In this chapter, the researcher gives the findings, conclusions and suggestions. The first section highlights the findings based on both primary and secondary data. In second section highlights conclusions and third section includes Suggestions.

SECTION FIRST

Findings refers to the information that researcher discovers, or opinions that researcher receive after doing research. In other words findings are the principal outcomes of a research project, what the project suggested, revealed or indicated. This usually refers to the totality of outcomes, rather than the conclusion or recommendation drawn from them.

7.0 FINDINGS FROM SURVEY

As far as analysis of primary data is concerned the researcher collected responses from hundred respondents and analyzed the data with the help of appropriate techniques. Finally, the researcher has come up with the following findings:-

- Reasons for adopting the MAS: respondents of both the banks are agreed on MAS for improving the productivity, efficiency and periodical checkup. Therefore, there is no significant difference, (1.96@0.05 level of significance) in the responses of PNB and HDFC Bank.

- In reference to objectives of MAS: respondents of both the banks are agreed on MAS for increases the profits of the organization and achieving the objectives set by the organization. Hence, with reference to all the objectives there is no significance difference, (1.96@0.05 level of significance) in the responses of PNB and HDFC Bank.

- Perception of respondents, regarding the advantages of MAS: respondents of both the banks are agreed on MAS for efficiency, attainment of the organization goals, increasement of ability of employees, checking management efficiency,
business enjoying the better reputation. Thus, with reference to advantages there is no significant difference, (1.96@0.05 level of significance) in the responses of PNB and HDFC Bank.

- **Regarding Profitability and MAS** respondents of both the banks are agreed on that parameter, NPA is managed and controlled by management audit and improves performance, eliminates inefficiency and increase effectiveness and profits of an organization. Therefore, with reference to profitability there is no significant difference, (1.96@0.05 level of significance) in the responses of PNB and HDFC Bank.

- **Perception of respondents with reference to Efficiency and Effectiveness of MAS**: respondents of both the banks are not in agreement on the parameter that MAS is a tool to evaluate the efficiency of management and employees at all levels of their organization. Hence, with reference to efficiency and effectiveness there is significant difference, (1.96@0.05 level of significance) in the responses of PNB and HDFC Bank.

### 7.0.1 FINDINGS FROM SECONDARY DATA ANALYSIS

On the basis of secondary data analysis the researcher comes up with the following findings:-

- The analysis reveals that the score of MAS in PNB during study period in the selected years (2005-06 to 2009-10) shows an increasing trend, whereas the score of MAS in HDFC Bank shows almost steady trend. In this way PNB is in a better position than HDFC bank.

- The analysis clearly shows that there is a significant difference in the mean score of internal control of two banks, the $t$-value is 6.56(1.96@0.05 level of significance). Therefore, researcher rejects the hypothesis which means that on the basis of mean scores of MAS both the banks are not equal to each
other. Mean score of MAS in PNB (6.46) is greater than that of HDFC bank (5). MAS in PNB is better than HDFC bank.

- Regarding the Credit audit & review, there is significant difference in the mean score of Credit audit & review of the two banks. The t-value is 2.00(1.96@0.05 level of significance). Therefore, researcher rejects the hypothesis which means that on the basis of mean scores of MAS both the banks are not equal to each other. The mean score of MAS in PNB (6) is greater than that of HDFC bank (5).

- In reference to Cash Management Services, there is a significant difference in the mean score of Cash Management Services of the two banks. The t-value is 4.08(1.96@0.05 level of significance). Therefore, researcher rejects the hypothesis which means that on the basis of mean scores of MAS both the banks are not equal to each other. The mean score of MAS in PNB (8.8) is more than HDFC bank (6).

- The analysis reveals that there is a significant difference in the mean score of Risk Management of the two banks. The t-value is 14.00 (1.96@0.05 level of significance). Therefore, researcher rejects the hypothesis which means that on the basis of mean scores of MAS both the banks are not equal to each other. The mean score of PNB (10) is more than HDFC (7.2).

