THE PERCEIVED QUALITY GAP IN CORPORATE TELECOMMUNICATIONS SERVICES IN SRI LANKA

MASTER OF BUSINESS ADMINSTRATION

IN



S.A. Rumey Jiffrey
Supervisor: Mr. Kithsiri Samarasinghe
Department of Computer Science and Engineering
University of Moratuwa

December 2004

THE PERCEIVED QUALITY GAP IN CORPORATE TELECOMMUNICATIONS SERVICES IN SRI LANKA

By

S. A. Rumey Jiffrey



The Dissertation was submitted to the Department of Computer Science and Engineering of the University of Moratuwa in partial fulfillment of the requirement for the Degree of Master of Business Administration in Information Technology.

Supervisor: Mr. Kithsiri Samarasinghe

Department of Computer Science and Engineering
University of Moratuwa
December 2004

Declaration

I certify that this thesis does not incorporate without acknowledgement any material previously submitted for a degree or diploma in any University to the best of my knowledge and belief it does not contain any material previously published, written or orally communicated by another person or myself except where due reference is made in the text. I also hereby give consent for my dissertation, if accepted, to be made available for photocopying and for interlibrary loans, and for the title and summary to be made available to outside organizations.

Signature of the Ca	ndidate	Date
	University of Moratuwa, Sri L Electronic Theses & Dissertat www.lib.mrt.ac.lk	

To the best of my knowledge, the above particulars are correct.

Supervisor

ABSTRACT

The intention of the research was to identify and quantify gaps that the customers perceived to be inherent in the services (taken to mean goods and services) offered by the telecommunication service providers in Sri Lanka.

Existing gap analysis tools were studied. A model developed by Parasuraman et al. (1985), and developed further in subsequent years, was adapted by including additional technical dimensions and the resultant model was found to be suitable for the research.

A hypothesis was developed. The research model was used to then identify perception gaps related to telecommunications services in corporate Sri Lanka, in respect of customers of Sri Lanka Telecom. The proposed model by Parasuraman et al. also included a survey instrument (questionnaire) that consisted of 22 questions which are tested for perceptions/expectations from the customers of the organization. This instrument was also modified, to include technical and other dimensions. The questionnaire was distributed among the 78 corporate customers of Sri Lanka Telecom and thirty three acceptable responses were received. This represented a 42% rate of response.

The gaps in perceived / expected services were then analyzed.. From the results it was seen that the perceptions on all non-technical dimensions was negative, indicating that the non-technical expectations i.e. service oriented customer requirements were higher than what was perceived as being delivered.

This research shows that the hypothesis, "The perceived gap in telecommunications services in corporate Sri Lanka stems mainly from the inadequacy of the telecommunications infrastructure/technology of the telecommunications service provider" is disproved and the null hypothesis holds.

At this point, the Extended Gaps Model by Parasuraman et al. (1988) was used as a basis to construct a model which would lead to filling the gaps 1-4 identified earlier. This in turn would result in a closure (or lessening of) gap 5, which was the gap of

interest. Solutions internal to the organization (SLT), based on this model, were then suggested for the organization to overcome the gaps.

The implications for the industry in view of these results of the research were looked at in the conclusions.



Acknowledgement

Firstly, I would like to express my sincere gratitude to my supervisor, Mr. Kithsiri Samarasinghe, of the Department of Electronic & Telecommunication Engineering, University of Moratuwa, for his guidance and the sharing of his wealth of knowledge during the course of this project. Without his support and understanding this thesis could not have been completed.

I would also like to thank Dr. Sanath Jayasena and the staff coordinating the MBA/IT programme at the University of Moratuwa, for assisting me in various ways to further my studies, during this course.

To all previous researchers, whose contributions I have made use of in carrying out this study, I extend my gratitude.

I also appreciate the contributions to this research made by the individuals who agreed to be interviewed. Thank you to Mr. Kailanathan OIC of the Telegraph Repair Center and the Corporate Marketing Division of Sri Lanka Telecom for providing confidential contact lists. Special thanks are due to those who responded to my questionnaire, at short notice, thereby making it possible for me to complete the research.

I would also like to show my heartfelt appreciation of the sacrifices made by my wife, **Ruzmina**, and by my daughter, **Jamima**. I am grateful to them for their understanding and tolerance of my regular absence from home, necessitated by this course.

To all those who helped me during this course, without you I would not have been able to finish this project, Thank you.

Table of Contents

Chapter 1 – Introduction	
1.1. Introduction	
1.1.1. Background	
1.1.2. Importance of the problem	
1.1.3. Research Problem and Identification of Objectives	04
1.1.4. Scope of the Research	05
1.1.5. Method of Study	05
1.1.6. Literature Review	07
1.1.7. Expected Results	
1.2. The Telecommunications Industry	
1.2.1. Background	
1.2.2. Sri Lanka Telecom of Moratuwa, Sri Lanka.	10
1.2.3. Brief History ronic Theses & Dissertations	10
1.2.4. Brief Profiley. Lib. mrt. ac. lk	13
Chapter 2 – Literature Review	
2.1. What is Perception	18
2.2. The Perception Gap	18
2.3. Perception Quality and Satisfaction	19
2.4. Concepts and Variables	20
2.5. Gap Analysis Models	26
2.5.1. The Praxiom Tool	26
2.5.2. The Customer Satisfaction Model	27
2.5.3. Servperf and Other models	29
2.6. Model for the Research	29
2.7. Criticisms for the Model	35

Table of Contents

Chapter 3 – Methodology	
3.1. Methodology of Study	36
3.2. The Servqual Model	
3.3. Model Developed for current research	39
3.4. Justification for Model	41
3.5. Description of Research Model	
3.6. Hypotheses	43
3.7. Operationalization of Concepts	
3.8. Questionnaire development and sample selection	46
Chapter 4 – Discussion	
4.1. Analysis of Results	
4.2. Response Analyses	48
4.3. Summary of Results of Moratuwa, Sri Lanka. Llegtronic Theses & Dissertations	54
4.4. Discussion of Findings WWW.IIC.mrt.ac.lk	55
Chapter 5 – Summary and Conclusions	
5.1. Summary	
5.2. Implications for the Industry	61
5.3. Completion of Research Objectives	63
5.4. Directions for further research	64
References	65
Appendices	

Questionnaire

List of Figures

Figure 1.1 Basic Conceptual Model	06
Figure 2.1 ITU-T E.800 Performance Concepts	22
Figure 2.2 The Kano Model	28
Figure 2.3 Conceptual Model of Service Quality	30
Figure 3.1 The Gaps Model	39
Figure 3.2 The Model for Research	40
Figure 4.1 Model for Solutions	56

List of Tables

University of Moratuwa, Sri Lanka.	
Table 1.1 Subscriber Base in Sri Lanka Dissertations	09
Table 3.1 Operationalization of Concepts and Variables	45
Table 4.1 Expectation Responses on Tangibles	48
Table 4.2 Perception Responses on Tangibles	48
Table 4.3 Expectation Responses on Responsiveness	49
Table 4.4 Perception Responses on Responsiveness	49
Table 4.5 Expectation Responses on Reliability	50
Table 4.6 Perception Responses on Reliability	50
Table 4.7 Expectation Responses on Assurance	51
Table 4.8 Perception Responses on Assurance	51
Table 4.9 Expectation Responses on Empathy	52
Table 4.1 Perception Responses on Empathy	52
Table 4.11 Expectation Responses on Technical Dimensions	53
Table 4.12 Perception Responses on Technical Dimensions	53
Table 4.13 Non-Technical Responses	54
Table 4.14 Overall Gaps	54