CHAPTER 1

INTRODUCTION
1.1 INTRODUCTION OF THE TOPIC:

The urge to communicate is a basic human instinct. Since the early days of civilisation, human beings have been using various means to fulfill this urge. In a way, the progress of civilisation and evolution of means of communication have gone hand in hand. Communication media have come a long way from pigeon post in the olden days to speed post and e-post in the modern days. In the last few centuries post emerged as a cheap and popular means of communication in almost all countries. Post offices and postmen have become central to personal and business communication world over. In India too, for generations of Indians, as indeed for generations across the world, the Post and postmen are part of the folklore. Novels have been written, poems and songs composed and movies made about the Postman, the Post Office and the Post Box. ‘DAKIYA’ is one of the common but interesting subjects for essay writing in school. Indeed, for millions of countrymen even today, there can be no life without postal services. The recent advertisement of ‘Wheel soap’ shows a housewife sending through post, a money order to her parents, out of her savings. The producer of this advertisement has selected a post office and its money order counter with the intention that the advertisement reaches and appeals to the public.

In India, postal services in one form or the other existed even in ancient times. They were systematically developed during Mughal period. During British Rule, Indian Post Office Act 1898 was passed. Section 4 of the Indian Post Office Act, 1898 confers Department of Post the exclusive privilege of conveying by post, all letters from one place to another and also the exclusive privilege of performing all incidental services. Thus through this Act monopoly status was granted to postal services and these services were managed by the Government itself.
After independence, the same arrangement continued. Since then the Department of Post (DoP), also called as India Post (IP), with its widespread network, has been central to the personal and business communication in India. With its 1, 54,919 branches spread across the country DoP and its postmen have become central to our lives. As in many other countries, In India, DoP has also shouldered the responsibility of mobilising small savings since the 19th century.

After 1990, the winds of liberalisation, privatisation and globalisation started blowing in India and the rules of the game changed for DoP. After enjoying monopoly for more than a century, DoP started facing competition for its core services. DoP was quick to realise the changes taking place in the environment and the need to adapt to the changes. With changing environment, in 1994, Director General (DG) DoP MR.S.C.Mahalik, coined the slogan "We Must Change". This mantra was then forgotten, only to be revived once again in 1998, and more so in 2000-01. DoP has introduced many new services and has been making efforts like computerisation, business process reengineering etc. to face the competition and satisfy the diversified needs of different segments of the customers.

The Department completed a century and half of its existence in 2004 and celebrated the year 2004 as Sesquicentennial Year.

1.2 RATIONAL FOR SELECTING THE TOPIC:

DoP, with its 1, 54,000 branches has penetrated the life of Indian people. It has also shouldered the responsibility of mobilising small savings in both, urban as well as rural areas. This monolithic organisation which enjoyed monopoly and Government protection for more than a century started facing competition after 1990. The competition for mail services is two-pronged and for financial services it is multi-pronged.

1.2.1 Competition for Mail Services:

a. Private Couriers: Private couriers mushroomed all over the country in large number. It is hard to believe, but in spite of exclusive privilege
conferred upon DoP as per the Indian Post Office Act 1898, courier companies in India not only carry parcels but also letters (called as documents). This is mainly because of the lack of a clear definition of the term ‘letter’ in the Act. Thus the private couriers have eroded the market of DoP.

The open economic policy leading to globalisation has posed additional challenge for India Post. ‘GATS’ is going to exert more influence on Indian scenario. The Draft of Service Sectoral List by the Secretariat of W.T.O. includes postal services and courier services under the title of Communication Services. Now therefore, India has opened up gates for not only foreign manufacturing industries but service industries including postal and courier services. In the years to come the competition is going to be severe.

b. **Substitutes for Postal Mail services:** In addition to direct competition from domestic and international players, IP is facing indirect competition from the other means of communication introduced by the technological developments. Electronic media is expanding at an unbelievably amazing speed. The volume of communication through the electronic media is tremendous. Fax, widespread network of landline telephones, mobile phones, laptop, video conferencing, e mail, and broad band have become regular feature of day to day life. Even vegetable vendors, hawkers and peddlers are seen using cell phones. In the advertisement of Reliance World for a cell phone the man says, “pahele dakiyekhi intzar karate the, ab mobile ki ghanti bajati hai” meaning thereby “before we used to wait for the ring announcing the arrival of the postman, which is now replaced by the cell phone’s ring. These developments are affecting the market for mail service which is the core activity of IP.

c. **Competition For financial services (Alternative investment avenues):** Services of DoP are facing tough competition with banks, mutual funds and other investment avenues. Before 1990 the range of
products offered by banks was limited to current account, saving account, fixed deposits and loans for business purposes. Now they have a wide product base targeting different market segments. They offer products like term deposits, recurring deposits, minor saving schemes, schemes for senior citizens, supersaver accounts, car loans, other products like debit and credit cards, different types of loans—personal, housing, educational and loans for specific groups like farmers, women etc. Banks are also providing facilities like bill pay, any branch banking, ATMs, e-banking etc. The mutual funds are also offering combination of investments satisfying multiple objectives of customers.

d. Customer behaviour: With the wide spread dissemination of information through communication media, customers have become more aware about investment options. With increase in purchasing power and literacy rate, the expectations of the customers regarding quality and variety of service have undergone considerable changes. These changes in the business environment are forcing business organisations to go in for modernisation. IP is no exception. It has been forced to think about improving the service quality and introduction of new services.

