

# Customer Orientation of Service Employees in the Banking Sector in Sudan

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**Abstract:** *This study aims to assess the existence of customer orientation behavior among service employees in the banking sector in Sudan. The importance of the study stems from the fact that Sudan has been almost isolated for nearly three decades due to the economic sanctions that were imposed on the country, and thus missed many of the achievements that occurred during that period. The Selling Orientation-Customer Orientation Scale (SOCO), has been used as a survey tool. The main branch and some other branches of Faisal Islamic Bank, in Khartoum have been chosen as a study area. Despite the concern that the concept of customer orientation and other similar concepts may not be familiar to service employees in Sudan because of what was mentioned about isolation for a long period of time, the results indicated the existence of customer orientation as a concept and practice among Faisal Bank service employees.*

**Keywords:** Customer orientation, service employees, and banking sector

## 1. Introduction

According to Customer Orientation (CO) approach, a customer is the core of the business. It means observing, understanding and predicting the needs and wants of the customer and acting accordingly. After a long period of isolation from the outside world during the last three decades, Sudan finds itself far from the notable development that has occurred in all areas of life. This affected the development of economic activities in the country and made there a need to keep pace with the recent concepts, methods, and technologies in management and marketing.

This research aims to study the extent of the existence of the culture of customer orientation among service employees in the service sector in Sudan, by applying on the banking services sector to find out whether service employees in this vital sector stick to the concepts of customer orientation. The selection of banking service is due to the ongoing transitional transformation that Sudan is currently going through, which requires the reintegration of banks into the global banking system after a long period of interruption.

The importance of this study stems from the fact that Sudan has been almost isolated for nearly three decades as we mentioned earlier and thus missed many of the achievements of scientific and technological development that occurred during the nineties of the last century and the first two decades of this one due to the economic sanctions that were imposed on the regime that ruled the country in the 1989 - 2019. Due to this interruption, commercial, service, financial and other businesses lived in isolation and disconnected from the modern systems and concepts that developed during this period, and this is the source of concern that modern concepts of management, human resources, and marketing may not be well known or at least not well followed in these institutions.

Regarding the significance of COSE, it has always been mentioned as one of the main elements of the service firms'

success, which has a direct and positive impact on customer satisfaction, customer commitment, and increasing service quality (Hanzaee and Mirvaisi 2011). Another recent study also pointed out the importance of COSE as their results showed that it applies its direct influence on organizational performance as well as on teamwork spirit, job satisfaction, and commitment (Siddiqi and Sahaf 2019). Another study also mentioned the vital role of COSE in financial organizations, where a study from 2012 stated, that customer-orientated culture leads to excellent customer services (Kassim, Yusoff et al. 2012). While studying the relationships of customer orientation, service orientation, and job satisfaction in financial services, researchers found that customer orientation has mediated effects, through service orientation, on overall job satisfaction, and a direct, positive relationship was found between service-orientation practices and customer orientation (Saura, Contri et al. 2005).

This research is conducted because of these concerns and it also aims to find whether the concept and practice of customer orientation exist among service employees in Sudanese banks. A special research tool (SOCO Scale) which is an instrument designed to examine customer orientation among service employees, has been used for this purpose.

## 2. Literature Review

**Banking Services** are defined as any activities involved in accepting and safeguarding money in different forms owned by other individuals and bodies, and then loaning out this money to earn a profit (Series 2020). For SW Kelley, the competitive nature of the banking business is responsible for increasing the importance of customer orientation of the service employees, as it is a direct and one of the most important approaches of assuring customer satisfaction. He found that customer orientation is directly related to motivation, satisfaction, and role clarity (Kelley 1990). In a study investigating the importance of customer orientation of service employees in highly relational services, results

confirm that COSE is proven to have significant importance in highly relational services (Mediano and Ruiz-Alba). According to (Morales Mediano and Ruiz-Alba 2019) private banking is based on a personal and continuing relationship with the client. Thus, regarding customer orientation and private banking, the potential consequences of COSE in this business could be identified as trust, loyalty, and word of mouth

Regarding the impact of COSE in the public sector several authors stated that employees' customer orientation behaviors significantly impacted customers' perceived service quality and satisfaction in public institutions (Li, Pomegbe et al. 2019).

