SUMMARY
&
CONCLUSION
9.1 INTRODUCTION

The customer is the greatest asset of a bank because without customers there is no bank. Due to stiff competition, many banks have seen declining revenues and thus declining profits. Declining revenues forced them to divert their concentration on a particular business rather to adopt and extend working areas. The entry of new private sector banks into the field not only enhances the competition but also instigate the old veteran public sector banks to be up to date. The private sector banks like ICICI, HDFC enter into the market with the latest technology, thus forced the old veterans to change in their attitudes. Of course in the midst of this game the major beneficiary is the customer.

Normally an employee of a bank bothers a little about the fact that how to behave with a customer. It is the bank which should develop the customer service culture in a very dynamic and systematic manner. Never an idea should be created in minds of the employee that customers are headaches. An employee should be given proper training to recognize what is his duty towards the customer when he / she is facing him/ her. A satisfied customer is an asset of the bank and a dissatisfied customer becomes the reason of failure.

The present study aims at providing better understanding of factors of satisfaction which will help in designing a better customer service package for the banks. The entry of new generation private sector banks & foreign banks with latest technology has enhanced the need for extra care for the customers by the public sector banks. At this backdrop the study is a unique one, as no such study has been done earlier on bank customers of Orissa. The main objective of the present study is to understand the banking behaviour of customers of the state. The study has been conducted to understand the factors that influence the choice of one bank over the other and also examines the expectations of the customers and the perceptions of the bankers regarding these services. On the basis of the study results, ways and means to be suggested for improving customer satisfaction in banks with a view to make overall banking service more effective and efficient.

The study is mainly based on field survey and is exploratory in nature. The source of data is mainly primary. Data are collected through well designed questionnaire. There were two sets of questionnaires for the respondents- first one for the customers and the second one for the bankers. The opinions of 384 customers and 156 bankers belonging to various banks and situated in different
locations were collected. With regards the factors of satisfaction the respondents were to give their opinion in five-point / seven point Likert scale.

The data collected through various instruments are processed through SPSS (Statistical Package for Social Sciences). Cross tabulations are made to unearth the reasons of satisfaction and dissatisfaction. The different statistical techniques used were Chi-Square Test, T test, F Test. In addition to that Mean and Standard Deviation has been calculated in many cases to ascertain the average and variability of the individual items from their mean. The F test has been undertaken to verify that whether the means of different groups on different factors vary significantly or not.

9.2 MAJOR FINDINGS

Customer is the ‘GOD’ for any business; the banking sector can not close its eyes to the fact, particularly in an age of liberalization and globalization. Again the old veterans in the field have to open their eyes and to accept the changes knocking at their doors. In the midst of modern technology and with the entry of new private sector banks and ultra modern foreign banks, ‘customer satisfaction’ has posed problems for many banks. At this backdrop, the followings are the major findings of the study as perceived by the customers and bankers.

9.2.1 CUSTOMERS' VIEWS

Respondents prefer public sector banks to operate fixed deposit accounts. Savings bank account dominates the type of account in all categories of the respondents. Current accounts, recurring deposit accounts are not very popular among the sample customers.

Customers also prefer public sector banks to private sector banks to take House Building loans, Educational Loans, Gold loan and cash Credit a/c. However for consumer loan customers opt for private sector banks.
Convenient location, friendly staff, prompt service and core banking facility are the principal determinants of choice of opening of an account in public sector banks. For private sector banks, the service quality in addition to the factors like convenient location, technological factors are the most important reasons for opening a deposit account.

Most of the respondents have the habit of saving regularly a sum of Rs.20000 or more per annum.

All the respondents are aware of the different services provided by the bank. However, the payment / transfers, safe deposit vaults, gift cheques, debit / credit cards and ATM facility are considered important by the customers of private sector banks. The customers of public sector banks rank collection of cheques / bills, debit / credit cards and ATM facility as important. In reply to the question of availing different services, all the respondents of private sector banks informed that they all were availing debit / credit cards, ATM facility.

