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Emerald Article: Customer perceptions of service quality in the banking sector of a developing economy: a critical analysis

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Abstract
Focusses on investigating the critical factors of customer perceived service quality in banks of a developing economy – India. Compares and contrasts the three groups of banks in India with respect to the service quality factors from the perspective of the customers. There seems to be a great amount of variation with respect to the level of service quality offered by the three groups of banks. Identifies the factors that discriminate the three groups of banks. Customers in developing economies seem to keep the "technological factors" of services such as core service and systematization of the service delivery as the yardstick in differentiating good and bad service while the "human factors" seem to play a lesser role in discriminating the three groups of banks. The service quality indices with respect to the three groups and the Indian banking industry as whole, offer interesting information on the level of service quality delivered by banks in India.

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1. Introduction

The banking industry in India has been a witness for the last decade to several regulatory changes that have resulted in a heightened level of competition among the banks. The entry of private sector banks and foreign banks, subsequent to the recommendations of the Narasimhan committee, have increased manyfold the expectations of the customers in all areas relating to customer service (Thampy and Madanmohan, 1999). India's banking system responded to the post-liberalization reforms in a creditable manner by showing admirable alacrity in absorbing the impact of reforms (Savlani, 2000). Thanks to maturing markets and global competition, bankers have been forced to explore the trade-off between winning new customers and retaining old ones. The focus of marketing has shifted to managing relationships with customers. The advent of private sector and foreign banks has also been instrumental in providing greater benefits and new service options to customers (Panigrahy, 2000). Though Indian banking is subjected to severe criticisms for its high amount of bad debts and lower profits, one crucial aspect of its performance that stands out glitteringly is its contribution to the development and diversification of the Indian economy which witnessed a great surge in the last three decades (Prasad, 1997).

Banking is no longer regarded as a business dealing with money transactions alone, but is also seen as a business related to information on financial transactions (Padwal, 1995). In other words, it is believed that information technology (IT) plays a significant role in providing better customer service, presumably at a lower cost. Several innovative IT-based services such as automated teller machines (ATM), electronic fund transfer, anywhere-anytime banking, smart cards, net banking, etc. are no longer alien concepts to Indian banking customers (Rawani and Gupta, 2000). But the diffusion of technology is somewhat slow in public sector banks when compared to private sector banks and foreign banks (*Banker*, 1998). In the case of private sector banks, bank automation has been far easier as their size is small and they also started their operations afresh. As regards the foreign banks, they already have the advantage of good automation experience in several banking applications (Kaujalgi, 1999).

Although the presence of private sector banks and foreign banks have kindled a competitive spirit among the state-owned nationalized banks, the nationalized banks are not up to the task yet, as far as challenging the private sector and foreign banks with respect to the quality of services delivered by them – in terms of the intensity, depth, diversity and range of services offered. Nevertheless, the Reserve Bank of India, the country's central regulatory bank continues to move towards greater liberalization, in order to foster competition among the nationalized banks (Angur *et al.*, 1999). The Indian monetary and credit policy adopted in 1997 has wide economic implications for banks as it contains provisions that allow greater freedom for banks (Kaushik, 1997; Thacker, 1997).

In essence, Indian banking is in the grip of profound structural changes as evident from the phenomenal growth in the size, spread and activities undertaken by them. Many leading business magazines like *Business*

Today and *Business India* have, of late, started ranking the banks on several criteria such as operational ratios, profitability ratios, productivity ratios, financial parameters, net profits, total assets, advances and total deposits (*Business India*, 1995; 1996; 1998; *Business Today*, 1998a, b; 1999). These rankings were in essence based on financial aspects rather than on quality of service delivered. Therefore an analysis of banks in India from a "service-quality perspective" may sound interesting at this juncture. Such an investigation may provide the banks with subtle, intricate details that will help them to achieve the elusive competitive edge that they are searching for. Moreover, these service-quality issues have long been neglected in developing economies when compared to information available about developed economies like the USA and Europe (Kassem, 1989; Firoz and Maghrabi, 1994; Yavas *et al.*, 1997) and this also applies to the banking industry (Angur *et al.*, 1999). India, being a huge developing economy, and its banking sector with a wide geographical reach catering to the needs of a huge clientele, offers an excellent scope for research on the issue of quality in banking (as perceived by the customers), and can provide the beacon for the evaluation of effectiveness of banking in developing economies.