The financial sector in Sudan includes 37 banks and different non-bank financial institutions mainly insurance companies and small-scale microfinance institutions. Four state-owned banks (with 14 percent of total banking assets) operate as specialized banks. Seven banks operate as branches of foreign banks in Sudan (with 23 percent of total banking assets). Total assets of the banking sector were accounting for 25 percent of GDP at the end of 2019 (FUND 02/2020).

**Customer orientation (CO)** is a concept that appeared as a subsequent development of the market orientation, according to this approach a customer is the core of the business. CO means to observe and understand the needs and wants of the customer, predicting them, and then acting accordingly. Riserbato, 2020 defines CO as a business approach in which a company provides solutions for the customer as a priority. It is all about focusing on helping customers achieve their needs and wants, considering them as valued over the needs of the business (Riserbato 2020). Brannback M, argue that customer orientation is the essence of business success, and that integrated customer orientation is the core of organizational competence development (Brannback 1999). A study examined the direct impacts of customer orientation on performance and its indirect impacts on innovativeness and innovation behavior in Albanian small and medium tourism enterprises. The results from this study revealed that customer orientation has a direct positive impact not only on performance but also on both innovativeness and innovation behavior (Domi, Capelleras et al.). By studying customer orientation within set of factors affecting organization performance, group of authors confirmed that customer orientation indirectly influences service firm performance (Zhang, Kang et al.). To find how customer orientation influence customers to perceive companies as customer centric. A study conducted in 2020 found that customers perceive companies, as customer centric if the supplier is customer oriented on both the overall firm level and the salesperson level (Habel, Kassemeyer et al.). For many researchers, customer orientation leads to more loyal and committed customers, and that satisfied customer-oriented employees are keener towards customers, which eventually leads to more satisfied and loyal customers. In a study examined the possible effects of customer orientation in small- and medium-sized businesses among a UK sample. The results show a positive effect of customer orientation on SME performance (Appiah Adu and Singh 1998). Also Brady &

Cronin (2001) confirm the importance of customer orientation in services business, they find that customer orientation is directly connected to customers' assessments of employee service performance, physical goods, and services points, and it has Indirect impacts on organizational quality, customer satisfaction, value attributions (Brady and Cronin Jr 2001). In comparison with the selling-orientated behavior, Saxe and Weitz noted that, while selling-orientated behavior is related to maximizing selling, regardless of other factors, customer-oriented selling is a behavior that considers the customer as a key factor in the marketing process, for them the concept CO describes the degree to which sales employees trying to help their customers make purchase decisions that to satisfy their needs (Saxe and Weitz 1982).

**Service employees** in the legal context, as per the Law Inside Dictionary is an any person involved in the performance of a contract other than any person employed in an executive, administrative, or professional capacity (Dictionary 2020), in the marketing context the term service employee is the one who is responsible for providing a service, represents the company in its relations with the customers. In this context service employee is always engaged with the final goals of the organization and aware of where he can make positive impact in the relation with the customers. Because of the intangible and interactive nature of the services, customers often count on the behavior of service employees when evaluating the quality of a service. That why the customer orientation level of service employees is considered an important leverage for the success of service companies (Hennig-Thurau 2004). Customer orientation is particularly important, especially for service employees, as they are the ones who determine the first impression of the customer and the ones who greatly affects the quality of the service and service performance, customer's satisfaction and his relationship with the service and the company as well.

### 3. Method and Materials

This is a cross-sectional study that aims to assess the customer orientation behavior among banking sector employees in Sudan using (SOCO scale) measurement which is a validated questionnaire measuring customer orientation of service employees, which has been developed by Robert Saxe and Barton A. Weitz (1982). This instrument factorizes customer orientation into two basic factors characterizing customer orientation of service employees which are the Relations of the employee with their customers and the Ability to help customers. this is a constructed questionnaire consists of 18 items covering the two factors. Despite other measures of customer orientation, such as inner-outer directedness (Kassarjian 1962) and self-monitoring (Synder 1976), SOCO is a research tool that measures the concept of customer orientation through its two factors relations and the ability to help, with high accuracy and reliability.

