems by EPF has exceed the beneficiaries' expectation.

The survey results show that the expectation of the EPF Nepal beneficiaries exceed their perceptions of the Reliability aspects in total.The grand mean of the coefficient of variation in perception is 18.37%. Lesser the coefficient of variation shows the higher in homogeneity level. Thus, the mean value is representative.

4.5.3 Responsibility

The Responsibility dimension of the SERVQUAL beneficiary perception tool is composed of the third five questions which assess EPF services perceptions of responsibility aspects (Informs exactly when services will be provided , Provide prompt services, Always willing to help, Never too busy to respond to service requests, Employees behavior instills confidence and Employees behavior instills confidence) of EPF, Nepal. The following table shows the response on the above statement of respondents.

Table no 4.13 Responsibility Dimensions

Factors	Mean of E.	C.V.	Mean of P.	C.V.	Gap score (E-P)	Grand Mean of Perception in Responsibility	Grand Mean Of the C.V. of E	Grand Mean Of the C.V. of P
Tell beneficiaries exactly when services will be performed	3.84	23.33	3.76	20.16	0.08	3.78	22.49	21.14
Give prompt service	3.94	20.18	3.84	20.83	0.10			
Always willing to help beneficiaries	3.89	22.62	3.78	22.54	0.11			
Never be too busy to respond to the beneficiary	3.88	23.56	3.72	21.32	0.16			
The behavior instill confidence in beneficiary	3.91	22.35	3.79	20.53	0.12			
Grand Mean Gap Score					0.114			

E=Expectation, P=Perception, C.V. = Coefficient of variation

Source: Field Survey, 2014

When observing at each of the five factors making up the responsibility dimension of beneficiaries' satisfaction at the above table, the expectations of the EPF beneficiaries exceed perceptions in the statement of Informs exactly when services will be provided gap score (E-P =0.08), in Provide prompt services gap score (E-P= 0.10), in always willing to help gap score (E-P=0.11), in Never too busy to respond to service requests gap score (E-P=0.16) and Employees behavior instills confidence gap score (E-P=0.12)

The grand mean gap score (E-P) for the Responsibility dimensions of beneficiaries' satisfaction is 0.114 when applying. The survey results show that the expectation of the EPF Nepal beneficiaries exceed their perceptions of the Responsibility aspects. The grand mean of the coefficient of variation in perception is 21.14%. Lesser the coefficient of variation shows the higher in homogeneity level. Thus, the mean value is representative.

4.5.4 Assurance

The Assurance dimension of the SERVQUAL beneficiary perception tool is composed of the three questions which assess EPF services perceptions of assurance appearance aspects (Beneficiaries feel secure in their transactions, Employees are consistently courteous, Employees have the knowledge to answer questions) of EPF, Nepal. The following table no. 4.14 shows the response on the above statement of respondents.

Table no 4.14 Assurance Dimensions

Factors	Mean of E.	C.V.	Mean of P.	C.V.	Gap score (E-P)	Grand Mean of Perception in Assurance	Grand Mean Of the C.V. of E	Grand Mean Of the C.V. of P
Feel secure in the transactions	4.03	19.75	3.99	17.32	0.04	3.95	20	18.58
Consistently courteous to beneficiary	3.92	19.62	3.94	18.50	0.02			
Knowledge to answer beneficiary's questions	4.01	20.65	3.91	20.02	0.10			
Grand Mean Gap Score					0.053			

E=Expectation, P=Perception, C.V. = Coefficient of variation

Source: Field Survey, 2014

When observing at each of the three factors making up the assurance dimension of beneficiaries' satisfaction at table no. 4.14 the expectations of the EPF beneficiaries exceed perceptions in the statement of beneficiaries feel secure in their transactions

gap score (E-P = 0.04), in Employees are consistently courteous gap score (E-P=0.02) and Employees have the knowledge to answer questions gap score (E-P=0.10)

In assurance dimensions the employees in EPF are consistently courteous gives the very little gap score means that beneficiaries' expectation are near to their perception. The grand mean gap score (E-P) for the assurance dimensions of beneficiaries' satisfaction is 0.053 when applying. The survey results show that the expectation of the EPF Nepal beneficiaries exceed their perceptions of the Assurance aspects. The grand mean of the coefficient of variation in perception is 18.58%. Lesser the coefficient of variation shows the higher in homogeneity level. Thus, the mean value is representative.

4.5.5 Empathy

The Empathy dimension of the SERVQUAL beneficiary perception tool is composed of the fourth five questions which assess EPF services perceptions of empathy aspects (Has convenient operating hours, individual attention Employees provide personal attention , Has the best interest of the beneficiaries at heart and Employees understand the needs of their beneficiaries) of EPF, Nepal. The following table shows the response on the above statement of respondents.

Table n 4.15 Empathy Dimensions

Factors	Mean of E.	C.V.	Mean of P.	C.V.	Gap score(E-P)	Grand Mean of Perception in Empathy	Grand Mean Of the C.V. of E	Grand Mean Of the C.V. of P
Individual attention	3.96	20.61	3.84	20.62	0.12	3.814	23.41	21.18
Give personal attention	3.93	21.19	3.82	19.89	0.11			
Operating hours convenient to the beneficiary	3.96	23.80	3.86	20.23	0.10			
Employees have beneficiary best interest at heart	3.76	26.65	3.73	23.43	0.03			
Understand the needs of the beneficiary	3.89	25.78	3.86	21.71	0.03			
Grand Mean Gap Score					0.078			

E=Expectation, P=Perception, C.V. = Coefficient of variation

Source: Field Survey, 2014

When observing at each of the five factors making up the empathy dimension of beneficiaries' satisfaction at the above table, the expectations of the EPF beneficiaries exceed perceptions in the statement of Providing individual attention gap score($E-P = 0.12$), convenient operating hours gap score($E-P = 0.10$), in Employees provide personal attention gap score ($E-P= 0.11$), in has the best interest of the beneficiaries at heart gap score ($E-P=0.03$) and Employees understand the needs of their beneficiaries gap score ($E-P=0.03$). Here gap score of last two statements have very little. The employees of EPF show their attitude towards the beneficiaries' satisfaction.

The grand mean gap score (E-P) for the Empathy dimensions of beneficiaries' satisfaction is 0.078 when applying. The survey results show that the expectation of the EPF Nepal beneficiaries exceed their perceptions of the Empathy aspects. The grand mean of the coefficient of variation in perception is 21.18%. Lesser the

coefficient of variation shows the higher in homogeneity level. Thus, the mean value is representative.

4.5.6 Corporate Governance

The corporate governance, an additional dimension in the SERVQUAL beneficiary perception tool, is composed of the last four statements which assess EPF services perceptions of corporate governance aspects (Maintain transparency in every transactions, Participative approach in policy formulation, Corruption less transactions and Continuous improvement in the services for the beneficiary welfare) of EPF, Nepal. The following table shows the response on the above statement of respondents in EPF, Nepal.

Table no 4.16 Corporate Governance Dimensions

Factors	Mean of E.	C.V.	Mean of P.	C.V.	Gap score (E-P)	Grand Mean of Perception in corporate governance	Grand Mean Of the C.V. of (E)	Grand Mean Of the C.V. of (P)
Maintain transparency in every activity	4.01	22.19	4.01	21.02	0	3.96	24.31	22.71
Participative approach at the time of formulating policy and plan	3.72	29.68	3.74	27.51	-0.02			
Corruption less transactions	3.85	25.27	3.95	24.87	-0.10			
Continuous improvement for the beneficiary welfare	4.13	20.46	4.16	17.86	-0.03			
Grand Mean Gap Score					-0.0375			

E=Expectation, P=Perception, C.V. = Coefficient of variation

Source: Field Survey, 2014

When observing at each of the four statements making up the corporate governance dimension of beneficiaries' satisfaction at the above table, the perceptions of the EPF beneficiaries exceed expectations in all the statement i.e. Maintain transparency in every transactions the gap score (E-P =0), in Participative approach in policy formulation gap score (E-P= -0.02), Corruption less transactions gap score (E-P= -0.10) and Continuous improvement in services for the beneficiary welfare gap score (E-P= -0.03)

The grand mean gap score (E-P) for the corporate governance dimensions of beneficiaries' satisfaction is -0.0375 when applying. The survey results show that the perceptions of the EPF Nepal beneficiaries exceed their expectation in corporate governance aspects. EPF has good image in the heart of the beneficiaries in maintaining corporate governance. The grand mean of the coefficient of variation in perception is 22.71%. Lesser the coefficient of variation shows the higher in homogeneity level. Thus, the mean value is representative.

CHAPTER FIVE

SUMMARY, FINDINGS AND CONCLUSION

The aim of this section is to check if the research questions were answered; the objective was met and if the study has contributions. Thus the chapter begins with a background, summary of findings, conclusion and suggestions for future research ends the chapter.

5.1. Summary

In the introductory chapter, Researcher has presented the brief background of the study with discussion about the concept of service quality (SERVQUAL), expectations and perceptions of the beneficiaries' of the EPF Nepal. The statement of the problem, research questions and objectives, rationale of the study, its limitation, scope as well as the organization of the study has also been discussed.

Under the heading of Conceptual framework on customer satisfaction, it was discussed about the concept and meaning of customer satisfaction, service, service quality, expectation, perception, corporate governance, total quality management, dependent and independent variables, conceptual framework, research gap.

Under the heading of the research methodology, it was discussed in brief about the research philosophy, methodology of the study including research design that is descriptive and sampling design that was used to collect the required data and information in this study. Researcher has briefly discussed about the data collecting techniques as well as analytical aspects of the study. The question of validity and reliability as well as ethical considerations are also discussed in the chapter.

Under the heading of the data presentation and analysis, it was discussed about the services and schemes provided by the EPF, analysis of their effectiveness, descriptive analysis on the demography and service quality dimensions with the findings in the line of the research objectives and research questions.

The overall service quality of services and effectiveness of the schemes were analyzed on the basis of SERVQUAL six aspects- Tangibility, Reliability, Responsibility, Assurance, Empathy and Corporate governance on the basis of primary information. The primary data received from the respondents through questionnaire based on the identified variables. The overall service quality analyzed through service quality dimensions for services provided by EPF. Information gathered from the secondary sources and primary sources. Primary data were gathered in each identified variables from 160 respondents.

5.2 Category / Dimensions wise Findings

Research findings are explained according to the category and dimensions wise respectively.

5.2.1 Category wise

To meet the research objective and get the answer of the research questions, beneficiaries were categorized in terms of male and female, their education level, their service period, their occupation, their post, their feelings on service station, their feelings towards the male and female staffs. Based on the categories their feelings are mentioned here respectively.

Among the respondents' female respondents felt effectiveness of the overall EPF schemes and facilities as compare to the male beneficiary i.e. 97.7% out of 43 female respondents express their views in the effectiveness of the schemes and services of the EPF while 83.8 % out of 117 male respondents express their views in the effectiveness of the schemes and services of the EPF. It shows that female beneficiaries are more satisfied as compare to the male.

Among the respondents' with Master degree holder respondents felt effectiveness of the overall EPF schemes and facilities as compare to the other education holder respondents i.e. 44.4% out of 84 Master degree holder respondents express their views in the effectiveness of the schemes and services of the EPF while 35 % out of 65 Graduate degree holder respondents express their views in the effectiveness of the

schemes and services of the EPF. The beneficiaries', with higher education level, are more satisfied as compare to the lower level education holder.

Among the respondents' with service period more than 10 years respondents felt effectiveness of the overall EPF schemes and facilities as compare to respondents with less than 10 years service period i.e. 63.1% out of 116 with service period more than 10 years respondents express their views in the effectiveness of the schemes and services of the EPF while 22.5 % out of 44 with service period less than 10 years respondents express their views in the effectiveness of the schemes and services of the EPF. The beneficiaries', those have more service period, are more satisfied as compare to short service period holder.

Among the respondents' with designation of officer respondents felt effectiveness of the overall EPF schemes and facilities as compare to respondents with designation of the non officer i.e. 65% out of 118 with the designation of officer respondents express their views in the effectiveness of the schemes and services of the EPF while 20.6 % out of 42 with the designation of non officer respondents express their views in the effectiveness of the schemes and services of the EPF. The beneficiaries', those working in officer level, are more satisfied as compare to non officer level.

Among the respondents' with service taken from head office respondents felt effectiveness of the overall EPF schemes and facilities as compare to respondents with service taken from branch office i.e. 71.2% out of 131 with service taken from branch office respondents express their views in the effectiveness of the schemes and services of the EPF while 31.9 % out of 61 with service taken from branch office respondents express their views in the effectiveness of the schemes and services of the EPF. The services provided from head office are better than from the branch office. This kind of result is natural because of the some schemes which are only provided from head office. The beneficiaries', those having services from head office, are more satisfied as compare to the service having from branch offices.

While asking about the cooperativeness of the EPF's employees among the respondents' male employees' cooperativeness in the effective delivery of the overall EPF schemes and facilities is higher i.e. 53.8% out of 99 as compare to the female

employees i.e.31.9 % out of 61 female employees. The beneficiaries' felt that male employees of EPF are more cooperative as compare to the female employees.