In reply to the politeness the general opinion of the respondents of the public sector bank is 'some what' manageable whereas the responses of customers of private sector banks are better than that of public sector banks (most of the times). With regards to the factor 'helpfulness of the employees' all the respondents have the answer 'most of the times'.

The responses of most of the customers of both types of banks to the promptness of bank staff in resolving the problems are rather disappointing. The similar situation is also seen for the factor 'empathetic'.

The private sector bank should give more attention to the services like deposit / withdrawal of money, providing information and in overall aspects. The public sector banks should take due care at
the time of sanctioning of loans and at the time of providing misc. services.

The respondents of private sector banks are of the view that the staffs of the bank normally remain present in the counter. In case of public sector banks a mixed opinion is received in which some of the respondents use 'rarely present'.

The customers of public sector banks are dissatisfied with regard to the physical facilities like availability of space in bank's premises and printing and informative materials, whereas the customers of private sector banks responded poorly towards almost all the same factors in addition to the complain of less number of ATMs.

The extents of dissatisfaction for public sector banks with regard to physical facilities are higher in comparison to private sector banks, although the factors of dissatisfaction are almost same. the major reasons for overall dissatisfaction of the public sector banks rest with ATM network, while delay in transaction processing are for private sector banks.

In reply to the comparison of investments the respondents consider the bank deposits as more safe and more liquid than any other form of investment.

The customers of private sector banks consider safety, liquidity and social security as major factors influencing investment but the respondents of public sector banks consider safety as the only major influencing factor.

The respondents think that new customers can be attracted by extending facilities like ATM, On-Line banking, Debit / Credit cards and D-Mat Account.
Respondents are not happy with the interest on savings / fixed deposit accounts, bank's parking places, atmosphere in the bank, lay out of the bank and efficiency of the staff.

The location does not make any difference in the factors of satisfaction and dissatisfaction.

Among the respondents of various age groups there are differences of opinion regarding service charges, time to open an account, computerization in the bank, bank's innovativeness in introducing new services; bank's parking places, atmosphere in the bank and attitude of the staff.

Respondents belonging to various occupations also have different opinions regarding various factors of satisfaction and dissatisfaction. The most important factors on which the opinion vary, are service charges, bank's parking places, banker-customer meet and attitude of the staff.

Under graduate customers are highly satisfied with the location of the bank, computerization in the bank and staff awareness regarding services. The Graduate customers are appreciating the speed of depositing money, location of the bank and also the staff awareness. The post graduate customers are happy with the attitude of the staff, location of the bank and staff awareness.

The male customers are happy with the service charges, speed of depositing money, bank's publications regarding products and services, location of the bank and staff awareness regarding services. They are very much unhappy over the factor 'atmosphere in the bank'. The female respondents were very much dissatisfied with the factors like atmosphere in the bank and lay out of the bank.

The opinions of the respondents vary with regards to service dimensions like Responsiveness and Assurance.
With regards to the service dimension of responsiveness both rural and urban customers have poor opinion. However the urban customers have more reliability than the rural customers on the banks.

The Public Sector Banks are ahead of their counterparts in terms of courteous employees as perceived by the customer.

9.2.1 BANKERS’ VIEWS

Out of 156 bank officials, 67 belong to the private sector bank and 89 belong to the public sector bank.

Most of the respondents (51% of private sector and 46% of the public sector) described their location as ‘very good’.

With regards to the physical facilities in the bank, the private sector banks have inadequate floor space, less number of employees and less number of ATMs where the public sector banks have insufficient number of computers, ATMs and air cooling / conditioning equipments.

The private sector banks are rendering very high quality of services at present. Attitude of the staff of private sector banks is highly appreciable. The situation in case of public sector banks is more or less same with private sector banks.

The services can be improved by adopting on line / core banking, mechanizing the service requests, promoting more beneficial schemes such as pension, opening chest by which old damaged notes can be changed and adopting Tele-Banking / Mobile Banking.
The business can be improved by connecting ATM network with other banks and providing better services to the existing customers so that they will be the mode of advertisement to attract new business.

The public sector banks feel that the new private sector banks are their competitors, whereas the private sector banks consider that both the other private sector banks and public sector banks are their competitors.

