CHAPTER 6

RESULTS AND DISCUSSIONS
The new technologies have a great impact on the economy and have scope to expand the utilization of products of financial nature over some years. Due to Information Technology many revolutions taken place and the various financial produce are created, their value is increased and the exchange of these various products which are related to finance on the all india level as well as on international level and this happens in these recent years. The technology also impacted on the banking sector also many new e banking services are created due to which the transactions are easily operated by any person. There are various perspectives to see the services provided by the banking sector and even we also see the difference between the traditional banking and the advance banking features provided by the Indian public and private sector banks. So what are the challenges in the banking sector and what the new features of e banking are overcoming these challenges so for this the various products and portals of online banking.

Increase in competition and the changes in the technology and the life of people have a changing impact on the working of banking sector, so now days the banks are offering various good things than the old which differentiate with each other. The customers who are of various categories listed below

Corporate Customers
Retail Customer
Service customer
Business Customer
Education sector customer
Farming sector customer
Student customer

So these type of customers are wishing to get the services when and where they want so as the number of computers are increasing day by day and the advancement of new techniques and upgrading of computers and increase in expectations of customers are changing the face of Indian banking sector.
Need of the days are the online service for the banking operations so that it is easy to get the things done in less time and less efforts. Online banking means the customer can connect to the banks computers and by connecting he can access and get this work done by use of electronic wires. And every day the improvement is going on in the online banking because people are expecting more and more on daily basis. Banks are using the new names for online banking such as

Personal computer banking

Home banking

Electronic banking

Internet banking

Names doesn’t matter but the facility provided are the same and they are having good effects on the economy at the same time the risk is also increase in performing the online transactions but the ease in operations and new technologies easily overcome the challenges and risk involved in these transactions.

The banking techniques are use in the following ways

1. To manage the huge customer base
2. To minimize the cost of handling payments
3. To change the bank from old constraints on time and place
4. To new products and services introduction

E Banking means the banks services are delivered to the bank account holders at office or home. The competition in the banks and the positions of the bank among the others are decided by some factors like

Quality of service

Cost of service

Range of service
Place of service
Ease of service
Utility of service
Branding by the bank
Continuous upgrading of technology
Risk free service
Customer base

So these are the factors which decide the quality of bank and the position of the bank among the other banks. So the customer can see all these things before choosing a bank and if the bank meets all these things then the customer become the account holder of that bank but if it is not there then the customer not go for that bank.

The common e banking services provided to the customer are divided into the two categories

Retail services

Wholesale services

Again the retail and wholesale services are the common services provided by the bank like

1. Account management
2. Bill Payment and presentment
3. New account opening
4. Customer wire transfer
5. Brokerage/Investment services
6. Loan applications
7. Aggregation of accounts
8. Cash management
9. Loan approvals
10. Employee benefits
11. Pension administrations etc.
So the people can avail these things for their day to day life.

To keep in race every bank is adopting new techniques and using new features like internet banking, ATM’s, Phone banking so these are definitely good for the customer than the old banking concepts but still the Indian banks are way behind the international banks because they provide very customer friendly and risk free services to the customer.

E banking is the need of future and it provides so many benefits to the customers and even it provides ways to choose and compare the bank. The penetration of the bank and expansion of the banks are easy with usage of wireless communication.

The banks websites provides the information about the bank offerings and the facilities and history of the banks, the employees of the bank, the job openings in the bank and many more and even the new features gained more popularity in the coming days. The account holders can do the basic things very easily by using the ATM facility. Now we will see what are the things needed for these new banking such as

Website design and hosting
Management of firewalls and configurations
Administration network
Management of security
Server for internet banking
Support in terms of programming
Application related to e commerce
Core processing system
Automated decision support system

So these components embedded together and form a complete online banking service.
Online banking and their service are categorized into various ways like

1. Bill payment services
2. Fund transfer
3. Credit card purchase
4. Railway pass
5. Investment
6. Recharging of prepaid phone
7. Recharging of DTH connection
8. Shopping at your fingerprints

There are many advantages of online banking which helps the customers to make happy so we will see what the advantages let's see are

Convenience:

As compared with other banks the online banking provides many features like it never closes and available 24 hours a day, seven days a week, and even by clicking of one mouse. Every person can avail the service by sitting at home and even at office and by using the computer it is very easy to get the work done. The online banking is so user friendly even a little boys and girls also able to use the online banking features because they are easy to understand and easy to learn.

