

## Moderating Effect of Administrative Role in the Relationship Between the SERVQUAL dimensions and Quality Service Provisions of Local Government in Dhaka City

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### Abstract

The present study aims at investigating the moderating effect of administrative role in the relationships between the service quality dimensions, logistic support and perceived quality service of local government (Dhaka City Corporation) in the context of Bangladesh. For the purpose of the study, data were collected from 222 slum dwellers of Dhaka City living in the six big slums which are Shampur, Tejgaon, Bhasantak, Korail, Kamalapur and Zurain slums to examine the moderating effect. The responses were gathered with 5 point Likert scale with response options ranging from strongly agree (5) to strongly disagree (1) through a structured questionnaire survey. Collected data were analyzed using partial least square structural equation modeling technique (PLS-SEM) with the support of the software Smart PLS 2.0 M3. The findings reveal that administrative role positively moderates the relationship between assurance dimension and perceived service quality of local government; logistic support and perceived quality service and finally, the findings reveal that administrative role has significant moderating effect in the relationship between responsiveness and perceived service equality of local government. Hence, the findings give an indication that local government should play positive administrative role to improve the services quality and make their services effective for slum dwellers. The policy makers, local government and other related stakeholders might find this study as an essential tool in designing, developing and implementing their activities directed to the slum dwellers.

**Keywords:** Administrative role; Service quality dimensions; Logistic support and perceived quality service of local government.



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### 1. Introduction

Administration plays vital role to improve the quality of services of local government and to enhance the State's capacity to carry out new functions (Guido, 2007). Proper administrative roles and functions can all contribute to achieving the equitable, sustainable, and participative economic and social development (Guido, 2007). The roles of the government as a central planner and controller of the development activities of Dhaka City Corporation (DCC) are highly essential. Likewise, the current worldwide reassessment of the functions of the government and its officials and civil servants arises from two major sources: one is globalization and its impacts on what governments must do to adapt and respond to rapidly changing international economic, social, political and technological trends; the other is increasing dissatisfaction among citizens in many countries with the functions of local government and the services that public administrations provide (Guido, 2007; Mark, 2004). Although the Dhaka City Corporation (DCC) is autonomous and its Mayor and Ward Commissioners were elected by direct votes made by the city dwellers, in fact, its power is controlled by the Central Government in particular the Ministry of Local Government, Rural Development and Co-operatives (Rashid, 2009). The budget allocation, staff appointment and project implementation are instructed by central government. Therefore, even though DCC is responsible for slum dwellers service provision they have to face limited administrative power. As Wood *et al.* (2012) identified that from the lack of inclusiveness of urban administration produced an informal governance structure in the Dhaka City. He points out that weak state institutions provide space for informal actors to deliver essential services. Access of citizens to this informal governance is highly expensive. Another, administrative issue is that DCC is not the solitary organization for delivery services to slum dwellers, however, there are other agencies involved in services provisions to Dhaka city (Islam, 1997). The lack of control by the DCC over various national utility agencies, such as Dhaka Water Supply and Sewerage Authority (WASA), Dhaka Electricity Supply Authority (DESA), and Titas Gas Transmission and Distribution Company Ltd., the state-owned gas company, has contributed to poor urban governance and major urban problems (World Bank, 2007). As indicated by Uddin (2013) that administrative/management issues are rooted to those of inconsistent and overlapping regulations of local government which causes difficulty in enforcement of rules and ultimately creates problem of coordination among different authorities within the same

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jurisdiction. Therefore, fruitful correlation among these authorities is completely absent and is not rendering expected levels of benefit for stakeholders. In addition, politicization of the local bodies during successive government creates a vulnerable situation for the local government bodies to function with autonomy and freedom in the real sense (World Bank, 2007). Thus, administration may play an important role in enhancing the quality of services provided by the local government for the slum dwellers. While the lower and middle management always try to settle the problems faced by the slum dwellers, the top level administration is not always informed about the overall services provided by the local government. However, their positive initiative might play a significant role in increasing the perceived quality service level of the local government. From that ground, the present study investigates the moderating effect of administrative role in the relationships between the service quality dimensions, logistic support and perceived quality service of local government.