The first factor, RELATIONS, indicates the degree to which the customer-employee relationship is long-term and cooperative. item (2) measures the quality of the customer-employee relationship in terms of cooperation, item (3) trust,

item (5) the likelihood of follow-on orders from satisfied customers, item (8) the assertion on producing long-term versus immediate results, item (13) the amount of pressure expected, item (9) lack of conflict, and Items (16, 17, 18) assess the importance of repeat business to the employee.

The second factor, ABILITY TO HELP, indicates the ability of service employees to help their customers and satisfy their needs. Item (1) to which degree employees are a reliable source of information to their customers, Item (4) the effect of a customer's evaluation on the employee's ability to help, Item (6) of measure the degree to which employees see themselves as able to help customers, item (7) the degree to which the employee's products match customer needs, item (10) the willingness of customers to spend sufficient time with an employee, item (11) the importance of nonprice factors in the customer's purchase decision, item (12) indicates the extent to which customers need or ask for help from employees, item (14) the support received by the employees from their companies, and item (15) the ability to assist customers in making a purchase decision (Saxe and Weitz 1982).

The targeted population is bank services employees in the lower and middle levels who are related with serving customers, top managers and other employees who are not related will be excluded, convenience sampling technique will be followed to collect the data, all respondents will be taking from one banking institution on different branches of the bank. Faisal Islamic Bank has been chosen to implement this study, as it is one of the top banks working in Sudan and one of the most widespread.

#### 4. Results

The convenience sampling technique has been adopted, 100 copies of the study questionnaire were distributed to the Faisal Islamic Bank employees, 50 of them in the main branch, other 50 in two other branches of the bank in Khartoum. Targeted respondents were the service employees, managers, administrative staff, and all those who are not involved in customer service were excluded. Out of the total distributed copies, 98 were returned, one of which was disqualified, 97 were analyzed and processed in this study as an acceptable sample.

Since the objective of this study is to assess the customer orientation of service employees to find whether the concept and practice of customer orientation exist among service employees in Sudanese banks, then general statistics as

frequencies and percentages will be adequate for the purpose of the study. As we mentioned earlier SOCO scale for measuring customer orientation of service employees has been used as a survey tool to measure the two factors of the customer orientation which are RELATIONS and ABILITY TO HELP from the employees' point of view.

According to this instrument (SOCO), the items (2, 3, 5, 8, 9, 13, 16, 17, and 18) measure the first factor RELATIONS and indicate the degree to which the customer-employee relationship is long-term and cooperative. As the items (1, 4, 6, 7, 10, 11, 12, 14, and 15) measure the second-factor ABILITY TO HELP and indicate the ability of service employees to help their customers and satisfy their needs. Results of the analysis of the collected data show the findings as follows.

#### Service employee-customer Relations:

Regarding the relations of the services' employees towards their customers, analyses reveal that employees of this bank have a good and positive relations with their customers according to their evaluation. In the next paragraph and table (1) below, we interpreted in detail the analysis of the items that assess this relation.

Regarding cooperative relationship between employees and customer, most of the respondents (66.9%) believe that most customers cooperate with their efforts to find what they need in a service, which indicate a high level of customer-employee relationship in terms of cooperation. Concerning customer-employee trust, results also indicate a high extent of trust between customers and employees (81.4%). Results of Q5 as well show the likelihood of follow-on from satisfied customers (78.3%). Analysis of Q8 confirm the presence of long-term versus immediate results (52.5%). Most of the respondents (47.4%) do not believe that there is a conflict of interest between employees and customers. Regarding the question of to which extent customers expect pressure from service employees in this business, the answers don't look much different as (39.11%) agree with that, (29.9%) disagree while (27.8%) believe there is a moderate pressure.

