

Midocean university

Faculty of Management

Project Management

# **Impact of Administrative Development on Enhancing Customer Satisfaction in the Banking Sector: A Case Study of Al Rajhi Bank in Riyadh, Saudi Arabia**

Mubarak AlQahtani

2021205107

Graduation Project – 1

Faculty of Management - Midocean University

Supervisor

Dr. Mona Moustafa Elashry

Faculty member- Faculty of management- Midocean University

1<sup>st</sup> Semester- 2024-02-2

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**Research Title:**

## **"Impact of Administrative Development on Enhancing Customer Satisfaction in the Banking Sector: A Case Study of Al Rajhi Bank in Riyadh, Saudi Arabia"**

### **1. Introduction:**

The banking sector operates within a dynamic and rapidly evolving landscape, characterized by shifting consumer behaviors, technological advancements, and regulatory changes. In this intricate ecosystem, customer satisfaction emerges as a pivotal determinant of organizational success, influencing customer loyalty, market share, and profitability (Albarq, 2023). As banks navigate through these complexities, administrative development emerges as a strategic imperative, encompassing a myriad of initiatives aimed at enhancing operational efficiency, service quality, and customer-centricity (Sanjuq, 2014).

The background of this study is that the banking sector, both globally and in Saudi Arabia, has witnessed significant transformations in recent years. Rapid advancements in technology, changing regulatory frameworks, and evolving customer expectations have compelled banks to reassess their strategies and operations. In Saudi Arabia, the banking sector is a vital component of the economy, with banks playing a crucial role in facilitating financial transactions, driving economic growth, and supporting the aspirations of individuals and businesses alike.( Al Rajhi bank, 2022).

Al Rajhi Bank, one of the largest Islamic banks in the world, serves as a prominent player in the Saudi Arabian banking landscape. With a rich history spanning several decades, Al Rajhi Bank has continually adapted to meet the evolving needs of its customers while upholding its commitment to Islamic banking principles. Against this backdrop, the bank's journey towards administrative development offers valuable insights into the strategies and practices employed by banking institutions to enhance customer satisfaction and maintain competitiveness in a dynamic marketplace (Al Rajhi bank, 2022).

Despite the recognized importance of administrative development in the banking sector, there exists a notable gap in empirical research examining its impact on customer satisfaction, particularly within the context of Saudi Arabia. While anecdotal evidence and industry reports suggest a positive correlation between administrative development initiatives and customer outcomes, empirical studies providing rigorous analysis and empirical validation are limited (Albarq,2023).

Understanding the specific mechanisms through which administrative development influences customer satisfaction is essential for banking institutions seeking to optimize their operations and deliver superior service experiences. By conducting a detailed examination of administrative development practices at Al Rajhi Bank, this study aims to fill this research gap and provide actionable insights for banks and policymakers. (Albarq, 2023).

This research focuses on exploring the relationship between administrative development and customer satisfaction within the context of the banking sector, with a specific emphasis on Al Rajhi Bank in Riyadh, Saudi Arabia. The study will analyze various administrative development initiatives undertaken by the bank and their implications for customer satisfaction metrics such as service quality, responsiveness, and overall experience.

The primary objective of this study is to investigate the impact of administrative development on enhancing customer satisfaction in the banking sector, using Al Rajhi Bank as a case study. Specifically, the study aims to:

Examine the administrative development initiatives implemented by Al Rajhi Bank.

Assess the perceived impact of these initiatives on customer satisfaction metrics.

Identify key success factors and challenges associated with administrative development in the banking sector.

Provide actionable recommendations for banking institutions to enhance customer satisfaction through effective administrative development strategies.

## **2. Research Problem:**

The research problem centers around the scarcity of empirical evidence elucidating the impact of administrative development on customer satisfaction within the banking sector,

particularly in Saudi Arabia. This knowledge gap underscores the need for rigorous investigation and analysis to uncover the specific mechanisms and strategies through which administrative development initiatives influence customer perceptions and behaviors.

### **2.1. Theoretical Gaps:**

Theoretical frameworks within the literature often lack integration with practical insights regarding administrative development and its effects on customer satisfaction in the banking sector. This gap highlights the need for research that bridges theoretical constructs with real-world applications, providing a comprehensive understanding of the dynamics at play. (Albarq, 2023).

### **2.2. Empirical Gaps:**

Empirical studies examining the relationship between administrative development and customer satisfaction in the banking sector, particularly within the Saudi Arabian context, are limited. This scarcity of empirical evidence hinders the development of evidence-based practices and guidelines for banks to effectively leverage administrative development initiatives to enhance customer satisfaction and loyalty (Ladeira et al, 2016).

### **2.3. Research Question:**

What is the relationship between administrative development and its influence on customer satisfaction within the banking sector, as exemplified by a case study of Al Rajhi Bank in Riyadh, Saudi Arabia?