## 2. The SERVQUAL Model

Service quality is characterized as the result of the correlation that customers make the desires between a service and perception of the method when the service was conveyed (Bolton and Drew, 2005). The service providers should frequently assess the service quality given to their customers in order to enhance their service, recognizing issues rapidly, and better evaluating the customer fulfilment (Patterson and Spreng, 1997). Two of the most widely concepts on service quality that is acknowledged and utilized by researchers is the SERVQUAL model by Parasuraman *et al.* (1985) and the functional quality structure by Gronroos (1982). Parasuraman *et al.* (1985), prescribed an applied system of service quality based on the interpretation of subjective information from wide logical examination. Parasuraman *et al.* (1988) just viewed as five dimensions in their appraisal of service which comprised of reliability, responsiveness, assurance, empathy, and tangibles. These five dimensions indicate how the customers manage information on service quality (Cook and Verma, 2002). Various studies, guided by SERVQUAL model were conducted to assess on the quality service in public administration (Donnelly *et al.*, 1995); (Bryslan and Curry, 2001; Rodríguez *et al.*, 2009; Van, 2004; Wisniewski, 2001). Bryslan and Curry (2001) stated that the literature clearly supported the use of SERVQUAL in public sector. As mentioned also by its founder the SERVQUAL model is universal and can be applied to any service organization when it comes to assessing the quality of services provided (Parasuraman *et al.*, 1988). Using SERVQUAL model, Ramseook-Munhurrin *et al.* (2010) also measured employees and customer perceptions of service quality in public service in Mauritius. Using the SERVQUAL approach, Selvakumar (2015) carried out a study to assess customer satisfaction within the public sector and private bank sector in India. Thus, this study aims at investigating the moderating effect of administrative role in the relationships between the SERVQUAL dimensions, logistic support and the perceived quality services of local government provided towards the slum dwellers in Dhaka city. The next section discusses the dimensions of SRVQUAL model in the context of local government.

### 2.1. Reliability

Reliability can be defined as the ability to provide the promised service dependably and accurately (Parasuraman *et al.*, 1985). It also comprises of “promises” and “doing it right” sub-dimensions. As the customer, they expect that the services that they are obtaining can be accomplished on time in well manner and without errors. The employees need to provide the accurate services to the customers, so that the customers can be satisfied. Reliability also means the ability to perform the services constantly and precisely in a steady manner (Zeithaml *et al.*, 2006). Atalik and Arslan (2009) suggested that reliable service is the result of the continuous improvement. Busterna (1998) asserted that service reliability is the service centre to most customers.

### 2.2. Assurance

Assurance is another important dimension of SERVQUAL model. Assurance can be defined as the knowledge and courtesy of employees and their ability to inspire trust and confidence (Parasuraman *et al.*, 1985). Courtesy involves politeness, respect, consideration, and friendliness of contact personnel including receptionists and telephone operators. This assurance dimension demonstrated that the learning, good manners of employees and their ability to convey the trust and certainty. Chau and Kao (2009) specified assurance as a crucial measurement of service quality after reliability and responsiveness towards satisfaction. Similarly, local government should give assurance that they are committed to providing quality services to the citizens. It is examined that correspondence and stimulation organizations built up the customer satisfaction by guaranteeing the reliable behaviour and impression of genuine duties to the service provision (Nelson and Chan, 2005).

### 2.3. Empathy

Empathy is defined as caring, individualized attention the firm provides its customers. It also includes access to organization’s representatives, communication and understanding the customer (Parasuraman *et al.*, 1985). The level of organizations empathy can be seen through the degree of personalized service offered. All the customers want their needs to be addressed and also be understood by the organization. This empathy dimension shows the measurement of caring and individual consideration given to the slum dwellers. Individual consideration is fundamental for the better performance because of inflexible rivalry. Customers view empathy as a vital measurement of service quality (Jabnoun and Al-Tamimi, 2003). It is suggested that employee’s commitment to convey quality services, handling of conflicts with skill completely and conveyance of services proficient and will bring about customer satisfaction for long haul advantages (Nelson and Chan, 2005). For this reason, local

government staff should be empathetic while serving the slum dwellers so that perceived quality services can be improved. [Wanjiru \(2013\)](#) investigated that a unit increment in the empathy will lead to the increment in the scores of the performance in the organization. [Hollis and Prybutok \(2007\)](#) examined that the empathy of service quality is important to the firm performance.