Availability:

No worries if you are in state or out of state and even if out of country when a money problem comes then you can log on to internet banking and can operate the business transactions very smoothly. I want to share one situation of mine like when I was in Jaipur and unfortunately I had short money to spend and I needed to travel to Udaipur so I scared that I don’t have money and how it is possible for me to travel without money so I called my friend and luckily he was having the internet banking account and he transferred the money in just 2 minutes to me so after getting the message of amount credited I was happy than nobody else so that time I thank the bank by which I got the instant money. So the feature is so good you can make availability of money at any time, so in troubles it helps you a lot to solve the problems.
**Transaction Speed:**

Online banking speed of transaction is very fast even as faster than ATM machines so it is very faster to get the money and to do any transactions. As discussed before it is so fast and risk free so every person using the new banking features is happy to use that. In the traditional banking if you want to send the money to another city or state or any other country it took a lot of days to send the money but now days it is very quick and with couple of minutes you can send the money.

**Efficiency:**

In this advantage you can access and you can manage your any accounts including IRA’s CD’s and securities by using a single website. Every bank is having a website and that is the mirror of the bank so everything can be done by using that bank website, the bank website contains various options, we can take example of icici bank website it contains various options to do the transactions like

- Fund transfer
- Prepaid mobile/data card recharge
- Account summery
- Bill payments
- Credit card payment
- Third party transfer
- Online shopping

So these advantages we have seen now we see some disadvantages of online banking like

**Time website visit:**

First time the banking websites are difficult to use as it contains many features interlinked with each other so need some time to invest and read the instruction before doing any transaction and takes time to become comfortable.
Start Up Time:

If any person wants to use the online banking applications then he need to register to the bank website then he will get the ID and sign a form at bank branch. So after getting the ID you need to get the password by filling of another application form then you can log into the website and even you have to get the transaction password from the bank or you can get it online. So for any stranger it takes too much time to adopt this facility.

Bank site up gradation:

Many bank changes their website periodically because of security reasons and even the account holders need to change their log in password and transaction password periodically due to security reasons.

Now we will see what kind of advantages are required by the account holders of Bank of Maharashtra as they have seen these in private sector banks some of these are also available in BOM but still some are missing and need to improve so one by one we see what are the need of the day from bank of Maharashtra customer

Let us see one by but in short

Account Information

Fund transfer

Banking Request

Current balance check

Details of cash credit limit

Downloading of account statement

One to one fund exchange

Bulk fund transfer

Opening of letter of credit
Bill payments through electronic banking

The electronic shopping mall

Effective personal investment

Now days there are various online shopping website some are listed below

Amazon.in

Jabong.com

Snapdeal.com

Flipcart.com

Godaddy.com

So people are using these websites a lot to shop on daily basis as it offers many discounts to the public so that they can attract and more shopping is done by them.

Now we will see the results drawn by various test and statistical tools applied to the data.

We have attempted to process the data from ANOVA (one way) analysis and found that the responds (overall) and support of other statistics suggests that the specimen bank has large degree of dissatisfaction if it considers the particular age group of customers or their literacy level.

There are many table formed to represent the data, (individual and integrated) to bringing out the accurate reasons for dissatisfaction. As an independent researcher of thesis, the following are integrated outcomes of thesis.

We can see the table 5.4, the particulars consists of Account opening process, Response to queries, Cooperation of bank, Employees relationship and ATM Services which are also the basis on which responses are collected from respondents. According to table 9.4, total number of respondents selected for the purpose of survey is 614. In context of Account opening process, out of 614 customers, 357 customers are satisfied with the performance of bank, 89 customers are
highly satisfied, 105 customers are not satisfied and there are 63 customers who are unable to decide whether they are satisfied, highly satisfied or not satisfied and that’s the reason why they have been put into the category of making no comment/suggestions. The data which is provided is of the bank in which table no 9.3 which is one way anova table clearly shows sum of square between the group and within a group i.e. sum of square are 6.874 and 66.716 respectively and also consist of DF, MEAN SQUARE, F, SIGNIFICANCE which are (17 & 216) (.396 & .177) (3.409) (.91) respectively. In one way anova table significance shows the accuracy of the research the more close to .05 the more relevant data is.

If we consider the parameter of response to queries, out of total 614 respondents, only 102 are satisfied, 66 are highly satisfied, 412 are not satisfied which is a very large number and 34 are unable to make any comment. Here close to 75% of the respondents are not satisfied with the bank’s service regarding the response that bank makes against customer’s queries, which should be a matter of concern for the bank and it should be taken care of by the bank as early as possible.