Thus, the business environment for DoP has changed in many ways. DoP, in spite of being a Government organisation (that too a Government department), has been making efforts to adapt to the changing environment. Hardly a week passes when we do not read or hear from DoP about the changes taking place at DoP.

Pune region is no exception to this scenario at the all India level. Pune region consists of eight divisions. The three Divisions of Pune region i.e. East, West and Mofussil Divisions consisting of urban, semi-urban and rural area, are an integral part of the Pune region. Not only does DoP have a strong presence in these three divisions, but the environmental changes
are also evident in this area. The researcher has used the term Pune Zone to cover the three Divisions-- East, West and Mofussil.

The researcher found it interesting to study the changing business environment since 1990 and its implications for the Pune Zone. The researcher intended to study the performance of the Pune Zone and its efforts to adapt to the changing environment.

1.3 OBJECTIVES OF THE RESEARCH:

a. To study the performance of the Pune Zone-- DoP in relation to ‘Mail services’ and ‘Financial services’ since 1990.

b. To study the performance of Pune Zone with reference to customers’ satisfaction and employee satisfaction.

c. To study the perceptions of different customer segments about the services provided by DoP--Pune Zone.

d. To study the changes in business environment for Pune Zone.

e. To study the efforts of Pune Zone to adapt to changing business environment.

f. To make suggestions for improving the performance of Pune Zone.

1.4 HYPOTHESES:

a. Hypothesis—1

   Performance of Pune Zone –DoP since 1990, is satisfactory with reference to Mail services and financial services.

   The Performance of Pune Zone relating to Mail services and financial services was judged on the basis following grounds:

   1. The Performance of Pune Zone –DoP over the period 1990–91 to 2004–05 and separately for the period 2000–011 to 2004–05

   2. The performance of Pune Zone and East West and Mofussil division (all divisions together) vis-à-vis the performance of DoP at all the India level

   3. Satisfaction of customers and employees of Pune Zone –DoP:
Satisfaction of customers
   a. On the basis of factors affecting service quality
   b. with reference to demographic characteristics
Accordingly the hypothesis is divided in sub-hypotheses:

Sub-hypothesis 1
   The Performance of Pune Zone –DoP with reference to Mail services and financial services over the period 1990–91 to 2004–05 is satisfactory.

Sub-hypothesis 2
   The performance of Pune Zone and East West and Mofussil divisions, with reference to Mail services and Financial services, is on par with the performance of DoP at all India level.

Sub-hypothesis 3
   Performance of Pune Zone—DoP is leading to satisfied customers and employees.

b. Hypothesis: --2:
   There appears to be a difference in perception of customers, in Pune Zone (East West and Mofussil division), about mail services provided by Pune Zone and private couriers.

c. Hypothesis: --3
   Pune Zone –DoP appears to be changing in order to adapt to changing business environment.

The hypothesis is divided in two parts:
1. Business environment is changing.
2. Pune Zone –DoP appears to be changing in order to adapt to changing business environment.
1.5 **SCOPE:**

a. **Services wise:** DoP provides various services like Mail services, Parcel Services Financial Services and Premium services. The study mainly concentrates on Mail and Financial services.

b. **Area wise:** Area for research was Pune Zone -- comprising of East West and Mofussil divisions of Pune Region. East division covers areas like Akurdi, Aundh Camp, Bhosari IE, Bhosari Gaon, Chinchwad East, Chinchwad Gaon, Dapodi, Dighi Camp, Dunkirkline, Hadapsar, Khadki etc. West division covers areas like Deccan Gymkhana, Bajirao road, Ganesh Khind, Kasaba Peth, Kothrud, Model Colony, NDA Khadakwasala, Parwati, Sadashiv Peth, Swargate etc. Mofussil division covers areas like Baramati, Bhor, Chakan, Daund, Dehu Road, Indapur, Junnar, Lonawala, Manchar, Narayangao, Rajgurunagar, Nira, Saswad, Shirur, Talegeon, etc. The number of sub-post offices in these three divisions is: -- East Division – 57, West Division –52 and Mofussil Division: --100. The three divisions were selected because they are representative of all eight divisions of Pune Region as regards services provided, type of customers and environmental changes. With 109 post offices in city area and 100 post offices in surrounded rural area it provided ample opportunity for research in this field.