## 2.4. Responsiveness

Responsiveness dimension of service quality indicates how fast the staff are willing to provide services to the customers. [\(Tahir and Abu Bakar, 2007\)](#) found that responsiveness is the most important dimension of service quality. Other researchers also found that there is a positive relationship between responsiveness and good performance outcomes [\(Ahmad and Kyriaki, 2009; Hollis and Prybutok, 2007; Wanjiru, 2013\)](#). The organizations responsiveness usually evaluated by the customers by assessing the amount of the time taken by them to attend towards the customer requests, questions, complaints and also their problems. So, in order to cope up with the situation and to ensure that the negative perception will not last, the organization should be able to recover the problems quickly, or else, they can lose their customers trustworthiness. Since, the slum dwellers live in miserable situations, an increased emphasis on availability of all necessary services may increase the perceived quality services of slum dwellers. If responsiveness in the services of local government increases, it obviously brings quick benefits for the slum dwellers.

## 2.5. Tangibility

Tangible dimension means the appearance of physical facilities, equipment, personnel and communication materials [\(Parasuraman et al., 1985\)](#). In other means the condition of the physical surroundings is tangible evidence of the care and attention to details exhibited by the service providers. The tangibility dimension shows that the physical aspects enhance the physical facilities, staffs' appearance and equipment utilized for the procurement of services. Tangibility dimension is imperative for service provider [\(Atalik and Arslan, 2009\)](#) particularly on communication safety and adequacy of services. All resources have to be allotted with the most elevated monetary. Tangibility is a critical performance indicator of service quality to determine whether the quality management system and tangibility implementation is adequate [\(Kim et al., 2004\)](#). For giving the maximum satisfaction, the tangibility dimension of service quality is a must and previous researchers found that there is a positive relationship between the tangibility dimension and performance outcome [\(Atalik and Arslan, 2009; Hollis and Prybutok, 2007; Wanjiru, 2013\)](#).

## 2.6. Logistic Support

Along with the five dimensions of SERVQUAL model, the present study also tested the moderating effect of administrative role in the relationship between logistic support and perceived quality services. For providing better services to the slum dwellers, Dhaka City Corporation should have enough logistic support that encompasses the logistic services, materiel, and transportation required to support the continuous development work in the slums. Proper logistic support might enable the workforce to provide better services. Generally, logistic support refers to activities that support local government (the service authority) to fulfil its responsibilities [\(Jarosław, 2013\)](#). Such support includes the provision of technical assistance, performance monitoring, and training of staff around key functions, such as planning, financing for on-going activities and monitoring. To be effective, logistic support to local government requires a strong strategy that recognizes diverse capacity needs, includes a dedicated budget for institutional support, and provides for capacity building and training [\(Julia, 2015\)](#). The local government should have all the logistics support that provides facilities, services, resources and other support services for the smooth operations of its activities. The DCC should establish the appropriate level of unit staffing within the logistics section, continuously monitoring the effectiveness of the organization and modifying as required.

