

**THE EFFECT OF SERVICE QUALITY ON CUSTOMER SATISFACTION AT  
GOVERNMENT SERVICE AGENCY: ROAD TRANSPORT DEPARTMENT**



**INSTITUT PENGURUSAN PENYELIDIKAN  
UNIVERSITI TEKNOLOGI MARA  
40450 SHAH ALAM, SELANGOR  
MALAYSIA**

**BY:**

**MOHAMAD NIZA BIN MD NOR  
MOHD FAZLY BIN MOHD RAZALI  
MOHAMMAD BIN ISMAIL**

**FEBRUARI 2011**

## **PENGHARGAAN**

Setinggi-tinggi penghargaan dan ribuan terima kasih kepada semua pihak yang terlibat secara langsung dan tidak langsung bagi membolehkan penyelidikan ini disiapkan dengan sempurna.

Di antaranya:

Professor Dr. Hj. Khudzir bin Hj. Ismail  
(Pengarah Kampus, UiTM Perlis)

Professor Madya Dr. Nik Ramli bin Nik Abdul Rashid  
(Timbalan Pengarah Penyelidikan dan Jaringan Industri, UiTM Perlis)

Encik Abdul Rahman bin Hussain  
(Pengarah Jabatan Pengangkutan Jalan, Negeri Kedah)

Semua staf di bahagian RMU UiTM Perlis, bahagian Pendaftaran Kenderaan  
dan Pelesenan Pemandu di Jabatan Pengangkutan Jalan Negeri Kedah

dan

Semua para pelanggan yang berurusan di kaunter Jabatan Pengangkutan Jalan  
Negeri Kedah dan telah memberikan kerjasama serta sokongan untuk  
menjayakan penyelidikan ini

## **TABLE OF CONTENT**

<b>TITLE PAGE</b>	<b>ii</b>
<b>LETTER OF RESEARCH OFFER</b>	<b>iii</b>
<b>LETTER OF REPORT SUBMISSION</b>	<b>vi</b>
<b>RESEARCH TEAM</b>	<b>vii</b>
<b>ACKNOWLEDGEMENT</b>	<b>viii</b>
<b>TABLE OF CONTENT</b>	<b>ix</b>
<b>LIST OF ABBREVIATIONS</b>	<b>xiv</b>
<b>LIST OF TABLES</b>	<b>xv</b>
<b>LIST OF FIGURES</b>	<b>xvi</b>
<b>ABSTRACT</b>	<b>xvii</b>

## **CHAPTER ONE: INTRODUCTION**

<b>1.0 INTRODUCTION</b>	<b>1</b>
<b>1.1 BACKGROUND OF THE ORGANIZATIONS</b>	<b>1</b>
1.1.1 Vision, Mission and Objectives	2
1.1.2 Road Transport Department's Logo and Definitions	3
1.1.3 Organization Chart	4
1.1.4. Department Activity/ Branch	4
1.1.4.1 Administration	4
1.1.4.2 Finance	5
1.1.4.3 Account	5
1.1.4.4 Registration and Licensing of Vehicle	6
1.1.4.5 Driver's Test	6

## ABSTRACT

The purpose of this research paper is to examine the effect of service quality on customer satisfaction among a group of customer towards a public sector organization at Road Transport Department, Alor Setar, Kedah.

The important of this research is to identify level of customer's satisfaction toward the services provided by Road Transport Department, in order to improve their customer satisfaction and service performance. This study is cross-sectional and descriptive in nature. Service quality consists of service product, service delivery and service environment. In order to obtain data for this study, questionnaires were administered to a total of 331 customers of the agency however 249 sets of questionnaires that were answered by the respondents, who are customers of particular public department.

The finding and hypothesis were analyzed by using Statistical Program for Science (SPSS). Customers' satisfaction was examine through 3 major independence variable consist of service product, service delivery and service environment. Data gathered through this analysis being analyzed and illustrated in the form of tables and bar charts.

The model in this study is significant and can be assumes to be able to predict on service quality as determinant of customer satisfaction at this department. The hypotheses were tested using multiple regressions. The findings indicate that service product significantly and positively related to customer satisfaction. However, service delivery and service environment were not significant predictors of satisfaction.

This study expanded the service encounter literatures by offering evidence in the context of public sector. Customers' satisfaction will be enhanced if they perceive that there is a favourable service product. Relationship quality has a significant influence on behavioural intentions. That means customers' satisfaction and trust established will improve positive word-of-mouth and repeated patronage.

Implication and recommendation are discussed in this study to provide some understanding and guidelines which could help the department for several appropriate actions in satisfying their customers' need and wants. A continuous improvement by the Road Transport Department is essential towards achieving the public or society needs and its organizational goals and objectives.

# CHAPTER ONE

## INTRODUCTION

---

### 1.1 BACKGROUND OF THE ORGANIZATION

The Road Transport Department was established in 1937 under the Traffic Enactment 1937, a British military law in the Federated Malay States. Known then as the Road Transport Board, it governed and licensed public industries. However, with the creation of the administration of Malaya in April 1946, the powers of the board were taken over by the Motor Vehicles Registry and Inspection Office, which covered the whole of Malaya. Prior to 1937, motor vehicles were under the control of 4 Federated Malay States, i.e. the Perak and Selangor Police, Negeri Sembilan Chief Inspector and 6 district officers in Pahang. Motor vehicles were not regulated in the Unfederated Malay States until the Traffic Enactment 1937 was passed. With the establishment of the department, the Road Traffic Ordinance 1953 was passed to replace the Traffic Enactment 1937. Realizing the importance of enforcing the new law, especially against commercial vehicles, an Enforcement Division was set up.

On 1 April 1946, the Road Transport Department was set up to co-ordinate all aspects relating to transport for the entire country. Various laws relating to road transport were also formulated such as the Road Traffic Ordinance 1958 and Road Transport Act 1987. These were aimed at streamlining the country's transport laws besides serving as platforms for the RTD to carry out its responsibilities. As the national transport system progressed rapidly in the 1980s, the RTD became increasingly burdened with numerous responsibilities. Thus, a restructuring of the department was undertaken to enhance its efficiency in line with the needs of the time.