1.6 **RESEARCH METHODOLOGY:**

**A. Type of Research:** --- The research is descriptive as well as exploratory in nature. It is also a combination of qualitative and quantitative research.

a. **Descriptive Research:** -- The nature of research work called for descriptive research. Descriptive research design is applied to the study to portray the characteristics of a group or individual as a situation. It includes surveys and fact finding enquiries of different kinds. The major purpose of descriptive research is description of state of affairs, as it exists at present. In descriptive research the
researcher has no control over the variables. The researcher can only report on what has happened or what is happening. This research is a descriptive research as the purpose of this research was to describe state of affairs, during the research period, with the help of surveys and enquiries in relation to following variables:

- DoP-Pune Zone ---infrastructure, Total mail Traffic (Registered and unregistered mail), Postal saving schemes (No of accounts and amount Invested), Money order traffic
- Satisfaction of customers with reference to the factors affecting service quality like Physical facilities, reliability, Attitudes of the employees, Assurance & Knowledge etc.
- Relationship between ‘Satisfaction of Customers and demographic characteristics
- Perception of customers about services of DoP vis-à-vis services of private couriers
- Satisfaction of employees with reference to working environment for them.
- Change in business environment including the factors like Government policy, Competition, customers’ expectations and use of technology
- Efforts of IP towards adapting to changing environment like computerisation, nature of organisation, objectives, new services introduced, introduction of finance mart, and business process re-engineering and other initiatives.

b. **Exploratory Research:** -- The research was also exploratory research. Exploratory research is a type of research that is undertaken to "explore" survey participant response to the survey topic. Exploratory research helps the researcher to check the viability of the research proposal and modify the same. It provides more ideas and alternative techniques for analysis of data. It thus helps to make the problem more concrete, concise and formally worded to
finalise and proceed to the real investigation. That is why it is also known as formulative studies. It is to pave the way, see what is there than to predict.

Exploratory research is a preliminary or rudimentary work to gauge and study the viability and pre-test the successful conclusion of research.

In many social science circles, exploratory research "seeks to find out how people get along in the setting under question, what meanings they give to their actions, and what issues concern them. The goal is to learn 'what is going on here?' and to investigate social phenomena without explicit exceptions." The research being an exploratory research helped the researcher to study the perception of customers about the service quality of services provided by Pune Zone –DoP.

This research often relies on secondary research such as reviewing available literature and/or data, or qualitative approaches such as informal discussions with consumers, employees, management or competitors, and more formal approaches through in-depth interviews, focus groups, projective methods, case studies or pilot studies. An exploratory study will include qualitative research interviews in the research approach.

In exploratory research, in-depth interviews can be very useful to find out what is happening and to seek new insights. Semi structured interviews are also useful in exploratory research in order to understand the relationships between variables, such as those revealed from descriptive studied. Researcher has studied the relationships between variables e. g. the relationship between satisfaction of customers of Pune Zone –DoP and the demographic characteristics of the customers.

This research is an exploratory research as the researcher collected and analysed qualitative data, conducted interviews with
the employees, organised focus group discussions (FGD) with particular age group customers and employees of finance mart.

c. **Qualitative and Quantitative Research**: The research has qualitative as well as quantitative dimensions.

- **Quantitative Research**: The research is quantitative in nature so as it relates to the collection, analysis and interpretation of quantitative data relating to the performance of IP - Pune Zone terms of mail service, financial services, number of post offices, economic performance etc. The data was collected through frequent visits to Pune Regional Office and East, West and Mofussil Divisional offices-- Pune. For comparing Performance Pune Zone with performance of IP on all India level, the quantitative data of all India level was collected from Annual Reports of India post and World Bank Reports. The quantitative data so collected was analysed and interpreted to assess the performance of DoP –Pune Zone.

- **Qualitative Research**: It is also a qualitative research as far as it relates to perception of customers about the quality of services offered by IP and perception of past and present employees and postal agents about work environment and satisfaction of customers, past and present employees and postal agents. For this purpose qualitative data was collected from primary and secondary sources.

  Qualitative data also includes secondary data in the form of opinions of writers and experts of various articles collected from internet, newspapers and magazines. It is a data based research coming up with conclusions, which are capable of being verified by observation. The researcher has tried to collect various facts, which may prove or disprove the hypothesis.
B. **Survey Period:** --- The researcher has conducted the field work mainly during April 2004 to May 2007.

C. **Data Collection:** --

1. **Desk Research (secondary data):**

   The secondary data was collected to get insight into the factors affecting performance of DoP—Pune Zone. Following sources were used to collect qualitative as well as quantitative data.

   a. **Internet:** Researcher collected data at two levels—All India and Pune Zone. To collect more information about DoP, postal services in India and abroad search engines such as Google and Yahoo were used. The internet was also used to find out more about the tools and techniques used for hypothesis testing. The website of DoP was an important source available on internet. Many articles and reports relating to DoP were accessed through internet. The speeches of postal authorities and others were referred to e.g. speech by Honorable Union Minister for Communication and Information Technology on the occasion of the Inaugural Function of the Sesquicentennial Year of India Post on 4th October 2005 at Delhi.

   b. **Publications:**

      The researcher visited the following libraries to refer to various publications:

      Maratha Chamber of Commerce, Pune
      Gokhale Institute of Politics and Economics, Pune
      Modern College, Shivajinagar, Pune
      Jaykar library—University of Pune, Pune

      Information was collected through articles, news items and letters to editor from newspapers like Times of India, Indian Express, Sakal, Loksatta, Economic Times, etc. Articles from magazines like Business Standard, Economic and Political Weekly, DNA etc. were also referred to.

