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EDITORIAL

QUALITY OF LIFE, SERVICE QUALITY, AND SOCIAL ENTERPRISE

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One of the surprising outcomes of technological innovation is the way it fails to achieve sustainable social goals. Due to medical advances people live longer, but the quality of life may not generally improve. It is also surprising how much economic and social arrangements could impact people's lives and the society at large. The dynamics of these arrangements may vary across places and times, but they are considerably felt across board. Against this background, this issue brings together three articles discussing sustainability subjects from interdisciplinary and social science perspectives. Using quantitative and qualitative methods, the contributions are based on field and literature-review projects designed to address practical and theoretical problems.

The foremost problem addressed revolves around the elderly. As many societies lose the 'old' extended family system which hitherto took care of the elderly, or at least placed them within the warmth of the family, they have failed to create institutions that could provide similar benefits. With increased cultural replacement of the extended family system with the nuclear family system as the first unit of the society, children and grandchildren now seem to be distant from their elderly. Where children get married, they move away from their parents, forming a new 'nuclear family' and somewhat 'cutting' off the old one. Even where they remain unmarried, a majority prefer to live on their own once they become adults. This then leaves a gap that needs to be closed: between what the extended family system offers the elderly and what modern institutions such as 'elderly's,' 'seniors,' 'retiring,' 'adult,' old people's,' or 'aged care' homes, by whatever name they might be called, offer them. For example, these homes are primarily designed to meet welfare concerns, not psycho-social and emotional needs.

To address some aspects of this problem, the first article entitled "Quality of life among the elderly in a peri-urban community in Ibadan, Nigeria" investigates how the elderly perceive their quality of life,



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revealing and ranking what they perceive to be their most important needs. The participants in this study serve as a sample for envisaging what the elderly around the world might consider their biggest challenges. The research reveals that access to adequate social support and provision of health care services are their major needs within the study area. Of course, given the uniqueness of contexts in research, this finding might vary when one turns to another study environment.

Another important subject that this issue covers is the comparison between Islamic and conventional banks, and the implications this might have for people and the economic community. While conventional banks can be found in every economic setting, Islamic banks are only found in jurisdictions where one form of Islamic corpus—moral rules and traditions— or the other thrives. As such, it is interesting how the similarities and differences in the operations of the two banking models may impact a society. While there is no consensus on the question of which model is better, one might derive some lessons from ascertaining the distinct features of and functional equivalencies across both. In particular, how might their operations have an impact on efficiency and customer satisfaction?

On this note, the article entitled “Service quality perceptions: A comparative study between Islamic banks and conventional banks in Bangladesh” provides a starting point. While other variables within the research area might impact the comparison of Islamic and conventional banks, it is incontrovertible that some sort of competition exists between these banks. This becomes even more interesting when one considers the existence of competition within and across the two, for example, between different bank operators within and across the bank models. This eventually leads to the issue of efficiency: how much time and resources do they save in their operations? This also boils down to the issue of customer satisfaction. After providing data showing and concluding on strengths and weaknesses of both banking models, the article makes suggestions for improvements.

Social entrepreneurship also receives attention in this issue of the journal. While this concept seems to have a clear delimitation in the social sciences, there are those who believe it is not fully captured and properly recognized in the literature. In practice, social entrepreneurial organisations may be classified generically as non-governmental organisations which embed social or environmental goals in their business model. What, then, is the problem? The key problem is that not acknowledging social entrepreneurship might preempt the peculiar benefits it offers the society at large. Organizations depicting



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social entrepreneurship may be underused. Meanwhile, perhaps the potentials these organizations have and the benefits they offer may be handy in some sensitive concerns of mankind such as environmental protection and sustainable development.

This is the focus of the last article entitled “Impacts of social entrepreneurial organizations to environmental protection and development.” It reviews the body of literature on social enterprise to ascertain the emergence, form and purpose of social entrepreneurship. In doing this, it shows how the current model of governance neglects this important concept. It then conceptualises and contextualises how environmental protection organisations, generally designed as “for profit” or “non-for profit,” are a good case study of social entrepreneurship.

Overall, the articles in this issue show that conditions of sustainability vary across sectors, in time and space, and have strong socio-cultural dimensions. They cannot necessarily be achieved with ‘modernisation,’ whether in technological or economic arrangements. They require value clarification and agreement on best ways of action.



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QUALITY OF LIFE AMONG THE ELDERLY IN A PERI-URBAN COMMUNITY IN IBADAN, NIGERIA

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Abstract

The elderly face a broad range of medical, physical, psychological and social needs that require assistance and supervision on a temporary or permanent basis. These needs and health challenges often vary from community to community due to a number of factors. However, such concerns among the elderly in a peri-urban setting, with a mixture of rural and urban characteristics, have not been fully investigated. This study was therefore designed to determine the perceived psycho-social needs, quality of life (QoL) and health-related challenges experienced by the elderly in Apete, a peri-urban area in Ibadan.

The study was cross-sectional and employed a two-stage sampling technique to select 600 consenting elderly from the 12 neighbourhood clusters and houses in the community. A semi-structured questionnaire used had questions on socio-demographic characteristics, perception, perceived needs, health-related challenges and typologies of social support received. These were measured using QoL (36); Depression (30); General Health-GH (33); and Dementia (8) scales. Scores of ≤ 15 and $\geq 15-36$ on the QoL scale were categorized as high and low respectively. Depression scores of 0-9, >9-19 and >19-30 were classified as normal, mild and severe respectively. The GH scores of ≤ 15 , >15-20 and >20-34 were categorized as lack of distress, moderate distress and severe distress respectively. Dementia scores were categorized as follows: 0-2 (intact functioning), 3-4 (mild impairment), 5-6 (moderate impairment) and 7-8 (severe impairment). Data were analysed using descriptive statistics, Chi-square test and logistic regression at $p=0.05$.

Age of respondents was 67.7 ± 7.1 years; 56.2% were male; 78.1% were married; 28.7% had no formal education and 12.5% were living alone. Majority (86.2%) opined that home-based care was better for the elderly while most 90.1% had high QoL. Respondents' needs included inadequate financial support (78.8%) and poor access to regular medical check-up (64.8%). Respondents with mild and severe depression were 27.7% and 4.7% respectively while moderate and severe distresses were 12.2% and 3.2%. Few (9.3%) had mild dementia; moderate and severe dementias were 0.2% and 0.3% respectively. Other reported health problems included insomnia (40.5%), hypertension (36.0%), diabetes (28.3%) and stroke (20.0%). Insomnia was significantly higher in males (50.2%) than females (49.8%). Health workers' unfriendly behaviour (93.3%) was a major concern among respondents. Among the married, more males (44.6%) than females (22.7%) received social support from their spouses. Children (91.3%) constituted the respondents' main source of social support while support from the community was 15.5%. Significantly more females (93.9%) than males (89.3%) received social support from children. Respondents with formal education were more likely to have high QoL compared to those with informal education (OR: 2.5; CI: 1.2-5.0). Respondents living with other people were more likely to have high QoL compared to those living alone (OR: 2.2; CI: 1.2-4.0).



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Access to adequate social support and provision of patient-friendly health care services constituted the major needs of the elderly at Apete. There is need to re-orientate and re-train health workers on the issue that constitute QoL especially in the area of social support given to the elderly.

Keywords: elderly, quality of life, perceived psycho-social needs, social Support

1. Introduction

Globally, there is an increasing ageing population. In 1950, just over five percent of the world's population was 65 years or older. By 2006, that number had jumped to eight percent. By 2030, experts anticipate that older adults will comprise 13 percent of the total population; one in eight people will be 65 years old or older (Lopez, Mathers, Ezzati, Jamison & Murray, 2006). The greatest increase in the number of older people occurs in the developing and middle income countries which are now experiencing rapid shifts from high mortality and high fertility to much reduced fertility and greater longevity (Ekpeyong, 1995). While developing countries will experience the most rapid ageing, with an increase of up to 140 percent, they will experience an increase averaging 51 percent. Due to this, developing nations would increasingly face difficulties supporting their older population (World Health Organization, 2002).

In most of these countries, the elderly live at the bottom of the socio-economic strata. Ageing has become a global phenomenon and a critical policy issue yet to receive proper attention from the governments of developing countries including Nigeria (Abdulraheem and Parakoyi, 2005). Older women, in particular, face harsh conditions (Ajomale, 2007).

Meanwhile, the elderly have vital roles to play in the society. For instance, they often serve as agents of change, providing mentoring and social support to members of their families and communities (IMSERSO 2004). Older persons face many challenges which make them vulnerable to many health and social problems. Some enjoy no proper pension system and have scarce retirement savings, if any (Global Action on Aging [GAA], 2005). In 2000 the number of people aged 60 years and above globally stood at 606 million. It is estimated that by 2050 this figure is expected to reach 2 billion (Aboderin, 2006). According to the 1991 census report, the elderly constituted 5.2% of the total population of 88.5 million Nigerians and the number is expected to be 10 million by the year 2020 (Osi-ogbu, 2011). In the report of National Population Census (NPC) of 2006 (NPC, 2006), Nigeria had a population of 140.8 million people, making it the most populated nation in Africa and the



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ninth in the world (United Nations, 2005). The population growth rate of the year 2000 to 2005 is 2.5% with 5% of the total population aged 60 years and above (Abiodun, Adekeye and Aruonagbe; 2011).

There is a major change in the age structure of the Nigerian society. The National Population Commission confirmed an increase in the percentage and the number of those aged 60 and above National Population Commission, 2006. In the coming years, the ageing population is expected to increase in number, and life expectancy rates will gradually increase with significant social and economic implications to the individuals and the Nigerian government (National Population Commission, 2006).

The United Nations has set aside September 29th of every year as the International Day of the Elderly in recognition of the ageing population, and to appreciate them as an integral part of society. During the 2011 celebration of the International Day of Older Persons which took place in Abuja, the Vanguard Newspaper edition of Thursday 29th September, 2011 reported the Minister of Women Affairs and Social Development, Hajia Zainab Maina, to have stated that the Federal Government had reached an advanced stage of plans to evolve a National Policy on Ageing which would be aimed at bringing issues of the elderly people into the mainstream national development agenda, serving as an instrument for improving the QoL of older citizens in Nigeria (Vanguard Newspaper, 2011). Despite the celebration, the care and QoL of our elderly is still a major societal challenge.

Poverty and high cost of living is pushing the elderly to the roads as destitute (Fajemulehin, Ayandiran & Salami; 2007). Before “modernization” came to “destroy” the concept of the extended family system and replace it with the nuclear family, the extended family as a social structural system served more or less as a form of social insurance (traditional safety net) for old age (Osemeka, 2010). The family in Nigeria used to include members of the extended lineage: parents, children, brothers, sisters, grandparents, grandchildren, aunts, uncles, cousins, nephews and nieces. There is an observable progressive shift in the conventional responsibilities away from the family. Traditional functions of the family like care and social support to older family members have gradually decreased in the recent past due to economic problems, migration and influence of foreign culture (Ajomale, 2007).