In this backdrop, the present study makes a spirited attempt to investigate the service-quality issues from the perspective of the customers in the banking industry of a developing economy – India.

The principal objectives of this paper are therefore twofold:

1 to give a brief account of the critical factors of customer-perceived service quality that are used in this study; and
2 to present a detailed critique on the criticality of the various factors of service quality in the three groups of banks (namely, public sector, private sector, and foreign) in India.

Before dealing with the service-quality issues a terse explanation on how the different factors of customer-perceived service quality are operationalized would not be out of place here.

2. Determinants of customer-perceived service quality

2.1 Instrument for measuring service quality

The research literature on service quality contains numerous models by different researchers across the world. However, the SERVQUAL instrument (Parasuraman *et al.*, 1988), a 22-item scale that measures service quality along five factors, namely: reliability; responsiveness; assurance; empathy; and tangibles, forms the foundation on which all other works have been built. Interestingly, the conceptualization, dimensionality, operationalization, measurement and applications of SERVQUAL have been subjected to some severe criticisms as well (see Buttle, 1996). In spite of such reprehension on the efficacy of SERVQUAL across different service settings, there is a general agreement that the 22 items are reasonably good predictors of service quality in its wholeness. But a careful scrutiny of the 22 items implies that the items at large deal with the element of human interaction/intervention in the service delivery and the rest on the tangible facets of service (such as the effect of atmospherics, design and décor elements, appearance of equipment, employee appearance, etc.). Therefore the SERVQUAL instrument seems to have overlooked some other important factors of service quality namely:

- the service product or the core service;
- systematization/standardization of service delivery (the non-human element); and
- the social responsibility of the service organization.

In an effort to conceptualize service quality (by taking in to account all the aspects of customer-perceived service quality, including those already addressed in the existing instruments and those that are left out in the empirical service quality literature), Sureshchandar *et al.* (2001) identified five factors of service quality as critical from the customers' point of view. These factors are:

1 core service or service product;
2 human element of service delivery;
3 systematization of service delivery: non-human element;
4 tangibles of service – servicescapes; and
5 social responsibility.

Numerous other research studies have discussed in detail the importance of the aforementioned factors of service quality. Table I depicts the literature evidence on the criticality of these service-quality factors from the customers' point of view. Table II briefly summarizes the different factors of service quality. In another research work Sureshchandar *et al.* (2002) empirically validated the proposed service-quality factors, by developing a survey instrument consisting of 41 items.

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Table I
Topology of the quality management literature accentuating the criticality of the various factors of service quality from the perspective of the customers

Sl. no.	Critical factors	Literature evidence
1	Core service or service product	Neslin (1983); Chapman and Jackson (1987); Hauser and Clausing (1988); Rust and Oliver (1994); Schneider and Bowen (1995)
2	Human element of service delivery	Parasuraman *et al*. (1985, 1988, 1991, 1994a, b); Schneider and Bowen (1985, 1992, 1993, 1995); Mills and Morris (1986); Norman (1991); Harber *et al*. (1993a, b); Stebbing (1993); Schneider *et al*. (1994, 1996a, b)
3	Systematization of service delivery: non-human element	Sasser and Fulmer (1990); Zemke and Schaaf (1990); Spenley, (1994); Ahire *et al*., (1995); Milakovich (1995); Smith (1995)
4	Tangibles of service: servicescapes	Kotler (1973); Shostack (1977a, b); Booms and Bitner (1982); Rapoport (1982); Parasuraman *et al*. (1985, 1988, 1991, 1994a, b); Upah and Fulton (1985); Zeithaml *et al*. (1985); Bitner (1986); Berry and Clark (1986); Baker (1987); Schneider and Bowen (1995)
5	Social responsibility	Zemke and Schaaf (1990); US Department of Commerce and Technology Administration (1997, 1998, 1999, 2000)

This instrument has been developed on the basis of an exhaustive review of the literature (prescriptive, conceptual, empirical and practitioner) and also based on a pilot survey among customers of banks in India. Feedback has also been collected from experts (i.e. academicians and researchers) in the field. The instrument has been refined several times based on the pilot study findings and on the comments and suggestions of the experts. Also, the instrument has been developed in order to maximally capture all the aspects of service quality, and to specifically address the issues of the banking industry. The different operating elements of service quality with respect to the five factors are presented in the Appendix.