- Regarding Information Technology, there is a significant difference in the mean score of Information Technology of the two banks the t-value is 5.91(1.96@0.05 level of significance). Therefore, researcher rejects the hypothesis that means on the basis of mean scores of MAS both the banks are not equal to each other. The mean score of PNB (8.58) is more than HDFC (7.96).

- The analysis clearly shows that there is a significant difference in the mean score of Management Information Technology of the two banks, the t-value being 4.00 (1.96@0.05 level of significance). Therefore, researcher rejects the
hypothesis which means that on the basis of mean scores of MAS both the banks are not equal to each other. The mean score of PNB (6) is more than that of HDFC (5.2).

- The analysis reveals that there is no significant difference in the mean score of Non-Performing Assets Management of the two banks the t-value is 0.49(1.96@0.05 level of significance). Therefore, researcher accepts the hypothesis that means on the basis of mean scores of MAS both the banks are equal to each other.

- In case of Citizen’s Charter, there is a significant difference in the mean score of Citizen’s Charter of the two banks, the t-value being 39.00 (1.96@0.05 level of significance). Therefore, researcher rejects the hypothesis that means on the basis of mean scores of MAS both the banks are not equal to each other. The mean score of PNB (9.8) is more than HDFC (2).

- The analysis clearly shows that there is no significant difference in the mean score of Right to Information Act of the two banks, the t-value being 1.31 (1.96@0.05 level of significance). Therefore, researcher accepts the hypothesis that means on the basis of mean scores of MAS both the banks are equal to each other.

- The analysis clearly shows that there is no significant difference in the mean score of Customer care center of the two banks, the t-value being -0.45(1.96@0.05 level of significance). Therefore, researcher accepts the hypothesis that means on the basis of mean scores of MAS both the banks are equal to each other.

- In case of Spearman’s coefficient of rank correlation between PNB and HDFC Bank there is a positive moderate correlation (R=0.49) it clearly shows the parameters rank of the two banks is not moving with same pace.
• Regarding the trend of MAS for study period in selected banks, the $b$-value of PNB ($0.29$) is far ahead to HDFC Bank ($0.02$). The equations in both the banks are as follows:-

\[ \text{For PNB: } Y = 15.32a + 0.29bX \]
\[ \text{For HDFC Bank: } Y = 11.72a + 0.02bX \]

• The analysis clearly shows that there is a significant difference in the mean score of MAS in PNB 77.54 and HDFC Bank 58.88. The t-value is $9.36(1.96@0.05 \text{ level of significance})$. Therefore, researcher rejects the hypothesis and concludes that on the basis of mean scores of MAS both the banks are not equal to each other. Regarding overall performance PNB is better than HDFC Bank.

• Analysis of the relationship of MAS with Employee’s Productivity in the selected banks. Clearly shows that there is no significance difference in the MAS and Employee’s Productivity in PNB and HDFC Bank. The $z$ – value is $1.95(1.96@0.05 \text{ level of significance})$. Therefore, researcher accepts the hypothesis that the MAS and Employee’s Productivity are independent to each other. Further, the result reveals that correlation between MAS and Employee’s Productivity in HDFC Bank is negative (-0.83), whereas in PNB it is positive (-0.64).

• The analysis of impact of MAS on Profitability of both the banks reveals that in case of Net Profit Ratio, there is a significant difference in the MAS and profitability of both banks, the $z$-value is $2.14(1.96@0.05 \text{ level of significance})$. Hence, the researcher rejects the hypothesis that MAS and Net Profit Ratio are not independent to each other. Further, the result reveals that correlation between MAS and net profit ratio in HDFC Bank is negative (-0.69), whereas in PNB it is positive (0.86).

• The analysis reveals that in case of return on investment ratio, there is no significant difference in the MAS and return on investment ratio in PNB and
HDFC Bank. The $z$-value is $1.08$ ($1.96@0.05$ level of significance) Hence, researcher accepts the hypothesis that MAS and Return on Investment Ratio are independent to each other. Further, the result reveals that correlation between MAS and Return on Investment Ratio in HDFC Bank is negative ($-0.34$), whereas in PNB it is positive ($0.62$).