78% of the private sector bank officials and 66% of the public sector bank officials consider that level of competition is moderate.

The respondents think that there is no fear of losing of business and they won't feel handicapped due to competition.

The banks can face the competition with the help of better customer service, implementing various schemes, opening more no. of branches, introducing On-line banking and Zero balance account.

The various branches of the banks are given the duties of conducting trade fairs, making personal contact with the customers, conducting road shows, fixing banners in important places, and advertising in print as well as in electronic media.

Most of the private as well as public sector banks are adopting tactics like personal contact, personal attention to customer needs, aggressive sales promotion, distribution of information booklet and literatures improving service quality to attract more and more customers.

Most of the private sector banks are adopting the techniques such as making awareness among the public and informing the customers about a new product to promote their business.
73% and 71% of the respondents of private and public sector banks were of the view that 'front office banking personnel are important'. 89% respondents of the public sector banks agreed that the staffs of the banks are discharging their duties properly while 87% bankers of private sector banks conclude that the staffs of the banks help in attracting and retaining the customers.

66% of the private sector bank officials suggested that the banker-customer meet should be held at least once a year while 56% of the respondents of public sector banks suggested the same.

36 respondents of the public sector banks opined that frequent interaction between the banker and customer can be made by setting up complaints box. The other modes of interaction may be across the counters, by going to the depositors and by opening more effective enquiry counters.

On the basis of suggestions the banks had introduced the Flexi-deposit schemes, core banking, D-mat account and reduced interest rates on loans.

The bank can meet the increasing customers' needs by introducing mechanization of service requests, Mobile banking and converting the bank into a one stop shop.

The respondents of private sector banks are not happy with their system of opening of an account. The respondents of public sector banks had no complaints against their systems.

The urban and rural customers are satisfied to some extent for the services provided to them by the banks, however their opinions vary in many respects such as speed of withdrawals, computerization in the bank and bank's innovative ness in introducing new product and services.
The respondents of small branches are not fully satisfied with the time taken to open a new account. However the responses are very much appreciated for all other factors of satisfaction by the respondents of large branches and medium branches.

A customer of a public sector bank has many grievances and the reason could be the comparison with the private sector banks for the same.

A customer of a private sector bank has a small number of complaints; this is because the bank has been equipped with modern technology and all sorts of up-to-date banking facilities.

A bank can achieve its social objectives by adopting the No-Frill banking, the mobile ATM vans, by sponsoring Government Schemes and providing subsidized loans for Priority Sector.

9.2.2 SUGGESTIONS

In the midst of globalization and liberalization a time has come to accept and adopt oneself to the need of the hour. The development of technology certainly has changed the functioning of everything. A traditional bank with its old principles and practices can not survive if it closes its eyes to the fact. Of course, in urban areas the old banks are performing its business at par with the ultra modern private sector & foreign banks, but one can feel its originality when one can visit its branch in a rural area. The improvement in the technology has also increased the expectations of customers & satisfaction. On the basis of findings of the study, the following suggestions are outlined for enhancement of customer satisfaction by improvement of service quality -

All branches of banks, except very small branches should have "Enquiry" or "May I Help You" counters either exclusively or combined with other duties, located near the entry point of the banking hall.
Complaints / suggestions box should be provided at each office of the bank and the banks should study complaints from the customers and initiate corrective actions.

At every office of the bank a notice requesting the customers to meet the branch manager may be displayed regarding grievances, if the grievances remain unredressed at appropriate level.

Banks should undertake simplification and consolidation of loan documents and bringing them out in regional languages.

In order to ensure full day's work, Lunch recess should be fixed and allocation of work so arranged that the work at any counter does not suffer. Every employee's lunch recess should be specifically decided and adhered to. Staggering of lunch recess should be done so as to ensure that the work at any counter does not suffer.

Banks should establish customer service committees at branch level.

Each branch of the bank should undertake a customer relation programme by meeting customers in groups at least once in a quarter.

A customer service department should be set up by every bank at head office / Central office to monitor the progress in improving service rendered by the branches. Bank should conduct annual survey with regards to complaints received from customers.