2.2 Methodology and instrument standardization

The items with respect to the various dimensions have been jumbled and arranged in a random order in the instrument. The sampling procedure used for the study was stratified random sampling. The stratification has been done based on the type of bank (e.g. public sector, private sector and foreign bank). From each group of banks, about 150 customers (retail banking) have been randomly selected. Data have been collected using the "personal-contact" approach, i.e. the respondents have been approached personally and given a detailed explanation about the survey (including its purpose, the meaning of the items and what is expected of the respondents).

Table II
The critical factors of customer-perceived service quality

Sl. no.	Critical factors	Explanation of the critical factors
1	Core service or service product	The core service portrays the"content" of a service. It portrays the "what" of a service, i.e. the service product is whatever features that are offered in a service
2	Human element of service delivery	This factor refers to all aspects (reliability, responsiveness, assurance empathy, moments of truth, critical incident and recovery) that will fall under the domain of the human element in the service delivery
3	Systematization of service delivery: non-human element	The processes, procedures, systems and technology that would make a service a seamlessness one. Customers would always like and expect the service delivery processes to be perfectly standardized, streamlined, and simplified so that they could receive the service without any hassles, hiccups or undesired/inordinate questioning by the service providers
4	Tangibles of service: servicescape	The tangible facets of the service facility (equipment, machinery, signage, employee appearance, etc.) or the man-made physical environment, popularly known as the "servicescapes"
5	Social responsibility	Social responsibility helps an organization to lead as a corporate citizen in encouraging ethical behaviour in everything it does. These subtle, but nevertheless forceful, elements send strong signals towards improving the organization's image and goodwill and consequently influencing the customers' overall evaluation of service quality and their loyalty to the organization

Questionnaires have been distributed to the customers and they have been asked to give their perception of the level of service quality delivered by the banks on a seven-point Likert scale (ranging from 1 – indicating very poor to 7 – indicating very good). The respondents have been asked to contact the researchers whenever they encounter any difficulty in responding to the questionnaire. A total of 452 customers from 51 different banks have been approached, from whom 277 correctly completed questionnaires from 43 banks have been obtained, thereby yielding a response rate of about 60 per cent. Table III shows the number of banks in each sector and the corresponding number of respondents (customers) who have participated in the study. The high response rate is due to the personal-contact approach used followed by periodic follow-ups over the telephone and personal visits.

The standardization of the instrument has been carried out by tests of unidimensionality, reliability, convergent validity, discriminant validity and criterion-related validities using a confirmatory factor analysis approach. The service-quality factors thus arrived at form the basis for the analysis reported in the present study.

3. Analyses, results and discussion

An attempt is being made here to study the level of service quality (from the viewpoint of the customers) in the Indian banking sector. The differences between the three groups of banks with respect to service quality delivered to the customers have been found by using ANOVA, along with the *post hoc* test of Bonferroni (Darlington, 1990) and multiple discriminant analysis. Service quality indices (SQI) have also been calculated for the three sectors of banks.

3.1 Discrimination in the three groups of banks with respect to customer-perceived service quality – ANOVA and Bonferroni

The three groups of banks have been compared from the customers' view of service quality. In order to accomplish comparison, the following hypotheses have been tested:

H1. There is no significant difference between the three groups of banks in terms of service quality with respect to core service.

H2. There is no significant difference between the three groups of banks in terms of service quality with respect to human element of service delivery.

H3. There is no significant difference between the three groups of banks in terms of service quality with respect to the standardization of service delivery.

H4. There is no significant difference between the three groups of banks in terms of service quality with respect to tangibles of service.

H5. There is no significant difference between the three groups of banks in terms of service quality with respect to social responsibility.

The results of ANOVA and the *post hoc* test of Bonferroni for the five factors are summarized in Table IV.

It can be inferred from the *F* values that there are significant differences between the three groups of banks with respect to all the five factors of service quality. Therefore *H1* to *H5* have been rejected implying significant relationships between the three groups of banks with respect to all the five factors of service quality.

Further the Bonferroni comparisons have revealed significant differences between public sector banks and private sector banks, public sector banks and foreign banks, and private sector banks and foreign banks with respect to four out of the five factors of service quality, namely:

1 core service;
2 human element of service delivery;
3 standardization of service delivery; and
4 the tangibles facet of service.