Hence, the problem is that the elderly in Nigeria face a broad range of medical, physical, psychological and social needs that require assistance and supervision on a temporary or full-time basis. Knowing what their



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perceived health challenges and needs are will help in determining appropriate intervention for them (Boehlke, 2010). This study investigates the QoL among the elderly in a peri-urban community in Ibadan, Nigeria.

Meanwhile, the perceived needs, QoL, health-related challenges and type of social support among the elderly as well as the factors which influence their care especially in emerging peri-urban settings such as Apete are yet to be fully known. Findings from this study are potentially useful for providing information relating to the status of care provided to the elderly in peri-urban communities. In addition, the findings may have useful implications for evidence-based policy formulation and design of health promotion and education, and strategic framework for the care of the elderly in peri-urban settings.

2. Methodology

2.1. Study Setting

Apete, a peri-urban community, is located within Ido Local Government Area (LGA) of Oyo State. The community's geographical coordinates are latitude 7.44916671 and longitude 3.87222221 (travelingluckafrica, 2012). It is about 26.6 km away from Sango, Ibadan. It is a multi-ethnic community, although the Yorubas constitute the predominant ethnic group. The major occupations of the people are trading, transportation and craft. A sizeable population are civil servants in local, state and federal establishments while some are retirees. The community has access to electricity supply but lacks pipe-borne water. There is only one public clinic in the community, seven private health care providers and several patent medicine vendors. Other social facilities in the community include one primary school, one police station and a motor park for commercial drivers. There are no special services for the elderly. Commercial minibuses and motorcycles serve as means of internal transportation. The most common means of transportation in the community are by motorcycle (locally called *okada*), taxi cabs and buses. Most roads in the community are yet to be tarred.

The study population constituted of retired and in-service elderly people aged 60 years and above residing in Apete community. The respondents consisted of men and women. They were permanent residents of Apete during the period of the study.

The study followed basic ethical principles guiding research involving human participants. Ethical approval was obtained from Oyo State Research Ethics Review Committee. Adequate information regarding the study was given to the respondents and informed consent was obtained from the respondents before they were



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interviewed. Respondents were assured of the confidentiality of their responses during and after data collection. They were informed that information obtained from them would be used for research purposes only. Respondents were told that participation in the survey was voluntary, and that they could withdraw at any time if they so wished without any penalties or loss of privileges. Each respondent was assured that participation in the study was voluntary and that information disclosed by the respondents would be kept confidential. They were also told that their names were not required on the questionnaire. Respondents were encouraged to ask questions on what they did not understand in the questionnaire. Explanations were given to respondents as required to aid their understanding of unfamiliar terms.

2.2. Recruitment Procedure

To obtain a sample of the population for the study, a multi-stage sampling approach was employed. Cluster, proportion and purposive sampling techniques were adopted for this purpose. This was to give each member of the target population equal opportunity of being selected for the study. The procedure involved two steps (stages) as follows:

In order to obtain a representative sample of the population for the study, a multi-stage sampling approach was employed. Cluster, proportion and purposive sampling techniques were adopted for this purpose. This was to give each member of the target population equal opportunity of being selected for the study. The procedure involved two steps (stages) as follows:

- (1) The community was geographically divided into twelve clusters or neighbourhoods. The respondents interviewed at the study area were selected from each cluster by dividing the sample size by the number of clusters. This was because the total population of the elderly within the 12 clusters could not be assessed. Fifty respondents were interviewed per each cluster (This implies 600 respondents interviewed at all the 12 cluster areas).
- (2) Purposive sampling was then used in the selection of eligible respondents at the household level from each cluster area. Any available eligible respondent in a household during data collection was interviewed till the target sample size of 600 was met. Any household that did not have an eligible respondent (i.e. age 60



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years and above) was skipped. One eligible respondent was selected from a household with two or more respondents.

2.3. Method of Data Collection

Quantitative data was collected through the use of a semi-structured questionnaire. The instrument was designed after reviewing related literature on perceived problems or challenges, needs and factors influencing care of the elderly with special reference to pertinent variables relating to perception, perceived needs, QoL, health challenges and factors influencing care of the elderly.

The design of the instrument was facilitated by use of adapted framework from combination of three theoretical frameworks, ecological model, PRECEDE model and Maslow's hierarchy of need. The questionnaire was divided into six sections (sections A-F). Section A focused on respondents' demographic information while section B consisted of questions that measured perception of respondents on the care they received, and section C included questions that measured the perceived needs of respondents. Questions on the health-related challenges faced by respondents were contained in section D; also section E was on questions for determining factors influencing the care the respondents received. Finally, section F was on questions on type and kind of social support received by the respondents in the community.

The questionnaire was translated to Yoruba language by someone who was versed in Yoruba and English. There was back translation to English by another person who was equally an authority in Yoruba and English with a view to verifying the accuracy of translation.

2.4. Data Analysis

A semi-structured questionnaire used had questions on socio-demographic characteristics, perception, perceived needs, health-related challenges and typologies of social support received. These were measured using QoL (36); Depression (30); General Health-GH (33); and Dementia (8) scales. Scores of ≤ 15 and $\geq 15-36$ on the QoL scale were categorized as high and low respectively. Depression scores of 0-9, >9-19 and >19-30 were classified as normal, mild and severe respectively. The GH scores of ≤ 15 , >15-20 and >20-34 were categorized as lack of distress, moderate distress and severe distress respectively. Dementia scores were categorized as follows: 0-2 (intact functioning), 3-4 (mild impairment), 5-6 (moderate impairment) and 7-8 (severe impairment).



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Open ended sections were coded and fed into the computer. The Statistical Package for Social Sciences 15.0 was used for data analysis. Data were analysed using descriptive statistics, Chi-square test and logistic regression at $p=0.05$.

3. Results

3.1. Respondents' Socio-demographic Information

Respondents' ages ranged from 60-95 years with a mean age of 67.7 ± 7.1 years. A very large proportion (91.3%) were aged 69 years and below while few (8.7%) were above 70 years of age. Respondents within the 60-64 years age bracket constituted 66.3%, those aged 65-69 were 25.0% and 56.2% were male. Most respondents (38.8%) were pensioners without any major post-retirement occupation, followed by traders (26.2%), farming (12.0%), artisans (10.0%), civil servants (8.0%), and religious leaders (1.8%) as shown in Table 1. With regards to the highest level of education, respondents with no formal education (28.7%) topped the list, followed by those with secondary education (16.0%), primary education (14.9%), and trade test (10.3%). More than half (57.2%) of the respondents were Christians, followed by adherents of Islam (41.0%). Majority (89.2%) of the respondents were Yoruba, few were Igbo (7.3%) and fewer (1.3%) were Hausa

Most (78.1%) of the respondents were married, while few (15.0%) were widowed. Respondents who were divorced (3.5%), separated (3.2%) and single/not married (0.2%) are also shown in Table 2. Respondents in monogamous unions accounted for 61.8% while those in polygynous unions were 38.0%. Spouse and children (40.0%) topped the list of persons living with respondents, followed by children only (15.2%). Most respondents (60.0%) were living in flats.

3.2. Respondents' Income and Expenditure

More than half (52.8%) of the respondents received monthly income through pension. Trading/business provided monthly income for 22.9% of the respondents. Others received monthly income through salary (8.5%) and from children (5.4%). Table 3 also indicates that respondents often spent money on food/feeding (55.4%), housekeeping/family needs (9.4%), medicine/healthcare (7.0%) and children's education (5.6%).

3.3. Perceived Quality of Life among the Respondents



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The various levels of respondents' perceived QoL are highlighted in Table 4. The proportion of respondents who were not satisfied with their QoL at all was 17.8%; 12.0% were satisfied to a little extent; 33.4% were satisfied to some extent while 26.8% were satisfied to a great extent. Majority (64.4%) of the respondents perceived that their physical condition did not affect their QoL at all. Only 22% of the respondents said that their physical condition affected their QoL to a little extent; 9.8% said it affected them to some extent while 3.8% said it affected them to a great extent. Majority (82.0%) of respondents stated that their physical condition did not affect their relationship with people at all.

3.4. Gender Differentiation in Respondents' Perceived Quality of Life

The difference in respondents' perceived satisfaction with their present QoL by gender was statistically significant ($P < 0.05$). Significantly more males (85.5%) than females (77.9%) were satisfied with their present QoL. There is also a statistically significant difference ($P < 0.05$) in whether the physical condition of respondents affected the QoL of respondents; more males (70.6%) than females (56.3%) declared that their physical condition did not affect their QoL. Similarly, significantly more males (84.9%) than females (78.3%) stated that their physical condition had no adverse effect on their relationship with people.

4. Discussion

There is no standard definition for the term "elderly." According to the World Health Organization (2002), the elderly are described as people who are past middle age and approaching old age. Also, according to Active Aging (2002), an elderly person is one having authority by virtue of age and experience. The UN prescribed people aged 60 years and above as the older population (Global Action on Aging, 2005). However, in the developed countries like United Kingdom and United States of America for instance, significant proportions of the population aged 65 and above are considered elderly. Establishing the definition of elderly in Africa is difficult, because many people's actual birth dates are unknown; this is because many individuals in Africa do not have an official record of their birth dates (WHO, 2008).

Majority respondents in this study are predominantly from the Yoruba ethnic group. This is because Apete, the study setting, is located in the Yoruba speaking area of Nigeria. Findings from this study shows that there are more males than females and most of these respondents were married. A similar study carried out among



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the elderly in Ondo State by Olayiwola, Olarewaju, Adelekan and Arigbede (2013) revealed that males aged 60 years and above were more than the female participants. While limited to the study areas, this might imply that there may be more elderly males than elderly females in most parts of Nigeria having similar socio-economic and cultural conditions. Beyond Nigeria, similar studies carried out in Taiwan also revealed that majority of the elderly in a study were males, married with average age of 72.8 years (Min-Huey et al, 2007). If the majority of males is the case, then the feminisation of old age (United Nations Population Ageing and Living Arrangements of Older Persons, 2001) may not be accurate. However, since this studies are limited to the areas, further validation that may allow a definite conclusion on this point needs to be done.