We can see the parameter of cooperation that the bank makes with their customers, out of total 614 customers, 184 are satisfied, 57 customers are highly satisfied with the cooperation of the bank, 279 customers are such who are not satisfied with the cooperation made by the bank, and 94 customers are such who are unable to decide whether they are satisfied or not with the cooperation made by the bank. Here also close to 50% of the customers are not satisfied with the cooperation made by the bank.

When it comes to employee’s relationship, there is a serious concern for the bank as close to 80% of the total customers, i.e. 448 customers are not satisfied with the bank’s employee’s relationship, only 109 customers are satisfied from bank’s employee’s relationship and only 24 customers out of 614 are highly satisfied with bank’s employee’s relationship and 33 are unable to decide what category they are into.

If we consider the basis of ATM service, a large pool of customers is satisfied, i.e. 487 customers out of 614 which is more than 80% of the total customers. 112 customers are such who are highly satisfied with bank’s ATM Service, only 9 customers are not satisfied with
bank’s ATM service which is very small in number and 6 customers are unable to tell whether they are satisfied or not which is also very small number out of total 614 customer.

Now coming on to the table 5.3, i.e. Descriptive statistics by using one way a nova, the particulars are between groups and within groups, after analyzing we can see that the sum of squares between groups is 6.874 and sum of squares within groups is 66.716. Now coming on to the DF, We can see that the between group DF (degree of freedom) is 17.023 and within group DF is 216.140. We can also see the between group Mean Square is 0.396 whereas within group mean square is 0.177. We can also see that between group F value is 3.409 and the level of significance for the same is 0.91.

We know that the model is said to be robust when the significance level is less than 0.05, so here we can conclude that the model is insignificant and not robust. Now coming on to the total of sum of squares, i.e. sum of squares of between groups + sum of squares of within groups, its 73.590 and the sum total of degree of freedom of between group and within group is 233.163.

We can see the table 5.4, Descriptive chart mentioning respondents in Account opening process. In this table a pie chart analysis is made wherein in context of Account opening process, it is clearly mentioned that out of total 614 customers surveyed, 357 customers are satisfied with the banks Account opening process, 89 customers are such who are highly satisfied with the banks process of opening of accounts.

If we see the total number of customers who are not satisfied with account opening process of the bank, it’s 105 and 63 customers are such who are unable to decide whether they are satisfied or not. Overall we can say that major part of the respondents are satisfied with the bank’s account opening process where as close to 1/4th i.e. 25% of the customers are not satisfied with it.

Now considering the table 5.4, Descriptive chart mentioning respondents in response to queries.

We can see that almost 412 customers are not with the bank’s service of response made to the queries. Out of the total 614 customers, 102 customers are such who are satisfied with the bank’s performance in context of response made to queries, 66 are highly satisfied customers
with respect to the same and 34 customers are such who are unable to decide whether they are satisfied or not in context of response to queries.

Now coming on to the figure 5.19, Descriptive chart mentioning respondents in cooperation of bank, we can clearly see that there are 184 customers who are satisfied with cooperation made by the bank whereas 279 customers are not at all satisfied with the same but at the same point of time we can also see that there are 57 such customers who are highly satisfied with the bank’s service of making cooperation and at the same point of time 94 customer’s don’t know if they are satisfied or not and that’s why they can’t make any suggestions either.

We can see that the pie chart 5.20, Descriptive chart mentioning respondents in employees relation, here majority of the respondents are not satisfied with the bank’s employee relationship strategy whereas only 109 customers are satisfied with bank’s employee relationship service, only 24 customers are such who are highly satisfied with bank’s employee’s relationship. 33 customers can’t decide whether they are satisfied or not.

Now coming on to the pie chart figure 5.21, Descriptive chart mentioning respondents in ATM Service, we can see high number of customers is satisfied which is 487 out of 614, 112 customers are highly satisfied, 9 customers are not satisfied at all whereas 4 customers are such who still can’t decide if they are satisfied or not. We also consider the parameter of cooperation that the bank makes with their customers, out of total 614 customers, 184 are satisfied, 57 customers are highly satisfied with the cooperation of the bank, 279 customers are such who are not satisfied with the cooperation made by the bank, and 94 customers are such who are unable to decide whether they are satisfied or not with the cooperation made by the bank. Here also close to 50% of the customers are not satisfied with the cooperation made by the bank, this portion is separately discussed.

Now if we see table 5.5, sequence has been divided into three groups namely first, second and third. Category has been divided into three category namely below 25, 10th and below graduation and farmer/student. Type has been divided into three parts, age group, qualifications, and occupation. We can see in the table that there are 45.83% positive respondents in first group with age having less than 25, and in the same category negative respondents are 54.16%. In the same group, 34.95% positive respondents belong to 10th and below graduation category whereas
65.04% are negative respondent in the same category. 31.19% respondent replied positively under the category of farmer/student whereas 68% replied negatively.