Last three items in this group measure the importance of repeat business to the employee. concerning the volume of sales comes from repeat customers, most of employees think it is very high (63.9%). The answers indicate a high percentage of repeat operations with the repeat customer during the week (75.3%). And a high percentage of operations during the year with this type of customer.

**Table 1:** Analysis of the items of the first factor RELATIONS

Q. No.	Freq. %	1	2	3	4	5	6	7
		To an extremely small extent	To a very small extent	To a small extent	To a moderate extent	To a large extent	To a very large extent	To an extremely large extent
Q2		Measures the quality of the customer-employee relationship in terms of cooperation						
	Frequency	3	4	6	18	27	21	17
	Percent	3.1	4.1	6.2	18.6	27.8	21.6	17.5
Q3		Measure the trust						
	Frequency	4		1	13	18	21	40
	Percent	4.1		1.0	13.4	18.6	21.6	41.2
Q5		Measures the likelihood of follow-on orders from satisfied customers						
	Frequency	3	2	3	13	10	26	40
	Percent	3.1	2.1	3.1	13.4	10.3	26.8	41.2

Q8		Measures the assertion on producing long-term versus immediate results						
	Frequency	9	6	10	18	21	13	17
	Percent	9.3	6.2	10.3	18.6	21.6	13.4	17.5
Q9		Measures the lack of conflict						
	Frequency	21	13	12	20	6	11	10
	Percent	21.6	13.4	12.4	20.6	6.2	11.3	10.3
Q13		Measures the amount of pressure expected						
	Frequency	7	9	13	27	16	11	11
	Percent	7.2	9.3	13.4	27.8	16.5	11.3	11.3
Q16		Assess the importance of repeat business to the employee.						
	Frequency	6	5	3	20	16	24	22
	Percent	6.2	5.2	3.1	20.6	16.5	24.7	22.7
Q17		Assess the importance of repeat business to the employee.						
	Frequency	5	5	3	10	13	29	31
	Percent	5.2	5.2	3.1	10.3	13.4	29.9	32.0
Q18		Assess the importance of repeat business to the employee.						
	Frequency	5	7	7	14	9	19	35
	Percent	5.2	7.2	7.2	14.4	9.3	19.6	36.1

The chart below shows the distribution of the respondents' opinions regarding the statements presented to them, their agreement with most of the statements is very high, except for what is related to the lack of conflicts where the

percentage of disagreement is higher, and regarding the statement of the expected pressure where there is no significant difference between the two opinions.