Findings from this study also show that majority of elderly people in Apete currently live with their extended family, spouses and children; only a few proportion live alone. This suggests a parallel outcome with the study of Hung, Hung, Wu, et al (1991) who report that a significant proportion of elderly people in Taiwan lived with their spouses, children, or grandchildren with only 10.1% of such people living alone. The finding that two-thirds of all persons aged ≥ 60 years were currently married, with the percentage decreasing with age, also receives support elsewhere. Olayiwola et al. (2013) found out that most individuals aged ≥ 60 were married, with more men being married than women. This might suppose that the tendency to be unmarried increases with age, with women being more likely to be unmarried than men. Also, the higher proportion of women in widowhood might be because many of the women in Nigeria don't remarry again unlike men. As a matter of fact, the family structure among the Yoruba in Nigeria reveals that several men have more than one wife, and some are in the habit of marrying younger women at old age (Okumagba, 2011). This may have accounted for why more male respondents were married.

A higher proportion of respondents have monthly income, with pension topping the list of their sources. This could be attributed to the higher number of retirees living within the study location. The finding contradicts the study by Reno and Lavery (2007) which revealed that pension is a distant second to social security as a source of income, while income from assets ranks third, but this might be due to the fact that the study was carried out in a developed country. This also explains the inability of the government in setting up social security for the elderly in Nigeria. Also, the findings show that the sources of income from children are limited. This might be due to the economic situation in Nigeria.



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However, Olayiwola et al. (2013) observed in their study among the rural elderly in Ondo that an overwhelming majority of their subjects (>90%) aged ≥ 60 years were in the labour force, working to produce goods and services that contribute to national income. They argued that in relative terms, this demographic group of elderly contributes more to agricultural production than other groups in Nigeria. Even though this study was conducted in a peri-urban location, very few respondents still reported that they engaged in farming as their occupation.

Another finding shows that most respondents' expenditure was on food/feeding, followed by clothing. This finding contradicts a study by Walker and Schwenk (1991) perhaps because of the difference in the study areas. The researchers report that housing, food, transportation, and health care, in this order, takes the largest shares of the household budget for the elderly. Their study also reveals that more than half of the respondents personally own the house in which they resided. A study among the elderly in the United Kingdom also finds that more than half of the respondents (63%) live in their own homes; while 29% rent from social landlords; and eight percent (8%) rented from private landlords (ONS, 2005).

A key finding in this study is that many of the respondents are satisfied with their present QoL. Thomopoulou, Thomopoulou and Koutsouki (2010) also report a similar finding in a study conducted among the elderly. According to the study, their respondents aged 60-74 years old express satisfaction with their perceived QoL. A study by Bowling, Seetai, Morris and Ebrahim (2007) based on four Omnibus Surveys in Britain find that over 80% of people aged 65 years and above report good QoL. McGee, Morgan, Hickey, Burke and Savva (2005) note that older men and women in Ireland affirm having a good QoL. They claim that despite the adverse changes that occur with increasing age, older people typically report high levels of well-being. Most feel younger than their actual age and maintain a sense of confidence and purpose. This could probably explain the reason, despite being in Nigeria, more than half of the respondents in this study claim that their physical condition does not affect their QoL. Most of them are also of the perception that their physical condition does not affect their relationship with people; this is indicative of their social wellbeing.

The result of this study also shows that there is significant association between the respondents' gender and perceived QoL. Jacobsson and Hallberg (2005) state that there is a gender differential in the influence of cultural and socioeconomic habits on QoL. More of the elderly males were of the perception that they had a better



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QoL compared to their female counterparts. This means that the perceived QoL of respondents could be influenced by their gender. Thomopoulou et al (2010) also confirm this development in their study.

A significant association between the respondents' gender and their physical condition has also been confirmed. This proves that the respondents' gender can influence their physical condition as the more male respondents report that they are in good physical condition compared to their female counterpart. These findings could be due to the fact that in Nigeria most elderly women are illiterate and often engage in physically-stressing work in their youthful years; this is in addition to the long-term effect of many labours in the process of childbearing. Women seem to experience more stress than men (World Economic Forum, 2012).

Many factors influence the QoL of older people. Well-being in later life is associated with higher socio-economic status, financial security and better education (Pinquart and Sorensen, 2000). Social integration also plays a key role; QoL improves with having trusting relationships and social contact (Pinquart and Sorensen, 2000; Netuveli, Wiggins, Hildon, Montgomery and Blane, 2006). The result of this study shows that age, educational status and living arrangements (demographic variables) have significant effects on the QoL of the elderly. Respondents within age group 60-64 years appear to be five times more likely to have high QoL compared to those who fall between age group 65-69 years and above.

This finding is similar to what has been documented in other countries. For instance, some researchers have observed that the QoL has an inverse correlation with age; that is, the older one becomes, the worse the quality of one's life (Motel-Klingebiel, von-Kondratowitz and Tesch-Romer; 2004). Butler and Ciarrochi (2007) also confirm the finding that old age and its impacts (e.g. hormonal changes, disabilities, and psychological deterioration) enhance the dependence on caregivers and reduce the QoL of the elderly.

This study also reveals that the respondents who are literate are two times more likely to have high QoL compared to those who are illiterate. This finding agrees with what McGee et al (2005) observe. They state that the QoL increases in the older population with the level of education; those with a tertiary education have the best QoL, while those who have primary or no education tend to have the poorest. There was a significant relationship between the living situation of respondents and their QoL. It has been revealed in this study that respondents who live with people are two times more likely to have high QoL compared to those that live alone. This also aligns with the finding of McGee et al (2005) that older people who live with a spouse or others have a better QoL than those who live alone.



5. Conclusion

The study has identified that literate respondents are more likely to have high QoL compared to illiterates. Respondents living with people are more likely to have high QoL compared to those living alone. Furthermore, the health workers' unfriendly behaviour and cost of treatment are a major concern among respondents. Awareness on care of the elderly and special education for the elderly and their caregivers have been identified by the elderly respondents as ways to address their concerns.

The primary contribution of this study has been on the care of the elderly in Nigeria. Specific areas where individuals, communities, health professionals and policy makers could be involved in addressing the care and QoL among the elderly in the study area have also been identified. This contribution may be helpful in designing policies that address the challenges of old age, and adult health education and research.

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APPENDIX

Tables

Table 1: Respondents' socio-demographic information

N=600

Characteristics	No	%
Age group: 60-64	398	66.3
65-69	151	25.0
≥ 70	51	8.7
Sex: Male	337	56.2
Female	263	43.8
Occupation: Pensioner	230	38.3
Trading	157	26.2
Farming	72	12.0
Artisan	60	10.0
Civil servant	48	8.0
Religious leader	11	1.8
Politician	9	1.0
Doctor	6	1.0
Public school administrator	6	0.7
Lecturer	3	0.5
Private security officer	2	0.3
Lawyer	1	0.2
Highest Level of Education: No formal education	172	28.7
Primary education	89	14.9
Trade test	62	10.3
Secondary education	96	16.0
NCE	33	5.5



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	Diploma in Nursing/Midwifery	47	7.8
	Polytechnic (OND)	48	8.0
	Polytechnic (HND)	44	7.2
	Bachelor Degree	2	0.4
	Postgraduate Degree	7	1.2
Religion:	Christianity	343	57.2
	Islam	246	41.0
	Traditional African Religion	11	1.8
Ethnic group:	Yoruba	535	89.2
	Igbo	44	7.3
	Hausa	8	1.3
	Edo	7	1.2
	Middle belt ethnic minorities *	6	1.0

*Middle belt ethnic minorities includes: Kogi and Benue

Family related information



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Table 2: Family related information

Family related information		No	%
Marital status: (N=600)	Single/Not married	1	0.2
	Married	469	78.1
	Divorced	21	3.5
	Widowed	90	15.0
	Separated	19	3.2
Type of marriage: (n=469)	Monogynous	251	49.1
	Polygynous	218	29.0
Type of family living with: (N=600)	Living alone	75	12.5
	Nuclear	380	63.3
	Extended	145	24.2
Persons living with respondents			
in same house: (House components) (N=600)	Spouse & children	240	40.0
	Children only	94	15.2
	Spouse, children and extended family	85	14.2
	Tenants	67	11.2
	Extended family only	60	10.5
	Spouse only	46	7.6
	No one/Living alone	6	1.0
	Housemaid	2	0.3



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Table 3: Respondents' income and expenditure

		N=600	
Variables		No	%
Whether have monthly income (N=600):	Yes	373	62.2
	No	227	37.8
Sources of income (n=373):	Pension	197	52.8
	Trading/business	85	22.9
	Salary/wage/allowance	31	8.5
	Children	20	5.4
	Artisan work	16	4.3
	Farming	15	4.0
	Son-in-law	4	1.1
	Driving	3	0.8
	Private medical practice	1	0.1
	Begging for alms	1	0.1
Respondents' monthly expenses (n=373):	Food/feeding	203	55.4
	Clothing	63	16.4
	House keep/family needs	43	9.4
	Drug/Health care	20	7.0
	Children education/welfare	17	5.6
	Personal needs	10	3.2
	Re-invest into business	8	1.8
	Rent	5	0.7
	Electricity bill	3	0.4
	Fuel	1	0.1



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Table 4: Perceived quality of life among the respondents

N=600

Perceived quality of life*	Levels			
	Not at all (%)	A little extent (%)	To some extent (%)	To a great extent (%)
Satisfaction with present quality of life	107(17.8)	132(22.0)	200(33.4)	161(26.8)
Influence of physical condition on quality of life	386(64.4)	132(22.0)	59 (9.8)	23 (3.8)
Adverse influence of physical condition on relationship with people	492(82.0)	82 (13.6)	22 (3.7)	4 (0.7)
Effects of physical condition or health problem on your finances	261(43.5)	203(33.8)	103(17.2)	33 (5.5)
Trouble taking a walk	256(42.6)	186(31.0)	127(21.2)	31 (5.2)
Challenges pursuing hobbies or other leisure ones used to enjoy doing	301(51.6)	165(27.5)	94 (15.7)	31 (5.2)
Staying in bed or a chair most of the time during the day due to advancement in age	385(64.2)	150(25.0)	53 (8.8)	12 (2.0)
Have trouble sleeping	357(59.5)	163(27.2)	75 (12.5)	5 (0.8)
Have problem with self-care (i.e. increasingly rely on people to care for you)	358(59.7)	156(26.0)	66 (11.0)	20 (3.3)
Physical health condition often making ones unhappy	485(80.9)	68 (11.3)	26 (4.3)	21 (3.5)
Felt so sad that one's wondered if anything worthwhile within last one year	435(72.5)	119(19.8)	37 (6.2)	9 (1.5)
Felt so hopeless that one's wondered if anything worthwhile within last one year	472(78.7)	95 (15.8)	16 (2.7)	17 (2.8)

***Quality of life is personal satisfaction or dissatisfaction with the cultural, health or intellectual conditions under which one lives**



