CHAPTER 6

PROBLEMS PERCEIVED BY CUSTOMERS WHILE OPERATING THE BANK ACCOUNT

6.1 INTRODUCTION

This chapter discourses the problems faced by the rural customers of Basic savings bank deposit account while operating their bank accounts. Henry Garrett ranking method was applied to rank the problems faced by the customers while operating the bank account. Further the Garrett points and its mean value are tabulated and well presented in this chapter.

6.2 PROBLEMS FACED DURING OPERATIONALIZATION OF BANK ACCOUNT

Problems faced by customers while operating their bank account were carefully chosen based on the existing literature and opinion of the customer. This includes, Delay in transaction, Low income of the rural customer, More than one savings bank account, Distance of the bank from the household, Lack of guidance from the bank, Meanness attitude of bank employees approach while transacting the bank account, Illiteracy, Business Correspondent service to the rural customers respectively.

Based on the Problems perceived, rural customers were then asked to rank the listed factors based on their magnitude. Henry Garrett ranking method was used to rank the numerous factors of the study based on the nature of problems faced by rural customers of Basic savings bank deposit account. The order of merit
provided by the customers was converted into ranks by using the formula. The percentage position of each rank attained is converted into scores by referring to the table given by Henry Garret.

\[
\text{percentage position} = \frac{100(R_{ij} - 0.5)}{N_j}
\]  

(6.1)

Where \( R \)= rank given for \( i^{th} \) factor by \( j^{th} \) individual

\( N \)= number of factors ranked by \( j^{th} \) individual

Then the mean scores are calculated and these mean scores for all the selected factors are organized in the descending order, then the ranks are provided based on the calculated mean and the most important factor is identified.

**Table 6.1**

Problems Perceived by Customers While Operating the Bank Account-Henry Garrett Ranking

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Problems</th>
<th>Total Score</th>
<th>Average</th>
<th>Ranks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Illiteracy</td>
<td>20891</td>
<td>54.83202</td>
<td>I</td>
</tr>
<tr>
<td>2</td>
<td>Meanness Attitude of Bank Employees</td>
<td>19463</td>
<td>51.08399</td>
<td>II</td>
</tr>
<tr>
<td>3</td>
<td>Lack of bank Guidance</td>
<td>19352</td>
<td>50.79265</td>
<td>III</td>
</tr>
<tr>
<td>4</td>
<td>BC Services</td>
<td>18708</td>
<td>49.10236</td>
<td>IV</td>
</tr>
<tr>
<td>5</td>
<td>Delay in Transaction</td>
<td>18401</td>
<td>48.29659</td>
<td>V</td>
</tr>
<tr>
<td>6</td>
<td>Bank Distance</td>
<td>18025</td>
<td>47.30971</td>
<td>VI</td>
</tr>
<tr>
<td>7</td>
<td>More than one bank account</td>
<td>17857</td>
<td>46.86877</td>
<td>VII</td>
</tr>
<tr>
<td>8</td>
<td>Low Income</td>
<td>17783</td>
<td>46.67454</td>
<td>VIII</td>
</tr>
</tbody>
</table>

(Source: Primary data)
It has been identified from the Table. 6.1 that, Illiteracy among the rural customers (mean score of 54.83) is found to be the foremost problem among the customers of Basic savings bank deposit account.

Bank Employees approach (mean score of 51.08.) was found to be second major problem faced by the bank customers at the time of operation of their bank account. Bank guidance and motivation on various issue faced by customers are ranked as third with a mean score of 50.79. Business Correspondent who provides banking services (mean score of 49.10.) in their respective villages to the rural customers was found to be ranked as fourth major problem faced by the customers.

Delay in transaction occurred while processing the transaction is ranked as fifth (mean score of 48.29), distance of the bank from the household was also a great concern among customers was found to be ranked as sixth (mean score of 47.3) respectively. Customers having more than one bank account ranked as seventh major problem (mean score of 46.86) followed by the low income earned by (mean score of 46.67) bank customers of BSBDA respectively.

Finally among the eight factors in which Garret scores was used and ranked, Illiteracy, Bank employees behavior, Bank guidance are found to be the major problems faced by the rural customers of BSBDA while operating their bank account. Based on the results, problems faced by BSBDA customers are depicted in figure 6.1 and are discussed in detail as follows:

6.2.1 Delay in Transaction

As revealed by the customers, it takes more time to make a transaction in their bank account, due to the poor internet connectivity in the rural area. Therefore, customers face a lot of difficulty in waiting for a long time to do a transaction.
6.2.2 Meanness Attitude of Bank Employees

Customers face a lot of difficulty in operating the bank account, due to lack of kindness and courtesy by the bank employee. Bank employee behavior seems to be a discouraging factor for non-operative bank customers at most of the times.

6.2.3 More than One Bank Account

Upon enquiring with the account holders, customers who have more than one bank account, also found it difficult to operate all the bank account. This leads to the dormancy of the bank account.

6.2.4 Bank Distance

Customers, whose banks are situated far away from their households, also found it difficult to reach the bank for various financial services.

6.2.5 Lack of Bank Guidance

Lack of bank employee assistance, financial counseling and bank guidance in many of the banking facilities and products; affect the overall usage of the bank account.

6.2.6 Illiteracy

Financial literacy is found to be a major determinant in affecting the better utilization of bank account. There exists lack of skills and knowledge of banking products and facilities among the rural customers.

6.2.7 BC Services

Attritions of Business Correspondents affect the financial service of the rural customers. Therefore, to retain the BC in providing the various banking
services, appropriate remuneration and incentive mechanism should be in place and it should be common for all the banks.

Figure 6.1 Problems Faced During Operationalization of Bank Account
6.3 SUMMARY

Thus, the problems faced by the customers of BSBDA are analyzed using Henry Garret ranking method. The percentage position of each rank attained is changed into scores and the mean scores for all the selected factors like Delay in transaction, Low income, More than one savings bank account, Distance of the bank, Lack of Guidance, Bank employees approach, Illiteracy, Business Correspondents service are organized in the descending order, then the ranks are provided based on the calculated mean and the most important factor is identified. Finally among the eight factors in which Garret scores was used and ranked through which Illiteracy, Bank employees behavior, Bank guidance are found to be the major problems faced by the rural customers of BSBDA while operating their bank account.