The secondary data was also collected through following visits:

- Regional office – Pune, East, West and Mofussil Divisional offices—Pune
- ‘Arth va Sankhiki Sanchalanalay’ --- Government of Maharashtra –Pune Office
- Alpabachat Sanchalanalay Pune office

II Field research (Primary data):

Field research was done to get qualitative data. It was collected from residents, through frequent visits to Pune Regional Office and East, West and Mofussil Divisional offices—Pune and interactions with customers, employees and postal agents in Pune Zone. The details are as follows:

a. Methods used for Qualitative Research (Primary data)

Sources: Four questionnaires were prepared as follows: -- (two were for customers.)

- First Questionnaire for Customers -- for Mail services and General
- Second Questionnaire for Customers -- for Financial Services
- For Postal Saving Agents
- For present and ex- Post Master General Pune Region

Survey was done through random sample. Out of 250 questionnaires distributed for mail services and general, 220 were returned, out of which 200 were useable. Out of 125 questionnaires distributed for financial services, 118 were returned, out of which 95
were useable. Out of 35 questionnaires distributed for postal agents 31 were returned, out of them 28 were useable.

b. **Pilot study:** A pilot study of a small sample of 40 respondents (20 for mail services and general, 7 for financial services and 3 for postal agents) was conducted for testing the questionnaires. It pointed out certain weaknesses in the questionnaires. The respondents gave some valuable suggestions. Accordingly the necessary changes were introduced and the questionnaires were modified. Utmost care was taken while drafting the questionnaires knowing that they are the heart of survey operations and the success of the survey to a large extent depends upon well-drafted questionnaires.

c. **Population Sample:** The research covers area of Pune Zone consisting of East, West and Mofussil Divisions. The area covered and the number of customers, even if not infinite, is large in size therefore for practical purposes it was considered as an infinite population. Therefore for practical purposes convenience sampling (non-probability sampling) was used. Since the population size is infinite, sample size for the study was taken as 200 respondents for ‘Questionnaire for Mail services and general’ and 95 respondents for ‘Questionnaire for Financial services’.

Snow ball technique was used for getting responses from customers and agents. The respondents in all the categories were taken from different areas, income groups, and age groups including business customers to make the sample representative.

Population does not contain homogenous groups. The customers and agents from East West and Mofussil Divisions are quite heterogeneous. The researcher collected data through questionnaire from the three divisions of Pune Zone i. e. East, West and Mofussil divisions covering customers with different demographic characteristics.
d. **Questionnaire Design:** While designing the questionnaires, the following objectives were given priority:

- To collect accurate information from respondents about the research subject.
- To provide a standard form in which facts and comments can be used.
- To facilitate data processing.

- ‘Structured questionnaires’ were used because they make all respondents reply the same set of questions and are capable of statistical analysis. It was however experienced that structured questionnaires restricts the free response. Some open-ended questions helped to overcome this limitation to some extent.

- The questionnaire included questions according to the type of information to be collected, like close-ended questions, preference-ranking questions and few open-ended questions inviting free response of the respondents.

- Close-ended questions and Multiple-choice Questions helped in the statistical analysis and presentation in the form of tables and graphs.

- The respondents opined that multiple choice and preference-ranking questions with suggested alternative replies helped them understand the questions clearly.

- Open-ended questions inviting free responses were aimed at getting information about problems faced by customers and employees and getting suggestions from them.

- Questions were arranged in a logical sequence for developing a clear understanding of respondents’ perception about postal services, giving a smooth-moving character to the questionnaire and understanding. The question sequence was from general to more specific questions, putting the open ended questions at the end. This
was to ensure the collection of considerable information through the answers of earlier questions, even if the respondents choose not to answer some difficult questions.

- The questionnaire for customers was drafted in English. It was however observed that large number of customers expressed themselves more effectively when communicating in Marathi. Then the questionnaire for postal agents was prepared in Marathi.

**d.1. First Questionnaire for Customers-- for Mail services and General:** (Refer to Appendix 1)

- This questionnaire was distributed to the citizens of the research area (Pune Zone –East, West and Mofussil Divisions) at random. The questionnaires were answered by customers and were returned to the researcher at the same time or after few days.

- The **objective** of this questionnaire was to study awareness about postal services, problems faced by the customers, competition faced from private couriers, buyer behavior and alternative media of communication used by the customers. The aim was also to assess the customers’ satisfaction in relation to postal mail services through studying the expectations of the customers and the extent to which DoP is successful in fulfilling them.

- The questionnaire consisted of 21 questions of which 2 were open ended, 11 were multiple choice and 8 were close ended questions.

- Q. No. 7 included 8 criteria on which customers’ perception about service quality of DoP and private couriers as well as satisfaction of customers was judged. A five point scale was used to measure satisfaction of customers (highly satisfactory—satisfactory—indifferent—unsatisfactory-- highly unsatisfactory)

- The questionnaire included 3 questions including Q.7 which aimed at comparative study of customers’ perception about services of DoP and private couriers
Sample Demographics and Description—for Questionnaire for Customers (Mail and General)

Out of 250 questionnaires distributed 220 were returned, out of them 200 were useable.

Table 1.1 Respondents' Gender

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>75</td>
<td>37.5</td>
</tr>
<tr>
<td>Female</td>
<td>125</td>
<td>62.5</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>100</td>
</tr>
</tbody>
</table>

As table 1.1 indicates, out of total 200 respondents, (37.5%) of sample customers were 'Male' and (62.5%) were 'Female'.