Under second group, 14.86% replied positively under age group 25-30 whereas 85.13% respondents replied negatively. 36% graduate replied positively whereas 64% graduate responded negatively. In context of businessman, 78% replied positively and close to 22% responded negatively.

In the third group, 17% positive respondents are above 50 and close to 83% have replied negatively. We can also see that post graduate students did not responded whereas service class constituted of 40% positive respondents and close to 60% negative respondents. In table 9.4 which is segment wise responds distribution, consists of Account opening process, Response to queries, Cooperation of bank, Employees relationship and ATM Services on the basis of which responses are collected from respondents. By table 9.4, the respondents selected for the purpose of survey are 614. In which for account opening process, (out of 614 customers, 357 customers are satisfied with the performance of bank), 89 customers are highly satisfied, 105 customers are not satisfied and there are 63 customers who are unable to decide whether they are satisfied, highly satisfied or not satisfied and that’s the reason why they have been put into the category of making no comment/suggestions. The responses that are collected on the basis of Account Opening Process, Response to Queries, Cooperation of bank, Employees relationship, ATM service

The banking relationship with the customers deserves equal importance in customer satisfaction. As we have discussed this part in detail that there is a serious concern for the bank as close to 80% of the total customers, i.e. 448 customers are not satisfied with the bank’s employee’s relationship, only 109 customers are satisfied from bank’s employee’s relationship and only 24 customers out of 614 are highly satisfied with bank’s employee’s relationship and 33 are unable to decide what category they are into.

There are three challenges to measuring marketing productivity, relating activities of marketing to long term goals, division of personal activities related to marketing, and use of quality methods of finance having fewer amounts for verifying investments in marketing. Also, because of huge comparison, there is a less in loyalty of brand. All this puts the success factor of
the banks into one dock, the Experience of Customer and Satisfaction of Customer. The future of banking is dependent upon young, educated, networked yet independent customers who want complete control over their financial decisions. Hence, it is vital for banks to change their marketing strategy with respect to Customer Experience and Satisfaction. A good customer experience drives customer acquisition and promotes customer retention leading to increased profits.

So the products and services almost become neutral in the bank and experience of customer now days become a factor for change. In the banking sector of India, human aspects are more valuable than technological aspects of quality of service that affects satisfaction of customer and develop and increase loyalty among customer. So the need of the future banking is to know the requirements of young people and develop the products with the view of their happiness.

Among the various challenges faced by the public sector banks today, apart from driving technological up-gradation and being customer centric is the lack of a skilled workforce and transparency in day to day banking activities. Their response to competition as against private banks in the country is another big factor. While public sector banks developed their techniques platforms to face the competition, private players focused on experience of customer in a degree 360 ways. Hence, banks have gradually, and with the help of Information Technology, started providing various auxiliary services to their customers. However, although the banks provide a wide range of products, their performance level is declining. While mostly all the private banks have focused on providing banking to customers at various levels and through various channels including the internet, handheld and portable communications and media devices, social networking sites, SMS based services telephone and mobile banking services, etc. the public banks are yet to come up with such robust infrastructure to provide the customer with such a wide variety of services or even match up to the quality and security provided in these financial and banking services by their private counterparts.

Apart from the technological challenges faced by the public sector banks, one big differentiating factor is the workforce.
The banking sector is a service industry. The public sector banks face a wide variety of human resource and staffing challenges now as compared to the scenario quite a few years ago. Banks have to suitably redesign their existing human resources. Right staffing is the key to becoming a good bank, since it is the people and staff who run the bank at the ground level on a day to day basis.

About 70% of the staff in each bank constitutes of clerical and subordinate staff. A lot of these staff either permanently stays at this level or in some case the development is very slow. Hence, redesigning of job and restructuring of role is strongly recommended at this level in the bank. However, this rarely happens due to a lot of reasons including salary inflation, personal preferences, lack of performance evaluation and competency measures, ability to understand and utilize potential, use of technology, external threats, as well as stagnancy. Banks have to suitably redesign their existing human resources. The potentials, abilities, capabilities and needed skills development through proper and daily interaction in an organization. While the new generation private banks are totally depending upon assessment of competency, evaluation of performance and rating of skills, there are very few such procedures and standards in the public sector banks. Therefore, ensuring solvency, health and efficiency of the financial institutions should be foremost for financial reforms.