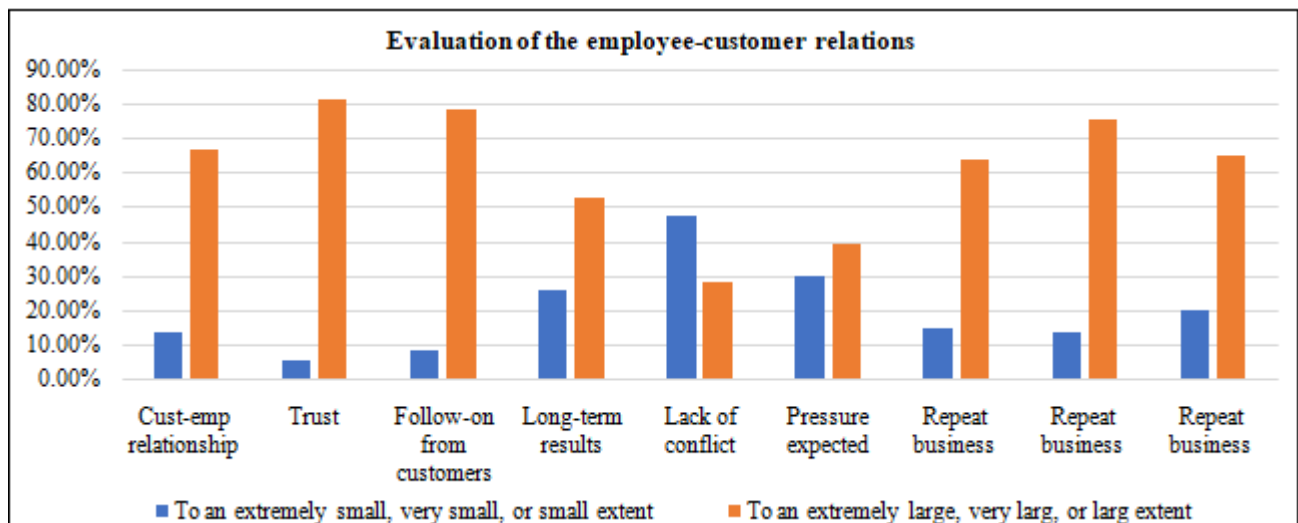


Chart 1: Shows the elements of employee-customer relationship

#### Ability of service employees to help:

The second group of indicators measures the ability of service employees to help their customers and satisfy their needs. The overall score for the second factor (the ability to help) indicated a positive result regarding the ability of workers to provide assistance to their customers. Analysis of first item in this group, shows that most of the respondents (77.3%) think that employees are a reliable source of information to their customers. Most of respondent (66.8%) believe that customer's evaluation influences the employee's ability to help. Regarding the item that measures the degree to which employees see themselves as able to help customers, most of respondents (74.2%) think that they can help customers. Also, most of respondents, believe that their services match the range of customer needs to a high extent (65.9%). Regarding the time available to employees to spend on their customers, the answers are similar, for those who believe that the time available to customers is sufficient and those who see the opposite 36% and 36.1%, respectively.

Regarding the importance of non-price factors in the customer's purchase decision, there was no clear tendency as those who agreed, opposed, and those who took a neutral position had their answers close, respectively, as 29.4%, 21.6%, and 22.7%. Also, the responses to the statement about, the extent to which customers need or ask for help from employees, were somewhat similar, as (49.5%) believe that clients need to ask an employee about services to help them before deciding to complete the deal, while (32.9%) think that clients do not need such a help. Most of the employees, respondents of this study (60.8%) stated that they can count on the company support to look out for their customers' interests. The data also, show that the most of respondents (56.7%) think that customer's decision of making purchase, relies to some extent to ability of employees to assist them in making such a decision.