Table 1.2 Age of Respondents

<table>
<thead>
<tr>
<th>Ages</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to 25 years</td>
<td>13</td>
<td>6.7</td>
</tr>
<tr>
<td>26 to 35 years</td>
<td>43</td>
<td>21.4</td>
</tr>
<tr>
<td>36 to 50 years</td>
<td>84</td>
<td>42.1</td>
</tr>
<tr>
<td>51 years and above</td>
<td>60</td>
<td>29.8</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>100</td>
</tr>
</tbody>
</table>

As table 1.2 indicates, out of total 200 respondents, (6.7%) of sample customers were of the age group Up to 25 years, (21.4%) were of the age group 26 to 35 years, (42.1%) were of the age group 36 to 50 years and (29.8%) were of the age group 51 years and above.
Table 1.3  
**Educational Qualifications of Respondents**

<table>
<thead>
<tr>
<th>Education</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary</td>
<td>17</td>
<td>8.3</td>
</tr>
<tr>
<td>S.S.C.</td>
<td>29</td>
<td>14.6</td>
</tr>
<tr>
<td>H.S.C.</td>
<td>31</td>
<td>15.3</td>
</tr>
<tr>
<td>Graduate</td>
<td>54</td>
<td>27.1</td>
</tr>
<tr>
<td>Post-Graduate</td>
<td>57</td>
<td>28.4</td>
</tr>
<tr>
<td>Professional</td>
<td>12</td>
<td>6.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>200</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

As table 1.3 indicates, out of total 200 respondents, (8.3%) of sample customers had Primary education, (14.6%) had education up to S.S.C., (15.3%) had education up to H.S.C. (27.1%) were Graduates, (28.4%) were Post-Graduate and (6.2%) were Professionals.

Table 1.4  
**Occupations of Respondents**

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student</td>
<td>19</td>
<td>9.5</td>
</tr>
<tr>
<td>House Wife</td>
<td>20</td>
<td>9.8</td>
</tr>
<tr>
<td>Government Service</td>
<td>49</td>
<td>24.5</td>
</tr>
<tr>
<td>Private Service</td>
<td>48</td>
<td>24.0</td>
</tr>
<tr>
<td>Self Employed (Business Customers)</td>
<td>39</td>
<td>19.3</td>
</tr>
<tr>
<td>Others</td>
<td>26</td>
<td>12.8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>200</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

As table 1.4 indicates, out of total 200 respondents, (9.5%) of sample customers, were Students, (9.8%) were house wive, (24.5%) were Government servants, (24%) were employees in private sector (19.3%) were self employed (12.8%) were from other occupations.

Table 1.5  
**Monthly Income of Respondents**

<table>
<thead>
<tr>
<th>Monthly Income (Rs.)</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 5,000</td>
<td>40</td>
<td>20.2</td>
</tr>
<tr>
<td>5,000 to 10,000</td>
<td>68</td>
<td>34.1</td>
</tr>
<tr>
<td>10,000 to 20,000</td>
<td>54</td>
<td>27.0</td>
</tr>
<tr>
<td>20,000 and above</td>
<td>37</td>
<td>18.7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>200</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>
As table 1.5 indicates, out of total 200 respondents, (20.2%) of sample customers were of the income group ‘Rs. less than 5,000’, (34.1%) were of the income group ‘Rs.5,000 to 10,000’, (27%) were of the income group ‘Rs.10,000 to 20,000’, and (18.7%) were of the income group ‘Rs.20,000 and above’.

d.2. Second Questionnaire for Customers -- for Financial services: (Refer to Appendix 2)

- This questionnaire was distributed to the citizens of research area (Pune Zone –East, West and Mofussil Divisions) at random. The questionnaires were answered by customers and were returned to the researcher at the same time or after few days.

- The objective of this questionnaire was to study the awareness of customers about postal saving schemes, the factors affecting investment decisions, the sources of information and the difficulties faced by the investors. The aim was also to assess the customers’ satisfaction in relation to postal financial services through studying the expectations of the customers and the extent to which DoP is successful in fulfilling them.

- The questionnaire consisted of 16 questions of which 1 was open ended, 10 were multiple choice and 5 were close ended questions.

- Q. No. 3 and 4 aimed at finding out the ranking of the factors which make the investors invest in postal saving schemes and factors which discourage them for the same. Likert’s scale was used to analyse the responses.

- Sample Demographics and Description: For Questionnaire for Customers (Financial Services)

Out of 125 questionnaires distributed 118 were returned, out of them 95 were useable.
Table 1.6  Respondents’ Gender

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>49</td>
<td>51.6</td>
</tr>
<tr>
<td>Female</td>
<td>46</td>
<td>48.4</td>
</tr>
<tr>
<td>Total</td>
<td>95</td>
<td>100</td>
</tr>
</tbody>
</table>

As table 1.6 indicates, out of total 95 respondents, (51.6%) of sample customers were ‘Male’ and (48.4%) of sample customers were ‘Female’.