As contradictory to a few years ago, the public sector banks are now not the major employment providers in the market related to finance. There could be various reasons for having lost this glitter for the public sector banks. Since many of these banks have been in the race for far too long, a lot of people working in these organizations lack the competitive edge. While most of the private banks have a majority of young officials, the scenario in the public sector banks is quite the opposite.

Hence, although the public sector banks have upgraded their technological advances significantly, technology acceptance is very slow but the utilization of that is not maximized. Also, the investment that the public sector banks in India put on the development and training regimes of their staff is much lesser than some private banks. Apart from such man power planning, talent management is also an area that needs to be tapped into. In some cases while some non-performing assets are held on to just because of seniority, talented people are let go of.
Another major challenge faced by the public sector banks is the matter of customer relationship and maintenance. While most of these organizations bank on the fact that they are more experienced and have a much farther outreach than newer and limited focused private players, the one thing that they seldom heed to is the requirement of customer relationship. While most of the private banks fare way ahead in customer relationship management by using various methods including taking the bank to their customers’ homes or providing complete banking solutions in their ATM machines, or even catering to their customers’ various needs at the touch of a button, public sector banks have fallen back in creating such ventures. Let alone reaching out to the customers, in some cases customers are even behaved with rudely leading to low levels of customer satisfaction and hence putting a negative effect on customer retention. Because of this, although the public sector banks retain their monopoly in the rural area, there is a lot of disgruntlement within the urban population.

A lot of reasons add up to the problems faced by the public sector banks in India. Presence of a huge number of small banks, poor technology infrastructure, poor compensation plan, poor planning of human resources, lack of talent management, large number of scattered branches, strong regulations, strict policies, lack of customer relationship and assurance, and many other such reasons all add up to the challenges faced by these banks.

Banking industry is a very booming industry, in future several banks are going to come and thus there is a lot of opportunity to come in the banking industry and thus the services of the banks have to be good in order to compete with each other, specially public sector banks have to be more competitive as they have to compete with private banks, and similarly they offer service facilities to their customers. There are many things can be attached with services with smile like ways to provide quality of service and get in at high competition with private players through IT, mobile banking, internet banking, social media connect, sms connect etc. Most of the employees at public banks are not properly dressed and hence it shows the unfreshness of the bank and it should be worked upon. The public banks look more or less like an old building undecorated and without proper sitting arrangements for the customers and they should improve it infrastructure for providing a better experience. There is a location factor which is bad for public banks these banks are generally never located on the main roads, people these days have no time and hence proper visibility should be there to provide a unique presence of the bank making an impact on
the customers. The behavior factor is also an important factor that comes into play in the public banks. The employees do not have a good behavior towards the customers nor do they have a smiling face. Training should be given to change their behavior. A fast working process is very important in banks that customers look for these public banks work process is very slow and dull. Absenteeism problem is always there in public banks. If this problem is removed then there would definitely be less dissatisfaction among customers as that won’t delay the work and help in customer retention. Even if a service is available at any public bank it’s not visible anywhere around the corner. A customer lack time and hence he should be alerted about a certain special available for him to get his work done faster.

Banks have to offer more products to their customers as compared to the current offerings. Banks have to offer more products such as various types of education loans for students as it is a very booming sector.

Customer Say

Many customers have represented their opinions and suggestions at the time of filling questionnaires. Some of them are discussed hereunder. Most of customers have requested to mention their problems and suggestions as per their view. With all respect and considering their humble request, hereunder we mention some of experiences faced by customers by their own words and opinions regarding remedies.

Opinion – 1

As more and more students are going to study higher education and will need money to finance their studies. Banks have to increase their service quality by offering more cordial environment to their customers in a manner appropriate for their customers. For example, customer gravened handling, better servicing with cold-drinks, provide tea during their waiting time etc. All these steps would become very much helpful for bank to generate and maintain their banking at the top. Today the customers are more satisfied with Private Banks rather the Public Sector banks and the reasons for the same areas:

Reasons for Dissatisfaction:

- Tangibility
- Reliability
- Responsiveness
- Time Costing
- Assurance

Public Sector Banks should focus on improving their infrastructure and ambience which would attract more and more customer and improve their satisfaction.

- There should be timely service delivery and that too with error free records and they should perform services and job dependably and accurately.
- There should be a sense of responsiveness by which the bank should help and provide prompt services.
- Their employees should be trained in such a manner that they are able to deal with the customers with courtesy and that too should generate a sense of trust and confidence.
- They should provide individual attention to customers with care and they should understand their specific needs and maintain long term relationship with their customers.
- Public sector banks should give more emphasis on mobile banking and internet banking in order to improve customer satisfaction.