- In case of return on total assets, there is no significant difference in the MAS and Return on Investment Ratio in PNB and HDFC Bank. The $z$-value is $0.92$ ($1.96@0.05$ level of significance) Therefore, researcher accepts the hypothesis that MAS and Return on Total Assets are independent to each other. Further, the result reveals that correlation between MAS and Return on Total Assets in HDFC Bank is negative ($-0.09$), whereas in PNB it is positive ($0.68$).

- In reference to Overall Profitability Ratio, there is no significant difference in the MAS and Overall Profitability Ratio in PNB and HDFC Bank. The $z$-value is $0.66$ ($1.96@0.05$ level of significance). Hence, researcher accepts the hypothesis that MAS and Overall Profitability Ratio are independent to each other. Further, the result reveals that correlation between MAS and Overall Profitability Ratio in HDFC Bank is negative ($-0.16$), whereas in PNB it is positive ($0.46$).
SECTION SECOND

The word conclusion is defined as finality, fulfillment, closer or realization. Conclusion means to reach an opinion, make a decision, or resolution regarding a subject.

7.1 CONCLUSION

INTRODUCTION

A detailed study of the research work carried out in respect of ‘A Comparative Study of Management Audit System between Punjab National Bank and HDFC Bank Ltd. in India’ has been analyzed and reported in the preceding chapter. The vital objective of concluding this chapter is to briefly summarize the important contribution of the research work carried out, to pick out the major limitation and to mention scope for further research work in this area.

CHAPTERWISE SUMMARY OF RESEARCH CONTRIBUTION

The main focus of the present research work is on evaluating the MAS in selected private and public sector bank and analyzing the contribution of MAS in increasing or decreasing the profitability of the bank, efficiency & effectiveness of employees.

The research work is initiated with an introduction to MAS (History, Meaning and Concept of MAS, Definition of MA, Salient Features of MAS, Need for MAS, Objectives of MAS, Advantages of MAS, Disadvantages of MAS, Working Procedure of MAS, Scope of MAS, Management Audit - Need of Hour, Appointment of Management Auditor, Management Auditor’s Report, and Company profile of the selected banks). Further, the researcher has given a brief account of related review of literature carried out at both National and International level.
Chapter third of the research study Nature and Present Status of MAS in Selected Banks’ describes the policies and procedures followed by the PNB and HDFC Bank on the basis of the following parameters: Internal Control, Credit Audit Review, Cash Management Services, Risk Management, Information Technology, Management Information System, Non-performing Asset Management, Citizens' charter, Right to Information Act, Customer care Center. The present study reveals that on the basis of the selected parameters public sector bank PNB is better than HDFC Bank in the light of polices and procedure followed by the banks.

In chapter fourth is Comparative Analysis of MAS in both the Selected Banks’. For this purpose, secondary data have been explored from the annual report of both the banks. In order to have precise comparison between the two banks, hypotheses have also been tested and statistical tools score chart, mean, Spearsman’s rank correlation coefficient, Karl Pearson’s coefficient of correlation, regression and student t-test have been applied. After analyzing the comparison of MAS in both the banks, PNB is found better than HDFC Bank on the basis of selected parameters.

Chapter fifth of the research study comprises of Relationship between MAS & Employee’s Productivity and Profitability of Selected Banks. This chapter includes concept of employees’ productivity, employees’ productivity in banks, relationship between MAS & Employee’s Productivity and comparison of PNB and HDFC Bank on the basis of employee’s productivity. When compared, the employees’ productivity of PNB is better than that of HDFC Bank because employees’ productivity is a positive aspect which no company would like to be it as negative. The relationship of MAS & employees’ productivity in HDFC Bank is negative, whereas in PNB it is positive. Therefore PNB is better than HDFC Bank in this respect also.
In the last chapter, primary analysis has been done to understand the perception of respondents about the concept of MAS in present scenario. In view of respondents, PNB is better than HDFC Bank in reference to awareness, advantages, relationship of MAS with profitability, and relationship of MAS with efficiency & effectiveness in the selected banks.