The banks should arrange to display the latest rates of interest on varying terms of deposits from time to time. Further they should also ensure that their branches take prompt action for making necessary corrections in the notice displayed as and when the changes in the rates of interest take place.

The public sector banks should pay more attention to the factors like convenient location, prompt service, introduction of core banking facility and also On-Line banking as far as practicable.

During busy hour, service request mechanization process can be introduced in large branches of public sector banks.
The private sector banks should display the rules and regulations clearly inside the bank premises which should be visible to everybody.

As far as possible, the public sector banks should introduce the modern methods of banking like Tele-Banking / Mobile banking in all their branches.

The private sector banks should pay more attention to parking place, floor space, quick transaction of cash, more number of ATMs, intimation of maturity, and guidance and counseling in order to take care of the dissatisfied customers. With regard to value added services, they should give more attention to factors like safety and security, issue of credit / debit cards, renewal of credit cards, accuracy of statements, timely receipt of statements, transparency in service charges, and wide acceptability of credit / debit cards.

The public sector banks should pay more attention to quick transaction of cash, more number of computers, air cooling / conditioning instruments and to extend the ATM network with the other banks in all places.

Customer satisfaction and attracting, and retaining customers are major objectives of a bank, as evident from the study. A bank should not forget the fact that a satisfied customer is an advertiser and an anchor for the creation of goodwill for the organization.

Each bank should try to enrich its staff with proper skills to deal with the customer. For that purpose, each employee should be given proper training in appropriate atmosphere to learn such skills.

Not only the customer satisfaction, but the concept of customer delight is now the emerging area in Indian banking system, by which the service providers should prepare themselves to offer more than what their customers expect from them.

It is important for the banks to improve the service attitude of the staff and reduce the transaction time to improve customer satisfaction and redress the grievances of the customers.
Complaints always bring dissatisfaction with the customers. The bankers should have to gear up themselves to handle the same quickly and efficiently.

The customers directly come in contact with the front office personnel, who are observed not to be in the proper mood to listen to the customers. It is the duty of the bank to give proper training to the staff in such positions which will enable them to meet the situation properly.

Banks should ensure that no counter remains unattended during the business hours and uninterrupted service is rendered to the customers. Further, the banks should allocate the work in such a way that no teller counter is closed during the banking hours at their branches.

In order to compete in the e-Commerce world, financial service providers will need to invest heavily in customer relationship management systems and in brand identity. In the fast-track internet world, it may be the only way to survive. The staff in the public sector banks particularly, must have an open mind and accept the fundamental changes brought about by the information technology and internet revolution for better delivery of customer service and appreciate the more efficient way of accounting transactions and generating an array of MIS reports both for the bank management and the regulator.

93 SCOPE FOR FUTURE RESEARCH

The present study is concerned with a broad picture of customer attitude and perceptions of banking services provided by the public as well as private sector banks in Orissa. Other demographic parameters of the customers and the bankers can also be studied to provide indepth understanding of the customers' needs & expectations. Similarly, the bankers' views in this aspect can be considered. But there is no comparison of how the bankers perceive the customers expectations relating to various parameters of banking services. This would have provided a better understanding of customers' expectations and perceptions, which needs further research.
The banks should culture the habit of improving customer service in their own interest with a view to retaining the existing customers and to expand their business by winning new customers. Though it sounds nice, practically is very difficult, because the intensity of competition is very high. Again a banker should keep in mind that a satisfied customer is an asset for the bank, as he becomes the advertiser in disguise and thus is converted into a creator of goodwill and each of his actions is translated into the growth of the business of the bank. Of course the bank should not forget the words of the Father of the Nation- Mahatma Gandhi, "By entering into your premises, the customer is giving an opportunity to serve him, but you are not doing any favour by serving him. He is the purpose of your business."

The crying need of the hour is to improve the quality of services in the banking organizations in general and in the public sector commercial banks in particular. Since the banking business is found standing on the pillars of customer satisfaction, it is pertinent that policy makers and the bank managers think over the problem on a priority basis.