In most public sector banks to clear a loan takes long time. A private sector bank are very quick in approval of a loan in hours and customer get the money on the same day hence improvement is required in loan processing time.

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**Opinion – 2**

Customer satisfaction means meeting customer expectation in terms of product and services. Banks whether private or public provide customer with a variety of offer, schemes and product. Customer should be given proper consultation or advice in terms of choosing right product or service at lower prices according to their profile or portfolio. According to Adam Smith “Customer is King”. Technological knowledge and the environment of the bank play a very important role in customer satisfaction or dissatisfaction.

The Public sector Banks should be technically advanced with the use of technically advanced software which would provide the customer a faster service which would save their time. Proper training should be given to the bank staff so that they can become techno-friendly and can provide a better service. There should be proper knowledge given to the customer about the various technologies used in the bank. Customer should be provided with a larger product portfolio so that they can have variety of products to choose with and at competitive prices.

**Opinion - 3**

There should be proper display of various offering and schemes which are offered by banks. This according to me would remove customer dissatisfaction from public sector banks. This could be done by various PR activities, public campaigns and helplines etc. Banks should set up screens inside the banks itself showing the visuals of usage of ATM & e-banking. By this move the awareness will be increased among the villagers, who are the most loyal customers of these banks.

As the public sector banks possess the majority of customer base in the country and operate in a highly disciplined manner. There is an overall pessimism towards the efficiency in front end customer interface. The long delays in the micro level activities of customers push them towards the other available options which are highly equipped and facilitating.
As the majority of the customers are of average literacy and refrain from learning the use of technological facilities like ATM, E-banking etc. which increases the delays in the process. On the part of banks, many up gradations have taken place like Central Banking Solution, but there is the need of training the customers and increase the familiarity of technology with the customers. This could be done by various PR activities, public campaigns and help lines etc. Banks should set up screens inside the banks itself showing the visuals of usage of ATM & e-banking. By this move the awareness will be increased among the villagers, who are the most loyal customers of these banks.

With private sector coming into this industry and a threat from global players is great risk for banks. The interest rates and schemes offered must be more facilitating to the customer. Some banks like SBI, PNB & BOB have made a lot of changes in the methodologies.

Dedicated personal assistance should be there for the senior citizens in the branch. There should be separate desks addressing small issues of the customers. Customer care and support must be prompt and immediate in service. All these measures collectively shall solve the problems of the Public sector banks.

Some customers have suggested that public sector banks have to organize camps at tribal areas, or for illiterate general public. Following are few of their suggestions regarding camp arrangement for general banking awareness.

**Opinion - 4**

Camps can be organized for training and educating the bank customers on various bank products like:-

- Using ATM card.
- Benefits of having account.
- Benefits of having FD account.
- Counter number can be increased for reducing the time which customer face problem in waiting for long time.
• Recruit employees who can speak regional languages this will help the customer in knowing things easily.
• Paper work should be reduced while opening up of new account or while getting the loan. This will help customers to open up new account or getting a loan easily.
• Minimum amount deposited while opening a new account should be reduced. This will attract more and more customers to open up a new account.
• Environment of inside bank should be improved this will help in increasing the productivity of bank employee.
• Proper arrangement of water, sitting arrangement should be there for customers if there is a huge line.
• Technology should be improved in the bank for getting the task done easily and quickly for customers benefit.
• With respect to front office services, bank should always keep up to date automation and maintenance of systems should be done timely to avoid inconvenience to customers.
• Bank should always update the networking to provide continues core bank facilities to customers.
• Currency counting machines should be up to date, well maintained which will help the employee to provide speed in front office service.

We also try to include some free flow opinions which was requested and suggested by customers at the time of filling questionnaires.

Opinion - 5

Customer satisfaction is increasingly becoming a corporate goal as more and more organization strives for quality in their products and services. There are various problems which end consumer face while they interact with bank employees.

Public Sector Banks accounted for nearly two third of the customer complaints received during last financial year. Now if we talk about the solution of these problems, which are related to these customer services. Then some steps would be better training and development. Generally what we see in public sector banks those employees who are working with SBI they
are quite arrogant. To improve the service quality and employee motivation, they should use incentive based model, which works on the sales targets based. These methods will improve the service quality. They should use economical as well as hedonistic reward. Proper sign system should be there to explore with in bank.

Today public sector bank and technological advancements are not at the same pace. Different types of card (debit/credit/shopping/fuel) are offers by private sectors banks. Even if public sector bank offer these card, but the service they provide is bad. Private sectors bank uses their CRM tool to personalize their communication that helps them to touch upon customer touch point. Public sector banks also use their CRM tool to personalize their communication that will positively impact them.