With respect to social responsibility there are significant differences between public sector banks and private sector banks and public sector banks and foreign banks. But there are no significant differences between private sector banks and foreign banks in the case of social responsibility.

Table III
Distribution of respondents (customers) among the three groups of banks

	Category of banks			
	Public sector	**Private sector**	**Foreign**	**Total**
Number of banks	15	14	14	43
Number of respondents	98	86	93	277

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Table IV
Results of ANOVA and Bonferroni to test for significant differences between the three groups of banks in terms of service quality with respect to the five factors (*H1-H5*)

Sl. no.	Critical dimensions	ANOVA (*F*)	Bonferroni comparisons
1	Core service or service product	66.45**	PSB – PtSB*, PSB – FB*, PtSB – FB*
2	Human element of service delivery	46.64**	PSB – PtSB*, PSB – FB*, PtSB – FB*
3	Systematization of service delivery: non-human element	51.34**	PSB – PtSB*, PSB – FB*, PtSB – FB*
4	Tangibles of service: servicescapes	37.66**	PSB – PtSB*, PSB – FB*, PtSB – FB*
5	Social responsibility	39.77**	PSB – PtSB*, PSB – FB*, PtSB – FB^{NS}

Notes: * Significant at the 0.05 level; ** Significant at the 0.01 level; NS: not significant

The above findings that the three groups of banks seem to vary significantly in the level of service quality they deliver to their customers. These results actually go along anticipated lines as there is bound to be significant differences among the three groups of banks from the view-point of the customer, because the three groups of banks are fundamentally different with respect to the nature and scope of their operations and management of the same.

Having empirically established that there are differences among the three groups of banks, the next challenge is to investigate the factors of service quality that are contributing to such differences. The next section discusses the same.

3.2 Discrimination in the three groups of banks with respect to customer-perceived service quality – multiple discriminant analysis

In order to ascertain the factors that discriminate the three groups of banks most, the following hypothesis has been formulated:

H6. There is no significant difference between the three groups of banks with respect to all the service-quality factors taken together.

In order to test the above hypothesis, multiple discriminant analysis has been performed on the five factors of service quality. The results of the discriminant analysis showing the significance of the discriminant functions are shown in Table V.

It can be observed that the first function turned out to be highly significant, while the second function is not. The first function contributes to 98.53 per cent of the variance and the second function contributes to just 1.47 per cent of the variance. The Wilk's lamda transformed as the χ^2 for function 1 has found a significant difference between the three groups with both the functions taken together. The Wilk's lamda for the second function has turned out to be insignificant in differentiating the three groups.

Therefore, *H6* is rejected indicating significant differences among the three groups of banks with respect to all the factors of service quality across the first function only.

The results of the structure matrix, i.e. structural correlations between the dimensions and the canonical discriminant functions are shown in Table VI. These values indicate the relative contributions of the service-quality factors in discriminating the three groups of banks.

The results of discriminant analysis have indicated that the technological factors (viz. systematization of service delivery and core service) seem to be contributing more to the discrimination than the people-oriented factors (namely, the human element of service delivery). This may be because of the fact that in developing countries like India, the standardization of the technological aspects of service production and delivery is yet to take place resulting in high variation among these factors across the different groups of banks. This finding is in contrast to the developed countries, where there is a good level of standardization of the technological factors, and hence customers' view the human aspects of service delivery for differentiating services (see Angur *et al.*, 1999). This observation also shows that the human element of service delivery appears to be almost equally prevalent among the three groups of banks as far as developing countries are concerned.

3.3 SQI for the different factors of service quality among the three groups of banks

The SQI values for the different factors of service quality with respect to the three sectors are summarized in the Table VII. The SQI for a particular sector (public sector, private sector and foreign banks) with respect to a particular factor is the average value (mean of the customers' scores) of that factor score per item. For instance, the SQI

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Table V
Results of the discriminant analysis – significance of the discriminant functions

Function	Eigenvalue	% of variance	Canonical correlation	Wilk's lamda	dof	χ^2
1	2.12	98.53	0.82	0.31	10	317.78*
2	0.03	1.47	0.18	0.97	4	8.46[NS]