5.2.2 Dimensions wise

The opinion of the respondents regarding identified areas has been classified in to six dimensions namely: Tangibility, Reliability, Responsibility, Assurance, Empathy and Corporate governance in service quality in service delivery to the beneficiaries in EPF, Nepal. On the basis of descriptive study approaches, the study concluded certain findings which are summarized here briefly:

5.2.2.1 Tangibility

The tangibility dimension of the SERVQUAL beneficiary perception tool is composed of the four questions which assess EPF services perceptions of tangible appearance aspects (equipment materials, physical facilities available for the service delivery and employees) of EPF, Nepal. When observing at each of the four factors making up the tangibility dimension of beneficiaries' satisfaction the average perception score is 3.79out of 5 i.e. 75.8 % is the beneficiaries satisfaction level in EPF, Nepal. If we fix the perception score of 4 out of 5 (80% of the maximum) is the minimum score needed to measure true satisfaction for the tangibility dimensions as well as each factors of the dimensions, it is less than the set standard. It shows among the four factors in tangibility dimensions the forth factor i.e. Materials associated with a service visually appealing gap score has the highest among four and the first factor modern looking equipment has second highest gap score. The management of the EPF should focus more attention or improvement to improve the satisfaction level in the tangibility dimension among the four factors are visually appealing physical facilities and in modern looking equipmentwhich has more gap score i.e. 0.19 and 0.155 respectively. The grand mean of the coefficient of variation in expectation and perception are 20.13% and 20.87% which shows the more homogeneity of the data. The survey results show that the expectation of the EPF Nepal beneficiaries exceed their perceptions of the Tangibility. Annex- 5.1, 5.2 and 11.1 further spells out about the expectation and perceptions regarding Tangibility statements from the respondents.

5.2.2.2 Reliability

The Reliability dimension of the SERVQUAL beneficiaries' perception tool is composed of the five questions which assess EPF services perceptions of reliability aspects (Act according to promises, Sincere interest in solving problems, Services are performed right the first time, Provide the services at the time of promised, Insist on error free records.) of EPF, Nepal. When observing at each of the five factors making up the reliability dimension of beneficiaries' satisfaction the grand mean perception score is 3.81 i.e. 76.2 % is the beneficiaries' satisfaction level in EPF, Nepal. If we fix the perception score of 4 out of 5 (80% of the maximum) is the minimum score needed to measure true satisfaction for the reliability dimensions as well as each factors of the dimensions, it is less than the set standard. It shows that among the five factors in reliability dimension perceptions of the EPF beneficiaries exceed expectation in sincere interest in solving problems aspect which has negative gap score (E-P= -0.03). In among the other remaining aspects the highest gap score is in insist on error free records. The management of the EPF should focus more to improve the satisfaction level in the reliability dimension among the five factors is insist on error free records(E-P=0.20). Then other aspects are performed right the first time, act according to promisesand provide the services at the time of promised have gap score i.e. 0.13, 0.13 and 0.12 respectively.The grand mean of the coefficient of variation in expectation and perception are 21.37% and 18.17%which shows the more homogeneity of the data. The survey results show that the expectation of the EPF Nepal beneficiaries exceed their perceptions of the Reliability aspects of the EPF, Nepal. Beneficiary have more admire as compare with complains in EPF (Acharya, 2010).Annex- 6.1, 6.2 and 11.2 further spells out about the expectation and perceptions regarding Reliability statements from the respondents.

5.2.2.3 Responsibility

The Responsibility dimension of the SERVQUAL beneficiary perception tool is composed of the five factors which assess EPF services perceptions of responsibility aspects (Informs exactly when services will be provided, provide prompt services, Always willing to help, Never too busy to respond to service requests, Employees

behavior instills confidence and Employees behavior instills confidence) of EPF, Nepal. When observing at each of the five factors making up the responsibility dimension of beneficiaries' satisfaction the average perception score is 3.78 i.e. 75.6 % is the beneficiaries' satisfaction level in EPF, Nepal. If we fix the perception score of 4 out of 5 (80% of the maximum) is the minimum score needed to measure true satisfaction for the responsibility dimensions as well as each factors of the dimensions, it is less than the set standard. It shows that among the five factors in responsibility dimension expectations of the EPF beneficiaries exceed perception in every aspect and has the highest gap score in never too busy to respond to service requests i.e (E-P=0.16) then other aspects such as Employees behavior instills confidence, always willing to help,provide prompt servicesand the informs exactly when services will be provided have 0.12, 0.11, 0.10 and 0.08 gap score respectively.The grand mean of the coefficient of variation in expectation and perception are 22.49% and 21.14%which shows the more homogeneity of the data. The management of the EPF should focus more to improve the satisfaction level in the responsibility dimension among the five factors is in never too busy to respond to service requests. The survey results show that the expectation of the EPF Nepal beneficiaries exceed their perceptions of the Responsibility aspects. Annex- 7.1, 7.2and 11.3 further spells out about the expectation and perceptions regarding Responsibility statements from the respondents.

5.2.2.4 Assurance

The Assurance dimension of the SERVQUAL beneficiary perception tool is composed of the three statements which assess EPF services perceptions of assurance appearance aspects (Beneficiaries feel secure in their transactions, Employees are consistently courteous, Employees have the knowledge to answer questions) of EPF, Nepal. When observing at each of the three factors making up the responsibility dimension of beneficiaries' satisfaction the average perception score is 3.95 i.e. 79 % is the beneficiaries' satisfaction level in EPF, Nepal. If we fix the perception score of 4 out of 5 (80% of the maximum) is the minimum score needed to measure true satisfaction for the assurance dimensions as well as each factors of the dimensions, it is less than the set standard but not so far. Among the assurance factors EPF

employees are consistently courteous has the (E-P=0.2) gap score. It means expectations and perceptions score is very near. When observing at each of the three factors making up the assurance dimension of beneficiaries' satisfaction the expectations of the EPF beneficiaries exceed perceptions. Among the remaining two aspects of assurance dimension employees have the knowledge to answer questions has the highest gap score i.e. 0.10. The next factors i.e. the area of beneficiaries feel secure in their transactions has 0.04 gap. The grand mean of the coefficient of variation in expectation and perception are 20% and 18.58% which shows the more homogeneity of the data. The management of the EPF should focus more to improve the satisfaction level in the assurance dimension among the three factors is trained the employees to enrich knowledge to answer questions of the beneficiaries. The survey results show that the expectation of the EPF Nepal beneficiaries exceed their perceptions of the Assurance aspects. Annex- 8.1, 8.2 and 11.4 further spells out about the expectation and perceptions regarding Assurance statements from the respondents.

5.2.2.5 Empathy

The Empathy dimension of the SERVQUAL beneficiary perception tool is composed of the five questions which assess EPF services perceptions of empathy aspects (EPF service units give the beneficiary personal attention, has convenient operating hours, employees provide personal attention, has the best interest of the beneficiaries at heart and employees understand the needs of their beneficiaries) of EPF, Nepal. When observing at each of the four factors making up the empathy dimension of beneficiaries' satisfaction the average perception score is 3.81 i.e. 76 % is the beneficiaries' satisfaction level in EPF, Nepal. If we fix the perception score of 4 out of 5 (80% of the maximum) is the minimum score needed to measure true satisfaction for the empathy dimensions as well as each factors of the dimensions, it is less than the set standard. Among the empathy factors EPF has individual attention has the highest 0.12 gap score. Among the remaining four aspects of empathy dimension giving personal attention, operating hours convenient, employees of EPF understand the needs of their beneficiaries, has the best interest of the beneficiaries at heart have 0.11, 0.10, 0.03 and 0.03 gap score respectively. The grand mean of the coefficient of variation in expectation and perception are 23.41% and 21.18% which shows the more

homogeneity of the data. The management of the EPF should focus more to improve the satisfaction level in the assurance dimension among the five factors is the operating hours of the service delivery should be revised, individual attention should be given to the beneficiary to make it comfortable service delivery to the beneficiary to increase the satisfaction level. The survey results show that the expectation of the EPF Nepal beneficiaries exceed their perceptions of the Empathy aspects of the EPF, Nepal. EPF should make simple and reachable mechanism in implementation of the schemes for beneficiaries (Rijal, 2010). Annex- 9.1, 9.2 and 11.5 further spells out about the expectation and perceptions regarding Empathy statements from the respondents.

5.2.2.6 Corporate Governance

The corporate governance an additional dimension in the SERVQUAL beneficiary perception tool is composed of the four questions which assess EPF services perceptions of corporate governance aspects (Maintain transparency in every transaction, Participative approach in policy formulation, Corruption less transactions and Continuous improvement in the services for the beneficiary welfare) of EPF, Nepal. When observing at each of the four factors making up the corporate governance dimension of beneficiaries' satisfaction the average perception score is 3.96 i.e. 79.2 % is the beneficiaries' satisfaction level in EPF, Nepal. If we fix the perception score of 4 out of 5 (80% of the maximum) is the minimum score needed to measure true satisfaction for the empathy dimensions as well as each factors of the dimensions, it is less than the set standard but it is very near to the standard. Among the six dimension along with SERVQUAL the corporate governance dimension has the negative grand gap score i.e.- 0.0375.

When observing at each of the four factors making up the corporate governance dimension of beneficiaries' satisfaction the perceptions of the EPF beneficiaries exceed expectation in every statements like corruption less transactions of service delivery, Continuous improvement in services for the beneficiary welfare, beneficiary Participative approach in policy formulation and transparency in every transactions have negative gap score i.e. -0.10,-0.03,-0.02 and 0. The grand mean of the coefficient of variation in expectation and perception are 24.31% and 22.71% which shows the

more homogeneity of the data. EPF has maintained corporate governance in its principles like transparency, participative and accountability in service delivery and other transactions (Acharya, 2010). The management of the EPF should maintain the trust of beneficiary to improve the satisfaction level in the corporate governance. The survey results show that the expectation of the EPF Nepal beneficiaries exceed their perceptions of the corporate governance aspects of the EPF, Nepal by a negative gap score. Annex- 10.1, 10.2 and 11.6 further spells out about the expectation and perceptions regarding Corporate Governance statements from the respondents.

5.3 Conclusion

The nature of the EPF services facilitates beneficiaries to demand the highest possible quality. In order to achieve it is necessary to be very close to capture information on beneficiaries current and future needs desires, expectations and perceptions. The main objective of this study is to find out the level of satisfaction on the basis of the categories of the beneficiaries of EPF, Nepal and to find out the important dimensions of service quality that affect beneficiaries' satisfaction in EPF. Timely and prompt service, simple procedures, contemporary services, friendly behavior of the employees, responsible, accountable, sincere employees are the features of the EPF. It should be taken to other government institution instead of making commission for improvement in service delivery expending huge fund unnecessarily. EPF with efficient management, simple working procedures and process, employees' behavior, applied technology satisfy the beneficiary. This should be followed other government organization in Nepal (Phuyal, 2009).

It is revealed that out of the 160 respondents female beneficiaries are more satisfied as compare to the male beneficiaries. Beneficiaries with higher level education holder are more satisfied as compare to the lower level education holder. The beneficiaries those have more service period are more satisfied as compare to the short service period holder. During the long service period, beneficiaries can get more chance to utilize the offered schemes and facilities from EPF. The beneficiaries those working in officer level are more satisfied as compare to the non officer. The beneficiaries those having services from services from head office are more satisfied as compare to the services having from branch offices. This is natural because all the schemes and

services are not available in every branch of the EPF. The beneficiaries' felt that male employees of EPF are more cooperative as compare to the female employees. It means that beneficiaries are more satisfied from the male employees as compare to the female employees. The management should focus on the weak area for the improvement in the satisfaction level of the beneficiaries.

This study posits and develops an instrument of service quality and examines the relationship between perceived service quality and customer satisfaction from various studies, SERVQUAL appears to be a consistent and reliable scale to measure banking service quality and provide a useful diagnostic role to play in assessing and monitoring service quality in banks. The measurement of the EPF's service quality has to be based on perceived quality. It is because of the intangibility of the service quality, heterogeneous and its consumption and production occur in tandem (Lim and Tang, 2000). The research results are expected to provide guidance and reference for the management of EPF in Nepal. The results of this study indicated that service quality is an important antecedent of beneficiaries' satisfaction this result consistent with results drawn. (Anadaleeb and Conway, 2006, Zeithaml and Bitner, 2003). Six dimensions of service quality have significant influence on beneficiaries' satisfaction. These dimensions are tangible, responsibility, reliability, assurance, empathy and corporate governance. More over my findings show that service quality is an important antecedent of beneficiary satisfaction.

As the conducted survey points out, there are some of the problems that surface in the effort of evaluating beneficiaries' satisfaction hence beneficiaries' satisfaction vary according to the nature of the service. The highest beneficiaries' satisfaction is revealed in the corporate governance area such as EPFs' transparent activities, beneficiary participation in plan and policy making of the organization (Board is representative), corruption less transactions and continuous improvement in services. In this dimensions it is revealed that the minimum expectation and perception gap score in corporate governance is (0.03) among the rest of the dimensions. The second dimension which has lower average gap score is empathy dimension (0.08), then after assurance (0.10), Reliability (0.11), Responsibility (0.15) and Tangibility (0.16).