In a nutshell, MAS is better in public sector banks than in the private sector banks. To resolve this problem, private sector bank must look upon the loopholes in implementation of MAS in their banks, and as far as government is concerned. Government should make MAS compulsory in both types of organizations in India.

SECTION THIRD

7.2 SUGGESTIONS

On the basis of analysis & findings, the researcher puts forwards the followings suggestions. The researcher hopes that these suggestions will be useful to the banks in improving their efficiency & transparency in their working. These suggestions will also be useful to the regulatory bodies like the RBI to make the industry more accountable to the authority as well as public.

- The researcher feels that MAS should be mandatory in financial sector in general and in banking sector in particular.

- MAS should be part of periodical exercise of internal audit in banking industries.

- For commencement of a management audit, the authority should ascertain the following:
  - Objectives and goals of the enterprise with a view to assess the possibilities of getting the desired results through them.
• Suitability of policies, plans and procedures lay down by the management.

• Effectiveness and credibility of the communication system including management information system of the organization.

• Standards of performance set by the management.

• Efficiency and economy of resources input.

Results reveals that PNB is better than HDFC Bank as far as the employees’ productivity is concerned, because in PNB the correlation value between MAS and employees’ productivity is 0.64 which is positively correlated whereas in case of HDFC bank the correlation value between MAS and employees’ productivity is -0.83 which is negatively correlated which implies that employees’ productivity is negative in private sector bank which is not recommended. Private sector takes MAS seriously to increase the employees’ productivity of the bank because implementation of MAS helps in increasing efficiency and effectiveness which results in higher employees’ productivity of the bank. MAS should be made mandatory in private sector banks because it is beneficial for banks in many ways.

Results reveal that PNB is better than HDFC Bank as far as the profitability is concerned because in PNB profits is increasing and number of employees is not increasing in that ratio which shows higher profitability, but in case of HDFC bank profit is decreasing and number of employees is increasing which shows lower profitability. Private sector takes MAS seriously to increase the profitability of the bank because implementation of MAS helps in increasing efficiency and effectiveness of employees which results in higher profitability of bank. MAS should be made mandatory in private sector banks because it is beneficial for banks in many ways.
The following circumstances should also be taken into consideration by the banking sectors as they are needed to improve productivity and efficiency: need for the organization to survive, foreign collaboration, to examine management ability because they also play a vital role in the development of Management Audit.

Management Audit helps in attainment of various objectives in an organization. Optimum utilization of organizational resources helps in ascertain whether the management policies are effectively used or not. These objectives should also consider by the organization while performing Management Audit.

Apart from various advantages of MAS in banks the adjectives of MAS, such as; optimum utilization of organization resources, better delegation of authority and responsibility, protection of work standard, to check management transparency these should also be kept in mind by the organization.

Analysis of the study also reveals that MAS helps in increasing the profitability of the bank. The banks should also consider Management Audit before advancing loans or to fund against equity capital of the organization. NPA (Non-Performing Assets) too is managed and controlled by Management Audit.

Analysis of the study reveals that MAS helps in increasing the profitability of the bank. The banks should also consider Management Audit help to determine whether sound management exists at all levels, ensuring effective relationship with the outside world and internal efficiency. Management Audit aims at discovering errors and fraud which ensures the employees being wary of Management Audit and performing their work more efficiently. Management Audit helps in finding out the inefficient resource of in management and employee working. Management Audit helps in verifying that the information used by the management to control the understanding is adequate.
7.3 SUGGESTIONS FOR FURTHER RESEARCH

The researcher while summing up her work would like to state that though the study was carried out with utmost sincerity, scientific approach and painstaking efforts, yet it has a few limitations. The researcher therefore apologizes from the core of her heart if this study could not meet one’s expectations. The researcher also firmly believes that “No work is complete till you stop trying.” There is always a room for further improvement with contemporary changes.

In the light of this statement, the researcher would suggest for further research activities to be carried out related to this area, to incorporate more organizations, having a larger sample and to involve some more parameters of MAS. Since research work is an ongoing process, the study instead of blocking, opens the new avenues for further enriched, varied and improved versions of the present study in future.