Table 1.7  Age of Respondents

<table>
<thead>
<tr>
<th>Ages</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to 25 years</td>
<td>13</td>
<td>13.7</td>
</tr>
<tr>
<td>26 to 35 years</td>
<td>11</td>
<td>11.6</td>
</tr>
<tr>
<td>36 to 50 years</td>
<td>44</td>
<td>46.3</td>
</tr>
<tr>
<td>51 years and above</td>
<td>27</td>
<td>28.4</td>
</tr>
<tr>
<td>Total</td>
<td>95</td>
<td>100</td>
</tr>
</tbody>
</table>

As table 1.7 indicates, out of total 95 respondents, (13.7%) of sample customers were of the age group Up to 25 years, (11.6%) were of the age group 26 to 35 years, (46.3%) were of the age group 36 to 50 years and (28.4%) were of the age group 51 years and above.

Table 1.8  Educational Qualifications of Respondents

<table>
<thead>
<tr>
<th>Education</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary</td>
<td>9</td>
<td>9.5</td>
</tr>
<tr>
<td>S.S.C.</td>
<td>11</td>
<td>11.6</td>
</tr>
<tr>
<td>H.S.C.</td>
<td>15</td>
<td>14.7</td>
</tr>
<tr>
<td>Graduate</td>
<td>31</td>
<td>32.6</td>
</tr>
<tr>
<td>Post-Graduate</td>
<td>23</td>
<td>24.2</td>
</tr>
<tr>
<td>Professional</td>
<td>7</td>
<td>7.4</td>
</tr>
<tr>
<td>Total</td>
<td>95</td>
<td>100.0</td>
</tr>
</tbody>
</table>

As table 1.8 indicates, out of total 95 respondents, (9.5%) of sample customers had Primary education, (11.6%) had education up to
S.S.C., (14.7%) had education up to H.S.C. (32.6%) were Graduates, (24.2%) were Post-Graduate and (7.4%) were Professionals.

Table 1.9 Occupations of Respondents

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student</td>
<td>10</td>
<td>10.5</td>
</tr>
<tr>
<td>House Wife</td>
<td>12</td>
<td>12.6</td>
</tr>
<tr>
<td>Government Service</td>
<td>29</td>
<td>30.5</td>
</tr>
<tr>
<td>Private Service</td>
<td>10</td>
<td>10.5</td>
</tr>
<tr>
<td>Self Employed</td>
<td>21</td>
<td>22.1</td>
</tr>
<tr>
<td>Other</td>
<td>13</td>
<td>13.7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>95</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

As table 1.9 indicates, out of total 95 respondents, (10.5%) of sample customers, were Students, (12.6%) were house wives (30.5%) were Government servants, (10.5%) were employees in private sector (22.1%) were self employed (13.7%) were from other occupations.

Table 1.10 Monthly Income of Respondents

<table>
<thead>
<tr>
<th>Monthly Income</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 5,000</td>
<td>26</td>
<td>27.4</td>
</tr>
<tr>
<td>5,000 to 10,000</td>
<td>31</td>
<td>32.6</td>
</tr>
<tr>
<td>10,000 to 20,000</td>
<td>26</td>
<td>27.4</td>
</tr>
<tr>
<td>20,000 and above</td>
<td>12</td>
<td>12.6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>95</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

As table 1.10 indicates, out of total 95 respondents, (27.4%) of sample customers were of the income group ‘Rs. less than 5, 000’, (32.6%) were of the income group ‘Rs.5,000 to 10,000’, (27.4%) were of the income group ‘Rs.10,000 to 20,000’, and (12.6%) were of the income group ‘Rs.20,000 and above’.
d.3. Questionnaire for Postal Saving Agents:(Refer to Appendix 3)

- The objective of this questionnaire was to study for Pune Zone, opinions of agents about their interactions with postal employees and factors motivating the agents etc. This questionnaire aimed at studying the perception of the postal agents and customers. Questionnaires were distributed at random to the agents in East West and Mofussil Divisions of Pune Zone—DoP. Out of 35 questionnaires distributed 31 were returned, out of them 28 were useable.
- The questionnaire was divided in to two parts Part –A – About agency and Part – B – About Customers.
- The questionnaire for postal agents was prepared in Marathi.

d.4. Questionnaire For present and ex- Post Master General Pune Region: (Refer to Appendix 4)

- The objective of this questionnaire was to study the views and opinions of top management postal authorities regarding subsidy on postal products, amendment to Indian Postal Act 1898, changing business environment, efforts of DoP—Pune Zone for adapting accordingly, efforts of DoP—Pune Zone towards customer and employee satisfaction etc.
- The questionnaire included 41 questions under different headings such as General, Mail Service, Financial services, Customer orientation and Employee orientation.
- The questionnaire consisted of 41 questions of which 6 were open ended, 12 were multiple choice and 23 were close ended questions.
- The responses of Mr. S. Jarodia --present Post Master General and Mr. Rambhad -- ex-Post Master General were recorded.
e. In Depth Interviews: ---

- Since the research was exploratory in nature, detailed interviews were taken. The researcher conducted personal interviews with 29 employees of DoP—Pune Zone working on different levels and designations. Some retired employees were also interviewed.

- The employees were not willing to put down their answers in writing. Therefore their interviews were recorded in detail with the help of a tape recorder. The objective of these interviews was to study their perception about facilities provided to them, authority given to them, staff strength, volume of work, traditional and new services, amendment to Indian Post Office Act 1898 and corporatisation of DoP etc.