The quality dimensions assessed by the beneficiaries' satisfaction questionnaire is important to beneficiary and therefore it is beneficial for managers to understand

which of these quality dimensions is good to increase the beneficiaries' perception and which one is poor in beneficiaries' perception. The benefits of beneficiaries' satisfaction surveys represent a clear picture of the beneficiaries and also an overview of the areas the EPF needs to improve. In this way the EPF has the chance to a higher beneficiaries' satisfaction level and maintain a strong relationship with its beneficiary. The satisfaction level in tangibility is 75.8 percent, Reliability is 76.2 percent, Responsibility is 75.6 percent, Assurance is 79 percent, Empathy is 76 percent and Corporate Governance is 79.2 percent. The average satisfaction level in all dimensions is 76.97 percent.

Thus, whether the research questions were answered or the objective was met depend on the outcomes of the study. From the summary of the results it could be seen that the research questions were answered either distinctively by the individual service sectors or jointly in a group analysis of the common variables. From the result section; the individual results showed that the research questions were answered by each of the dimensions distinctively.

This research seems to have contributed to the topic both on academic and business. The objective of this study was to examine the important dimension in beneficiaries' satisfaction and service quality with respect to service quality dimensions (Adding one dimension in the SERVQUAL model i.e. corporate governance). Therefore I aimed at placing theoretical foundations for further research on customer satisfaction, service quality and beneficiaries' satisfaction. Using the SERVQUAL dimension to examine the important dimensions in beneficiary satisfaction and service quality will help the management to better understand what these dimensions mean to the beneficiary and to the organization.

It also implies that; service quality is not the only factor affecting beneficiaries' satisfaction in service sectors because other factors were given by customers for reasons that lead to their satisfaction. Thus the outcome in this case, suggests that to provide quality service in order to satisfy beneficiary with this aspect, the organization in this kind of service sectors need to improve on the dimensions of service quality. Also, to provide total satisfaction to beneficiaries, the service sectors need to improve on the other factors that were given as reasons for satisfaction. Hence the result of this

research can be useful to managers in business organizations with respect to how to deal with beneficiaries, in order to maintain the organization's main objective of value maximization and cost minimization.

Management of organizations could examine those other factors apart of service quality that the beneficiaries selected as reasons for satisfaction or dissatisfaction. In this case, the management could always adjust on those other factors to provide its customers with the best values and also dictate the important dimension(s) to lay more emphasis on in order to improve service quality and/or beneficiaries' satisfaction. The findings from this research are relevant to academic categories of beneficiary, employee and marketing research. Additional knowledge on consumer research on satisfaction is becoming very relevant. This could be done by providing the values that the beneficiaries' desire and when this is done, the beneficiaries will be satisfied. Satisfying the beneficiaries by making sure they obtain good quality services is the latest strategy for organizations in today's business environment. That is why companies are going in for total quality management to improve the quality because quality has a great impact on customer satisfaction (Kotler, et al., 2002). Researcher study contributes to this area by confirming or adding value to the relationships that are involved among customer satisfaction, service quality and some of the service quality dimensions by SERVQUAL model. The present study institutes basis for assuming that service quality is an important tool of evaluating satisfaction perceived by the customers.

5.4 Suggestions for future research

The topic was a good one but because of its limitations and/or outcome, there is a need for further research. Because the study did not consider employees who provide the services to beneficiaries; further research could be the study about the relationship among beneficiaries' satisfaction, service quality and job satisfaction with the use of all the five SERVQUAL dimensions and corporate governance at once, to see if satisfaction level of employees is related to their services and/or beneficiaries' satisfaction. Another further study could be to test among the dimensions with the use

of more statistical method to see which of them will be more important to service quality and/or customer satisfaction. Also future study could be in these areas too:

- Do Beneficiaries always evaluate SQ in terms of Expectations and Perceptions? What other forms of Service quality evaluation are there?
- What are the relationships between service quality, customer satisfaction, employees' behavior, office environment, word of mouth and organizational performance?
- What are the relationships between the five RATER factors? How stable are those relationships across the context?
- What could be the appropriate scale format for collecting valid and reliable Service Quality Data?

BIBLIOGRAPHY

- Abratt R & Russell J. (1999). *Relationship marketing in private banking in South Africa*. International Journal of Bank Marketing, 17 (1): Page no. 5-19.
- Acharya, Arjurn Prasad (2010). *EPF in context of governance*. KOSH. EPF, Nepal's publication 74, Page no. 47-50
- Adhikari, Rajendra (2011). *Citizens' satisfaction with Municipal Services: A Case of Bharatpur Municipality, Chitwan, Nepal*. Public Policy and Governance Program Department of General and Continuing Education, North South University, Bangladesh. (Unpublished)
- Ananth, A.; Ramesh, R. and Prabakaran, B. (2011), "Service Quality GAP Analysis in Private Sector Banks A Customer Perspective", Internationally Indexed Journal, Vol. II, Issue.1 Page no.,245-252.
- Andaleeb, S.S. and Conway, C. (2006), "Customer satisfaction in the restaurant industry: an examination of the transaction-specific model", The Journal of Services Marketing, Vol. 20 No.1, Page no. 3-11.
- Anderson, E.W. and M.W. Sullivan(1993). *The Antecedents and consequences of customer satisfaction of firms*. Marketing science, 12(2) Page no. 125-143
- Anderson, J.; Rungtusanatham, M., & Schroeder, R.(1994). *A theory of quality management underlying the Deming management method*. Academy of Management review, 19(3), Page no. 472-509.
- Anderson, Eugene W.; Claes Fornell, and Sanal K. Mazvancheryl (2004). "Customer satisfaction and shareholders' value." Journal of Marketing , 68 (October), Page no. 172-185.
- Aprada, R.(2005). *Public governance: A blueprint for political action and better government*. Buenos Aires, CEMA University. Working paper series, No. 297

- Bahia, K. and Nantel, J.,(2000) *A reliable and valid measurement scale for the perceived service quality of Banks*. International Journal of Marketing, 18 (2), Page no. 84 -91.
- Baker, D. A., and J. L. Crompton (2000), "*Quality, Satisfaction and Behavioral Intentions*." Annals of Tourism Research, 27 (3): Page no.785–804.
- Barabus E. and Boller, G.W. (1992), *An Empirical assessment of the SERVQUAL scale*. Journal of Business research, Vol 24, Page no. 253-268.
- Bateson. (1995). "*SERVQUAL: review, critique, research agenda*". European Journal of Marketing Vol. 30 No. 1 , Page no. 8-32.
- Bernard, H. Russell,(1994). *Research methods in anthropology: qualitative and quantitative approaches (second edition)*. Walnut Creek, CA: Alta Mira Press.
- Berry L.L. (1980), *Services marketing is different*, in Lovelock C.H.1984. Services Marketing, New Jersey, Prentice-Hall, Englewoods Cliffs, Page no. 29-37.
- Berry, L.L.; Zeithaml V.A. and Parsuraman, A.,(1990) , *Five imperatives for improving service quality*. Sloan Management Review, summer 1990.
- Best, J. W.&Kahn, J. v. (2007). *Research in education*. New Delhi: Prentice-Hall. Administrative and Management Review Vol. 24, No.2, August 2012
- Bitner, M. (1990), *Evaluating service encounters: The effects of physical surroundings and employees responses*. Journal of Marketing, Vol 54 April-1990, Page no. 69-82e
- Bitner, Mary jo. (1992). *Services capes: The impact of physical surroundings on customers and employees*. Journal of Marketing vol. 56 (April, 1992) Page no. 57-71
- Bojanic, D. C., & Rosen, L.D (1994). "*Measuring Service Quality in Restaurants: An Application of the SERVQUAL Instrument*". Hospitality Research Journal, 18(1), Page no.4-14

- Bolton, R.N and Drew, J.H. (1991). "A Multistage model of customers' assessment of service quality and value". *Journal of Customer Research*, Vol. 17 March, Page no. 375-384.
- Bolton, R. N. (1998;). *A Dynamic Model of the Duration of the Customer's relationship with a continuous Service Provider: The role of Satisfaction;* *Marketing Science* 17(1); Page no. 45-65.
- Bolton, R. N., Kannan, P., & Bramlett, M. D. (2000). *Implications of Loyalty Program Membership and Service Experiences for customer Retention and value.* *Journal of the Academy of Marketing Science* 28(1) , Page no. 95-108.
- Bolton, R. N., Lemon, K. N., & Verrgief, P. C. (2004). *The theoretical underpinnings of customer asset management:A framework and Propositions for Future Research.* *Journal of the Academy of Marketing Science*, 32 (July) , Page no.271-292.
- Brandy, M.K, Cronin Jr., J.J ,(2001). *Some new thoughts on conceptualizing perceived Service quality: a hierarchical approach.* *Journal of Marketing.* Vol. 65. Page no. 34-39.
- Brooks, R.F., Lings, I.N. and Botschen, M.A. (1999). *"Internal marketing and customer driven wavefronts"*. *Service Industries Journal* , Vol. 19, No. 4, Page no. 49-67.
- Bryman, A. and Bell, E. (2007). *Business Research Methods* revised edition, Oxford University Press.
- Buttle, F. (1996). *Service quality in the construction industry. In: Proceedings of the 1st National Construction Marketing Conference, July, Oxford* Brooks University, Page no. 29-36.
- Buttle, Francis (1994). *SERVQUAL: Review, critique research agenda.* *Journal of Marketing* Vol. 30 No.1 Page no. 8-32

- Carman, J.M. (1990). *Consumer perceptions of service quality: an assessment of the SERVQUAL dimensions*. Journal of Retailing, Vol. 66 No1 Spring Page no. 33-35.
- Carmen, James M. and Eric Langeard (1980). '*Growth Strategies for Service Firms*'. Strategic Management Journal, 1 (1), Page no. 7-22.
- Carmichael, Jeffery, Michael (2000). *The Development and Regulation of Non Bank Financial Institutions*. The world Bank Report.
- Caruana, A. (2002). *Service Loyalty: The Effects of Service Quality and the Mediating role of Customer Satisfaction*. European Journal of Marketing, 36(7), Page no. 811-828.
- Cassell, C., & Symon, G. (Eds.). (1998). *Qualitative methods and analysis in organizational research*. New Delhi: SAGE Publications.
- Cedomir Ljubojevic and Gordana Ljubojevic (2011). *Improving the stakeholders' satisfaction by corporate governance quality*. Skola Biznisa 1
- Creswell, J. W., (2006). *Research design: qualitative, quantitative and mixed methods approaches (2nd ed.)*. New delhi: SAGE Publications
- Crosby, P. B. (1979). *Quality is free: The Art of Making quality Certain*. New York The new American Library.
- Cronin, J. Joseph, Jr. and Steven A Taylor (1992). *Measuring service quality: A Reexamination and Extension*. Journal of Marketing, 56(3), Page no. 55-68.
- Cronin, J; Joseph Jr. and Steven a. Taylor (1994). *SERVPERF versus SERVQUAL: Reconciling performance based and perceptions minus expectations measurement of service quality*. Journal of Marketing Vol. 58 No.1 Page no. 125-131
- Dhakal, Teknath (2010). *E-governance in Nepal: prospects and challenges*. KOSH EPF publication 74. Page no. 51-56

- Dhital, Jitendra (2010). *Role of internal audit in corporate governance of EPF*. KOSH EPF publication 74. Page no. 57-60
- Donnelly, M.; Kerr, N. J.; Rimmer, R., & Shiu, E. M. (2006). *Assessing the Quality of Police Services Using SERVQUAL*. Policing and International Journal of Policy Strategies & Management, 29 (1), Page 92-105.
- Donnelly, M.; Wisniewski, M.; Dalrymple, J., & Curry, A. (1995). *Measuring Service Quality in Local Government: The SERVQUAL Approach*. International Journal of Public Sector Management, 8 (7).
- Dotchin, J. a. (1994a). *"Total quality management in services: Part 2 service quality"*. International journal of Quality & Reliability Management Vol. 11 NO.3 , Page no.27-42.
- Duffy, J. A., & Ketchand, A. A. (summer 1998). *The role of service quality in overall service satisfaction*. Journal of Managerial Issues Vol. 10. No. 2 , Page no.240-255.
- Duffy, Jo Ann M. Ketchand, Alice A. (1998). *Examining the role of service quality in overall service satisfaction*. Journal of Managerial Issue Pittsburg State University Department of Economics.
- Employees Provident Fund Act,(1962). Kanoon Kitab Byabastha Samiti. Government of Nepal.
- Engel, J.F.; Blackwell,R.D. and Miniard, P.W. (1990). *Model of consumer Behavior* Consumer behavior, 5th Edition, CBS College Publication.
- Evangelos Tsoukatos and Graham K. Rand (2006). *Path analysis of perceived service quality, satisfaction and loyalty in Greek insurance*. Managing Service Quality, Vol. 16 Iss: 5, Page no.501 – 519
- Flynn, B.; Schroder, R., & Sakakibara, S. (1994). *A framework for quality management reserach and an associated measurement instrument*. Journals of Operations Management, 11(3), Page no. 339-366.