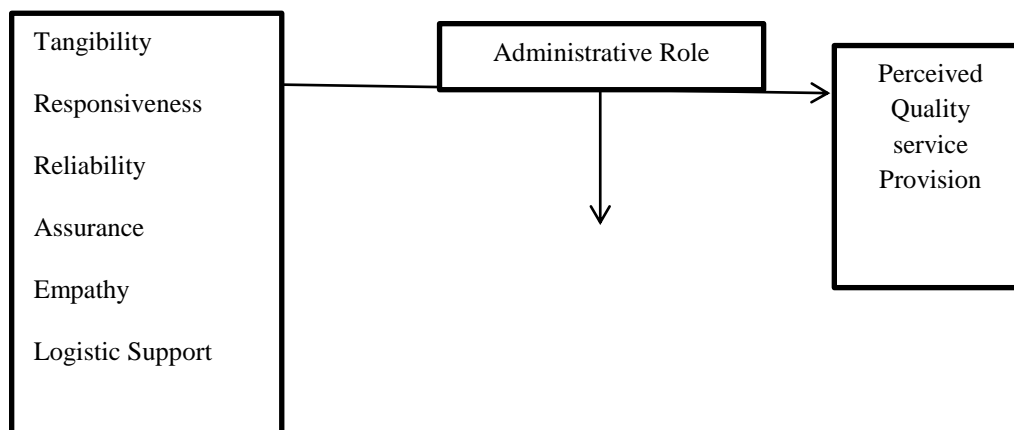
## 3. Research Methodology

As mentioned earlier that the present study aims at investigating the moderating effect of administrative role in the relationships between the SERVQUAL dimensions, logistic support and the perceived quality services of local government provided towards the slum dwellers in Dhaka city. Data were collected from 222 slum dwellers of Dhaka city living in the six big slums which are Shampur, Tejgaon, Bhasantak, Korail, Kamalapur and Zurain slums to examine the moderating effect. The data of this study were collected from the respondents with a structured questionnaire survey. The responses were gathered with 5 point Likert scale with response options ranging from strongly agree (5) to strongly disagree (1). The method of selecting the respondents in each slums was the stratified random sampling. Collected data were analyzed using partial least square structural equation modeling (PLS-SEM) with the support of the software Smart PLS 2.0 M3 [\(Ringle et al., 2005\)](#). The hypotheses of this study were tested based on empirical data by means of structural model of partial least squares (PLS) method. Structural equation modeling is a second-generation multivariate statistical analysis that has been gaining attention in the areas of both environmental management [\(Murillo-Luna et al., 2008; Pereira et al., 2012\)](#), and operations management [\(Peng and Lai, 2012\)](#). PLS was used in this study as it is the most appropriate method of data analysis for small sample size [\(Qureshi and Comepeau, 2009\)](#). In PLS, the test of a conceptual model involves two steps namely measurement model (outer model) and a structural model (inner model). The findings of measurement and structural models are presented below.

### 3.1. Conceptual Framework and Hypotheses Development

The conceptual framework has been constructed from the SERVQUAL model by Parasuraman *et al.* (1985) and Zeithaml *et al.* (1990). This research is to investigate the moderating effect of administrative role in the relationships between the service quality dimensions, logistic support and perceived quality service of local government. In support of the research framework, the following variables have been extracted from the existing literature; tangibility, responsiveness, reliability, assurance, empathy and logistic support. Figure 3.1 shows the framework of this study.

Figure-3.1. Conceptual Framework



Administration may play an important role in enhancing the quality of services provided by the local government for the slum dwellers. Their positive initiative might play a significant role in increasing the perceived quality service level of the local government. From that ground, the present study investigates the moderating effect of administrative role in the relationships between the service quality dimensions, logistic support and perceived quality service of local government. Therefore, the following hypotheses have been developed to test the moderating effect of administrative role.

**H1:** Administrative role positively moderates the relationship between assurance and perceived quality service provision.

**H2:** Administrative role positively moderates the relationship between empathy and perceived quality service provision.

**H3:** Administrative role positively moderates the relationship between logistic support and perceived quality service provision.

**H4:** Administrative role positively moderates the relationship between reliability and perceived quality service provision.

**H5:** Administrative role positively moderates the relationship between responsiveness and perceived quality service provision.

**H6:** Administrative role positively moderates the relationship between tangibility and perceived quality service provision.

### 3.2. Data Analysis Findings

In Partial Least Square Structural Equation Modeling (PLS-SEM) analysis, the PLS measurement model gives the values of reliability test, validity test and path coefficient along with the coefficient of determination. The findings of measurement model are also documented in table 4.1.

Table-4.1. Measurement Properties of Constructs.

| Variables      | Items | Loadings | Cronbach alpha | Composite Reliability | Average Variance Extracted(AVE) |
|----------------|-------|----------|----------------|-----------------------|---------------------------------|
| Tangibility    | T1    | 0.610    | 0.769          | 0.837                 | 0.568                           |
|                | T2    | 0.925    |                |                       |                                 |
|                | T3    | 0.766    |                |                       |                                 |
|                | T4    | 0.668    |                |                       |                                 |
| Reliability    | R1    | 0.962    | 0.907          | 0.894                 | 0.636                           |
|                | R2    | 0.684    |                |                       |                                 |
|                | R3    | 0.955    |                |                       |                                 |
|                | R4    | 0.645    |                |                       |                                 |
|                | R5    | 0.645    |                |                       |                                 |
| Responsiveness | RS1   | 0.516    | 0.812          | 0.876                 | 0.651                           |
|                | RS2   | 0.865    |                |                       |                                 |
|                | RS3   | 0.871    |                |                       |                                 |

