

# Innovations

## Impact of Research and Development on Quality Service Delivery

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**Abstract:** *The study was centered and carried out with the aim of ascertaining the effect of research and development on quality service delivery in deposit money banks. Descriptive-survey-research design was used. 1043 staff of the selected deposit money banks made up the population of the study; From the above, a sample size of 281 staff through “Krejcie and Morgan sample determination”, made up the study focus. To effectively run the research work, data which will be of help, were sourced from secondary and primary method. For the Primary source, questionnaire was used while for the secondary, books, information from journals and research from internet aided the work. 281 copies of questionnaire were distributed and 231 copies were correctly filled and returned. To test for Validity, this was done using content validity. Three management experts from the University of Nigeria, Enugu Campus were used for this test. The work used tables and percentages for analysis. The finding revealed that research and development significantly affect the quality-of-service delivery positively. In line with the conclusion, it was recommended that firms should have a team of research and development experts who consistently research on best ways to satisfy their customers and work towards enhancing their operations and position itself to have a competitive edge in the market environment.*

**Keywords:** *Research, Development, Quality, Service, Organization.*

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### Introduction

Business environment of today is much competitive. This competition has placed significant boost on how imperative Research and Development (R&D) to any corporation that wishes to remain in business in the long run. As firms compete to develop a wide consumer base, enhance profitability, achieve her vision, stay on top of their game etc. The question is, does R & D help organizations in any way to stay competitive and thrive? R&D is a phrase describing the duties done by firms, individual entrepreneurs etc just to bring on board a new, differentiated and improved products, processes or services (Hall, 2006). In general, experts align

with the “Organization for Economic Cooperation and Development's (OECD, 2008)” definition of research and development; that is, “R&D is made up of innovative work done on a systematic basis so as to enhance the stock of knowledge, such as knowledge of man and his culture/society, and applying this knowledge to devise new applications”(Ayaydin and Karaaslan, 2014). R&D has been identified to be a significant part in improving every current product, services and the processes of an organization towards making them have an international competitive edge over rivals thus improving their performance (Salim ad Bloch, 2009 in Ayaydin and Karaaslan, 2014).

There is no end to saying that R&D is very important. It helps in the long-term companies' viability. Continuous creativity and work place innovation improves more due to the functions of R&D. With the edge of R&D, companies perform better than rivals. The R&D function helps in looking into existing problems as well as looking into future challenges and finding meaningful answers to them. R&D also operates as a force capable of pushing an organization's enhancement by providing game-changing products (services) to the market. R&D is critical in today's competitive environment because customers want innovative products (services) and technologies. The organization that is able to successfully exploit its R&D efforts by converting those efforts into new products (services) will be able to outperform its competitors (Ganapathy, 2014).

Quality refers to the characteristics of a service or product. The customer's view of how effectively an organization's service meets his or her expectations is referred to as service quality. Quality includes both the services provided by the organization and the expectations we help to build (Cleveland, 2017). Service quality, often known as (quality service), is the difference between customer desire and ‘perceived’ service. In a situation where clients desires are more than performance, perceived quality falls short of satisfaction, this brings customer discontentment (Parasuraman et al., 1995 in Akinyele and Olorunleke, 2010). Service quality is an assessment of a rendered service corresponding or aligning with the customer's desires. The givers of services regularly ascertain the quality of their services given to their clients just to improve their services, timely know the problems on ground and ensure that customers are well satisfied (Businessdictionary.com, 2018).

Quality Service is having the brain to bring long-term gains such as increased customer brand loyalty/ retention, as an organization works towards improving its profit base and operational efficiency, (Cronin 2003; Rust and Lemon. 2001; Zeithaml. 2000 in Akinyele and Olorunleke, 2010). In banks, service delivery has to do with providing clients with high-quality services. Obviously, one of the factors that distinguishes a bank from others in the Nigerian banking business is its degree of service delivery. This happens as a result of the fact that service delivery impacts

amount of customer satisfaction and, as a result, the customer's continued patronage of any bank. Customers' patronage of a certain bank's service is, without a doubt, a result of the satisfaction they acquire or derive from it. Customers' satisfaction with banking service delivery is defined as their assessment of whether the service matched their needs and expectations (Babatunde and Olukemi, 2012 in researchClue.com, 2018).

Many scholars have grappled with the question of how to assess service quality. Perhaps the most extensively used measure is anchored on 5 (five) criteria that have been recognized again and again as very imperative for quality service by clients. Below is the defined dimensions of measurement tool ofSERVQUAL

**Reliability:** “The ability to do a promised task or services accurately and dependably;”

**Tangibles:**“The appearance of physical facilities, personnel, equipment and communication materials;”

**Responsiveness:**“Providing prompt and timely services to customers willingly in other to support them;”

**Assurance:**“knowledge and courtesy of employees and their ability to show trust and confidence” and

**Empathy:**“the caring, individualized attention the firm provides for its clients.”

The 5(five) SERVQUAL dimensions helps to determine the gap from customers' desire for excellence and their view of the rendered service. Over time, the SERVQUAL tool assists the givers of service in understanding both client desires and their views of individualised services, also nothing down areas that will need further improvement or alteration (Qualtrics, 2007).