- Fornell, C. (1992). *A National Customer Satisfaction Barometer: The Swedish Experience*. Journal of Marketing 56 (January), Page no.6-22.
- Fullerton, G. and S. Taylor (2002). “*Mediating, Interactive and Non-Linear Effects in Service Quality and Satisfaction Research*”. Canadian Journal of Administrative Sciences, 19(2), Page no. 124- 136.
- Garvin, D. (1987). *Competing on the eight dimensions of quality*. Harvard Business Review Nov-Dec., Page no.101-109.
- Gerston, Larry N. (2008). *Public Policy in a Democratic Society: A guide to civic Engagement*. PHI Learning Private Limited, New Delhi, Page no. 7.
- Gilbert, G.R.& Veloutsou, C. (2007). *A cross-industry comparison of customer satisfaction*. Journal of Services Marketing, 20(5), Page no. 298-308.
- Gitomer, J. (1998). *Customer satisfaction is worthless, customer loyalty is priceless: How to make customers love you, keep them coming back, and tell everyone they know*. Austin, TX: Bard Press.
- Gravin, A David (1987). *Competing on the Eight Dimensions of quality*. Harvard Business Review, Nov-Dec. Page no. 101-109.
- Greising, David (1994). *Quality: How to make it pay*. Business week, August 8, Page no. 54-59.
- Griffin, J. (1995). *Customer Loyalty. How to Earn It, How to Keep It*. New York, USA: Lexington Books.
- Gronroos, C. (1982). *Strategic management and Marketing in the service sector. Helsingfors: Swedish School of Economics and Business Administration*.
- Hammersley, M. and Atkinson, P. (1995). *Ethnography: Principles in Practice*, 2nd Edition. London: Routledge.
- Harry Helson, (1964). *Adaption Level theory*. New York; Harper and Row.

- Hathaway,R.S. (1995). *Assumptions underlying quantitative and qualitative research implication for institutional research*. Research in Higher education 36(5) Page no. 535-562.
- Hernon, P., & Nitecki, D. A. (1999). *Service Quality and Customer Satisfaction: An assessment and Future Directions*. Journal of Academic Librarianship, 25, Page no. 9-17.
- Heylighen F. (1993): “*On Internal Representation*”. Informatica, 17, No. 3, Page no. 294.
- Hoepfl, M. C. (1997). *Choosing qualitative research*. A primer for technology education 9(1). Retrived from <http://scholar.lib.vt.edu/ejournals/JTE/v9n1/hoepfl.html>.
- Holbrook, M.B. & Corfman K.P. (1985). *Quality and value in the consumption experience:Phaedrus rides again, in Jacoby J & Olson JC (eds) Perceived Quality: How Consumers View Stores and Merchandise*. Lexington Books, Lexington MA, Page no. 31-57.
- James F. Engel; David T Kollat and Roger D Blackwell,(1973). *Consumer behavior,(second edition)*. New york; wiley.
- Jerry C Olson and Philip Dover (1976). “*Effect of Expectation Creation and Disconfirmation on Belief Elements of cognitive Structure*” in B B Anderson,*e.d.* Advances on customer Research volume III (Chicago:Association for consumer Research, 1976), Page no. 168-175.
- Joann M. Duffy and Alice A. Ketchand, (1998). *Examining The Role Of Service Quality In Overall Service Satisfaction*. Journal of Managerial Issues, Pittsburg State University Vol. 10, No. 2 (Summer), Page no. 240-255
- John A. Howard and Jagdish N.Sheth (1969). *The Theory of Buyer Behaviour* .New York ; Wiley.
- Johnson, B. R., & Onwuegbuzie,A. J (2004). *Mixed methods research: A research [Electronic Version]*. Educational Journal, 33(7), Page no. 14-26.

- Jung, J., & Wang, Y. (2006). *Relationship between total quality management (TQM) and continuous improvement of International project management (CIIPM)*. Technovation, 26(5), Page no. 716-722.
- Juran, J. M. (1992). *Juran on quality by design*. New York: The free press. Page no. 512
- Justice Jonathan B., (2007). *Purpose and significance of Research Design*. CRC book Page no. 75-95.
- Kang, Gi-Du and James, Jeffrey (2004). *Service quality dimensions: an examination of Gro nroos's service quality model*. Managing Service Quality Emerald Group Publishing Limited · ISSN 0960-4529 Volume 14 · Number 4 Page no. 266–277
- Kanji, G., & Wallace, W. (2000). *Business Excellence Through Customer Satisfaction*. Total Quality Management, 11 (7), Page no. 979-998.
- Katona, George (1975). *Psychological Economics*. New York: Elsevier.
- Katuwal, Jeevan Kumar (2013). *"The Role of Employees Provident Fund to Manage Social Security Scheme in Nepal"*. Dissertation of M. Phil. Central Department of Public Administration, Tribhuban University, Nepal. (Unpublished)
- Keiningham TL and Vavra TG (2001). *The Customer Delight Principle :Exceeding Customers' Expectations for Bottom-line Success*. American of Marketing Association, Chicago.
- KOSH (2014). Annual Report of Employees Provident Fund, Nepal. Employees Provident Fund, Nepal's Publication.
- KOSH (1999). Employees Provident Fund at a glance. Employees Provident Fund, Nepal's Publication.
- KOSH (2011). Golden Jubilee of Employees Provident Fund, Nepal. Employees Provident Fund, Nepal's Publication.

- Kothari, C.R.(2011). *Research Methodology 2nd revised edition*. New age international (p) ltd., New Delhi.
- Kotler, P.; Roberto, N. & Lee, N. (2002). *Social Marketing: Improving the quality of life*. Sage Publications, Thousand Oaks, California.
- Kotler, Philip and Armstrong, Gary (2012). *Principles of Marketing*. Boston : Pearson Prentice Hall. 14th Edition.
- Krishna Naik,C.N., Swapna Bhargavi Gantasala, Gantasala V. Prabhakar (2010) *Service Quality (Servqual) and its Effect on Customer Satisfaction in Retailing*. European Journal of Social Sciences – Volume 16, Number 2 Page no. 231
- Kruger, V. (2001). *Main schools of TQM: the big five*. The TQM Magazine, 13(3), Page no. 146-155.
- Kumar, V.; Smart, P.; Maddern, H., & Maull, R. (2008). *Alternative Perspectives on Service Quality and Customer Satisfaction: The Role of BPM*. International Journal of Service Industry Management, 19 (2), Page no. 176-187.
- L.L. Berry, A. Parasuraman and V.A. Zeithaml,(May 1993). '*Ten lessons for improving service quality*'. Marketing Science Institute, Report No. 93-104
- Lakhal, L.; Pasin, F., & Liman, M. (2006). *Quality Management Practices and their impact on performance*. International Journal of Quality and Reliability Management, 23(6) , Page no. 625-646.
- Lee, H.; Lee, Y. & Yoo, D.,(2000). *The determinants of perceived service quality and its relationship with satisfaction*. Journal of Services Marketing, 14 (3), Page no. 217-231.
- Leland, Karen and Keith Bailey, (1995). *Customer Service for Dummies*. IDG Books Worldwide, Inc., Foster City, CA.
- Lewis, B. a. (1990). "*Defining and measuring the quality of customer Service*." Marketing Intelligence and Planning Vol. 8 No. 6 ,Page no. 11-17.

- Lewish and Mitchell (1990). *Dimensions of service quality: a study in Istanbul*. Managing service quality, Vol.5 No. 6, Page no. 39-43
- Lim, P.C. and Tang, N.K.H. (2000). "A study of patients' expectations and satisfaction in Singapore hospitals", *International Journal of Health Care Quality Assurance*, Vol. 13
- Lovelock, C. H. (1991). *Services Marketing* (2nd. Ed.). Englewood Cliffs, NJ: Prentice Hall.
- Lovelock, C.H. (1983), "Classifying services to gain strategic marketing insights". *Journal of Marketing*, Vol. 47 Page no. 9-20.
- Mihelis, G.; Grigoroudis, E.; Siskos, Y.; Politis, Y.& Malandrakis, Y. (2001). *Customer Satisfaction Measurement in the Private Bank Sector*. *European Journal of Operational Research*, Page no. 347-360
- Mithas, S.; Jones, J.L. and Mitchell, W. (2008). *Buyer Intention to Use Internet - Enabled Reverse Auctions: The Role of Asset Specificity, Product Specialization, and Non-Contractibility*. *MIS Quarterly* Vol. 32 No. 4/December.
- Mithas, Sunil, Krishnan, M.S & Fornell, Claes (2005). *Why Do Customer Relationship Management Applications Affect Customer Satisfaction?* *American Marketing Association Journal of Marketing* Vol. 69 (October 2005), 201–209 ISSN: 0022-2429 (print), Page no. 1547-7185 (electronic)
- Muafier Sherif and Carl I Hovaland, (1969). *Social Judgement: Assimilation and contrast effects in communication and attitude change*. New Haven Connecticut: Yale University Press.
- Musalem, Alberto R. and Ortiz, Maribel D. (2011). *Governance and Social Security moving forward on the ISSA good governance guidelines*. *International Social Security Review*, Vol 64, Issue 4 Page no. 9-37.
- Musran, M. (2013). *The impact of Total Quality Management Practices towards Competitive Advantage and Organizational Performance: Case of Fishery*

Industry in South Sulawesi Province of Indonesia. Pakistan Journal of Commerce and Social Science, Vol. 7(1) , Page no.184-197.

Nagaprasad, H. D.& Yogesha, B. (2009). *Enrichment of customer satisfaction through Total Quality Management Techniques*". International Multi conference of Engineers and Computer scientists (p. vol II). Hong Kong: IMECS.

Nepal PhD Association NPA (2014). *A study on Depositors' satisfaction on Social Security Services Provided by EPF, Nepal*. Study draft report Page no 16-17. (Unpublished)

Oliver, R.L. (1980). " *A cognitive Model of the antecedents and consequences of satisfaction Decisions*". Journal of Marketing Research, Vol. 17 Page no. 460-469.

Oliver, Richard L. (1999). *Satisfaction:A Behavioral Perspective on the Consumer*. New York: The McGraw-Hill Companies, Inc.

Olorunniwo, F.; Hsu, M.K. and Udo, G.J. (2006)."*Service quality, customer satisfaction, and behavioral intentions in the service factory*". Journal of Services Marketing, Vol. 20 No. 1, Page no.59-72.

Ostrom, A. & Iacobucci, D., (1995). *Consumer Trade-Off & the Evaluation of services*. Journal of Marketing, 59, Page no.17-28.

Pablo Souto and Alberto R. Musalem,(2012). *Assessing the Governance and Transparency of National Public Pension Funds*. European Studies Vol.4 no 2 June Page no. 149- 167

Pallant, Julie F.,(2005). *SPSS survival manual: A step by step guide to data analysis* Allen Unwin, National Library Of Austriliya, 3rd Edition.

Pant P. R. (2012). *Social Science Research and Thesis Writing*. Buddha Academic Publishers, Kathmandu, Nepal.

- Parasuraman, A., Berry, L. L., & Zeithaml, V. A. (1988). *SERVQUAL: A Multiple Item Scale For Measureing Consumer Perceptions of Service Quality*. Journal of Retailing, 64 (1), Page no. 12-40.
- Parasuraman, A.; Zeithaml, V.A. and Berry, L.L. (1993). "Research note: more on improving service quality measurement". Journal of Retailing, Vol. 69, No. 1, Page no. 140-147.
- Parasuraman, A.; Zeithaml, V.A. and Berry, L.L. (1986). "*SERVQUAL: a multiple-item scale for measuring customer perceptions of service quality*". Report No. 86-108, Marketing Science Institute, Cambridge, MA.
- Parasuraman, A.; Zeithaml, V.A. and Berry, L.L. (1991). "Refinement and reassessment of the *SERVQUAL* scale". Journal of Retailing, Vol. 67, Page no 420-450.
- Parasuraman, A.; Zeithaml, V.A. and Berry, L.L. (1994). "Reassessment of expectations as a comparison standard in measuring service quality: implications for future research". Journal of Marketing, Vol. 58, Page no.111-124.
- Parasuraman, A.; Zeithmal, V., & Berry, L. (1985). *A conceptual model of service quality and its implication*. Journal of marketing, Vol. 49, Fall , Page no. 41-50.
- Patak, Pratap Kumar (2011). *Greetings on the occasion of 50th anniversary of EPF, Nepal*. KOSH EPF, Nepal's publication Vol.76 Page no. 7
- Phuyal,Krishna Pd (2009). *EPF- in the eye of beneficiary*. KOSH 2066, EPF, Nepal's Publication Vol.71 Page no. 63-65
- Poon, A. (1993). *Tourism, technology and competitive strategies*. Wallingford, UK: CAB
- Powell, T. C. (1995). *Total Quality Management as competitive Advantage:A Review and Empirical Study*. Strategic Management Journal vol 16 , Page no. 15-37.
- Quinn, James Brian (1992). *Intelligent enterprise*. New York: The free Press:

Ravicharan, K. Prabhakaran; S and Kumar, S.A. (2010). " *Application of SERVQUAL Model on Measuring Service Quality: A Bayesian approach*". Enterprise risk Management, Vol. 1 No.1, Page no.E9

Readmore:<http://www.businessdictionary.com/definition/customer-perception.html#ixzz2ZDc1WQHR>

Richard N.Olshavaky and John A. Miller(1972). " *Consumer Expectation, Product Performance, and Perceived Quality.*" Journal of Marketing Research,9 (February) Page no. 19-21

Rihard N Cardozo(1965)." *An Experimental Study of consumer Effort, Expectation and satisfaction.*" Journal of Marketing Research,2 (August) Page no. 244-9

Rijal, Kamal (2010). *EPF in the eye of beneficiary*. KOSH EPF, Nepal's publication 74, Page no. 13-16

Robert, K. Elliott (1997). *Assurance service opportunities: Implications for Academia American Accounting Association*. Accounting Horizons Vol. 11 No 4 Page no. 61-74.