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Table 5: Gender differentiation in respondents' perceived quality of life

N=600

Perceived quality of life	Yes (%)	No (%)	df	X ²	P-value
Are you satisfied with your present quality of life:					
Male	+				
Female	288(85.5)	49(14.5)	1	5.691	0.02*
	205(77.9)	58(22.1)			
Does your physical condition affect your quality of life:					
Male	99(29.4)	238(70.6)	1		
Female	115(43.7)	148(56.3)		13.256	0.00*
Does your physical condition adversely affect your relationship with people:					
Male	51(15.1)	286(84.9)	1	4.280	0.04*
Female	57(21.7)	206(78.3)			
Is your physical condition or health a problem to you financially:					
Male	183(54.3)	154(45.7)	1	1.510	0.22
Female	156(59.3)	107(40.7)			
Do you have any trouble taking a walk:					
Male	181(53.7)	156(46.3)	1	4.128	0.04*
Female	163(62.0)	100(38.0)			
Do you have challenges pursuing your hobbies or other leisure which you used to enjoy doing:					
Male	159(47.2)	178(52.8)	1	0.409	0.52
Female	131(49.8)	132(50.2)			
Does your physical health condition often make you unhappy:					
Male	112(33.2)	225(66.8)		2.258	0.13
Female	103(39.2)	160(60.8)	1		
Do you have trouble sleeping:					
Male	122(36.2)	215(63.8)	1	5.894	0.02*



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Female	121(46.0)	142(54.0)			
Do you have problem with self-care (i.e. you increasingly rely on people to care for you):		+			
Male	131(38.9)	206(61.1)	1	0.682	0.41
Female	111(42.2)	152(57.8)			
Does your physical health condition often make you unhappy: Male	56(16.6)	281(83.4)			
Female	59(22.4)	204(77.6)	1	3.225	0.07
Have you ever felt so sad that you wondered if anything was worthwhile within last one year:		+			
Male	87(25.8)	250(74.2)	1	1.094	0.30
Female	78(29.7)	185(70.3)			
Have you ever felt so hopeless that you wondered if anything was worthwhile within last one year:		+			
Male	62(18.4)	275(81.6)	1	3.948	0.05*
Female	66(25.1)	197(74.9)			

*significant +Perceived positive QoL

Categories of Quality of Life (QOL) of respondents

Majority (90.1%) of the respondents had high quality of life while very few (9.9%) had low quality of life.

Table 6: Categories of Quality of Life (QOL) of respondents

N=600

Categories of Quality of Life (QOL)	No	%
High QOL (<15)	541	90.1
Low QOL (>15)	59	9.9



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The male-female differentiation in respondents' quality of life is depicted in Table 7. The proportion of males with high QoL was 89.9%. This was not significantly different from the females (90.5%)

Table 7: Male-female differentiation in respondents' QOL

N=600

Sex/gender	QOL		Subtotal	D f	X ²	P-value
	High (%)	Low (%)				
Male	303 (89.9)	34 (10.1)	337 (56.2)	1	0.057	0.81**
Female	238 (90.5)	25 (9.5)	263 (43.8)			
Total	541 (90.2)	59 (9.8)	600 (100.0)			

**Not significant (P>0.05)

Building the regression test started with the inclusion of all possible factors (independent variables) that could predict quality of life. However, those that were found not to be significant were excluded from the final analysis. Only those that were (significant) variables were included in the final model. There was a significant relationship between age and quality of life. Respondents within age group 60-64 were five times more likely to have high quality of life compared to those who fell between age group 65-69 and 70+ (OR: 4.9; 95% CI: 2.2-11.0). There was also significant relationship between respondents' educational status and their quality of life. Respondents who were literate were two times more likely to have high quality of life compared to those who were illiterate (OR: 2.5; 95% CI: 1.2-5.0). Furthermore, there was a significant relationship between living settings/situation of respondents and quality of life. Respondents who were living in company of family, relative, children, wife or husband were two times more likely to have high quality of life compared to those that were living alone (OR:2.2; 95% CI: 1.2-4.0).

Table 8: Regression results relating to the determinants of respondents' quality of life

	S.E.	Df	Sig.	OR	95.0% C.I for OR	
					Lower	Upper



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Selected covariates						
Age:						
(60-64)	0.415	1	0.00*	4.892	2.181	10.975
(65-69)	0.407	1	0.38	1.428	0.644	3.169
70+		2				
Educational status:						
Literate	0.356	1	0.01*	2.483	1.235	4.992
Illiterate		1				
Educational level:						
No formal education	0.356	1	0.31	0.403	0.200	0.810
Primary education	0.445	1	0.33	0.644	0.269	1.539
Secondary education	0.774	1	0.35	2.067	0.454	9.418
Tertiary education		3				
Living settings/situation:						
Living with people*	0.308	1	0.01*	2.168	1.184	3.968
Living alone*		1				
Monthly income status:						
Yes	0.342	1	0.27	1.459	0.746	2.854
No		1				

*significant

*living with people: staying with family members, relative, children, husband or wife

*living alone: staying alone at home without any person



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IMPACTS OF SOCIAL ENTREPRENEURIAL ORGANIZATION TO THE ENVIRONMENTAL PROTECTION AND DEVELOPMENT

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Abstract

Social entrepreneurship is not new, but has attracted little academic justification as a specialized sector that could be anchored on collaboration, environmental movement and social enterprise. This special area of entrepreneurship, often created in the form of "for profit," with revenues advancing societal interests rather than individual interests, and "nonprofit", focusing exclusively on advancing societal interests, are overlooked by dominant market theories. Meanwhile it works for social benefit rather than mere profits, generating a lot of social capital and voluntary hours to further sustainability in its social, economic and environmental ramifications. It seems to be obvious that the current business view has little concern about common, collective or public interest, a reason it appears to be neglecting social entrepreneurship. Given this situation, it becomes important to popularize and entrench social entrepreneurship. A convenient point to start is social entrepreneurship for environmental protection which developed with the innovation of environmental movements in different forms and interacts with diverse parties, private and/or public. As such, many environmental movements are exemplary of social entrepreneurship. Using descriptive and exploratory approaches and relying on secondary data and literature review, this article investigates this form of social entrepreneurship by exploring its structural and practical features.

Keywords: social entrepreneurship, social enterprise, NGO, non-profit, Charity

1. Introduction

Social entrepreneurial organizations are not new, but have received little attention as a specialized sector especially in terms of collaboration, environmental movement and social enterprise. Different scholars and stakeholders provide varied views on it. This might be because of the prevalence of the neo-classical economic model of business or the lack of knowledge about sustainability. But in the least, there is a consensus that social entrepreneurship is a special area of entrepreneurship which is created in response to social crisis or to take advantage of market opportunities where dominant market theories fail.

Social entrepreneurship adds value to the social economy by taking the form of "for profit" and "nonprofit" organisations. That it is for profit does not mean that individuals appropriate the profit, but



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rather that it makes profits channeled to societal needs. When designed as a non-profit organization, it goes without saying that it does not make profits for stakeholders or distribute the same to them. Thus, notwithstanding their form, social entrepreneurships work for social interests rather than profits.

The United Nations Development Program Human Development Report (2003) provides evidence that for many people on this planet, life remains grim, and hope for improving their situation is frail. Even if it cannot take people out of their hopeless situation, social entrepreneurship could reduce the harsh experience these people face around the world.

Social entrepreneurship in the area of environmental protection developed with the innovation of environmental movements in form of nonprofit, charitable or other forms of NGOs, aiming at flexibility and interacting with diverse stakeholders including private and public entities.

It is obvious that the current business model shows little concern about the common, collective or public interest. To address this problem, social entrepreneurship needs to become known and acceptable to stakeholders, as a complement to conventional business. Striving towards this might necessitate popularizing social entrepreneurship through academic channels.

The study reviews the existing theory of social entrepreneurship and explores the legal and practical features of environmental organizations as a form of social entrepreneurship. In view of this, it attempts to achieve two major objectives: clarify the concept and practices of social entrepreneurship by defining and exploring its trend, intent and area of activities; and explore the legal and practical features as well as the impacts of environmental organizations as social entrepreneurship. As such, the key questions it attempts to answer are: What is social entrepreneurship? What are the potential gaps of existing theory of social entrepreneurship that need to be addressed? What is the form of environmental social entrepreneurship?

2. Methodology

This paper employs the descriptive and exploratory approaches. It uses secondary data from the literature and conducts a literature review.

The research has accumulated data from secondary sources. Data have been collected from the official websites of the top 25 environmental organization in the world, a list of which is on file with the



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author. The research also presents the quantified result, pictures, graph and other works from different authentic research institutions, journals, books and surveys made by other scholars related with the research purpose.

The literature review explores the concept of social entrepreneurship and shows how this concept fits into the organization of environmental movement as a form of social entrepreneurship. Besides, the role of environmental organizations and how they interact with parties are also studied.

3. Theoretical Approach

The World Commission on Environment and Development (1987) defined sustainable development (SD) as development that meets the needs of the present generations without compromising the ability of future generations to meet their own needs. It appears that this definition is the mission of environmental social entrepreneurship. As such, it guides their form and activities.

Although social entrepreneurs are characterized by very special traits, a firm ethical fiber (Drayton, 2002) and special leadership skills (Thompson, Alvy&Lees, 2000), entrepreneurship as a process that fosters social progress has only recently attracted the interest of researchers (Alvord, Brown & Letts, 2004; Dees & Elias, 1998). One group of researchers define social entrepreneurship as not-for-profit initiatives in search of alternative funding strategies or management schemes to create social value (Austin, Stevenson & Wei-Skiller, 2003). Other authors (Sagawa &Segal, 2000; Waddock, 1998) understand it as the socially responsible practice of commercial businesses engaged in cross-sector partnerships. Some other researchers (Alvord et al., 2004) view it as a means to alleviate social problems and catalyze social transformation. Although all these authors perceive social enterprise from the point of social orientation, the social purpose also directly or indirectly relates to environmental sustainability.

