

**Major: Finance**

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**Impact of Service Quality on the Performance of Banking  
Sector: Comparative Study of Islamic and Conventional  
Banking Sector in Islamabad**



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# Dedication

*“Without ambition one starts nothing. Without work one finishes nothing. The prize will not be sent to you. You have to win it.”*

*(Ralph Waldo Emerson)*

*“I dedicate my work to Almighty Allah, Hazrat Muhammad  
(S.A.W), My teachers, My parents and My wife*

*Who always prays for Me*

*And encouraged me*

*At every step in this Research Report*

*As well as every step that I have taken*

*In my life.”*

## **ABSTRACT**

This research explore the relationship among quality of service and banking performance through a relative study of Islamic Banks and conventional Banks in Islamabad, Pakistan. The establishment of the Islamic Bank in Pakistan has posed many challenges to the banking sector. The banking industry in Pakistan includes Islamic Banks and conventional Banks, by providing quality services they are trying to attract more satisfied consumer for better performance. On the basis of the theoretical history, a model was proposed and tried in the environment of Pakistan.

Based on the available literature, organized questionnaires have been developed for the research purposes. Data was collected from 50 participants' through self-organized questionnaires using stratified sampling technique. For the data analysis, the SPSS tool was used in this study. A set of statistical methods, t-test, correlation and regression analysis were used by the researcher to test the hypothesis of the research. The results of the research show that there is a strong positive correlation among quality of service and banking performance in the banking sector in Islamabad. The findings show that the quality of service has a great effect on the performance of banks. The study has a lot of suggestions for investors, strategy makers and academics. The research has also some limitation in it regarding variables, time constraints, sample size, cities and area in which this research is conducted.

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