Roland T. Rust, Christine Moorman & Peter R. Dickson (2002). *Getting Return on Quality: Revenue Expansion, Cost Reduction, or Both?* Journal of Marketing Vol. 66 (October), Page no.7–24

Rolph E.Anderson,"Consumer Disatisfaction(1973). *The Effect of Disconfirmed Expectatancy on Perceived Product Performance*" Journal Marketing Research,10 (February), Page no. 38-44.

Rust, Roland T. and Anthony J. Zahorik and Timothy L. Keiningham (1995). *Return on quality (ROQ): Making service quality financial accountable*. Journal of Marketing, 59 (April) Page no. 58-70

Sabina Tazreen, Sahney,S., Banwet, D.K. and Karunes, S.(2004). " *A SERVQUAL and QFD approach to total quality education: A student Perspective*", International Journal of Productivity and Performance Management, Vol. 53 No. 2 Page no. 143-166.

- Sadek, D., Zainal, N., Taher, M. and Yahya, A., (2010) “*Service Quality Perceptions between Cooperative and Islamic Banks of Britain*”, American Journal of Economics and Business Administration, Vol.2 No.1, Page no 1-5.
- Saraph, J., Benson, G., & Schroder, R. (1989). *An instrument for measuring the critical factors of quality management..* Decision Science, 20(1) , Page no. 810-829.
- Sekaran, U. (1992). *Research Methods for Business – A skill building approach. (2nd Ed)*. United States of America: John Wiley & Sons, Inc. Schneider, B. (1990)
- Shahin, A. (2010). *SERVQUAL and Model of Service Quality Gaps: A framework for Determining and Prioritizing Critical Factors in Delivering quality Services*, online article.
- Singh,K. (2007).*Quantitative social research methods*. New Delhi: SAGE
- Solomon, M.R.; Surprenant, C.F.; Czepiel, J.A. and Gutman, E.G. (1985). “*A role theory perspective on dyadic interactions: the service encounter*”, Journal of Marketing, Vol. 49 No. 1, pp. 99-111.
- Sureshchandar, G., & Rajendran, C. A. (2002). *The Relationship Between Service Quality and Customer Satisfaction: A Factor Specific Approach*. Journal of Services Marketing , 16 (4), Page no. 363-379.
- Sureshchander, G.S., Rajendran, C., & Kamalanabhan, T.J., (2001) : *Customer perceptions of service quality: A critique*, “Total Quality Management”,
- Taylor, S.A. and Baker, T.L (1994). *An assessment of the relationship between service quality and customer satisfaction in the formation of consumers' purchase intentions*. Journal of retailing 70 (2), Page no. 163-178
- Taylor,A. Steven (Fall 1993). *The roles of service quality, consumer satisfaction and value in quinn's(1992) paradigm of services*, Journal of Marketing Theory and Practices Vol.2 No. 1 pp 14-26, M.E. sharpe, Inc.

- Ting, Ding Hooi, (2004). "Service quality and satisfaction perceptions: curvilinear and interaction effect", International Journal of Bank Marketing, Vol. 22 Iss: 6, Page no. 07 – 420.
- Tse,D.K. and P.C. Wilton (1988). *Models of consumer satisfaction formation: An Extension*. Journal of Marketing research, 25 (May): Page no. 204-212.
- Tsoukatos, E; Rand, G K. (2006). *Path analysis of perceived service quality, satisfaction and loyalty in Greek Insurance.*, Managing Service Quality, Vol. 16, No. 5, 2006, Page no. 501-519.
- Vargo, S.L. and Lusch, R.F. (2004). "The four service marketing myths – remnants of a goods-based, manufacturing model", Journal of Service Research, Vol. 6 No. 4, May, Page no. 324-335.
- Vazquez. (2001). *Expectations: a comparison standard in measuring service quality: an assessment of a reassessment*. Journal of Marketing vol. 58 No. 1, Page no. 132-139.
- Walker, D. (1990). *Customer First: A Strategy for Quality Service*. Gower, Aldershot
- wisniewski, M. (2001). "Using SERVQUAL to assess customer satisfaction with public sector services". Managing Service Quality, Vol. 7 No. 4,Page no. 380-388.
- Wisniewski, M., & Donnelly, M. (1996). *Measuring Service Quality in the Public Sector: The Potential for SERVQUAL*. Total Quality Management and Business Excellence , 7 (4), Page no. 357-366.
- Wolf, H.K and Pant, P.R. (1975). *A Handbook for Social Science Research and Thesis Writing*. Kirtipur: Tribhuvan University.
- Yi.Y.(1990).*Critical review of Consumer satisfaction*. Review of Marketing, 1990: Page no. 68-123
- Zeithaml, V. A., & Bitner, M. J. (1996). *Service Marketing*. New York: McGraw-Hill.Inc.

- Zeithaml, V. A.; Parasuraman, A., & Berry, L. L. (1990). *Delivering Quality Service - Balancing Customer Perceptions and Expectations*. New York, NY: The Free Press.
- Zeithaml, V. and Bitner, M.J. (2003). *Services Marketing: Integrating Customer Focus across the Firm, 3rd ed.* McGraw-Hill, New York, NY.
- Zeithaml, V.; Parasuraman, A., & Malhotra, A.(2000). *A conceptual framework for understanding e-service quality: Implications for future research and managerial practice (Working Paper Series 00-115)*: Marketing Science Institute.
- Zeithaml, V.A., & Bitner M. J. (2000). *Services Marketing (2nd ed.)*. New York: McGraw-Hill. Inc.
- Zeithaml, V.A.; Berry, L.L. and Parasuraman, A. (1996).“*The behavioral consequences of service quality*”. *Journal of Marketing*, Vol. 60, pp. 31-46.
- Zeithaml, V.A.; Parasuraman, A. and berry, L.L.,(1990). *Delivering quality services balancing customer perceptions and expectations*. The Free Press, New York, NY.
- Zeithaml, Valerie A. & Bitner, Mary J.(2000). *Services Marketing: Integrating customer focus across the firm, 2nd ed.* Irwin/ McGraw-Hill, Boston, M.A
- Zeithaml, Valerie A. (1988). *Consumer perceptions of price, quality and value: A means- end model and synthesis of evidence*. *Journal of Marketing* 52 (3) Page no. 2-22

APPENDICES

Appendix - 1 : Request Letter for the Questionnaires

Appendix - 2 : Questionnaires

Appendix - 3 : Composition of Respondents

Appendix – 4 to 11 : Opinions of Respondents

To

Mr/Ms

Subject: Request Letter for the Questionnaires

Respected Sir/Madam/Ms

I am an M Phil scholar. I am conducting research work on “A Study on Beneficiaries' Satisfaction at Employees Provident Fund, Nepal” under Department of Public Administration, T.U.

This research work only tries to trace out about the satisfaction of the beneficiaries using the SERVQUAL model in the service delivery of Employees Provident Fund (EPF) to its members in terms of Assurance, Reliability, Responsiveness, Tangibility, Empathy and Corporate governance.

I am always conscious about the research ethics. So, I respect all information which is collected during the research work. All information provided by you will be kept confidential along with preserving your right. They will be used purely for academic or research purposes.

In this regard, I kindly request you to comment or suggest about the following questionnaire as per your knowledge and experience. So, your answer, advice, opinion and suggestions will be highly valuable in this research work.

Thank You

ShantaGautam

Research Student, M.Phil

Central Department of Public Administration

Tribhuvan University

Kathmandu, Nepal

Contact Number: 9841356242, 01-5154351

Email-shanta.gautam@epfnepal.com.np

Section: 1. Personal Information

Name (optional)		
Age		
Gender	a) Male	
	b) Female	
Education level	a) SLC	
	b) +2 or equivalent(Intermediate Level)	
	c) Graduate (Diploma Level)	
	d) Post Graduate(Master degree)	
	e) If any	
Period of Service	a) Less than 10 years	
	b) More than 10 years	
Office Name (optional)		
Office Address (only District)		
Designation	a) Officer level	
	b) Non officer level	
Office Type (Please tick any one)	a) Government (Civil)	
	b) Nepal Army	
	c) Nepal Police/ Armed Police	
	d) Education	
	e) Public Enterprises & other	
Service taken from EPF	a) From head office	
	b) From branches	
Who are More cooperative for service delivery	a) Male	
	b) Female	

Section: 2. Provident Fund

2.1 Please mention your total contribution period (years) in EPF: Years

2.2 i) What is your assessment on existing facilities/benefits provided by EPF regarding strengthening of EPF in Nepal? *Please Tick (√) on your idea,*

Benefits/ Schemes	More Effective 5	Effective 4	Don't know 3	Less effective 2	Ineffective 1
Social Security benefits					
a) <i>Accidental compensation plan</i>					
b) <i>Funeral Grant plan</i>					
c) <i>Employees Welfare scheme</i>					
Return on PF					
d) <i>Interest rate on PF (with profit/ Munafa)</i>					
Other benefits/ Schemes					
e) <i>Special Loan- 2057</i>					
f) <i>House Loan- 2057</i>					
g) <i>Education Loan- 2058</i>					
h) <i>Revolving loan- 2068</i>					

ii) Please mention your justification:

.....

2.3 What is your opinion in terms of the effectiveness of Employees' Provident Fund about the following factors? *Please Tick (√) any one as per your idea.*

Effectiveness Factors	More Effective 5	Effective 4	Don't know 3	Less effective 2	Ineffective 1
Coverage (No. of member)					
Coverage (SS Benefits)					
Coverage (Loan Scheme)					
Coverage (Return on PF)					
Overall Effectiveness of EPF					

For each statement, please show the extent to which you believe the EPF service units possesses and demonstrates the feature described by the statement.

If you strongly agree that the EPF service units possess or demonstrates the feature described in the statement, check the box under the number 5. If you strongly disagree that EPF service units possesses or demonstrates the feature described in the statement, check the box under the number 1. If you neither agree or disagree that the EPF service units possesses or demonstrates the feature

described in the statement, check the box under the number 3. You may mark any of the numbers in the middle that show how strong your feelings are about each statement.

Again, there is not any right or wrong answers -all that we are interested in is the number that truly reflects your feelings regarding the quality of the services provided and delivered by EPF service units.

Section: 3. Beneficiaries' Service Expectation (Please Tick (√) as per your priority)

S.N.	Questions	Strongly Agree(5)	Agree(4)	Uncertain(3)	Disagree (2)	Strongly Disagree (1)
A. Tangibility						
1	EPF service units will have modern looking equipment					
2	The physical facilities where EPF service units are located will be visually appealing.					
3	Employees who work in EPF service units will appear professionally dressed					
4	In EPF service units materials associated with a service (like charts, citizen charter, notices, bulletins etc) will be visually appealing					
B. Reliability						
5	When EPF service units promise to do something by a certain time they will do so.					
6	When a beneficiary has a problem, EPF service units will show a sincere interest in solving it.					
7	EPF service units will perform the service right the first time.					
8	EPF service units will provide their services at the time they promise to do.					
9	EPF service units will insist on error free records					
C. Responsiveness						
10	. EPF service units will tell beneficiaries exactly when services will be performed					
11	Employees in EPF service units will give prompt service to beneficiaries.					
12	Employees in EPF service units will always be willing to help beneficiary.					
13	Employees in EPF service units will never be too busy to respond to the beneficiary.					
14	The behavior of employees in EPF service units will instill confidence in beneficiary					
D. Assurance						
15	Beneficiary of EPF service units will feel secure in their transactions.					
16	Employees in EPF service units will be consistently courteous to beneficiary.					
17	Employees in EPF service units will have knowledge to answer beneficiary's questions.					
E. Empathy						

18	EPF service units will have given beneficiary individual attention.					
19	EPF service units will have employees who give beneficiary personal attention.					
20	EPF service units will have operating hours convenient to their entire beneficiary.					
21	EPF service units will have the beneficiary best interests at heart.					
22	Employees in EPF service units will understand the needs of their beneficiary.					
F. Corporate Governance						
23	EPF will have maintained transparency in every activity related to beneficiary.					
24	EPF will follow the participative approach at the time of formulating policy/plan for the beneficiary.					
25	EPF service units will have corruption less transactions.					
26	EPF service units will have continuous improvement for the beneficiary welfare.					

