

# CHAPTER 1

## INTRODUCTION

### 1.1 Background

The banking service business is currently progressing as a financial institution that has strategic value in the economic life of Indonesia. This banking institution is intended to act as an intermediary for parties with excess funds and parties with shortages. In this way, banks will engage in economic activities and in various services. Banks serve financing needs as well as streamline payment mechanisms for all sectors of the economy.

A bank is a public financial institution established with the authority to receive money deposits, lend money, and channel it back to the public. The word bank comes from the Italian word banca, meaning a money changer. Meanwhile, according to the law, bank banking is a business entity that collects funds from the public in the form of deposits and distributes them to the public in the form of credit and or other forms in order to improve the standard of living of the people at large. Bank Riau Kepri is a BUMD bank owned by the government of the Riau Province and Riau Islands, which is headquartered in Pekanbaru.

The status of the establishment of the Riau Regional Development Bank is regulated and adjusted to Regional Regulation No. 14 of 1992 concerning the Regional Development Bank of Riau based on Law Number 7 of 1992 concerning Banking. Finally, with the Riau Provincial Regulation Number 5 of 1998 concerning the First Amendment to the Riau Province I Regional Regulation Number 14 of 1992 concerning the Riau Regional Development Bank. Furthermore, the Riau Regional Development Bank was approved to change its status from a Regional Company (PD) to a Limited Liability Company (PT) in accordance with the resolution of the GMS dated June 26, 2002 made by notary Ferry Bakti, SH with Deed Number 33, which was later stipulated by Regional Regulation Number 10 years 2002 dated August 26, 2002 and has been promulgated

in the Riau Province Regional Gazette of 2002 Number 50. The change in legal form has been made by the Notary Deed of Muhammad Dahad Umar, SH Notary in Pekanbaru number 36 dated January 18, 2003 which has been ratified by the Minister of the Justice and Human Rights with Decree with the Number : C - 09851.HT.01.01.TH.2003 dated May 5, 2003. This change in legal entity was ratified at the GMS on June 13, 2003 as stated in the Notary Deed No. 209 dated 13 June 2003 Notary Yondri Darto, SH, Notary in Batam, and has also received approval from the Senior Deputy Governor of Bank Indonesia number 5/30 / KEP.DGS / 2003 dated 22 July 2003. In accordance with the resolution of the EGMS dated 26 April 2010, it was carried out change of name of PT. Riau Regional Development Bank to become PT. 23 September 2010. This name change was jointly inaugurated by the Governor of Riau and the Governor of the Riau Islands on 13 October 2010 in Batam. (Economic Bureau, Riau Regional Owned Enterprise, 2020).

The vision of the Riau Kepri Bank is as a banking company that is able to develop and be prominent in the region, has professional management and encourages regional economic growth so that it can empower the people's economy. while its mission is to be a healthy, elite and community bank. Bank Riau Kepri Bengkalis Branch is one of the banks that periodically makes improvements to Front Office service skills with the aim of improving various service qualities, especially in teller services, Customer Service so that they are able to compete fairly with other banks for profit. The level of competition of Bank Riau Kepri is not only conventional banks, but also Islamic banks. Therefore, one of the very important strategies that Riau Kepri banks must have is to excel in service. Because for customers, quality service is very important.

The role of banks is indispensable in the economy as a financial intermediary institution. Banks can be understood as financial institutions that contribute to the development and growth of a nation, and Indonesia is no exception. Many banks offer products and services that are given. Good service can make the bank good, thus providing positive value for the bank itself.

Therefore, service improvement programs in general will increase profitability, service improvement is a commitment from Bank officers, employees must work as team work to satisfy customers. Based on the above background, the authors are interested in conducting research with the title "**The Influence of Front Office Service Ability on Customer Satisfaction in Bank Riau Kepri, Bengkalis Branch**".

## **1.2 Formulation of the Problem**

Based on the description of the background of the problem, in this study the author wants to formulate the problems that will be discussed in this study, namely: How is the effect of service ability of Front Office officers on customer satisfaction in Bank Riau Kepri, Bengkalis Branch.

## **1.3 Purpose of Study**

The purpose of this research is to collect data and information as material to compile ungraduated thesis, where this ungraduated thesis is one of the requirements that must be met to obtain an applied bachelor's degree at Bengkalis State Polytechnic.

The objectives of the study, entitled The influence of Front Office officers' service skills on customer objectives of Bank Riau Kepri, Bengkalis Branch are:

1. To find out the influence and how much influence Front Office service ability, namely intellectual ability on customer satisfaction at Bank Riau Kepri Bengkalis Branch (partially).
2. To find out the influence and how much influence Front Office service ability, namely physical ability on customer satisfaction at Bank Riau Kepri Bengkalis Branch (partially).
3. To find out the influence and how much influence of Front Office service ability, namely intellectual ability and physical ability on customer satisfaction at Bank Riau Kepri, Bengkalis Branch (simultaneously).

#### **1.4 Significance of the Study**

The benefits to be achieved in the study entitled "The Effect of Front Office Officer Service Skills on Customer Satisfaction at Bank Riau Kepri Bengkalis Branch" are as follows:

1. For Academics

This research is expected to add scientific insight to readers and compilers about the effect of Front Office service skills on customer satisfaction. And can be a reference or literature for further research with a similar title or theme.

2. For Bank Riau Kepri Bengkalis Branch.

As input and consideration for Bank Riau Kepri Bengkalis Branch to improve Front Office service skills in their business.

3. For the Community

Provide input and information as a consideration to become a customer at Bank Riau Kepri, Bengkalis Branch.

4. For the author

The results of this study are expected to be useful for writers as well as readers and as a contribution from the author to science and can also be a source of experience if future researchers are in banking.

#### **1.5 Scope and Limitation of the Problem**

So that the research does not become broad and the scope is clearer, the following are the limitations of the research problem:

1. The study only focuses on the effect of front office staff service skills on customer satisfaction.

2. The research was carried out on customers at the Bengkalis branch of Riau Kepri bank by using a questionnaire to collect data.

## **1.6 Writing System**

The systematic of writing a report on the undergraduate thesis success to make it easier, the author will divide the 5 chapters in detail as follows :

### **CHAPTER I : INTRODUCTION**

This chapter will present matters regarding the background of the problem, the formulation of the problem, the research objectives, the benefits of the research, the scope and limitations of the problem and the systematics of writing.

### **CHAPTER II : LITERATURE REVIEW**

This chapter contains a description of the theory, theoretical frameworks and research hypotheses.

### **CHAPTER III : METHOD AND PROCESS OF COMPLETION**

This chapter will suggest the types and sources of research data, population and samples, data collection methods, research and measurement variables, and data analysis techniques.

### **CHAPTER IV : RESULT AND DISCUSSION**

This chapter contains descriptions of data, descriptions of respondents' answers, descriptions of research instruments, and results of data analysis.

### **CHAPTER V : CONCLUSION AND SUGGESTION**

This chapter contains conclusions and suggestions on the research results and conclusions.

### **REFERENCES**

### **APPENDICES**

### **WRITER BIOGRAPHY**