Busenitz et al. (2003) doubts the risk that social entrepreneurship may never gain the consensus and legitimacy that academics seek and may be viewed merely as a venue in which other disciplinary perspectives such as psychology, social change, economic system etc. may be tested rather than the traits, model, scope and area of social entrepreneurship itself. Most existing studies on social entrepreneurship are case-based, applying diverse research designs and methods and introducing insights from other



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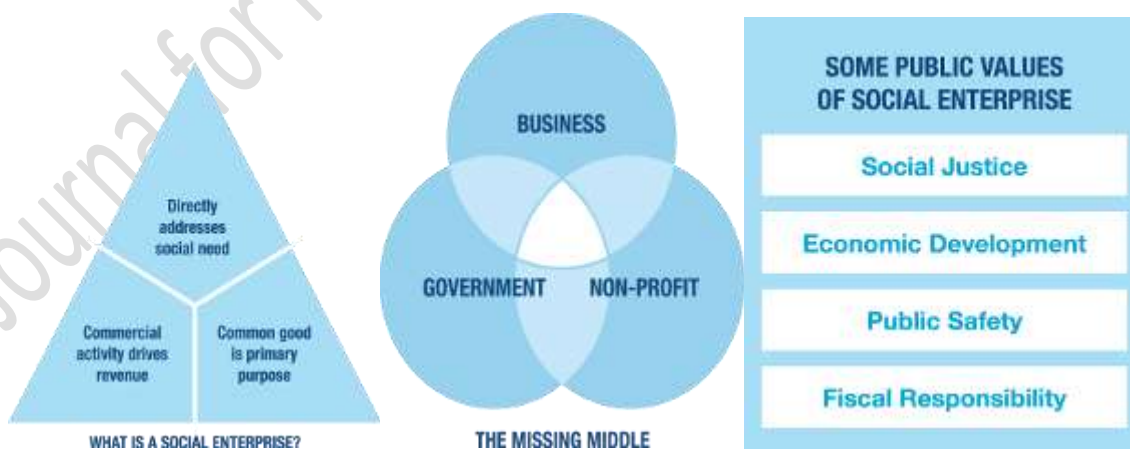
disciplines, hence the reason the term, social entrepreneurship, has taken on a variety of meanings (Dees, 1998).

Gentile (2002) argues for three aspects of business activities that should determine social entrepreneurship enterprise:

- Purpose, both in societal and business terms
- Social context (the legitimate rights and responsibilities of multiple stakeholders need to be considered by management and the proposed strategy needs to be evaluated for both financial returns as well as broader social impacts) and
- Metrics, the measurement of both social performance and profitability for both short and long term frames.

Social entrepreneurship basically contributes to the social economy. Nonetheless, it does not stand alone in this regard. Private corporations, through corporate social responsibility, and governmental initiatives, for example social service through public universities and healthcare, also contribute to the social economy.

The social enterprise alliance identifies social entrepreneurship as the missing middle, between for profit and governmental organization, which intends to advance social and human justice agenda. This directly relates to environmental sustainability which focuses on the interests of the future generations. This is better illustrated in the following chart:





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source:<https://www.se-alliance.org>

How do we distinguish social entrepreneurship from commercial entrepreneurship? Austing, Stevenson and Wei-Skiller (2006) define social entrepreneurship as innovative and social value-creation. They offer four variables that differentiate between social and commercial entrepreneurship:

- Market failure- creates different entrepreneurial opportunities for social entrepreneurship and commercial entrepreneurship
- Mission- results in fundamental differences between social entrepreneurship and commercial entrepreneurship
- Resource mobilization- requires different management approached in social entrepreneurship and commercial entrepreneurship
- Performance measurement- social entrepreneurship necessitates the measurement of social value in addition to commercial value

Venkataranman (1997) depicted that traditional entrepreneurship sees the creation of social wealth as a byproduct of economic value created by the entrepreneur, an act considered the primary objective in social enterprise. Economic value creation, in the sense of couching at least a part of the created value in financial terms, is often limited, mainly because the “customers” social enterprise serve may be willing but are often unable to pay for even a small part of the products and services in cash value. Containing the gist of the definitions, scope and structural differences, the definition by Mook et al (2010) is more specific. They describe how the social economy creates social value and economic aspects. According to them, organizations in the social economy can be outlined in two categories.

1. Non-profit (profit not for individual rather than for common and further expansion); and
2. Cooperatives

In all, there appears to be little conceptual development in the area of social entrepreneurship especially in environmental movement, and among the organizations working for environmental protection and development. But those organizations are playing a vital role in environmental



development, and this might be acknowledged and developed as social entrepreneurship for the greater social development.

4. Overview of Environmental Entrepreneurship

Since it lacks a proper identity and policy framework, social entrepreneurship in general remains vague. The closest concepts to social entrepreneurship that have been thoroughly explored, hence having a proper identify, are social innovation and social entrepreneurship in socio-economic sectors, particularly on issues like economic development, employment creation, community development, social enterprise and cooperative sectors. But environmental social entrepreneurship primarily focusing on environmental protection in forms of non-profitable (association, foundation, trustee) or charitable organizations are not recognized as social entrepreneurship. A majority of stakeholders, practitioners and authors treat those activities as social movements, pressure groups and somewhat expanded political movements like Green Peace, Green Party and Marxist Socialism. It appears that this is because those social entrepreneurs are misconstrued.

Meanwhile, these environmental social entrepreneurs produce a lot of volunteer and paid labor, accumulating social capital through non-capitalistic movement, hence contributing to the social economy. They create social development in different sectors especially in social justice, public safety and environmental protection, which are neglected or not well managed by the corporations and the state. *Burke and Shear (2014) argue that scholarship should emphasize these non-capitalistic organizational activities. They also warn if these activities are not studied and properly engaged, they could turn into radical institutions of socio-structural changes.*

4.1.Impacts of Social Entrepreneurship on Environmental Sustainability

Social entrepreneurs always look for the fulfilment of social demand. Although the study on social entrepreneurship is growing, social entrepreneurs' impacts on environmental sustainability still have a large scope.

Social entrepreneurs work for environmental sustainability through the organizational structures of social movement. Social movement theory normally examines how activists elicit and marshal



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popular support to mobilize the public political process to influence legislation, regulation and judicial interpretations to institutionalize new sets of norms (Della Porta and Diani, 2006) because the state acts as the agenda target of social activists (Davis, McAdam, Scott and Zald, 2005).

Nowadays, pursuing corporate behavior is an important trend of social activists. This is why scholars have expanded social movement theories to encompass forms of private politics by examining how social activism influences corporate behavior (Briscoe and Safford, 2008; Davis et al., 2005; King, 2008; McAdam and Scott, 2005; Schneiberg and Lounsbury, 2008).

4.1.1. Private politics

Targeting companies with shareholder resolutions to influence decision-making (Gillan and Starks, 2007), consumer boycotts and protests have been conceptualized as private politics (Baron, 2003; Baron and Diemeier, 2007). From the mid-1980s, institutional investors, NGOs and unions began to play an increasingly prominent role in this private politics (Gillan and Starks, 2007) with a scope of different issues ranging from executive compensation and labor rights to environmental responsibility (Slater, 2007).

The Carbon Disclosure Project (CDP), a London based NGO that represents more than 300 institutional investors with a combined \$57 trillion in assets under management, pursued 500 index companies to disclose information about their company-wide greenhouse gas emissions (Reid and Toffel, 2009).

4.1.2. Public politics

Social activist organizations engage simultaneously or consecutively in private and public politics (Baron and Diermeier, 2007; Dalton, Recchia and Rohrschneider, 2003; Den Hond and de Bakker, 2007). Baron (2003) claims that private politics often takes place in the shadow of government.

Sometimes, social entrepreneurship as a self-regulatory body design environmental, administrative and conformance requirements (Darnall and Carmin 2005). For example, the Marine



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Stewardship Council was formed through the collaboration of corporations, stakeholder groups, and International Organization for Standardization (ISO).

William Foster Lloyd (1833) and Garrett Hardin (1968) have employed ‘the tragedy of commons’ as a powerful metaphor for the problems inherent in self-regulation. The contribution of Hardin is most relevant to the contemporary discourse.

Hardin (1968) claims that the inherent logic of any commonly held resource remorselessly leads to ruin. His thesis could be extended to the self-regulation of any shared resource. Ostrom (1990) makes some modifications to this thesis, depicting how it best applies to commonly held resources such as water, forests and fishery. More recently, Nash and Ehrenfeld (1997) have added flesh to this modified thesis by describing how the Bhopal disaster and the Exxon Valdez oil spill intensified public pressure on industry to change not just its practices but its underlying values. Illustrating the implications of common resource challenges, Burke and Shear (2014) claim that we see the crises in the gendered and racialized divisions of labor, uneven distribution of economic benefits and environmental toxins, and in response to the growth of environmental and economic justice movements.

4.2.The Evidence: Prominent Social Entrepreneurial Organizations in Environmental Movement

World Wildlife Fund (WWF) was created by few committed individuals that signed the declaration known as the Morges Manifesto in 1961. WWF has grown to become one of the world’s largest and respected independent conservation organizations working in 100 countries and supported by 5 million people. It has focused on single species and individual habitats in line with an ambitious strategy to preserve biodiversity, hence contributing to sustainable development across the globe.

The Earth First was founded in 1979 with a different strategy: to make small groups from grassroots deliberate action to protect the environment. It employs diverse strategies ranging from grassroots activism and involvement in the legal process to civil disobedience. It emphasizes education in attracting attention to environmental concerns and dissuading people and corporations from destroying the earth.



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Greenpeace is an independent global campaigning organization that works to bring changes in attitudes and behavior to protect and conserve the environment and to promote peace. Greenpeace was founded in Vancouver in 1971 and today operates in more than 40 countries with headquarters. It has over 90,000 supporters only in Canada and more than 2.9 million members around the world, representing it at virtually every international environmental conference. It couched one of the longest banners and touchy word cliché: “When the last tree is cut, the last river poisoned, and the last fish dead, we will discover that we can't eat money” (see <http://www.greenpeace.org/canada>).

National Wildlife Federation (NWF) is an American environment protection organization established in 1872 and boasts over 4 million supporters and 49 state affiliates. It is the voice of conservation for diverse constituencies that include different classes to lead the next generation of habitat stewards (see <http://www.nwf.org/Who-We-Are/History-and-Heritage.aspx>).

Natural Resources Defense Council (NRDC) is an effective environmental action organization founded in 1970 in America by a group of law students and attorneys. It uses law, science and its supporters of 1.4 million and social media activities to protect the planet's wildlife, and to ensure a safe and healthy environment for all living things. Currently it has a staff of more than 300 lawyers, scientists and policy experts (see http://www.nrdc.org/about/who_we_are.asp).

One Percent for the Planet was founded in 2002 by Yvon Chouinard, with the belief that good business needs to protect natural resources that keep it in business. It has grown into a global movement of more than 1200 member companies in 48 countries, all donating at least one percent of annual sales to sustainability initiatives within 10 years. In total, companies affiliated with One Percent for the Planet have given more than \$100 million for environmental sustainability (see <http://onepercentfortheplanet.org>).

Green America is a not-for-profit membership organization founded in 1982, run by the name "Co-op America" until January 1, 2009. Its mission is to harness economic power to create a socially just and environmentally sustainable society (see <http://www.greenamerica.org/about/>).