Section 4 Service Perception

S.N.	Questions	Strongly Agree(5)	Agree(4)	Uncertain(3)	Disagree (2)	Strongly Disagree (1)
A. Tangibility						
1	EPF service units have modern looking equipment					
2	The physical facilities where EPF service units are located are visually appealing.					
3	Employees who work in EPF service units appear professionally dressed					
4	In EPF service units materials associated with a service (like charts, citizen charter, notices, bulletins etc) are visually appealing					
B. Reliability						
5	When EPF service units promise to do something by a certain time they do so.					
6	When a beneficiary has a problem, EPF service units show a sincere interest in solving it.					
7	EPF service units perform the service right the first time.					
8	EPF service units provide their services at the time they promise to do.					
9	EPF service units insist on error free records					
C. Responsiveness						
10	EPF service units tell beneficiaries exactly when services are performed					
11	Employees in EPF service units give prompt service to beneficiaries.					
12	Employees in EPF service units always are willing to help beneficiary.					
13	Employees in EPF service units are never too busy to respond to the beneficiary.					
14	The behavior of employees in EPF service units instill confidence in beneficiary					
D. Assurance						
15	Beneficiary of EPF service units feel secure in their transactions.					
16	Employees in EPF service units are consistently courteous to beneficiary.					
17	Employees in EPF service units have knowledge to answer beneficiary's questions.					
E. Empathy						
18	EPF service units have given beneficiary individual attention.					
19	EPF service units have employees who give beneficiary personal attention.					
20	EPF service units have operating hours convenient to their entire beneficiary.					
21	EPF service units have the beneficiary best interests at heart.					

22	Employees in EPF service units understand the needs of their beneficiary.					
F. Corporate Governance						
23	EPF has maintained transparency in every activity related to beneficiary.					
24	EPF follows the participative approach at the time of formulating policy/plan for the beneficiary.					
25	EPF service units have corruption less transactions.					
26	EPF service units have continuous improvement for the beneficiary welfare.					

Thank you for your support.

Composition of Respondents

Particulars	Male		Female		Total
	No.	%	No.	%	
Gender	117	73.1	43	26.9	160
Education					
SLC	3	1.88	2	1.25	5
Intermediate	4	2.5	1	0.62	5
Bachelor	48	30.0	17	10.62	65
Master	61	38.12	23	14.37	84
Ph.D.	1	0.06	-	-	1
Service Period					
Less than 10 years	23	14.37	21	13.12	44
More than 10 years	94	58.75	22	13.75	116
Designation					
Officer	89	55.62	29	18.12	118
Non Officer	28	17.5	14	8.75	42
Service Sector					
Civil	30	18.75	5	3.12	35
Army	11	6.88	0	0	11
Police	7	4.37	3	1.87	10
Education	6	3.75	5	3.12	11
Public Enterprises & Other	63	39.37	30	18.75	93
Service provider					
Head Office	96	60.0	35	21.87	131
Branch Office	21	13.12	8	5.0	29
Cooperativeness					
Male	81	50.62	18	11.25	99
Female	36	22.5	25	40.98	61

Source: Field Survey, 2014

Opinions of the respondentson different categories

Annex 4.1

Effectiveness of the Accidental compensation Plan

Respondents		Total	1	2	3	4	5
Gender	Male	117	2	13	34	49	19
		100%	1.7%	11.1%	29.1%	41.9%	16.2%
	Female	43	1	1	12	22	7
		100%	2.3%	2.3%	27.9%	51.2%	16.3%
Education	SLC	5	0	0	0	1	4
		100%	0.0%	0.0%	0.0%	20.0%	80.0%
	Inter	5	0	1	0	1	3
		100%	0.0%	20.0%	0.0%	20.0%	60.0%
	Bachelor	65	1	5	18	29	12
		100%	1.5%	7.7%	27.7%	44.6%	18.5%
	Master	84	2	8	28	39	7
		100%	2.4%	9.5%	33.3%	46.4%	8.3%
others	1	0	0	0	1	0	
	100%	0.0%	0.0%	0.0%	100.0%	0.0%	
Service Period	Less than 10 years	44	1	3	18	19	3
		100%	2.3%	6.8%	40.9%	43.2%	6.8%
	More than 10 years	116	2	11	28	52	23
		100%	1.7%	9.5%	24.1%	44.8%	19.8%
Designation	Officers	118	3	11	31	55	18
		100%	2.5%	9.3%	26.3%	46.6%	15.3%
	Non officers	42	0	3	15	16	8
		100%	0.0%	7.1%	35.7%	38.1%	19.0%
Service Provider	Head Office	131	2	8	39	63	19
		100%	1.5%	6.1%	29.8%	48.1%	14.5%
	Branch Office	29	1	6	7	8	7
		100%	3.4%	20.7%	24.1%	27.6%	24.1%
Cooperativene ss	Male staff	99	1	6	32	42	18
		100%	1.0%	6.1%	32.3%	42.4%	18.2%
	Female staff	61	2	8	14	29	8
		100%	3.3%	13.1%	23.0%	47.5%	13.1%

1= Ineffective,2=Less effective,3=Do not know,4= Effective and 5=More effective

Source: Field Survey, 2014

Effectiveness of the Funeral Expenses Plan

Respondents		Total	1	2	3	4	5
Gender	Male	117	1	11	29	57	19
		100%	0.9%	9.4%	24.8%	48.7%	16.2%
	Female	43	0	2	10	25	6
		100%	0.0%	4.7%	23.3%	58.1%	14.0%
Education	SLC	5	0	0	0	2	3
		100%	0.0%	0.0%	0.0%	40.0%	60.0%
	Inter	5	0	1	0	2	2
		100%	0.0%	20.0%	0.0%	40.0%	40.0%
	Bachelor	65	1	3	13	35	13
		100%	1.5%	4.6%	20.0%	53.8%	20.0%
	Master	84	0	8	26	43	7
		100%	0.0%	9.5%	31.0%	51.2%	8.3%
others	1	0	1	0	0	0	
	100%	0.0%	100.0%	0.0%	0.0%	0.0%	
Service Period	Less than 10 years	44	0	1	15	23	5
		100%	0.0%	2.3%	34.1%	52.3%	11.4%
	More than 10 years	116	1	12	24	59	20
		100%	0.9%	10.3%	20.7%	50.9%	17.2%
Designation	Officers	118	0	11	30	59	18
		100%	0.0%	9.3%	25.4%	50.0%	15.3%
	Non officers	42	1	2	9	23	7
		100%	2.4%	4.8%	21.4%	54.8%	16.7%
Service Provider	Head Office	131	1	8	35	66	21
		100%	0.8%	6.1%	26.7%	50.4%	16.0%
	Branch Office	29	0	5	4	16	4
		100%	0.0%	17.2%	13.8%	55.2%	13.8%
Cooperativeness	Male staff	99	1	6	25	49	18
		100%	1.0%	6.1%	25.3%	49.5%	18.2%
	Female staff	61	0	7	14	33	7
		100%	0.0%	11.5%	23.0%	54.1%	11.5%

1= Ineffective,2=Less effective,3=Do not know,4= Effective and 5=More effective

Source: Field Survey, 2014

Effectiveness of the Employees Welfare Schemes

Respondents		Total	1	2	3	4	5
Gender	Male	117	1	17	25	51	23
		100%	0.9%	14.5%	21.4%	43.6%	19.7%
	Female	43	0	3	9	28	3
		100%	0.0%	7.0%	20.9%	65.1%	7.0%
Education	SLC	5	0	0	0	1	4
		100%	0.0%	0.0%	0.0%	20.0%	80.0%
	Inter	5	0	0	0	3	2
		100%	0.0%	0.0%	0.0%	60.0%	40.0%
	Bachelor	65	0	8	13	31	13
		100%	0.0%	12.3%	20.0%	47.7%	20.0%
	Master	84	1	12	21	44	6
		100%	1.2%	14.3%	25.0%	52.4%	7.1%
others	1	0	0	0	0	1	
	100%	0.0%	0.0%	0.0%	0.0%	100.0%	
Service Period	Less than 10 years	44	0	6	12	22	4
		100%	0.0%	13.6%	27.3%	50.0%	9.1%
	More than 10 years	116	1	14	22	57	22
		100%	0.9%	12.1%	19.0%	49.1%	19.0%
Designation	Officers	118	1	14	29	54	20
		100%	0.8%	11.9%	24.6%	45.8%	16.9%
	Non officers	42	0	6	5	25	6
		100%	0.0%	14.3%	11.9%	59.5%	14.3%
Service Provider	Head Office	131	1	15	28	66	21
		100%	0.8%	11.5%	21.4%	50.4%	16.0%
	Branch Office	29	0	5	6	13	5
		100%	0.0%	17.2%	20.7%	44.8%	17.2%
Cooperativeness	Male staff	99	0	13	25	42	19
		100%	0.0%	13.1%	25.3%	42.4%	19.2%
	Female staff	61	1	7	9	37	7
		100%	1.6%	11.5%	14.8%	60.7%	11.5%

1= Ineffective,2=Less effective,3=Do not know,4= Effective and 5=More effective

Source: Field Survey, 2014

Effectiveness of the Interest rate at EPF

Respondents		Total	1	2	3	4	5
Gender	Male	117	2	18	5	65	27
		100%	1.7%	15.4%	4.3%	55.6%	23.1%
	Female	43	0	6	1	26	10
		100%	0.0%	14.0%	2.3%	60.5%	23.3%
Education	SLC	5	0	0	0	4	1
		100%	0.0%	0.0%	0.0%	80.0%	20.0%
	Inter	5	0	0	0	2	3
		100%	0.0%	0.0%	0.0%	40.0%	60.0%
	Bachelor	65	1	8	4	38	14
		100%	1.5%	12.3%	6.2%	58.5%	21.5%
	Master	84	1	16	2	47	18
		100%	1.2%	19.0%	2.4%	56.0%	21.4%
	others	1	0	0	0	0	1
		100%	0.0%	0.0%	0.0%	0.0%	100.0%
Service Period	Less than 10 years	44	0	7	3	24	10
		100%	0.0%	15.9%	6.8%	54.5%	22.7%
	More than 10 years	116	2	17	3	67	27
		100%	1.7%	14.7%	2.6%	57.8%	23.3%
Designation	Officers	118	1	18	4	65	30
		100%	0.8%	15.3%	3.4%	55.1%	25.4%
	Non officers	42	1	6	2	26	7
		100%	2.4%	14.3%	4.8%	61.9%	16.7%
Service Provider	Head Office	131	1	21	5	75	29
		100%	0.8%	16.0%	3.8%	57.3%	22.1%
	Branch Office	29	1	3	1	16	8
		100%	3.4%	10.3%	3.4%	55.2%	27.6%
Cooperativen ess	Male staff	99	1	14	6	54	24
		100%	1.0%	14.1%	6.1%	54.5%	24.2%
	Female staff	61	1	10	0	37	13
		100%	1.6%	16.4%	0.0%	60.7%	21.3%

1= Ineffective,2=Less effective,3=Do not know,4= Effective and 5=More effective

Source: Field Survey, 2014

Effectiveness of the Special Loan 2057

Respondents'		Total	1	2	3	4	5
Gender	Male	117	0	4	15	58	40
		100%	0	3.4%	12.8%	49.6%	34.2%
	Female	43	0	0	5	22	16
		100%	0	0.0%	11.6%	51.2%	37.2%
Education	SLC	5	0	0	0	2	3
		100%	0	0.0%	0.0%	40.0%	60.0%
	Inter	5	0	0	0	2	3
		100%	0	0.0%	0.0%	40.0%	60.0%
	Bachelor	65	0	1	7	30	27
		100%	0	1.5%	10.8%	46.2%	41.5%
	Master	84	0	3	13	46	22
		100%	0	3.6%	15.5%	54.8%	26.2%
	others	1	0	0	0	0	1
		100%	0	0.0%	0.0%	0.0%	100.0%
Service Period	Less than 10 years	44	0	0	5	27	12
		100%	0	0.0%	11.4%	61.4%	27.3%
	More than 10 years	116	0	4	15	53	44
		100%	0	3.4%	12.9%	45.7%	37.9%
Designation	Officers	118	0	4	16	59	39
		100%	0	3.4%	13.6%	50.0%	33.1%
	Non officers	42	0	0	4	21	17
		100%	0	0.0%	9.5%	50.0%	40.5%
Service Provider	Head Office	131	1	21	5	75	29
		100%	0.8%	16.0%	3.8%	57.3%	22.1%
	Branch Office	29	1	3	1	16	8
		100%	3.4%	10.3%	3.4%	55.2%	27.6%
Cooperativen ess	Male staff	99	0	1	13	48	37
		100%	0	1.0%	13.1%	48.5%	37.4%
	Female staff	61	0	3	7	32	19
		100%	0	4.9%	11.5%	52.5%	31.1%

1= Ineffective,2=Less effective,3=Do not know,4= Effective and 5=More effective

Source: Field Survey, 2014

Effectiveness of the House Loan 2057

Respondents'		Total	1	2	3	4	5
Gender	Male	117	0	8	13	63	33
		100%	0	6.8%	11.1%	53.8%	28.2%
	Female	43	0	0	5	24	14
		100%	0	0.0%	11.6%	55.8%	32.6%
Education	SLC	5	0	0	0	2	3
		100%	0	0.0%	0.0%	40.0%	60.0%
	Inter	5	0	0	0	1	4
		100%	0	0.0%	0.0%	20.0%	80.0%
	Bachelor	65	0	3	12	28	22
		100%	0	4.6%	18.5%	43.1%	33.8%
	Master	84	0	5	6	56	17
		100%	0	6.0%	7.1%	66.7%	20.2%
others	1	0	0	0	0	1	
	100%	0	0.0%	0.0%	0.0%	100.0%	
Service Period	Less than 10 years	44	0	1	6	26	11
		100%	0	2.3%	13.6%	59.1%	25.0%
	More than 10 years	116	0	7	12	61	36
		100%	0	6.0%	10.3%	52.6%	31.0%
Designation	Officers	118	0	7	14	64	33
		100%	0	5.9%	11.9%	54.2%	28.0%
	Non officers	42	0	1	4	23	14
		100%	0	2.4%	9.5%	54.8%	33.3%
Service Provider	Head Office	131	0	8	14	73	36
		100%	0	6.1%	10.7%	55.7%	27.5%
	Branch Office	29	0	0	4	14	11
		100%	0	0.0%	13.8%	48.3%	37.9%
Cooperativeness	Male staff	99	0	4	14	53	28
		100%	0	4.0%	14.1%	53.5%	28.3%
	Female staff	61	0	4	4	34	19
		100%	0	6.6%	6.6%	55.7%	31.1%