|                                     |      |       |       |       |       |
|-------------------------------------|------|-------|-------|-------|-------|
|                                     | RS4  | 0.914 |       |       |       |
| Assurance                           | A1   | 0.829 | 0.859 | 0.904 | 0.703 |
|                                     | A2   | 0.845 |       |       |       |
|                                     | A3   | 0.832 |       |       |       |
|                                     | A4   | 0.849 |       |       |       |
| Empathy                             | E1   | 0.609 | 0.819 | 0.857 | 0.548 |
|                                     | E2   | 0.638 |       |       |       |
|                                     | E3   | 0.793 |       |       |       |
|                                     | E4   | 0.889 |       |       |       |
|                                     | E5   | 0.715 |       |       |       |
| Logistic Support                    | L1   | 0.942 | 0.869 | 0.905 | 0.666 |
|                                     | L2   | 0.586 |       |       |       |
|                                     | L3   | 0.932 |       |       |       |
|                                     | L4   | 0.588 |       |       |       |
|                                     | L5   | 0.938 |       |       |       |
| Perceived Quality Service Provision | QSP1 | 0.936 | 0.913 | 0.943 | 0.810 |
|                                     | QS   | 0.757 |       |       |       |
|                                     | P2   | 0.925 |       |       |       |
|                                     | P3   | 0.925 |       |       |       |
|                                     | P4   | 0.929 |       |       |       |

### 3.3. Reliability Test

The first step is to assess the reliability and validity of the constructs in the measurement model (outer model). Reliability refers to the internal consistency of data (Hair *et al.*, 2014). Cronbach’s alpha and Composite reliability values are used to assess reliability of constructs. For reliability, all constructs should have Cronbach alpha values above the threshold of 0.70 (Hair *et al.*, 2014) and the composite reliability values of the all constructs should be greater than the threshold of 0.70 (Bagozzi and Yi, 1988). As shown in table 4.1, all the Cronbach alpha and composite reliability values are above 0.70 which indicates good internal consistency of data (Hair *et al.*, 2012) and the reliability of all constructs are established in this study.

### 3.4. Convergent Validity

To assess convergent validity, construct’s average variance extracted (AVE) and factor loadings are used. Convergent validity is established when all constructs have an average variance extracted (AVE) value greater than 0.50 (Fornell and Larcker, 1981). As shown in table 4.1, all the values of AVEs are above 0.50 which confirms the convergent validity of constructs. The absolute standardized outer loadings of items are above 0.50. Chin (1998) believes that loadings over 0.5 still be acceptable if there exists other indicators in the block for comparison. Table 4.1 shows that all the item loadings are higher than 0.50; and also the items are significant which confirms convergent validity at indicator level. Therefore, 0.50 and above AVE values of all the constructs and 0.50 and above values of item loading confirm the convergent validity of constructs in this study.

### 3.5. Discriminant Validity

Discriminant validity refers to the extent to which a particular latent construct is different from other latent constructs (Duarte and Raposo, 2010). Discriminant validity is established when the indicators loadings on their measured construct are all higher than the cross-loadings on other constructs and the square root of each construct’s average variance extracted (AVE) is larger than its correlations with other constructs (Chin, 1998). The first assessment of discriminant validity is to examine the indicators’ loadings with respect to all construct correlations. SmartPLS algorithm function is used to produce the cross loadings of all items. As shown in table 4.2, all the items are well loaded on their constructs much higher than the cross loadings on other construct which satisfies the first assessment of the measurement model’s discriminant validity (Chin, 1998).