Following is suggestions which were highly requested by customer to add and mention, this suggestion was collected from one of customers at Bank of Maharashtra, Shivaji Nagar, Pune. Some of the main problems been faced by public sector banks are

1. Large customer queues because of less number of counters to serve them both in case of deposit of cash and withdrawal of cash.
2. Low standard of services
3. Lack of proper management system
4. Lack of technology
5. Most of the customers are from rural areas because they don’t trust the private banks and these prospective customers want to be with public sector banks.

The standard of services should be increased and satisfactory in terms of customer satisfaction like adequate number of ATM and bank branches. This will attract the urban population also towards the public banks. The recruitments taking place should be proper and the person selected for a particular position should be a prospective candidate for that position.

Technology is the backbone of any organization in 21st century. All growing organizations are today earning profit because of adequate technology. It increases the efficiency of people working in the organization. And it should be updated from time to time. Not only focusing on one segment of customers will work. The public sector banks should focus on large industrial
accounts. Organization’s and small scale industries; this will increase the total funds with the banks.

These problems can be solved easily as there are private sector banks which are working effectively and efficiently and earning profits because of proper management system and satisfied customers. What public sector banks should do in this case is educate customers in terms of technology like using ATM cards and net banking. As this will increase the satisfaction level and the queues will be short. And the standard of services should be increased and satisfactory in terms of customer satisfaction like adequate number of ATM and bank branches. This will attract the urban population also towards the public banks.

The recruitments taking place should be proper and the person selected for a particular position should be a prospective candidate for that position. Technology is the backbone of any organization in 21st century. All growing organizations are today earning profit because of adequate technology. Not only focusing on one segment of customers will work. The public sector banks should focus on large industrial accounts.

During this research study, researcher found that Indian Public sector banks have greater customer complaints as compared with the complaints received with private sector bank. During 2010-11, the Public sector received 68,332 complaints.

Mostly customer Complaints relating to card products such as ATM, debit and credit cards constituted 24 per cent of the complaints received after card products mainly related to unsolicited credit cards, unsolicited insurance policies, recovery of premium charges, charging of annual fee in spite of being offered as 'free' card, authorization of loans over phone, disputes over wrong billing, abusive calls, excessive charges, wrong debits to account and skimming of cards.

Opinion - 6

Public Sector banks were established and nationalized in 1969 during the government of Mrs. Indira Gandhi. This was the time when the people of India have started developing trust in the institution of banking. The citizens also started realizing the importance of the public deposits for the government. Therefore gradually the amount of deposits grew and the banks grew larger. The major activities of public banks during these last 4-5 decades have been
accepting deposits from the public and financing huge capital projects of public and private enterprises.

As one of the most detailed conversation with one of customers during the primary data collections. He has discussed about the above situations and mentioned following present situations of Indian Public Sector Banks. The growth and operation of public sector banks have played a major role in developing the Indian economic system by circulating and rotating the money.

1. As the public sector banks possess the majority of customer base in the country and operate in a highly disciplined manner. There is an overall pessimism towards the inefficiency in front end customer interface. The long delays in the micro level activities of customers push them towards the other available options which are highly equipped and facilitating.

2. With private sector coming into this industry and a threat from global players is great risk for banks. The interest rates and schemes offered must be more facilitating to the customer. Some banks like SBI, PNB & BOB have made a lot of changes in methodologies.

3. The most threatening move evolved in recent times is the undeclared deregulation in the banking system. The public deposits are somewhere being invested in the capital market for multiplication of money.

4. Every nationalized bank has started offering a demat account for trading in the secondary market.

5. All the nationalized banks have established an Insurance company as its subsidiaries with foreign JVs. Through this channel the money is collected and invested in the different markets as per bankers for capital appreciation.
6. In spite of strict guidelines from the Reserve Bank of India, the banks have been successful in enforcing and implementing more liberal policies in the name of ‘demand of the market’.

7. The banking system is driven by the RBI policies and regulations from time to time. RBI has been dominated by the Finance ministry in previous decades in the matters like Inflation and Repo rates.

    Real examples- Loans to real estate companies, public infrastructure companies and business houses like-DLF, L&T and Kingfisher have been proved significantly risky for State bank Of India in the year 2013. The share price of slumped from 2100 to 1650 per share in mid-2013.

    RBI should function as per its norms had ministry of finance must function in accordance with the Central bank. All the three institutions, Finance ministry, SEBI and the central bank should align their decision making in the interest of the depositors and investors.