1= Ineffective,2=Less effective,3=Do not know,4= Effective and 5=More effective

Source :Field Survey, 2014

Effectiveness of the Education Loan 2058

Respondents		Total	1	2	3	4	5
Gender	Male	117	0	13	31	57	16
		100%	0	11.1%	26.5%	48.7%	13.7%
	Female	43	0	1	14	21	7
		100%	0	2.3%	32.6%	48.8%	16.3%
Education	SLC	5	0	1	1	1	2
		100%	0	20.0%	20.0%	20.0%	40.0%
	Inter	5	0	0	1	2	2
		100%	0	0.0%	20.0%	40.0%	40.0%
	Bachelor	65	0	3	22	29	11
		100%	0	4.6%	33.8%	44.6%	16.9%
	Master	84	0	10	21	45	8
		100%	0	11.9%	25.0%	53.6%	9.5%
others	1	0	0	0	1	0	
	100%	0	0.0%	0.0%	100.0%	0.0%	
Service Period	Less than 10 years	44	0	4	14	21	5
		100%	0	9.1%	31.8%	47.7%	11.4%
	More than 10 years	116	0	10	31	57	18
		100%	0	8.6%	26.7%	49.1%	15.5%
Designation	Officers	118	0	10	30	63	15
		100%	0	8.5%	25.4%	53.4%	12.7%
	Non officers	42	0	4	15	15	8
		100%	0	9.5%	35.7%	35.7%	19.0%
Service Provider	Head Office	131	0	4	16	64	47
		100%	0	3.1%	12.2%	48.9%	35.9%
	Branch Office	29	0	0	4	16	9
		100%	0	0.0%	13.8%	55.2%	31.0%
Cooperativen ess	Male staff	99	0	10	28	46	15
		100%	0	10.1%	28.3%	46.5%	15.2%
	Female staff	61	0	4	17	32	8
		100%	0	6.6%	27.9%	52.5%	13.1%

1= Ineffective,2=Less effective,3=Do not know,4= Effective and 5=More effective

Source: Field Survey, 2014

Effectiveness of the Revolving Loan 2068

Respondents		Total	1	2	3	4	5
Gender	Male	117	0	18	48	43	8
		100%	0	15.4%	41.0%	36.8%	6.8%
	Female	43	0	4	15	20	4
		100%	0	9.3%	34.9%	46.5%	9.3%
Education	SLC	5	0	1	3	0	1
		100%	0	20.0%	60.0%	0.0%	20.0%
	Inter	5	0	0	1	3	1
		100%	0	0.0%	20.0%	60.0%	20.0%
	Bachelor	65	0	4	30	25	6
		100%	0	6.2%	46.2%	38.5%	9.2%
	Master	84	0	17	28	35	4
		100%	0	20.2%	33.3%	41.7%	4.8%
others	1	0	0	1	0	0	
	100%	0	0.0%	100.0%	0.0%	0.0%	
Service Period	Less than 10 years	44	0	6	18	20	0
		100%	0	13.6%	40.9%	45.5%	0.0%
	More than 10 years	116	0	16	45	43	12
		100%	0	13.8%	38.8%	37.1%	10.3%
Designation	Officers	118	0	17	45	49	7
		100%	0	14.4%	38.1%	41.5%	5.9%
	Non officers	42	0	5	18	14	5
		100%	0	11.9%	42.9%	33.3%	11.9%
Service Provider	Head Office	131	0	21	52	48	10
		100%	0	16.0%	39.7%	36.6%	7.6%
	Branch Office	29	0	1	11	15	2
		100%	0	3.4%	37.9%	51.7%	6.9%
Cooperativen ess	Male staff	99	0	14	43	33	9
		100%	0	14.1%	43.4%	33.3%	9.1%
	Female staff	61	0	8	20	30	3
		100%	0	13.1%	32.8%	49.2%	4.9%

1= Ineffective,2=Less effective,3=Do not know,4= Effective and 5=More effective

Source: Field Survey, 2014

Effectiveness of the EPF in terms of the Members

Respondents		Total	1	2	3	4	5
Gender	Male	117	0	24	13	67	13
		100%	0.0%	20.5%	11.1%	57.3%	11.1%
	Female	43	1	5	5	26	6
		100%	2.3%	11.6%	11.6%	60.5%	14.0%
Education	SLC	5	0	2	0	2	1
		100%	0.0%	40.0%	0.0%	40.0%	20.0%
	Inter	5	0	1	0	4	0
		100%	0.0%	20.0%	0.0%	80.0%	0.0%
	Bachelor	65	1	9	6	42	7
		100%	1.5%	13.8%	9.2%	64.6%	10.8%
	Master	84	0	17	12	44	11
		100%	0.0%	20.2%	14.3%	52.4%	13.1%
	others	1	0	0	0	1	0
		100%	0.0%	0.0%	0.0%	100.0%	0.0%
Service Period	Less than 10 years	44	0	7	5	26	6
		100%	0.0%	15.9%	11.4%	59.1%	13.6%
	More than 10 years	116	1	22	13	67	13
		100%	0.9%	19.0%	11.2%	57.8%	11.2%
Designation	Officers	118	1	23	13	68	13
		100%	0.8%	19.5%	11.0%	57.6%	11.0%
	Non officers	42	0	6	5	25	6
		100%	0.0%	14.3%	11.9%	59.5%	14.3%
Service Provider	Head Office	131	1	23	14	79	14
		100%	0.8%	17.6%	10.7%	60.3%	10.7%
	Branch Office	29	0	6	4	14	5
		100%	0.0%	20.7%	13.8%	48.3%	17.2%
Cooperativeness	Male staff	99	0	19	12	57	11
		100%	0.0%	19.2%	12.1%	57.6%	11.1%
	Female staff	61	1	10	6	36	8
		100%	1.6%	16.4%	9.8%	59.0%	13.1%

1= Ineffective,2=Less effective,3=Do not know,4= Effective and 5=More effective

Source: Field Survey, 2014

Effectiveness of the EPF in terms of the Coverage in Social Security Benefits

Respondents		Total	1	2	3	4	5
Gender	Male	117	1	21	24	66	5
		100%	0.9%	17.9%	20.5%	56.4%	4.3%
	Female	43	0	3	11	26	3
		100%	0.0%	7.0%	25.6%	60.5%	7.0%
Education	SLC	5	0	0	1	3	1
		100%	0.0%	0.0%	20.0%	60.0%	20.0%
	Inter	5	0	1	0	4	0
		100%	0.0%	20.0%	0.0%	80.0%	0.0%
	Bachelor	65	1	7	12	42	3
		100%	1.5%	10.8%	18.5%	64.6%	4.6%
	Master	84	0	16	22	42	4
		100%	0.0%	19.0%	26.2%	50.0%	4.8%
others	1	0	0	0	1	0	
	100%	0.0%	0.0%	0.0%	100.0%	0.0%	
Service Period	Less than 10 years	44	0	8	15	19	2
		100%	0.0%	18.2%	34.1%	43.2%	4.5%
	More than 10 years	116	1	16	20	73	6
		100%	0.9%	13.8%	17.2%	62.9%	5.2%
Designation	Officers	118	1	21	24	67	5
		100%	0.8%	17.8%	20.3%	56.8%	4.2%
	Non officers	42	0	3	11	25	3
		100%	0.0%	7.1%	26.2%	59.5%	7.1%
Service Provider	Head Office	131	1	18	29	77	6
		100%	0.8%	13.7%	22.1%	58.8%	4.6%
	Branch Office	29	0	6	6	15	2
		100%	0.0%	20.7%	20.7%	51.7%	6.9%
Cooperativen ess	Male staff	99	1	16	24	55	3
		100%	1.0%	16.2%	24.2%	55.6%	3.0%
	Female staff	61	0	8	11	37	5
		100%	0.0%	13.1%	18.0%	60.7%	8.2%

1= Ineffective,2=Less effective,3=Do not know,4= Effective and 5=More effective

Source: Field Survey, 2014

Effectiveness of the EPF in terms of the Coverage in Loan Schemes

Respondents		Total	1	2	3	4	5
Gender	Male	117	0	10	11	80	16
		100%	0	8.5%	9.4%	68.4%	13.7%
	Female	43	0	3	4	32	4
		100%	0	7.0%	9.3%	74.4%	9.3%
Education	SLC	5	0	0	0	3	2
		100%	0	0.0%	0.0%	60.0%	40.0%
	Inter	5	0	0	0	4	1
		100%	0	0.0%	0.0%	80.0%	20.0%
	Bachelor	65	0	6	8	45	6
		100%	0	9.2%	12.3%	69.2%	9.2%
	Master	84	0	7	7	60	10
		100%	0	8.3%	8.3%	71.4%	11.9%
others	1	0	0	0	0	1	
	100%	0	0.0%	0.0%	0.0%	100.0%	
Service Period	Less than 10 years	44	0	4	5	27	8
		100%	0	9.1%	11.4%	61.4%	18.2%
	More than 10 years	116	0	9	10	85	12
		100%	0	7.8%	8.6%	73.3%	10.3%
Designation	Officers	118	0	8	12	82	16
		100%	0	6.8%	10.2%	69.5%	13.6%
	Non officers	42	0	5	3	30	4
		100%	0	11.9%	7.1%	71.4%	9.5%
Service Provider	Head Office	131	0	10	13	91	17
		100%	0	7.6%	9.9%	69.5%	13.0%
	Branch Office	29	0	3	2	21	3
		100%	0	10.3%	6.9%	72.4%	10.3%
Cooperativen ess	Male staff	99	0	7	10	68	14
		100%	0	7.1%	10.1%	68.7%	14.1%
	Female staff	61	0	6	5	44	6
		100%	0	9.8%	8.2%	72.1%	9.8%

1= Ineffective,2=Less effective,3=Do not know,4= Effective and 5=More effective

Source: Field Survey, 2014

Effectiveness of the EPF in terms of Returns

Respondents		Total	1	2	3	4	5
Gender	Male	117	1	14	10	74	18
		100%	0.9%	12.0%	8.5%	63.2%	15.4%
	Female	43	0	1	3	34	5
		100%	0.0%	2.3%	7.0%	79.1%	11.6%
Education	SLC	5	0	0	0	3	2
		100%	0.0%	0.0%	0.0%	60.0%	40.0%
	Inter	5	0	0	0	3	2
		100%	0.0%	0.0%	0.0%	60.0%	40.0%
	Bachelor	65	1	3	6	47	8
		100%	1.5%	4.6%	9.2%	72.3%	12.3%
	Master	84	0	12	7	54	11
		100%	0.0%	14.3%	8.3%	64.3%	13.1%
others	1	0	0	0	1	0	
	100%	0.0%	0.0%	0.0%	100.0%	0.0%	
Service Period	Less than 10 years	44	0	2	5	31	6
		100%	0.0%	4.5%	11.4%	70.5%	13.6%
	More than 10 years	116	1	13	8	77	17
		100%	0.9%	11.2%	6.9%	66.4%	14.7%
Designation	Officers	118	0	12	12	76	18
		100%	0.0%	10.2%	10.2%	64.4%	15.3%
	Non officers	42	1	3	1	32	5
		100%	2.4%	7.1%	2.4%	76.2%	11.9%
Service Provider	Head Office	131	1	12	11	89	18
		100%	0.8%	9.2%	8.4%	67.9%	13.7%
	Branch Office	29	0	3	2	19	5
		100%	0.0%	10.3%	6.9%	65.5%	17.2%
Cooperativeness	Male staff	99	1	10	8	64	16
		100%	1.0%	10.1%	8.1%	64.6%	16.2%
	Female staff	61	0	5	5	44	7
		100%	0.0%	8.2%	8.2%	72.1%	11.5%