- The saving agents interviewed included both, male and female, and those working on different scales of operations, those catering to the needs of different customers. The responses of some agents were recorded based on telephonic conversation with them.

- The interviews were both—structured as well as unstructured. The structured interviews allowed the researcher to follow standardized procedures as regards form and order of questions to be asked. Unstructured interviews provided flexibility in conducting interviews. Unstructured interviews were kept to minimum in order to ensure effective analysis and interpretations of interviews and comparability with other interviews.

e.1. Procedure of interviews:

- Prior appointments were taken from respondents.

- The duration of the interviews was in the range of 30 to 55 minutes.

- The venue was office or residence of the respondents.
• An unstructured questionnaire was used while conducting interviews. Certain questions were deleted and some supplementary questions were asked in interviews depending on need of the situation.
• The interviews were conducted in English, Marathi or a combination of both the languages, depending upon the need of the situation.
• All the interviews were recorded with the help of a tape recorder and analysed later.
• The excerpts of interviews and observations and conclusions are given in Chapter 7.

e.2. The interviews conducted of Postal Employees were as follows:
  PMG -- 1
  Postmasters ---7
  Postal assistants---9
  Postmen: --14

Following is the list of Postal Employees interviewed:

**Post Master General -- Pune Region**
Mr. S. Jarodia – PMG Pune Region

**Postmasters interviewed:**
1. Mr. Shesrao Khodake: Rajgurunagar Post Office
2. Mrs. Smita Baokar: Lonavala Post Office
3. Mr. Dharma Salekar: Bhor Post Office
4. Mr. Govind Arote: Manchar Post Office
5. Mrs. S. M. Dhumal: Shaniwar Peth Post Office
6. Mrs. M. J. Salve: S. P. College Post Office
7. Mr. Gadekar, Swargate Post Office
Postal assistant interviewed:
1. Mr. Vishal Kumbhar Chakan Post Office
2. Ms. Sujata Thakur Chakan Post Office
3. Mr. Shrikant Dombale Bhor Post Office
4. Deepa warude Rajgurunagar Post Office
5. Ms. Swati Jahagirdar Rajgurunagar Post Office
6. Mr. Suresh Hite Bhor Post Office
7. Ms. Rajashri Jagtap, Manchar Post office
8. Mr. A. H. Chaudhary, Swargate Post Office
9. Mr. Kamble Shaniwar Peth Post Office

Postmen interviewed
1. Mr. A. R. Patel: Lonavala Post Office
2. Mr. B. N. More : Lonavala Post Office
3. Mr. V. P. Kamble: Lonavala Post Office
4. Mr. V. N. Thorve: Lonavala Post Office
5. Mr. D. G. More: Lonavala Post Office
6. Mr. K. D. Ware: Lonavala Post Office
7. Mr. S.M. Gaikwad:Lonavala Post Office
8. Mr. Dattatraya Survey: Bhor Post Office
9. Vandana Seid: Shivajinagar Post Office
10. Sambhaji Sarode: Chakan Post Office
11. Shivaji Kokane: Chakan Post Office
12. Shivaji savant: Chakan Post Office
13. Rambhau wadekar: Chakan Post Office
14. Mr. V. P. Kamble: Chakan Post Office

Interviews were taken to get first hand information from the employees. In addition to a few retired employees, the researcher interviewed Mr. M. R. Joshi -- The Group Leader -- payrolls saving scheme for Government employees, which was run by DoP and two private courier owners in Pune Zone.
f. **Focus Group Discussion:**

Focus group discussions provide deeper understanding of peoples' behavior and beliefs though they cannot provide hard data with precise percentages. Focus group discussions were arranged for specific customer group and postal employees.

The researcher organised two types of group discussions:

f.1. **Customers of age group 16 – 25**

While getting the questionnaire filled, the researcher observed that the respondents between the age group 16 – 25 sparingly use postal services. That is why they could respond to very few questions in questionnaires. The researcher therefore organised group discussions to find out customer behavior of this age group. There were in all 4 group discussions. The duration of each group discussions was within the range of 30 to 55 minutes.

The group members were college students from different residential areas and income groups. Maharashtratrian, non-Maharashtratrian, students from rural and urban area and hostelites were also included in the groups. The members were asked to give their opinions about the postal services they are aware of, the ones they use, frequency of using them, their experiences in post offices etc. The purpose of the group discussions was to study the perception of the group members about postal services.

f.2. **Employees of finance mart**

The new concept of finance mart is introduced by DoP in order to provide financial services more efficiently. From 25th of July, 2006 the first finance mart in Pune became operational under Shivajinagar post office. In order to collect the information about this new development, the researcher visited finance mart Shivajinagar, Pune on 18th December, 2006.

The researcher was overwhelmed by the response of these postal employees. They were very eager to give their responses,
however due to their inability to give individual interview on account of workload and considering perceived limitations of structured questionnaires, the researcher organised a group discussion for them. The purpose of this group discussion was to find out the purpose of finance mart, services provided, nature of job and training of employees etc. and customers' reaction to the same. The researcher observed that some of the issues that were not discussed during the interviews came to light during this discussion.