Table-4.2. Factor Loadings and Cross-Loadings

|      | QSP          | T            | RS            | R     | A     | E     | L     | AR     |
|------|--------------|--------------|---------------|-------|-------|-------|-------|--------|
| QSP1 | <b>0.936</b> | 0.2103       | 0.239         | 0.226 | 0.214 | 0.175 | 0.457 | 0.396  |
| QSP2 | <b>0.757</b> | 0.113        | 0.295         | 0.137 | 0.169 | 0.234 | 0.335 | 0.4628 |
| QSP3 | <b>0.921</b> | 0.220        | 0.225         | 0.239 | 0.206 | 0.398 | 0.506 | 0.398  |
| QSP4 | <b>0.929</b> | 0.237        | 0.460         | 0.258 | 0.199 | 0.303 | 0.430 | 0.400  |
| T1   | 0.112        | <b>0.610</b> | 0.112         | 0.391 | 0.205 | 0.301 | 0.038 | 0.196  |
| T2   | 0.262        | <b>0.925</b> | 0.225         | 0.437 | 0.193 | 0.321 | 0.258 | 0.291  |
| T3   | 0.100        | <b>0.766</b> | 0.225         | 0.287 | 0.204 | 0.312 | 0.090 | 0.125  |
| T4   | 0.067        | <b>0.668</b> | 0.254         | 0.409 | 0.261 | 0.421 | 0.098 | 0.131  |
| RS1  | 0.024        | 0.226        | <b>0.5163</b> | 0.170 | 0.183 | 0.312 | 0.116 | 0.102  |
| RS2  | 0.030        | 0.229        | <b>0.865</b>  | 0.204 | 0.218 | 0.253 | 0.047 | 0.016  |

|            |       |       |              |              |              |              |              |               |
|------------|-------|-------|--------------|--------------|--------------|--------------|--------------|---------------|
| <b>RS3</b> | 0.038 | 0.226 | <b>0.871</b> | 0.243        | 0.130        | 0.227        | 0.140        | 0.059         |
| <b>RS4</b> | 0.070 | 0.199 | <b>0.914</b> | 0.192        | 0.125        | 0.229        | 0.128        | 0.065         |
| <b>R1</b>  | 0.265 | 0.366 | 0.234        | <b>0.962</b> | 0.189        | 0.330        | 0.258        | 0.287         |
| <b>R2</b>  | 0.096 | 0.225 | 0.204        | <b>0.684</b> | 0.209        | 0.288        | 0.056        | 0.083         |
| <b>R3</b>  | 0.258 | 0.114 | 0.201        | <b>0.955</b> | 0.163        | 0.285        | 0.234        | 0.265         |
| <b>R4</b>  | 0.032 | 0.368 | 0.220        | <b>0.645</b> | 0.180        | 0.245        | 0.016        | -0.004        |
| <b>R5</b>  | 0.032 | 0.468 | 0.220        | <b>0.646</b> | 0.180        | 0.245        | 0.016        | -0.004        |
| <b>A1</b>  | 0.184 | 0.260 | 0.180        | 0.220        | <b>0.829</b> | 0.182        | 0.199        | 0.205         |
| <b>A2</b>  | 0.185 | 0.166 | 0.116        | 0.116        | <b>0.845</b> | 0.238        | 0.194        | 0.187         |
| <b>A3</b>  | 0.182 | 0.266 | 0.182        | 0.224        | <b>0.832</b> | 0.164        | 0.191        | 0.206         |
| <b>A4</b>  | 0.185 | 0.173 | 0.132        | 0.124        | <b>0.849</b> | 0.249        | 0.197        | 0.189         |
| <b>E1</b>  | 0.020 | 0.262 | 0.219        | 0.180        | 0.186        | <b>0.609</b> | 0.059        | 0.149         |
| <b>E2</b>  | 0.020 | 0.339 | 0.213        | 0.253        | 0.226        | <b>0.638</b> | 0.053        | 0.129         |
| <b>E3</b>  | 0.057 | 0.378 | 0.251        | 0.309        | 0.162        | <b>0.793</b> | 0.083        | 0.102         |
| <b>E4</b>  | 0.101 | 0.314 | 0.189        | 0.244        | 0.241        | <b>0.889</b> | 0.107        | 0.165         |
| <b>E5</b>  | 0.063 | 0.298 | 0.286        | 0.285        | 0.144        | <b>0.715</b> | 0.055        | 0.129         |
| <b>L1</b>  | 0.162 | 0.162 | 0.162        | 0.184        | 0.248        | 0.124        | <b>0.942</b> | 0.445         |
| <b>L2</b>  | 0.180 | 0.180 | -0.038       | 0.163        | 0.052        | 0.020        | <b>0.586</b> | 0.445         |
| <b>L3</b>  | 0.163 | 0.163 | 0.200        | 0.189        | 0.247        | 0.116        | <b>0.932</b> | 0.423         |
| <b>L4</b>  | 0.186 | 0.186 | -0.019       | 0.175        | 0.078        | 0.002        | <b>0.588</b> | 0.318         |
| <b>L5</b>  | 0.165 | 0.165 | 0.156        | 0.204        | 0.246        | 0.112        | <b>0.938</b> | 0.417         |
| <b>AR1</b> | 0.373 | 0.186 | -0.037       | 0.161        | 0.049        | 0.021        | 0.409        | <b>0.645</b>  |
| <b>AR2</b> | 0.205 | 0.015 | -0.054       | -0.050       | 0.056        | 0.022        | 0.275        | <b>0.6085</b> |
| <b>AR3</b> | 0.253 | 0.171 | 0.114        | 0.141        | 0.148        | 0.077        | 0.341        | <b>0.656</b>  |
| <b>AR4</b> | 0.316 | 0.196 | 0.123        | 0.129        | 0.302        | 0.327        | 0.251        | <b>0.588</b>  |
| <b>AR5</b> | 0.417 | 0.248 | 0.068        | 0.262        | 0.198        | 0.135        | 0.579        | <b>0.868</b>  |