Notes: * Significant at the 0.01 level; NS: not significant

Table VI
Results of the discriminant analysis – structure matrix

Factor	Function 1	Function 2
Systematization of service delivery	0.41	0.60[a]
Core service	0.47	0.56[a]
Social responsibility	0.36	0.53[a]
Tangibles	0.35	0.47[a]
Human element of service delivery	0.40*	0.29

Note: [a]Denotes largest absolute correlation between each variable and any discriminant function

Table VII
SQI for the three groups of banks

Sl. no.	Factor	Public sector banks	Private sector banks	Foreign banks	Overall
1	Core service	4.44	5.53	6.24	5.38
2	Human element of service delivery	4.55	5.50	5.99	5.41
3	Systematization of service delivery	4.49	5.37	6.02	5.26
4	Tangibles of service	4.35	5.25	5.87	5.14
5	Social responsibility	6.46	4.56	4.41	5.18

for core service with respect to public sector banks has been computed to be 4.44. This is calculated by taking the average of the 98 responses (number of respondents in the public sector category) and normalizing it by dividing by five (number of items with respect to this dimension).

The SQI for the three groups have shown that the foreign banks perform well with respect to four of the five factors of service quality (with the exception of social responsibility). This again may be due to the experience and expertise they already have in other countries. Having competed with world class banks in other countries, the foreign banks, no wonder, are able to deliver top class service, especially in terms of developing and delivering service products (e.g. ATM, room service facility, telephonic banking, round the clock banking, and other innovative service products) more effectively and by streamlining their operations (evident from the high SQI they got for the factors core service and systematization of service delivery). Banking being a high contact service, in addition to what is delivered and how it is delivered (both human and non-human aspects), the physical environment also has a great impact on the service perceptions by customers. The foreign banks seem to be doing well in this aspect as well. Close to the heels of the foreign banks are private sector banks which also do fairly well with respect to these four factors. But, the lack of responsibility to society by both foreign banks and private sector banks is evident from their poor SQI for social responsibility.

The public sector banks with their wide network of branches, serving as a guiding mechanism for the socioeconomic metamorphosis of the country, are naturally perceived to have high social responsibility by the customers. But their SQI for the other four factors are not encouraging. The public sector banks have been taking the customers for granted as there were not many alternatives available to the customers. But with the entry of the private sector banks and foreign banks, Indian customers have now more options to choose from. In addition, the customers tend to compare the services offered by public sector banks with their counterparts in the private sector and foreign categories, thereby giving a poor rating to public sector banks on these factors. Customer service is such an important aspect of the banking industry that if organizations tend to overlook it, it may prove disastrous for them. Only if public sector banks take immediate action on focussing more on the service quality issues immediately, will they be able to keep pace with foreign banks and private sector banks, in terms of delivering quality service in the foreseeable future.

The SQI for all the banks taken together have indicated a reasonably good performance with all the indices exceeding "5" on a seven-point scale. This is again because of the presence of foreign banks and private sector banks, which have done very well with respect to these dimensions. But a lot seems to be desired in terms of delivering quality service when compared to the excellent services that are provided by world class banks.

4. Summary

The present study has critically examined the service-quality issues (from the perspective of customers) with respect to a developing economy – India. The three groups of banks in India (public sector, private sector and foreign banks) have been compared with respect to each of the five factors of service quality. The three groups of banks in India seem to vary significantly in terms of the delivery of the five service-quality factors. From the customer perceptions of service quality the technological factors (core service and systematization of the service delivery) appear to contribute more in differentiating the three sectors while the people-oriented factor (human element of service delivery) appears to contribute less to the discrimination. The results have also indicated that foreign banks seem to be performing well followed by private sector banks and public sector banks. The overall SQI for the different service-quality factors have revealed that there is considerable scope for improvement as regards the Indian scenario.

This research work has been carried out in India (which is a developing economy), and hence there is a possibility of cultural bias playing a role in the outcome of the study as quality management practices in developing economies may vary significantly from those of developed economies. For example, the study has established that the technological factors seem to be the differentiating factor among the three groups of banks as far as customer perceptions of service quality are concerned. This finding highlights the unstable nature of these facets in developing economies, which may not be true in developed economies. Therefore there is a need to duplicate this study in developed economies as well.