Banking operations rely mostly around providing services. As a result, customer view ofservice done to them is mainly used to assess the efficacy of work done in bank.Servicesare intended to achieve an end. “The outcome is characterized by efficiency, speed, honesty and cleanliness (Okonkwo, 2016)”. As a result, it is critical to assess if businesses' efforts in research and development is a proper step toward quality service delivery. Therefore, the work purpose was to ascertainresearch and development effect on quality service delivery in the service industry.

### **Objective of Study**

- i. To Ascertain effect of research and development on quality service delivery.

### **Research Question**

- i. What is the effect of research and development on quality service delivery in the deposit money banks?

**Research Hypothesis**

- i. Research and development has a significant effect on quality service delivery in the deposit money banks.

**Methodology**

Descriptive survey research style was used by this study. The major source of data collection was the use of primary data. The study population was 1043 which was made up of the Junior and Senior staff of FirstBank, Fidelity Bank, Zenith Bank and Guarantee-Trust-Bank Plc all situated in Enugu State, Nigeria. Sample size was 281 staff using Krejcie and Morgan (1970) statistical formulae made up the study focus. The structured questionnaire instrument was used for data collection. Likert scale system particularly the 5-point style “strongly agree, agree, undecided, disagree and strongly disagree” was used to get responses from the respondents. For representation and analysis of data, tables and Percentages were adopted.

**Data Presentation and Analyses**

**Survey Outcome**

Eighty-Two percent (82%) response rate was recorded from the share of 281 copies of questionnaire to respondents. That is, a total of two-hundred and thirty-one (231) respondents successfully answered and returned the questionnaire from 281 copies of questionnaire distributed to Junior and Senior bank staff of the studied banks.

**Research Question:**

**What is the effect of research and development on quality service delivery in the deposit money banks?**

The views of the respondents on effect of research and development on quality service delivery in the Deposit money banks are presented in Table 1.

**Table 1. Effect of research and development on quality service delivery in the Deposit money banks**

Statements	SA (%)	A (%)	UD (%)	D (%)	SD (%)	Mean	Std. Dev.
A functional research team leads to finding of strategies to satisfy customers greatly with unique products/services from the organisation	130 (56)	88 (38)	11 (5)	1 (0)	1 (0)	4.49	0.65

Unique services from your organisation can lead to customer satisfaction	116 (50)	98 (42)	13 (6)	3 (1)	1 (0)	4.41	0.63
The decision on how to serve customers well is significantly based on the marketing research findings	89 (39)	109 (47)	18 (8)	13 (6)	2 (1)	4.17	0.86
Research and development is important in transforming an organisation	117 (51)	95 (41)	10 (4)	3 (1)	6 (3)	4.36	0.84

**Field Work, 2018**

Table 1 shows that 130(56%) strongly agreed that functional research team leads to finding of strategies to satisfy customers greatly with unique products/services from the organisation, 88(38%) agreed too, 11(5%) showed signs of undecided, 1(0%) disagreed while the rate of 1(0%) strongly disagreed to the view. Having gotten a mean response score of  $4.49 \pm 0.65$ , this shows that the respondents support the view of a functional research team leading to discovery of strategies to satisfy customers well with outstanding products/services from the organisation.

116(50%) strongly agreed that unique services from an organisation can lead to customer satisfaction, 98(42%) agreed, 13(6%) undecided, 3(1%) disagreed while 1(0%) strongly disagreed to the submission.  $4.41 \pm 0.63$  being the mean response score, the respondents affirms that unique services from a company can lead to customer satisfaction.

89(39%) strongly agreed that the decision on how to serve customers well is significantly based on the marketing research findings, 109(47%) agreed, 18(8%) undecided, 13(6%) disagreed while 2(1%) strongly disagreed to the view.  $4.17 \pm 0.86$  being the mean response score, the respondents believes that the decision on how well to serve customers is significantly based on the marketing research findings.

117(51%) strongly agreed that research and development is important in transforming an organisation, 95(41%) agreed to the statement, 10(4%) were undecided, 3(2%) disagreed while 6(3%) strongly disagreed to the statement.  $4.36 \pm 0.84$  being the mean response score, respondents submits that research and development is important in transforming a company

### Discussion of Findings

With the objective of ascertaining effect of research and development on quality service delivery in the deposit money banks, the questions of table 1 feedback were analysed with a view of achieving the above-mentioned objective. A grand mean of 4.36 is a great pointer that a great number of the respondents supports the view that research and development significantly affect quality service delivery positively. This result agrees with Ayaydin and Karaaslan (2014) whose study evidenced a positive effect of research and development intensity on organisation performance by making use of GMM system estimators for 145 sample of manufacturing firms registered BIST for period 2008–2013. The finding also agrees with Ugwulali (2011) who concludes that R&D helps in solving the problem of consumer satisfaction by research on consumers' wants and needs and that R&D will significantly improve a firm's profitability and revenue if well developed.

### Conclusion and Recommendation

The hyper-competitive era in the last few decades has created the need for research and development for all organizations in order for them to remain relevant and achieve her objectives. From the hypothesis tested, the study found that Research and development significantly affects quality service delivery positively. Therefore, organizations should ensure they have a team of research and development experts who find out through research how best to satisfy customers as well as help in transforming the organization into being more performance and customer driven as the need arises. Creativity is a key for staying relevant in the business world of today.

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