1= Ineffective,2=Less effective,3=Do not know,4= Effective and 5=More effective

Source: Field Survey, 2014

Overall Effectiveness of the EPF Schemes

Respondents		Total	1	2	3	4	5
Gender	Male	117	0	10	6	98	3
		100%	0	8.5%	5.1%	83.8%	2.6%
	Female	43	0	3	0	39	1
		100%	0	7.0%	0.0%	90.7%	2.3%
Education	SLC	5	0	0	0	4	1
		100%	0	0.0%	0.0%	80.0%	20.0%
	Inter	5	0	0	0	5	0
		100%	0	0.0%	0.0%	100.0%	0.0%
	Bachelor	65	0	5	2	56	2
		100%	0	7.7%	3.1%	86.2%	3.1%
	Master	84	0	8	4	71	1
		100%	0	9.5%	4.8%	84.5%	1.2%
	others	1	0	0	0	1	0
		100%	0	0.0%	0.0%	100.0%	0.0%
Service Period	Less than 10 years	44	0	3	3	36	2
		100%	0	6.8%	6.8%	81.8%	4.5%
	More than 10 years	116	0	10	3	101	2
		100%	0	8.6%	2.6%	87.1%	1.7%
Designation	Officers	118	0	9	3	104	2
		100%	0	7.6%	2.5%	88.1%	1.7%
	Non officers	42	0	4	3	33	2
		100%	0	9.5%	7.1%	78.6%	4.8%
Service Provider	Head Office	131	0	8	6	114	3
		100%	0	6.1%	4.6%	87.0%	2.3%
	Branch Office	29	0	5	0	23	1
		100%	0	17.2%	0.0%	79.3%	3.4%
Cooperativeness	Male staff	99	0	6	5	86	2
		100%	0	6.1%	5.1%	86.9%	2.0%
	Female staff	61	0	7	1	51	2
		100%	0	11.5%	1.6%	83.6%	3.3%

1= Ineffective,2=Less effective,3=Do not know,4= Effective and 5=More effective

Source: Field Survey, 2014

Opinion of Respondents on different dimensions

Appendix 5

Tangibility

Annex 5.1

Expectation

Statistical Output/Variables	Modern looking equipment	Physical facilities visually appealing	Appear professionally dressed	Materials associated with a service visually appealing
N	160	160	160	160
Mean	4.025	3.85	3.87	3.92
Standard Deviation	0.592	.779	.884	.894
Coefficient of variation (standard deviation/Mean*100)	14.70	20.23	22.85	22.81
Grand Mean	3.91			
Grand Mean Standard Deviation	0.787			
Grand Mean coefficient of variation	20.13			

Source: Field survey, 2014

Annex 5.2

Perception

Statistical Output/Variables	Modern looking equipment	Physical facilities visually appealing	Appear professionally dressed	Materials associated with a service visually appealing
N	160	160	160	160
Mean	3.87	3.77	3.83	3.73
Standard Deviation	.746	.803	.740	.874
Coefficient of variation (standard deviation/Mean*100)	19.28	21.30	19.32	23.43
Grand Mean	3.79			
Grand Mean Standard Deviation	0.791			
Grand Mean coefficient of variation	20.87			

Source: Field Survey, 2014

Appendix 6

Reliability

Annex 6.1

Expectation

Statistical Output/Variables	Promise to do, by a certain time they do	Has a problem, show a sincere interest to solve	Perform the service right the first time	Provide service at the time of promise	Insist on error free records
N	160	160	160	160	160
Mean	4.03	3.86	3.92	3.92	3.85
Standard Deviation	0.713	.903	.824	.797	.913
Coefficient of variation (standard deviation/Mean*100)	17.69	21.35	21.02	24.74	23.71
Grand Mean	3.92				
Grand Mean Standard Deviation	0.83				
Grand Mean coefficient of variation	21.17				

Source : Field survey, 2014

Annex 6.2

Perception

Statistical Output/Variables	Promise to do, by a certain time they do	Has a problem, show a sincere interest to solve	Perform the service right the first time	Provide service at the time of promise	Insist on error free records
N	160	160	160	160	160
Mean	3.90	3.89	3.79	3.80	3.65
Standard Deviation	.711	.718	.764	.783	.870
Coefficient of variation (standard deviation/Mean*100)	18.20	18.46	20.16	20.53	23.84
Grand Mean	3.81				
Grand Mean Standard Deviation	0.77				
Grand Mean coefficient of variation	18.37				

Source: Field survey, 2014

Appendix 7

Responsibility

Annex 7.1

Expectation

Statistical Output/Variables	Tell beneficiaries exactly when services will be performed	Give prompt service	Always willing to help beneficiaries	Never be too busy to respond to the beneficiary	The behaviour instill confidence in beneficiary
N	160	160	160	160	160
Mean	3.84	3.94	3.89	3.88	3.91
Standard Deviation	.896	.814	.880	.914	.874
Coefficient of variation (standard deviation/Mean*100)	23.33	20.66	22.62	23.56	22.35
Grand Mean	3.89				
Grand Mean Standard Deviation	0.875				
Grand Mean coefficient of variation	22.49				

Source: Field survey, 2014

Annex 7.2

Perception

Statistical Output/Variables	Tell beneficiaries exactly when services will be performed	Give prompt service	Always willing to help beneficiaries	Never be too busy to respond to the beneficiary	The behavior instill confidence in beneficiary
N	160	160	160	160	160
Mean	3.76	3.84	3.78	3.72	3.79
Standard Deviation	.775	.800	.852	.793	.778
Coefficient of variation (standard deviation/Mean*100)	20.61	20.83	22.54	21.32	20.53
Grand Mean	3.78				
Grand Mean Standard Deviation	0.799				
Grand Mean coefficient of variation	21.14				

Source: Field survey, 2014

Appendix 8

Assurance

Annex 8.1

Expectation

Statistical Output/Variables	Feel secure in the transactions	Consistently courteous to beneficiary	Knowledge to answer beneficiary's questions
N	160	160	160
Mean	4.03	3.92	4.01
Standard Deviation	.796	.769	.828
Coefficient of variation (standard deviation/Mean*100)	19.75	19.62	20.65
Grand Mean	3.99		
Grand Mean Standard Deviation	0.798		
Grand Mean coefficient of variation	20.00		

Source: Field survey, 2014

Annex 8.2

Perception

Statistical Output/Variables	Feel secure in the transactions	Consistently courteous to beneficiary	Knowledge to answer beneficiary's questions
N	160	160	160
Mean	3.99	3.94	3.91
Standard Deviation	.691	.729	.783
Coefficient of variation (standard deviation/Mean*100)	17.32	18.50	20.02
Grand Mean	3.95		
Grand Mean Standard Deviation	0.734		
Grand Mean coefficient of variation	18.58		

Source: Field survey, 2014

Appendix 9

Empathy

Annex 9.1

Expectation

Statistical Output/Variables	Individual attention	Give personal attention	Operating hours convenient to the beneficiary	Employees have beneficiary best interest at heart	Understand the needs of the beneficiary
N	160	160	160	160	160
Mean	3.96	3.93	3.96	3.76	3.89
Standard Deviation	.816	.833	.914	1.002	1.003
Coefficient of variation (standard deviation/Mean*100)	20.61	21.19	23.80	26.65	25.78
Grand Mean	3.90				
Grand Mean Standard Deviation	0.914				
Grand Mean coefficient of variation	23.41				

Source: Field survey, 2014

Annex 9.2

Perception

Statistical Output/Variables	Individual attention	Give personal attention	Operating hours convenient to the beneficiary	Employees have beneficiary best interest at heart	Understand the needs of the beneficiary
N	160	160	160	160	160
Mean	3.84	3.82	3.86	3.73	3.86
Standard Deviation	.792	.760	.781	.874	.838
Coefficient of variation (standard deviation/Mean*100)	20.62	19.89	20.23	23.43	21.71
Grand Mean	3.814				
Grand Mean Standard Deviation	0.809				
Grand Mean coefficient of variation	21.18				

Source: Field survey, 2014

Appendix 10

Corporate Governance

Annex 10.1

Expectation

Statistical Output/Variables	Maintain transparency in every activity	Participative approach at the time of formulating policy and plan	Corruption less transactions	Continuous improvement for the beneficiary welfare
N	160	160	160	160
Mean	4.01	3.72	3.85	4.13
Standard Deviation	.890	1.104	.973	.845
Coefficient of variation (standard deviation/Mean*100)	22.19	29.68	25.27	20.46
Grand Mean	3.92			
Grand Mean Standard Deviation	0.953			
Grand Mean coefficient of variation	24.31			

Source: Field survey, 2014Annex 10.2

Perception

Statistical Output/Variables	Maintain transparency in every activity	Participative approach at the time of formulating policy and plan	Corruption less transactions	Continuous improvement for the beneficiary welfare
N	160	160	160	160
Mean	4.01	3.74	3.95	4.16
Standard Deviation	.843	1.029	.983	.743
Coefficient of variation (standard deviation/Mean*100)	21.02	27.51	24.87	17.86
Grand Mean	3.96			
Grand Mean Standard Deviation	.899			
Grand Mean coefficient of variation	22.71			

Source: Field Survey, 2014

Appendix 11

Respondents' response on liker scale

Annex: 11.1

SERVQUAL Tangibility Dimension

Statements	EXP-PER	Strongly Disagree	Disagree	uncertain	Agree	Strongly Agree
Modern Looking Equipment	EXP-%	0	0.7	5.2	66	28.1
	PER-%	0.6	6.9	11.9	68.1	12.5
Visually appealing physical facility	EXP-%	0	6.2	20	56.2	17.5
	PER-%	0	8.1	21.9	55	15
Professional appearance of Employees	EXP-%	.6	7.5	20	48.1	23.8
	PER-%	.6	5	18,8	62.5	13.1
Materials visually appealing	EXP-%	1.2	6.9	15.6	50.6	25.6
	PER-%	1.2	9.4	19.4	55	15

Source: Field Survey, 2014

Annex: 11.2

SERVQUAL Reliability Dimension

Statements	EXP-PER	Strongly Disagree	Disagree	uncertain	Agree	Strongly Agree
Act according to the promise	EXP-%	0	3.1	14..24	58.8	23.8
	PER-%	0	5.6	13.8	65.2	15
Sincere interest in solving problems	EXP-%	0.6	9.4	16.9	50	23.1
	PER-%	0	6.2	13.1	66.2	14.4
Services are performed right the first time	EXP-%	0	6.9	17.5	52.5	23.1
	PER-%	0	7.5	19.4	60	13.1
Provide the services at the time of promised	EXP-%	0	5.6	18.8	53.1	22.5
	PER-%	0	8.1	18.1	59.4	14.4
Insist on error free records	EXP-%	0.6	0.6	16.2	50	23.1
	PER-%	1.2	1.2	21.9	54.4	11.9

Source: Field Survey, 2014

SERVQUAL Responsibility Dimensions

Statements	EXP-PER	Strongly Disagree	Disagree	uncertain	Agree	Strongly Agree
Informs exactly when service will be provided	EXP-%	1.2	8.8	15.2	52.8	20.6
	PER-%	0.6	6.9	20.6	60	11.9
Provide prompt service	EXP-%	0	7.5	13.8	56.2	22.5
	PER-%	0.6	6.2	18.8	57.5	16.9
Always willing to help	EXP-%	1.9	5.6	16.2	53.8	22.5
	PER-%	1.2	7.5	19.4	55.6	16.2
Never too busy to respond to service requests	EXP-%	1.2	6.9	20	46.2	25.6
	PER-%	0	8.1	24.4	54.4	13.1
Employees behavior instills confidence	EXP-%	0.6	6.9	18.8	48.8	25
	PER-%	0	6.2	23.8	54.4	15.6

Source: Field Survey, 2014**SERVQUAL Assurance Dimension**

Statements	EXP-PER	Strongly Disagree	Disagree	uncertain	Agree	Strongly Agree
Feel secure in their transactions	EXP-%	0.6	5	11.2	63.1	19.4
	PER-%	0.6	1.9	15	56.9	26.2
Employees are consistently courteous	EXP-%	0	5	18.8	55.6	20.6
	PER-%	0.6	2.5	18.1	59.4	19.4
Employees have the knowledge to answer the questions	EXP-%	0	6.9	13.1	52.5	27.5
	PER-%	0.6	5	16.9	58.1	19.4

Source: Field Survey, 2014

SERVQUAL Empathy Dimension

Statements	EXP-PER	Strongly Disagree	Disagree	uncertain	Agree	Strongly Agree
Provide individual attentions	EXP-%	0	7.5	12.5	56.2	23.8
	PER-%	0	8.1	16.2	59.4	16.2
Has convenient operating hours	EXP-%	0	5.6	21.2	47.5	25.6
	PER-%	0	6.9	18.8	60	14.4
Employees provide personal attentions	EXP-%	0.6	8.1	15.6	46.2	29.4
	PER-%	0	6.9	17.5	58.1	17.5
Has the best interest of the beneficiary at heart	EXP-%	1.2	11.9	21.9	40	25
	PER-%	0.6	8.8	25	48.1	17.5
Employees understand the needs of their beneficiaries	EXP-%	1.9	9.4	16.9	41.9	30
	PER-%	0.6	5.6	22.5	50	21.2

Source : Field Survey, 2014

Annex :11.6

Corporate Governance Dimensions

Statements	EXP-PER	Strongly Disagree	Disagree	uncertain	Agree	Strongly Agree
Maintain transparency in every transactions	EXP-%	1.2	5	16.2	46.2	31.2
	PER-%	0.6	5.6	14.4	51.2	28.1
Participative approach in policy formulation	EXP-%	3.8	10.6	23.8	33.1	28.8
	PER-%	3.8	6.2	27.2	36.9	25.9
Corruption less transactions	EXP-%	2.5	6.2	21.9	42.5	26.9
	PER-%	1.9	5.6	22.5	35.6	34.4
Continuous improvement for the beneficiary welfare	EXP-%	1.2	4.4	9.4	50.6	34.4
	PER-%	0	2.5	13.1	50	34

Source: Field Survey, 2014 EXP- Expectation PER - Perception