World Business Council for Sustainable Development (WBCSD) is a CEO-led organization that believes that business has an inescapable role to play in sustainable development. It is a forward-thinking company that galvanizes the global business community to create a sustainable future for business,



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society and the environment. Its membership is open to companies committed to sustainable development and to promoting the role of eco-efficiency, innovation and corporate social responsibility. WBCSD takes a unique approach to developing publications and tools that are created with extensive input from and road tested by member organizations, presenting proven results focusing on the areas, sector projects, systems solutions and capacity building. Currently it has an alliance of nearly 60 CEO-led business organizations united by a shared commitment to providing business leadership for sustainable development in their respective countries or regions (see <http://www.wbcd.org/about.aspx>).

Due to the failure of the Rio Earth Summit to produce an agreement to stop deforestation, a group of businesses, environmentalists and community leaders created the Forest Stewardship Council in 1992. They gathered their first general assembly in 1993 in Toronto, Canada and made the policy to work based on voluntary, market-based approach to improving forest practices worldwide. FSC operates in more than 80 countries, wherever forests are present (see <https://us.fsc.org/our-history.180.htm>).

Rainforest Action Network, founded in 1985, campaigns for forests, their inhabitants and the natural systems that sustain life by transforming the global marketplace through education and grassroots organizing. It works in 60 countries to protect the rainforests and their inhabitants through financial contributions and networking services, supporting the efforts of indigenous and environmental groups in tropical countries to achieve ecologically sustainable solutions within their own regions (see <http://www.ran.org/our-mission>).

Heal the Bay was founded in 1985 by a group of people in Los Angeles. It now has 50 staff working with 10000 members. It employs research, education, community action and advocacy to pursue the mission of safe, healthy and clean beaches. At the moment, it has an average of 15,000 people working to clean more than 50 sites in both coastal and inland areas, each year in the Los Angeles County alone (see <http://www.healthebay.org>).

Friends of Earth International (FoEI) is a combination of four organizations from different countries, founded in 1971. There are now 74 Friends of the Earth member groups campaigning locally, nationally and internationally to protect the environment and create sustainability. They have a united common ground that environmentally sustainable development requires both strong grassroots activism and effective national and international campaigning. The number of members and supporters of FoEI



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was more than two million in 2008, and its partners united more than 5,000 local activist groups. It has approximately 1,200 staff members (see <http://www.foei.org/about-foei/history/>).

Worldwatch is an independent research institute founded in 1974 by Lester Brown. The institute is devoted to global environmental concerns. It is recognized by opinion leaders around the world for its foresight and fact-based analysis. Worldwatch develops innovative solutions to inflexible problems, focusing on government leadership as well as private sector enterprise and citizen action that can create a sustainable future (see <http://www.worldwatch.org/mission>).

With the mission of saving wildlife and wild territories across the globe, the Wildlife Conservation Society was founded in 1895. It currently works in more than 60 countries, managing about 500 conservation projects and educating millions of visitors on important issues affecting the planet at five living institutions in New York City. It has 200 scientists managing 200 million acres of protected lands around the world (see <http://www.wcs.org/about-us.aspx>).

National Geographic Society was founded in 1888 and has become one of the largest nonprofit scientific and educational organizations in the world. Until now, it has funded more than 11,000 scientific researches all over the world in conservation and exploration projects. It uses various media vehicles to perform its activities and increase its public to more than 600 million people monthly. Its publication, "National Geographic," provides commentaries that are considered among the most important for conservation (see <http://press.nationalgeographic.com/about-national-geographic/>).

The Sierra Club is a radical environment protection organization, founded by John Muir in 1892. It is now the largest and most influential grassroots environmental organization with more than 2.4 million members and supporters. It has mandates to protect millions of acres of wilderness by helping to pass the Clean Air, Water and Endangered Species Act. (see <http://www.sierraclub.org/about>).

Audubon's is a powerful organization working through the field of science, education and policy on issues ranging from protection and restoration of local habitats to the implementation of policies of wildlife and other relevant resources across the Americas. It is the US's most popular conservation magazine to introduce all ages to the wonders of nature (see, <http://www.audubon.org/about-us>).

There are many more social entrepreneurships having environmental mandates. Some of them may be mentioned briefly. Environmental Life Force (ELF) was founded in 1977 by John Hanna in the



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UK and works as a leader among environmental protection organizations (see <http://earth-liberation-front.com/>). Labrador Fishermen's Union Shrimp Company (LFUSC), the St. Anthony Basin Resources Incorporated (SABRI), and Fogo Island Fisheries Co-operative Society Ltd are other examples of sustainable social entrepreneurial organisations providing different kinds of environmental protection support to marginalized people. They protect some that are displaced from land, tradition and culture. These organizations are involved in activities such as sports, education and environmental development while also generating employment (Foley, Mather and Neis, 2013).

There are other neo-environmental social enterprenurships in that these organisations have the essential features of a social enterprise but also perform other functions not essentially inherent in a social enterprise. At the national level, the world's foremost and largest neo-social entrepreneurship working for environment protection is the US's Environmental Protection Agency, founded in 1970 (see <http://www2.epa.gov/aboutepa/origins-epa>). This organisation has been in the forefront of environmental protection activities in the US. Its activities have included conducting public consultations, investigations, and hearings. At the international level, the Intergovernmental Panel on Climate Change was created in 1988 by the World Meteorological Organization and the United Nations Environment Program to prepare the ground for strategy formulation based on available scientific information, assessments on all aspects of climate change and its impacts. The organization was awarded the Nobel Peace Prize in 2007 for its contributions. The IPCC provides periodic Assessment Reports. Assessment Reports provide a clear and up to date view of the current state of scientific knowledge relevant on climate change (see, <http://www.ipcc.ch>).

5. Conclusions

From the discussion so far, the activities and impacts of social entrepreneurial organizations to the society, people and public policy form the body of evidence showing that social entrepreneurship is doing a great job in its environmental protection efforts. Most of the social entrepreneurship are organized by individuals or non-governmental organizations in form of non-profit entities, often dubbed "foundations," "associations," "trustees," and "charities." Their impacts on their areas of focus, like environmental protection, could be greater than that of the state, and go beyond geographical boundaries



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if properly acknowledged and supported by stakeholders. Stakeholder in this instance include state, non-state and economic actors.

In any case, in view of a lack of proper conceptual and practical framework, social entrepreneurship is still vague. The result is that social entrepreneurs are not recognized, and have not taken their spot in the society. The society continues to neglect the benefits these organizations could bring into the society.

As such, it might add academic and policy values if experts delve into these elements of social entrepreneurship. A comfortable point to start is by, philosophically and structurally, ascertaining how social entrepreneurship could impact on environmental and socio-economic concerns. That the scholarship produced as a result of this could be used as a policy guideline for legislators in developing programs and policies to attract entrepreneurs and increase the popularity of social entrepreneurship cannot be overemphasized.

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SERVICE QUALITY PERCEPTIONS: A COMPARATIVE STUDY BETWEEN ISLAMIC BANKS AND CONVENTIONAL BANKS IN BANGLADESH

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Abstract

Commercial banks play a significant role in the economy, making up one of the biggest provider of services and corporate social responsibility (CSR) and working as a social partner in the economy of Bangladesh. Hence, providing better service quality is vital, first, because it gives banks a competitive advantage, and eventually, because it can maximize the proper utilization of human and capital resources as well as initiate sustainable economic development. The aim of this study is to examine the service quality from the perspective of bank customers by conducting a mean comparison of all dimensions between Islamic banks (IB) and conventional banks (CB) of Bangladesh, comparing the ranking for IB and CB based on customers' perceptions, and lastly to identify the similarities between IB and CB based on customer preference. A sample of retail banking customers from IB and CB was surveyed through a set of questionnaires. The proposed scale is called service quality (SERVQUAL) and comprises 33 items named with six dimensions: Compliance, Assurance, Reliability, Tangible, then Empathy and Responsiveness (CARTER). By collecting data from a sample of 165 customers, researchers conducted a comprehensive profile analysis, mean average, SERVQUAL scores, ranking of attributes etc. The study indicates that when the mean comparison for all 6 dimensions is generated, compliance issues are very important for IB customers, while the same cannot be said for CB customers, who give more importance to Assurance and Reliability.

Keywords: Islamic banks, conventional banks, SERVQUAL, CARTER

1. Introduction

Service quality is commonly defined as a strategy employed by a firm to attain its service objectives, which in turn is related to the achievement of the firm's business objectives. In other words, service quality refers to the service goals and action plans that address matters of product/service price, distribution, communication, and the process of new product development. The adaptation of any strategy depends much on factors such as management style and experience of the top management, age of the institution, economic environment, and regulations. Generally, we can safely identify whether a



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particular bank is a market leader, challenger, follower and nicer by identifying its vision, mission, objectives, and service strategies.

The market leader strategy is for those banks that occupy a dominating position in the market and have established their reputation as a leader. By virtue of having a leadership in the market, it is natural that the market share of the concerned bank is the biggest. Banks belonging to the challenger group are those occupying second, third and lower ranks, and are always formulating and pursuing strategies to expand their market share by targeting the territory of the market leader. Whereas, strategies adopted by the market followers would normally be to maintain their current customer base and win a fair share of new customers by bringing distinctive advantage to their target market.

Commercial banks form the largest and are the country's most important group of financial institutions. With stiffer competition among domestic and foreign banks, therefore, it is important for the commercial banks in Bangladesh to improve the quality of their services. The better the services, the better the customer satisfaction. Through providing better customer services and corporate social responsibility, banks could easily improve their productivity as well as contribute to the sustainable development of the economy. With increase in consumer preferences toward banking products, consumers can choose the banks that give them the best service quality. As globalization and liberalization of financial institutions accelerate, competition among banks in offering products and services becomes more intense.

The service sector in most countries, as a dominant sector, has replaced other sectors. With the increase in the share of services came increased consumer concerns over the perceived deterioration of service quality (Mersha and Adlakha, 1992). Several studies have found a positive relationship between service quality and customer satisfaction, some providing modeling and measurement scales for customer behavior. Examples include, SERVQUAL from Parasuraman *et al.* (1985) in the field of service quality determinants, Kano *et al.*'s (1984) model, and Johnston's (1995a) work in determining the effects of service quality factors, Liljander and Standvik's (1993) and Johnston's (1995b) work in the field of disconfirmation theory and zone of tolerance, and finally Johnston's (1997) work in identifying the critical determinants of service quality.



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As the banking industry grows, competition among banks in offering products and services becomes more intense. In addition, customers become more sophisticated and demanding. Therefore, the importance of service quality becomes more pressing. Hence, Islamic banks and conventional banks in Bangladesh have to think strategically by providing high quality products and services to satisfy their customers. In order for these banks to provide high quality products and services, they first need to investigate the level of customers' perceptions and expectations to their service quality. Through that information, they could then strategically adjust their service quality toward customers' satisfaction.