Second, the square root of the AVE of each construct was compared with the correlation between that construct and the other constructs. As shown in table 4.3, the square root of the AVEs exceeds the highest correlation between that construct and the other constructs, providing another support of discriminant validity (Chin, 1998; Fornell and Larcker, 1981) of the constructs in this study.

Table-4.3. Discriminant Validity Assessment

|     | QSP          | T            | RS           | R            | A            | E            | L            |
|-----|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| QSP | <b>0.900</b> |              |              |              |              |              |              |
| T   | 0.221        | <b>0.753</b> |              |              |              |              |              |
| RS  | 0.258        | 0.257        | <b>0.806</b> |              |              |              |              |
| R   | 0.243        | 0.207        | 0.243        | <b>0.797</b> |              |              |              |
| A   | 0.120        | 0.258        | 0.182        | 0.204        | <b>0.838</b> |              |              |
| E   | 0.289        | 0.410        | 0.293        | 0.336        | 0.249        | <b>0.740</b> |              |
| L   | 0.552        | 0.202        | 0.136        | 0.222        | 0.233        | 0.289        | <b>0.816</b> |

\*Square root of the AVE on the diagonal.

### 3.6. Moderating Effect Analysis

The present study is designed to test the moderating effect of administrative role in the relationship between tangibility, reliability, responsiveness, empathy, assurance, logistic support and quality service provision. The R<sup>2</sup> for main effect model is 0.543 while the R<sup>2</sup> for interaction effect model is 0.686. The change in R<sup>2</sup> values is 0.143 which indicates that the addition of administrative role exerts more influence on perceived quality service provision and there is moderating effect. Table 4.5 shows that the path coefficient of interaction effect of assurance and administrative role (A \* AR -> QSP) on perceived quality service provision is 0.799 and the corresponding t statistics is 3.198 which is significant at 1% level (P<0.01). Therefore hypothesis 1 is supported. It indicates that administrative role positively and significantly moderates the relationship between assurance and perceived quality service provision.

Table-4.4. Moderating effect

| Hypotheses | Hypothesized path | Path coefficient | Standard error | T value | P value | Decision      |
|------------|-------------------|------------------|----------------|---------|---------|---------------|
| H1         | A * AR -> QSP     | 0.799            | 0.498          | 3.198   | 0.000   | Supported     |
| H2         | E * AR -> QSP     | -0.209           | 0.319          | 0.657   | 0.255   | Not Supported |
| H3         | L * AR -> QSP     | 1.563            | 0.239          | 6.519   | 0.000   | Supported     |
| H4         | R * AR -> QSP     | 0.061            | 0.264          | 0.232   | 0.408   | Not Supported |
| H5         | RS * AR -> QSP    | 0.480            | 0.323          | 3.484   | 0.000   | Supported     |
| H6         | T * AR -> QSP     | 0.206            | 0.466          | 0.442   | 0.329   | Not Supported |