The participants of group discussion were the postal employees working in finance mart: Mr. R. H. Ovhal (Assistant Post Master) and Mrs. B. D. Kulkarni, Mrs. A. A. Barathe, Mrs. A. S. Bobde and Mrs. V. D. Dange (all Postal Assistants).

g. Observation Method: --- The customers and employees of DoP—Pune Zone and their interactions at the selected post offices were observed through personal visits. The interactions between the customers, postal agents and employees were observed and recorded. The findings of the observations were counterchecked with the responses at the time of personal interviews.

h. Every year all over the world 'Postal week' is celebrated from 9th of October to 14th of October. On this occasion, PMG Pune Region Mr. S. Jarodia addressed a press conference on 9th October 2006. The researcher attended the conference and collected the information. The researcher attended 'Dak Seva Award Function – Pune Region on 20th February 2008.

The researcher visited post offices in research area and GPO Mumbai.

i. Analysis of Data:

- Primary Data
  - The analysis of the data collected through questionnaires was done with the help of MS-Excel, wherever possible. The data is presented in the form of tables and diagrams. This procedure
was followed for close ended questions. Based on the analysis, observations were made and based on the observations conclusions were drawn.

o Data was analysed using mathematical and statistical tools like frequencies, percentages and ranks wherever applicable. The statistical techniques used for testing the hypotheses (wherever applicable) are Chi Square test and Spearman's Rank Co-relation.

o Unstructured questionnaires were used for interviews and focused group discussions. The interviews and group discussions have been tape recorded and later a report was prepared. The summary of interviews and group discussions has been presented in Chapter V, VI, and VII. Based on the analysis of data, observations were made and conclusions were drawn.

• Secondary Data:
  Secondary Data was collected from websites, newspapers, magazines, publications etc. The quantitative data was processed with the help of MS—Excel, wherever possible. Secondary Quantitative Data was analysed with the help of percentages and has been presented in the form of tables. The Quantitative Data for the research period for Pune Zone is compared with the data for DoP at all India level. On the basis of the analysis of secondary data observations were made and conclusions drawn which are presented in Chapter IV.

1.7 CONSTRAINTS IN THE STUDY:

a. The exact population of customers of DoP in Pune Zone could not be determined.

b. Certain problems were faced while collecting, analyzing and comparing the quantitative data:

  o Data for three divisions of Pune Zone relating to all heads of information considered for study was not available. eg Figures
for 2003—04 and 2004—05 Total Number of Accounts (West Division) were not available. Quantitative data was inconsistent.

- Till 31.03.2005 for East and Mofussil divisions – revenue a single account was maintained.
- There was disparity in data collected from two sources – East, West and Mofussil Divisional offices—Pune, and ‘Arth va Sankhiki Sanchalanalay’ --- Government of Maharashtra –Pune Office.

This posed a difficulty in the division wise analysis of data. Therefore conclusions were drawn and the hypotheses were tested on the basis of available quantitative data common for all divisions. Researcher has made best of efforts not to let these constraints affect the quality of research.

c. Some customers were unable to express themselves effectively in English. This constraint was overcome by interacting with them while getting the questionnaires filled in and recording their responses.

d. Many postal employees were unwilling to respond to the questionnaires. This limitation was overcome, to some extent, by taking in-depth interviews.

e. Most of the interviews were conducted in post offices. The presence of the boss in the vicinity, affected the freedom of expression of the postal assistants to some extent.

1.8 CHAPTER SCHEME:

Chapter—1 This chapter covers the introduction of the topic, rationale for selection of the topic, hypothesis, research methodology and chapter scheme.

Chapter—2 This chapter deals with literature review -- Postal Services – International Scenario, Postal services in Few Countries, Non-traditional
Services Offered by Post Offices World-wide and Global Postal Organisations

**Chapter 3** This chapter covers the history of postal services in India, DoP- a Current Scenario, services provided by DoP, Important Characteristics/ Basic Profile of India Post, Articles from newspapers/ Magazines about India Post, Post office and the Common Man

**Chapter 4** This chapter deals with secondary data (Quantitative and Qualitative.)

**Chapter 5** This chapter deals with Primary data -- observations and conclusions on the survey of customers relating to mail services and focus group discussion (FGD) with customers.

**Chapter 6** This chapter deals with Primary data -- observations and conclusions on the survey of customers relating to financial services, focus group discussion (FGD) with them and observations and conclusions on the survey of Postal Agents.

**Chapter 7** This chapter deals with observations and conclusions of the interviews of postal employees, focus group discussion (FGD) with them and interviews of past employees who have opted for VRS, observations and conclusions on Questionnaire for Post Master General (Pune Region) and Observations through Personal Visits.

**Chapter 8** This chapter gives the summary of conclusions, testing of hypotheses, recommendations and areas of further research.

Appendix: It contains First Questionnaire for Customers-- for Mail services and general, Second Questionnaire for Customers -- for financial services, Questionnaire for Postal Saving Agents and Questionnaire for present and ex- Post Master General Pune Region and Bibliography
References:
1. WTO.com
7. C.K. Kothari ‘Research Methodology” Vishwa Prakashan, 1990, Second Edition Pg. no.188