At the moment, bank officers pay little attention to service quality. It is unfortunate that many commercial banks and their officers still provide poor services. For example the time allocated for every transaction is too long, leading to long queues. Cronin and Taylor (1992) and Brown and Swartz (1989) opine that customer satisfaction and service quality are distinct but interrelated concepts, but their relationship seems not to be clear. Therefore, it is undeniable that there are certain banks that can do their work faster than others, but they are still few in number. Regarding quality, it is known that quality is sought by all organizations especially in the service sector.

The Customer Relation Advisor (CRA) is the most visible representative in banking institutions (Enis 1980; Crosby *et. al.*, 1990). In Crosby *et. al.*'s (1990:68) words: "frequently the service salesperson (customer relation advisor) is the primary – if not sole – contact point for the customer both before and after the purchase". Consequently, the firm's sales force is critical to its service delivery process (Shepherd 1999). At the same time, salespeople (customer relation advisors) are exposed to greater ethical pressures than individuals in many other jobs. They work in relatively unsupervised settings; they are primarily responsible for generating the bank's revenues, which at times can be very stressful, and they are often evaluated on the basis of short term objectives (Wotruba 1990).

It can happen that a customer relation advisor behaves unethically when interacting with different stakeholders such as customers, competitors or their employer. However, in the hierarchy of stakeholder importance, it appears that the CRAs regard ethical transgressions against customers as being more serious than any controversial actions taken against competitors or employers (Chonko and Burnett 1983; Chonko and Hunt 1985). When competition intensifies and banks start to offer more or less similar products and services, it is the customer's perception of satisfactory service provided by the customer



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relation advisor that can influence the performance of the banks and determine its competitiveness and success.

The need to be customer-focused in the rapidly changing service environment has never been more important for banks and financial services institutions than it is nowadays. However, under the present circumstances, where customers are becoming more demanding and increasingly mobile between competing financial providers, being customer-oriented is not enough. Banks and more specifically their contact employees need to be perceived by their customers with satisfaction.

The main purpose of this study is to compare Islamic banks and conventional banks based on customers' perceptions of service quality. The specific objectives of this study are:

- i) To examine customers' perceptions and expectations towards the quality of services provided by Islamic banks and conventional banks in Bangladesh;
- ii) To identify the problems related to providing quality service in the sample organizations;
- iii) To suggest some recommendations for addressing the identified problems.

2. Literature Review

The issue of service quality banking is under-researched. Specifically, there is a lack of published literature on the comparative analysis of Islamic and conventional perspectives on service quality as applicable to the banking sector.

Two quite distinct meanings of quality are relevant in the service context. The first of these relates to the attributes which help to define the nature of a particular service, and the second usage is a qualifier in assessing or measuring such an attribute (Nightingale, 1986; Lovelock and Wright, 2002; Zeithaml 1996). Furthermore, Nightingale (1986) and Brown and Swartz (1989) opine that quality lies in the eyes of the beholder. So, different people will hold different perceptions on the attributes of a service and regard different service characteristics as more or less desirable. Here are two approaches that capture the essence of the word.

According to Cronin and Taylor (1992), service is an act or performance offered by one party to another. Although the process may be tied to a physical product, the performance is essentially intangible and does not normally result in ownership of any of the factors of production. Services are economic



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activities that create value and provide benefits for customers at specific times and places, as a result of bringing about a desired change in or on behalf of the recipient of the service.

Organizations that focus on continuous improvement motivate employees to achieve quality output, and focus on satisfying customers' needs are found to have a competitive edge (Joiner, 2007). Service strategies emphasize the need to provide customers with high value service through improvements in efficiency by way of eliminating waste, non-value added activities/cost and reducing lead times at all stages of services (Chenhall, 1997). Customer- focused activities such as those associated with conformance quality, product reliability, and on-time delivery (Kim & Miller, 1992) are important capabilities for competitiveness in the manufacturing firms.

Most studies report a positive relationship between service strategies and performance (e.g., Brah, Lee, & Rao, 2002; Hendricks & Singhal, 2001; Ittner & Larcker, 1997; Joiner, 2007; Kaynak, 2003). In the banking industry, the study on service quality has been undertaken by Yavas et. al. (1997), Bahia and Nantel (2000); Lassar et. al. (2000); Duncan and Elliott (2002); Jabnoun and Al-Tamimi (2002); and Arasli et. al. (2005). In the study of service quality in the banking sector in Turkish banking, Yavas et. al. (1997) focused on the relationship between service quality on consumer satisfaction, complaint behavior and commitment. Their study found that overall service quality was a significant determinant of customer satisfaction, complaint behavior and commitment.

Bahia and Nantel (2000) suggested alternative scale for the measurement of perceived service quality in retail banking. Their study found that when comparing BSQ dimensions and SERVQUAL, it seemed that BSQ dimensions were more reliable than SERVQUAL. On the other hand, Lassar et. al. (2000) studied service quality using two major service quality constructs, SERVQUAL and Technical/Functional Quality models to the private banking industry. They found that Technical/Functional Quality-based model of service quality is better suited compared to SERVQUAL-based model. On the other hand, Duncan and Elliot (2002) explored the relationship between customer service quality and financial performance in Australian banks and credit unions. They found that there was significant relationship between financial performance and customer service quality scores.

Jabnoun and Al-Tamimi (2002) examined service quality at UAE commercial banks using the model and included thirty attributes in the five dimensions of SERVQUAL. When they tested the



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developed instrument for reliability and validity, they found that the instrument had only three dimensions.

Arasli et. al. (2005) studied service quality perceptions of Greek Cypriot bank customers using the model. They, however, extended the study by looking at the relationship between service quality, customer satisfaction and positive word of mouth. They found that the expectations of bank customers were not met where the largest gap was obtained in the responsiveness-empathy dimension. In addition, the reliability attributes had the highest effect on customer satisfaction, which in turn had a statistically significant impact on the positive word of mouth.

In Islamic banking study, Othman and Owen (2001) adopted a model known as CARTER model to study customer service quality. They proposed six dimensions; Compliance, Assurance, Reliability, Tangibles, Empathy and Responsiveness. Thirty-four attributes were included in these six dimensions. Their study focused on Kuwait Finance House and found that the CARTER model to measure service quality in the Islamic banking industry was valid.

3. Data and Methodology

The conceptual foundation and theoretical applications constitute the core of the subject matter. The concepts and techniques in current use by the organizations are introduced in generic terms and then explained in details. A significant feature of the study is the use of primary information as well as secondary information. A self-rating instrument of service quality, first developed by Parasuraman, Zeithaml & Berry (1988) is adapted to measure service quality performance.

Respondents are asked to evaluate their service quality performance for the past 3 years against average service quality performance using a Likert scale ranging from 1 (much worse) to 7 (much better). Respondents were asked about customer satisfaction towards physical appearance, reliability of service delivery, level of staff responsiveness in attending to customers, staff competency in carrying out tasks, staff skills, and service accuracy. Secondary data, namely, annual reports of the sample organizations, related books, journals, and magazines etc. were consulted for the theoretical development of the study. The study adopted a service quality model called CARTER as proposed by Othman and Owen (2001) to measure service quality in Islamic banking in Malaysia. The collected data and information have been



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analyzed and examined critically through quantitative analysis such as mean average, SERVQUAL scores, ranking of attributes etc. in order to make the study more informative and useful to the researchers, academicians, and management. The questionnaire designed for this study was based on the widely accepted SERVQUAL model. A total of 33 attributes were categorized under six dimensions as found in Table 1.

Several limitations of this study should be emphasized. First, to measure the variables, respondents were asked to rate subjectively on a seven point Likert scale. These evaluations are subject to personal bias and judgment errors. To address this, future research should include data collection from multiple sources. Second, this study provides a cross-sectional picture at a single point in time, which means the recommendations are applicable only if external variables are unaffected. Nonetheless, the findings of the consequences of customers' satisfaction on service quality performance do shed light on the understanding of the impact of service strategies. Third, the sample was drawn from a single industry, the banking sector. Although this sampling frame allowed for the control for environmental factors and the provision of results applicable to other major sectors, the findings may not be generalizable to other financial/non-financial sector organization. Replication of this study by further research on banks in other countries and in different government jurisdictions would help to determine the generalizability of the combined influences of customers' satisfaction and service capabilities on the important banking sector issue of service quality.

4. Results and Discussion

One hundred and sixty-five questionnaires were successfully collected from the 200 that were distributed, giving an 82.5% response rate. Roscoe (1975) has asserted that for most studies, a sample size between 30 and 500 would be sufficient. The analysis of the demographic profile of the respondents is shown in Table 2.

The analysis of the respondents' demographic profiles reveals that most of the respondents were male, making 110 (66.67%), while for the age category and particularly the number of respondents' with age between 20-29 years old, 68 (41.21%) was the highest. Most of the respondents were single, 87 (52.73%) respondents. Bangladeshi constituted highest respondents' race with 152 (92.12%)



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respondents, while the rest includes Bidayuh and Hindu who were 13 (7.88%). In terms of level of education, 133 respondents (80.61%) stated having Master's degree. Most of the respondents work in the Islamic banking sector, totaling 85 (51.51%); and 80 (48.49%) work in conventional banking sector.

4.1. Mean Comparison

Mean comparison can be utilized to disclose the strength of respondents' answer to every item in each dimension included in the questionnaire. In other words, by finding the mean value for each item, we can infer respondents' preference strength. As we see from Table 3, compliance, assurance, tangibility and responsiveness carry 5 attributes each while reliability and empathy carry 4 and 9 attributes respectively. All of the compliance attributes carried the highest mean value, 7.0 and ranked 1 under the Islamic banking industry in Bangladesh. Ethical policy follows highest mean value of 6.83, and highest ranking of 5 under conventional banking industry. In fact, no financial support for countries and companies with poor human rights record follow the lowest ranking, 29, under conventional banking activities in Bangladesh. Under the assurance dimension, the attributes of politeness and friendly staffs has been given the highest mean value, 7.0 and ranked 1, under the Islamic banking industry. The attributes of knowledgeable and experienced management team have given the highest priority in conventional banking. Security of transactions followed highest mean value, 7.0, and rank 1 in the area of Islamic banking industry under reliability dimension. Table 3 provides for the mean values and ranking of the items in the six dimensions.

Convenience and "more tills open at peak time" occupy the highest mean value, 6.87, and highest rank also under the area of conventional banking. Likely, confidence in office management shows the highest mean value, 6.88 and 6.87 in Islamic banking as well as conventional banking, under the area of empathy dimension. Considering responsiveness issue, the attributes of availability of credits/services on favorable terms carry the highest mean value, 6.87, 5.95, and highest rank also under Islamic banking and conventional banking.