Again it is seen that the path coefficient of interaction effect of empathy and administrative role ( $E * AR \rightarrow QSP$ ) on perceived quality service provision is -0.209 and the corresponding t statistics is 0.657 which is not significant at 5% level ( $p > 0.05$ ). Therefore hypothesis 2 is not supported. It indicates that administrative role doesn't have significant moderating effect in the relationship between empathy and perceived quality service provision. The path coefficient of interaction effect of logistic support and administrative role ( $L * AR \rightarrow QSP$ ) on perceived quality service provision is 1.563 and the corresponding t statistics is 6.519 which is significant at 1% level ( $p < 0.01$ ). So the findings support that administrative role has significant moderating effect in the relationship between logistic support and perceived quality service provision which supports hypothesis 3. The path coefficient of interaction effect of reliability and administrative role ( $R * AR \rightarrow QSP$ ) on perceived quality service provision is 0.061 and the corresponding t statistics is 0.232 which is not significant at 5% level ( $p > 0.05$ ). So the findings indicate that administrative role doesn't have significant moderating effect in the relationship between reliability and perceived quality service provision; and hypothesis 4 is not supported. The path coefficient of interaction effect of responsiveness and administrative role ( $RS * AR \rightarrow QSP$ ) on perceived quality service provision is 0.480 and the corresponding t statistics is 3.484 which is significant at 1% level ( $p < 0.01$ ). So the findings support that administrative role has significant moderating effect in the relationship between responsiveness and perceived quality service provision which supports hypothesis 5.

Finally the path coefficient of interaction effect of tangibility and administrative role ( $T * AR \rightarrow QSP$ ) on perceived quality service provision is 0.206 and the corresponding t statistics is 0.442 which is not significant at 5% level ( $p > 0.05$ ). Therefore, the findings indicate that administrative role doesn't have significant moderating effect in the relationship between tangibility and perceived quality service provision which rejects hypothesis 6.

## 5. Discussion and Conclusion

This study investigated the moderating effect of administrative role in the relationships between the dimensions of SERVQUAL model and perceived service quality of local government. The findings show that administrative role positively moderates the relationship between assurance dimension and perceived service quality of local government. It implies that when administration plays positive role, assurance dimension can improve perceived service quality by interacting with administrative role. If the local government is sincere enough to provide the services to the slum dwellers, it surely contributes to better services. Again the moderating effect test findings reveal that administrative role has significant moderating effect in the relationship between logistic support and perceived quality service. It means that service quality of local government becomes better when administration provides adequate logistic supports for the slum dwellers. Finally, the findings reveal that administrative role has significant moderating effect in the relationship between responsiveness and perceived service equality of local government. From these findings, it can be concluded that the local government's administrative power can enable them to provide prompt services to the slum dwellers. On the other hand, no moderating effect of administrative role was found in the relationships between empathy and perceived service quality; tangibility and perceived service quality; also in the relationship between reliability dimension and perceived service quality of local government towards the slum dwellers. The present study contributes by investigating whether the administrative role can improve or decrease the service quality of local government. The moderating effect test findings reveal that proper administrative role can enhance the perceived service quality of local government towards the slum dwellers. The local government has some administrative power through which they can ensure better services for the slum dwellers. Statistical findings of this study also support it. It is found that perceived services quality becomes better when administration plays positive role in performing the activities of local government. Three interactions effects of administrative role were found to be significant in increasing the services quality of local government. Therefore, it is a new finding that local government's administrative role is a major catalyst for providing good quality services to the slum dwellers. Administration always plays a crucial role in implementing different development activities of the local government. The present study also provides evidence that positive administrative role might bring about substantial improvement in the perceived services quality of the local government. The moderating effect test findings reveal that local government's services can be more effective when administration remains responsive to fulfill the needs of the slum dwellers, they have adequate logistic supports and when they provide assurance of their services. Hence, the findings give an indication that local government should play positive administrative role to improve the services quality and make their services effective. The outcome of this research work has enriched the existing body of knowledge in the field of local government's service quality. The policy makers, local government and other related stakeholders might find this study as an essential tool in designing, developing and implementing their activities directed to the slum dwellers. Moreover, reliable and valid scales have been developed for assessing the perceived service quality of local government and this instrument will be a valuable help for the future researchers of this field. Hence, this study opens the door for researchers to further perform research in this area to come up with new ideas to accelerate the living standard of slum dwellers. Moreover, the findings of this research work will provide directions for the improvement of knowledge in this area and it will add some insights in the horizon of knowledge in the existing body of academic literatures.

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