## **3. Research Significance:**

Through the synthesis of theoretical frameworks, empirical data, and practical insights, this study endeavors to bridge the gap between theory and practice, offering actionable recommendations for banking institutions seeking to navigate the complexities of administrative development and optimize customer satisfaction outcomes. As such, the findings of this research hold the potential to inform evidence-based strategies, drive organizational excellence, and shape the future trajectory of the banking sector in Saudi Arabia and beyond.

### **3.1. Theoretical Significance:**

Theoretical frameworks in the existing literature often lack a comprehensive integration of administrative development concepts with practical insights regarding its impact on customer satisfaction within the banking sector. This theoretical gap underscores the need for research that synthesizes theoretical constructs with empirical evidence, providing a holistic understanding of the mechanisms through which administrative development influences customer perceptions and behaviors. By addressing this theoretical gap, this study aims to advance theoretical understanding and provide a robust foundation for future research in this area (Qadeer., 2013).

### **3.2. Empirical Significance:**

Empirical studies examining the relationship between administrative development and customer satisfaction in the banking sector, particularly within the context of Saudi Arabia, are scarce. This empirical gap inhibits the development of evidence-based practices and guidelines for banks to effectively utilize administrative development initiatives to enhance customer satisfaction and loyalty. By bridging this empirical gap, this research seeks to provide valuable insights into the specific mechanisms through which administrative development practices influence customer satisfaction metrics, thereby informing evidence-based decision-making and facilitating the implementation of effective administrative development strategies in the banking sector (Bahatt, 2021).

## **4. Research**

### **Question**

The current study aims to answer the main Research Question: What is the relationship between administrative development and its influence on customer satisfaction?

In order to answer this question, we would have to answer the following sub questions:

- 1- How do improvements in administrative Training impact the customer experience?
- 2- How improvements in administrative Development Programs impact the customer experience?
- 3- How do improvements in administrative leadership impact the customer experience?
- 4- What is the level of implementation of administrative development in Al Rajhi Bank?

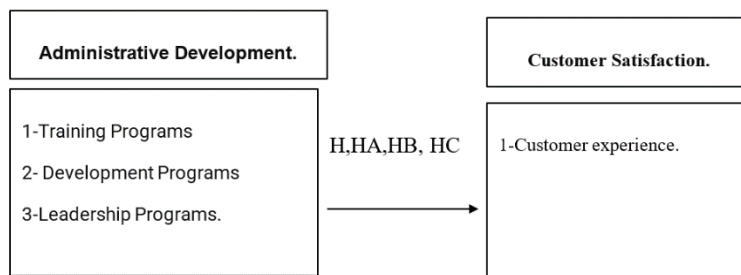
## 5. Research Objectives:

- 1-To examine the relationship between administrative development and its impact on customer satisfaction.
- 2-To assess the effects of improvements in administrative Training on enhancing the customer experience
- 3- To assess the effects of improvements in Development Programs on enhancing the customer experience
- 4- To examine the effects of improvements in administrative leadership on enhancing the customer experience
- 5-To evaluate the level of implementation of administrative development initiatives in Al Rajhi Bank.

## 6. Research Hypotheses:

- 1-There is a positive correlation between administrative development and customer satisfaction.
- 2-There is a statistically significant positive relationship between improvement in administrative Training enhanced customer satisfaction.
- 3-There is a statistically significant positive relationship between improvement in Development Programs enhanced customer satisfaction
- 4- There is a significant positive relationship between improvement in leadership on enhancing the customer experience

## 7. Conceptual Model:



suggested project model Source: Researcher

## **8. Empirical Study:**

### **8.1. An introduction to al Rajhi Bank:**

In 1957, Al Rajhi Bank was founded thus becoming the first Islamic bank that has set the stage for innovation and quality benchmarks in the financial sector. The bank's headquarter Riyadh, Saudi Arabia moves into the category of biggest Islamic financial institution in the world that it has a branch network and strategic partnerships in many countries.

### **8.2. Mission and Values:**

The values of Al Rajhi Bank can be found at its core, where ethical banking, transparency, and social responsibility are highly valued. As a pioneer in the field of Islamic finance, the bank endeavors to create a valuable experience for its customers, shareholders, and societies, while at the same time adhering to the most important foundations of integrity and professionalism.

### **8.3. Key Milestones:**

Over long years Al Rajhi Bank serves as the pioneer among the Islamic banks, developing further its leading position. Thanks to various solutions in line with Sharia principles, as well as constant emphasis on digital solutions, the bank keeps delivering optimum performance, retaining customer trust and satisfaction.

### **8.4. Product and Service Offerings:**

Al Rajhi bank gives the customers an extensive line of banking products and services that answer to the varying needs of the people. The customers' needs are addressed by the bank which offers personal banking solutions such as saving accounts, current accounts, and financing options as well as corporate banking services like trade finance, treasury management, and investment banking helping individuals and businesses to achieve financial prosperity.

### **8.5. Digital Innovation:**

In the current digital era, though Al Rajhi Bank still remains on the cutting edge of innovation technology as, it uses technology to bring the best service for customers and instant convenience for them. The bank has a network of digital platforms and mobile banking applications that

enables customers to transact banking services in an instant, conveniently and efficiently, 24 hours a day, everywhere across the globe.