4.2.Comparing the Ranking

After analyzing the differences in the mean values in establishing the most preferred items in customer preferences in relation to service quality, comparing the ranking of the mean value is also important, as it provides an understanding of how the customer prioritizes the items. Such prioritizing can render further meaning between the banks. By referring to Table 4, the highest item preferred by customers is listed to the ten highest items in each of the industry. On the other hand, the lowest five attributes of each industry are listed in Table 5. The highest and the lowest items were listed to find out which items are more preferred and which items are less appreciated by customers for each service industry. From Table 4, some crucial points can be inferred: First, customers' ultimate motive to deal with Islamic Banks is because of its religious motivation. From the analysis of Table 4(a), this can be seen from first rank of seven attributes, those are dominated from religious principles, rather than quality services. It is interesting to note that confidence in bank management as a proxy of quality service offered by the bank only falls at the second ranking. Side by side, the most undesirable attributes, Table 5 (a), of Islamic banking industry are overdraft/credit privileges (rank 20), knowledge of customers of business or willing to help (rank19), etc.

From these ranking criteria, we may deduce that the customers appreciate Islamic banks for their religious provisions rather than the service quality offered. Secondly, customers of conventional banks tend to prefer to deal with the banks for its quality services. Customers appreciate the conventional banks not just because they are run based on ethical value, but mostly due to its quality services, Table 4(b). This can be seen from their preference of knowledge and experienced management team (rank 1), provision of financial advice (rank 2), confidentiality of organization (rank 3), undesirable attributes, Table 5(b), such as overdraft/credit privileges (rank 30), lower service charge (rank 27), etc. However, it is worth noting that the customers also appreciate the bank because its operations are based on ethical values (ranking 5).



4.3. Similarities of Preference

Table 6 shows the similarities of customers' preferences in the service industry. The following results can be inferred. Although there is a distinct behavior of customers of those industries in regard of religious motivation and quality services, they roughly have similar perspectives on some points. First, the customers from both of the industries enjoy the cooperation, politeness and friendliness of staff, as this is shown from their ranking (1 and 4). Second, Islamic banks as well as conventional banks show the parallel confidence in bank management (rank 2 and 2) and organizational confidentiality (rank 5 and 3). Third, customers are aware that account information is not easily accessible which in turn will discourage the customer from using their products and facilities when considering both service units (ranking 15 and 16). In addition, the customers realize that the Islamic banking industry as well as the conventional banking industry attach less importance to internal communications among their branches for ensuring service quality (ranking 12, and 11), which in turn might generate poor performance and customers' service ranking.

5. Conclusion and Recommendations

From the research findings, it can be deduced that the customers of Islamic banks are more appreciative of almost all items in dimension one (compliance), while conventional banks' customers are less appreciative of compliance issues, as only one item is ranked high by their customers, among the compliance items. In term of service quality, Islamic banks score much better than conventional banks, as items such as '[p]rovision of Islamic products and services/no financial support for countries and companies with poor human rights records' and '[p]rovision of profit-sharing investment products/provision of all conventional and financial products' are ranked as 1 of both items by Islamic banks' customers while conventional banks' customers ranked the same items only as 29 and 28. It can, therefore, be concluded that both banks have individual strengths and weaknesses in their service quality. For better service quality, the weaknesses have to be improved, while strong points should be enhanced by respective bank models.



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This research has several implications for practitioners. In our discussion, it is emphasized that service behavior will have a major impact on the development and maintenance of the buyer-seller relationship. Therefore, Islamic banks and conventional banks have to show a critical importance in establishing a long-term relationship with their customers, and should achieve an environment in which the potential for unethical behavior is at a minimum. In doing so, the management should take follow-up actions on the following points:

(1) The need to create, communicate and enforce a thorough corporate code of quality services. Employees should know that management is taking serious action to ensure that the code is followed. When a violation arises, it is extremely important that employees are informed of punitive actions taken against the violator.

(2) The code of quality services must form the basis of ongoing training regarding the handling of ethical dilemmas. The management of the banks needs to design sales training programs where the sales manager can present salespeople or CRA with several different potential ethical scenarios, and solicit how they would respond to each one. Customer Relation Advisors can then discuss how the organization desires such situations to be handled.

(3) The managers should try to communicate with their Customer Relation Advisors, assisting and guiding them in accurately viewing their day-to-day sales activity from a quality service perspective; then they should not reward them on a 100% commission based on the sales made, but evaluate their various activities, not just the outcomes achieved (sales volume).

This research does not imply that banks should avoid incentive programs; rather, they could use a combination of base salary plus incentive pay in the form of commissions, bonuses or both based not only on the sales performance but also on how well long-term objectives such as customer satisfaction have been achieved.

Given the key importance of customer trust in banking and financial services sector generally, it is recommended that Islamic banks as well as conventional banks should emphasize frontline employees' service behavior that particularly leads to customers' trust and confidence. This may also enhance their capacity to achieve corporate social responsibility.



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APPENDIX

Tables

Table 1: Dimensions of customer perceptions

<u>Dimensions – ‘CARTER’</u>	<u>Number of Attributes</u>
Compliance (C)	5
Assurance (A)	5
Reliability (R)	4
Tangibility (T)	5
Empathy (E)	9
Responsiveness (R)	5

In calculating the mean of SERVQUAL scores, the ‘CARTER’ model includes a 33 items instrument that was customized for the Islamic banks and conventional banks in reviewing the suitability of the original SERVQUAL instruments to both banks.

Table 2: Demographic profile of the respondents

Demographic Variables	Details	Frequency	Percent (%)
Gender	Male	110	66.67
	Female	55	33.33
Age (in year)	20-29	68	41.21
	30-39	57	34.54
	40-49	23	13.94
	50-59	10	6.07
	60 plus	7	4.24



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Material Status	Single	87	52.73
	Married	75	45.45
	Others	03	1.82
Race	Bangladeshi	152	92.12
	Others	13	7.88
Education	Masters	133	80.61
	Bachelor Degree	17	10.30
	Professional Qualification	10	6.06
	Others	05	3.03
Sectors	Islamic Bank	85	51.51
	Conventional Bank	80	48.49

Table 3: Mean values and ranking of the items in the six dimensions.

S L N O	Attributes	Average Importan ce (IB)	Ran k (IB)	Average Importan ce (CB)	Rank (CB)
COMPLIANCE					
1	Run on Islamic law and principles /run on ethical policy	7.0	1	6.83	5
2	No interest is paid nor taken on savings and loans /no investment on environmentally harmful business	7.0	1	6.75	8
3	Provision of Islamic products and services /no financial support for countries and companies with poor human rights records	7.0	1	2.33	29



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4	Provision of free interest loans/customer oriented (financial) services	7.0	1	6.40	14
5	Provision of profit-sharing investment products/provision of all conventional and financial products	7.0	1	3.15	28
ASSURANCE					
6	Politeness and friendly staffs	7.0	1	6.84	4
7	Provision of financial advices	6.42	13	6.87	2
8	Interior comfort of organization	6.40	14	5.20	25
9	Ease of access to account information	6.37	15	6.13	16
10	Knowledgeable and experienced management team	5.98	18	6.95	1
RELIABILITY					
11	Convenience (short time services from anywhere)	6.63	9	6.87	2
12	Wide range of products and services Provided	6.62	10	6.42	13
13	Security of transactions	7.0	1	6.38	15
14	More tills open at peak time	6.78	5	6.87	2
TANGIBILITY					
15	External appearance	6.68	8	5.75	19
16	Speed and efficiency of transactions	6.82	4	6.76	7
17	Opening hours of operations	6.52	11	6.73	20
18	Counter partitions in bank and its branches/inter communication among the units	6.42	12	6.47	11
19	Overdraft / credit privileges	1.08	20	2.16	30
EMPATHY					
20	Location (easy to get)	6.70	7	5.58	22
21	Well known bank	6.87	3	6.80	6
22	Size in assets capital	6.68	8	6.65	9
23	Parking available	6.23	17	6.51	10



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24	Confidentiality of organization	6.78	5	6.85	3
25	Confidence in bank management	6.88	2	6.87	2
26	Products and service profitability	6.78	5	6.44	12
27	Lower service charge	6.82	4	4.91	27
28	Provisions of financial advices	6.23	17	5.35	23
RESPONSIVENESS					
29	Knowledge of customers to business or willing to help	5.92	19	5.10	26
30	Way of treat of staffs to customers/client	6.35	16	5.65	21
31	Availability of credits/services on favorable terms	6.87	3	5.95	17
32	Number of branches /service centre	6.78	5	5.25	24
33	Fast and efficient counter services	6.73	6	5.80	18

Source: Authors estimation from field survey

Note: SL – Serial, NO – Number, IB - Islamic banks, CB - Conventional banks

Tables 4 and 5: Comparing the ranking

Table 4(a): The highest ranked attributes of Islamic bank		Table 4(b): The highest ranked attributes of conventional banks	
Ranking position	Attributes	Ranking position	Attributes
1	Run on Islamic law and principles	1	Knowledgeable and experienced management team
1	No interest neither paid nor taken on savings and loans	2	Provision of financial advices
1	Provision of Islamic products and services	2	Convenience (short time services from anywhere)



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1	Provision of free interest loans	2	More tills open at peak time
1	Provision of profit-sharing investment Products	2	Confidence in bank management
1	Politeness and friendly staffs	3	Confidentiality of organization
1	Security of transactions	4	Politeness and friendly staffs
2	Confidence in bank management	5	Run on ethical policy
3	Well known bank	6	Well known bank
3	Availability of credits on favorable terms	7	Speed and efficiency of transactions
Table 5(a): The lowest ranked attributes of Islamic banks		Table 5(b): The lowest ranked attributes of conventional banks	
Ranking Position	Attributes	Ranking position	Attributes
20	Overdraft / credit privileges	30	Overdraft / credit privileges
19	Knowledge of customers to business or willing to help	29	No financial support for countries and companies with poor human rights record
18	Knowledgeable and experienced management team	28	provision of all conventional and financial products
17	Provisions of financial advices	27	Lower service charge
17	Parking available	26	Knowledge of customers to business or willing to help

Source: Authors estimation from field survey



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Table 6: Similar ranking between the industries

SL NO	Attributes	Rank (IB)	Rank (CB)
1	Politeness and friendly staffs	1	4
2	Confidence in bank management	2	2
3	Confidentiality of organization	5	3
4	Counter partitions in bank and its branches/inter communication among the units	12	11
5	Ease of access to account/booking information	15	16

Source: Authors estimation from field survey