Such trans-national studies across different nations and economies are indispensable for a clear understanding of the criticality of the various factors of customer-perceived service quality across different cultures. This is even truer given the fact that the research issues with respect to service quality have been extensively researched in developed economies, while there is a scarcity of such research works (especially empirical) in developing economies. The present study therefore attempts to add value to the topic of bank service quality, especially in a developing economy, from the perspective of the customers.

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Appendix. instruments for measuring customer perceptions of service quality

The service quality instrument has asked for the respondents' perception of the actual level of service quality delivered by the bank with respect to the 41 items on a seven-point Likert scale as shown below:
1 = very poor;
2 = poor;
3 = slightly poor;
4 = average;
5 = slightly good;
6 = good; and
7 = very good.

The items have been jumbled and arranged in a random order in the original instrument. The items corresponding to the five factors of service quality and customer satisfaction are given below.

1. Core service or service product

1. Diversity and range of services (having a wider range of financial services from the bank, e.g. deposits, retirement accounts, loans for purchases of cars, houses, foreign exchange, traveller's cheques, safe deposit lockers, etc.).
2. Intensity and depth of service (having a higher number of options in every service/transaction, e.g. various fixed deposit or recurring deposit schemes with different interest rates, quick cheque clearing facility with a higher service charge, etc.).
3. Service innovation (providing information/details on a regular basis through post; telephonic banking; ATM; room service facility; cards to defence personnel, etc.).
4. Availability of most service operations in every branch/department of the bank.
5. Convenient operating hours and days (e.g. working on Saturdays and Sundays, extended service hours during evenings, weekdays, etc.).

2. Human element of service delivery

1 Providing services as promised.
2 Effectiveness of the employees' skills and ability for actions whenever a critical incident takes place (i.e. when a problem arises).
3 Whenever a critical incident takes place (i.e. when a problem arises), the degree to which the organization succeeds in bringing the condition back to normality by satisfying the customer.
4 Providing services right the first time.
5 Providing services as per the promised schedule.
6 Apprising the customers of the nature and schedule of services available in the bank.
7 Prompt service to customers.
8 Willingness to help customers and the readiness to respond to customers' requests.
9 Extent to which the feedback from customers is used to improve service standards.
10 Regularly apprising the customers about information on service quality and actual service performance versus targets in the organization.
11 Employees who instill confidence in customers by proper behaviour.
12 Making customers feel safe and secure in their transactions.
13 Employees who are consistently pleasing and courteous.
14 Employees who have the knowledge and competence to answer customers' specific queries and requests.
15 Effectiveness of customer grievance procedures and processes.
16 Giving caring and individual attention to customers by having the customers' best interests at heart.
17 Employees who understand the needs of their customers.

3. Systematization of service delivery: non-human element

1 Having a highly standardized and simplified delivery process so that services are delivered without any hassles or excessive bureaucracy.
2 Having highly simplified and structured delivery processes so that the service delivery times are minimal.
3 Enhancement of technological capability (e.g. computerization, networking of operations, etc.) to serve customers more effectively.
4 Degree to which the procedures and processes are perfectly fool-proof.
5 Adequate and necessary personnel for good customer service.
6 Adequate and necessary facilities for good customer service.

4. Tangibles of service (servicescapes)

1 The ambient conditions such as temperature, ventilation, noise and odour prevailing in the bank's premises.
2 Extent of the physical layout of equipment and other furnishings being comfortable for customers to interact with employees.
3 Having house keeping as a priority and of the highest order in the organization.
4 Visually appealing signs, symbols, advertisement boards, pamphlets and other artifacts in the bank.
5 Employees who have a neat and professional appearance.
6 Visually appealing materials and facilities associated with the service.

5. Social responsibility

1 Equal treatment stemming from the belief that every one, big or small, should be treated alike.
2 "Service transcendence" – making customers realize their unexpressed needs by giving more than what they expect.
3 Giving good service at a reasonable cost, but not at the expense of quality.
4 Having branch locations in most places convenient to all sections of the society (e.g. villages, down town areas, etc.)
5 A social responsibility characterized by "deserving service" to people belonging to all strata of the society (e.g. giving loans to economically and socially downtrodden people, needy ones, entrepreneurs etc. with less rigid loan conditions associated with security, flexible repayment modality, and easy credit terms).
6 A sense of public responsibility among employees (in terms of being punctual, regular, sincere and without going on strikes).
7 Extent to which the organization leads as a corporate citizen, and the level to which it promotes ethical conduct in everything it does.