#### **8.6. Customer-Centric Approach:**

At Al Rajhi Bank our obsession with clients satisfaction is above all. The bank distinguishes itself by supplying a competent workforce of professional bankers led by the desire to go the extra mile in maintaining excellent service delivery and meeting customer expectations at all touch points. Whether it is a personalized financial advisory service, resolving queries on their behalf, or tailored solutions, the bank is simply motivated to enrich the customer experience through every avenue open to them.

#### **8.7. Corporate Social Responsibility:**

Besides its business processes, Al Rajhi Bank as a socially responsible organization is devoted to make a lasting positive impact on the society. By way of its range of social responsibility practices, the bank is helping community development, education, healthcare, and environmental sustainability initiatives among other things, and all of this shows how the bank is trying to be what is expected from a responsible corporate citizen.

#### **8.8. Conclusion:**

Also, the continuous of its path to new territories and in gleaning the opportunities of a fast-changing financial surroundings, Al Rajhi Bank stay resilient in that for which they do: excellence, innovation, and leadership based on ethics. Through the foundation of loyalty and values like integrity and client focused service, the bank will essentially propel Islamic banking to greater heights and in the process, continue to be the source of excellence within the global financial arena

## 9. Research Onion:

Research Philosophy: Positivism

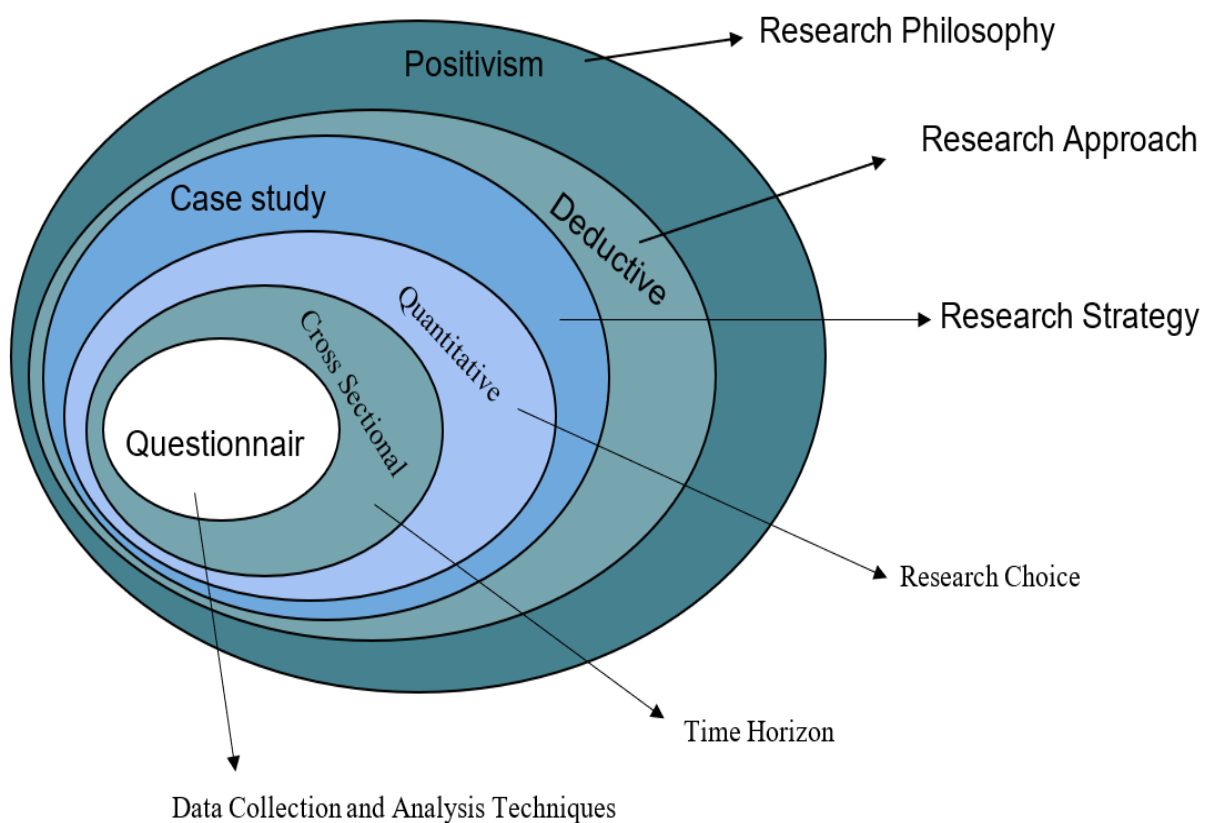
Research Approach: Deductive

Research Strategy: Case study.

Research Choice: Quantitative

Time Horizon: Cross Sectional

Data Collection and Analysis Techniques: Questionnaire



## **10.Suggested Project Structure**

Chapter 1: Overview

Chapter 2: Literature Review

Chapter 3: Research Methodology

Chapter 4: Statistical Analysis

Chapter 5: Findings Discussion and Conclusion

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