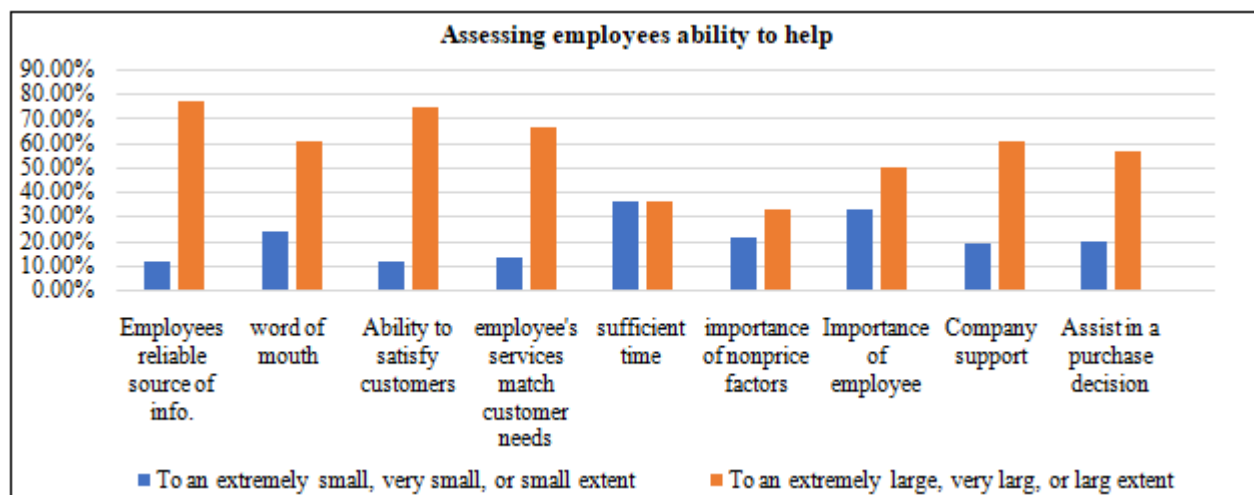


**Table 2:** Analysis of the items of the second factor ABILITY TO HELP

Q. No.	Freq. %	1	2	3	4	5	6	7
		To an extremely small extent	To a very small extent	To a small extent	To a moderate extent	To a large extent	To a very large extent	To an extremely large extent
Q1		Measure to which degree employees are a reliable source of information to their customers						
	Frequency	6	1	4	11	16	21	38
	Percent	6.2	1.0	4.1	11.3	16.5	21.6	39.2
Q4		Measure the effect of a customer's evaluation on the employee's ability to help						
	Frequency	11	5	7	15	16	21	22
	Percent	11.3	5.2	7.2	15.5	16.5	21.6	22.7
Q6		Measure the degree to which employees see themselves as able to help customers						
	Frequency	3	3	5	13	13	22	37
	Percent	3.1	3.1	5.2	13.4	13.4	22.7	38.1
Q7		Measure the degree to which the employee's services match customer needs						
	Frequency	5	1	7	18	21	24	19
	Percent	5.2	1.0	7.2	18.6	21.6	24.7	19.6
Q10		Measure the willingness of customers to spend sufficient time with an employee						
	Frequency	12	8	15	24	14	13	8
	Percent	12.4	8.2	15.5	24.7	14.4	13.4	8.2
Q11		Measure the importance of nonprice factors in the customer's purchase decision						
	Frequency	8	5	8	22	20	15	11
	Percent	8.2	5.2	8.2	22.7	2.6	15.5	11.3
Q12		Measure the extent to which customers need or ask for help from employees						
	Frequency	10	8	14	16	15	22	11
	Percent	10.3	8.2	14.4	16.5	15.5	22.7	11.3
Q14		Assess the support received by the employees from their companies,						
	Frequency	7	4	7	10	25	13	21
	Percent	7.2	4.1	7.2	10.3	25.8	13.4	21.6
Q15		Measure the ability to assist customers in making a purchase decision						
	Frequency	4	8	7	21	19	19	17
	Percent	4.1	8.2	7.2	21.6	19.6	19.6	17.5

The following chart shows the distribution of the respondents' opinions regarding the statements assessing the ability of services employees to help their customers, data reveal that regarding the time available for the employee to spend with his customer, the responses were almost equal.

Responses have had slight differences for statements regarding the importance of the non-price factor, and the importance of the employee in making deals. While in all other cases the agreement with the statements was significantly high.

**Chart 2:** Shows the elements of employee's ability to help customers

## 5. Discussion

Results revealed that customer orientation exists as a practice for the service employees of the investigated bank which indicates that the concept is accepted as well. Among many other factors, this result may also, be due to the presence of branches of some foreign banks in Sudan with high market share as has been mentioned in (FUND

02/2020).Results also, agree with what SW Kelley stated (Kelley 1990), where he mentioned that the competitive nature of the banking business is responsible for increasing the importance of customer orientation of the service employees, as it is a direct and one of the most important approaches of assuring customer satisfaction. The investigation conducted about the COSE in Albanian small and medium tourism enterprises, may also, serve in this case where Albanian business organizations were also had

similar, to some extent, history (Domi, Capelleras et al.). These positive results may also be due to the sensitivity and vitality of the financial institutions, and their keenness to train their employees, and this is in agreement with some of the studies presented here such as ((Hanzaee and Mirvaisei 2011), (Kassim, Yusoff et al. 2012), (Saura, Contri et al. 2005), and (Siddiqi and Sahaf 2019)).

## 6. Limitations

Although the results of this research confirmed the existence of customer orientation as a concept and practice among the examined service employees, it is difficult to generalize these results, as it was conducted in only one bank of the Sudanese banks, and secondly, because the employees' self-evaluation often comes with suspicion of bias in the results.

## 7. Recommendations

We recommend conducting more studies in other institutions, especially in the public sector, which has been affected by many wrong policies in recruitment, in addition to poor training.

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