    A Massive awareness program must be run to increase the familiarity and knowledge of the customers.

    As the majority of the customers are of average literacy and refrain from learning the use of technological facilities like ATM, E-banking etc. which increases the delays in the process. On the part of banks, many up gradations have taken place like Central Banking Solution, but there is the need of training the customers and increase the familiarity of technology with the customers and making them aware about the secondary market.

    This could be done by various PR activities, public campaigns and hiplines etc. Banks should set up screens inside the banks itself showing the visuals of usage of ATM & e-banking and other services. By this move the awareness will be increased among the villagers, who are the most loyal customers of these banks.

    Dedicated personal assistance should be there for the senior citizens in the branch. There should be separate desks addressing small issues of the customers. Customer care and support
must be prompt and immediate in service. All these measures collectively shall solve the problems of the Public sector banks.

Opinion - 7

There are many problems which are generally faced at any public sector banks. It would be beneficial for the bank are mentioned below which not only satisfy customers but also provide banks a good response in terms of revenue and increment in number of customers.

Many customers has discussed about the behavior or the service which the bank provides to customer is very slow and is like a typical government organizations where customers are not the king but the employees consider themselves as the King by facilitating the service. Once I had the problem regarding my ATM issuance, I entered into my home branch and there they keep on sending me here and there at various desks and at the end they ask me to call Customer Care for my enquiry. The other instance is when I had went for depositing cash after being queued for nearly thirty minutes when my chance came they shut the window for lunch break, I requested them to please accept the deposit the executive answered in a harsh manner that this is Lunch time. I had faced the problem many times sometimes in issue of cheques, Demand Drafts and delay in sanction of loan after when all the documentation procedure is completed. All this experience was not just faced by me many of the customers keeps on shouting and was feeling annoyed by this misbehavior of well-educated employees where even a farmer or uneducated can serve someone better in sitting at that position.

This customer has also suggested his views regarding how this problem gets solved.

The bank should consider their customers as King after all the customers are one who are providing them the business. Customer should not be fooled they should be dealt responsibly by the right person. The management team of bank should come up with a practice of taking feedback through message instead of a complaint box because today no one is having time to write and drop application but customers can give feedback easily through SMS or pressing some one, two or three buttons as from this the feedback will be directly given to the head office whereas in Complaint box the applications are dealt by the branch manager itself and he does not
take any necessary action as he himself knows what is happening in the branch and is involved somewhere in this mismanagement and improper and casual handling of customers or any MIS technique should be installed by the Management of the bank so that one can easily register their complain and the steps should be taken to ensure customer service and respect in order to retain customers and increase profits. As the branch manager and all other employees knows that whether the branch make profit of Four Cr. or Four Lakh they will receive the same salary and that’s why for them dealing with customer is like just doing a job rather than providing them satisfaction. The small watchmen working with the bank also consider himself as a first grade employee and consider every customer as a headache on themselves. I think this can be the reason that majority of the population is curious and willing to join banks either in clerical or for PO as they know whether it is hottest day of early July or the Coldest day of late December they will receive their fixed salary in the amount without working or working with headache.

Opinion – 8

It is not very encouraging to deal with Public Sector Banks but they are essentially more secure and a better investment in long run. Most public banks are gearing up but cannot change its way of handling customers unlike private banks. Public Sector banks lack customer service they are rude when it comes to help and even they lack facilities. My experience belongs to a time when ATM’s were not so popular and we used go banks for withdrawing money and getting passbooks updated. They did not entertained me when I asked for updating my passbook and they kept me waiting for around an hour and the employees behaved very rude when asked for help. Same thing happened when I applied for my education loan they were not keen to give the details of the procedure as well. Every day they asked me to get some different documents rather telling me in one shot that what all are the documents required so that I can submit it in a single day and get it approved soon.

Because of all these reasons the private sector banks are emerging as a new destination bank for every other customers as the customers get good respect and the work is done efficiently which provides them the feeling of self-esteem and encourage him to do banking easily rather than avoiding or relying on someone. If the core banking facility of any bank is better than any customer if want to avail any other service like insurance (health, property, life etc.), taking loans (business loan, personal loan, loan against property, gold loan etc.) or financial instruments like
mutual funds or bonds from that bank only instead of opting for other players which are their competitors. The management should come up with proper model in order to avoid or mitigate such kind of issues which any customer faces. Banking Industry is the largest growing sector in India followed by retail industry and in banking & financial industry more than 90% market is untapped so banks should preserve their core banking customers for other financial products and instruments so that they can’t shift their preference from their bank to some other financial institutions.

**Opinion – 9**

Today in this fast moving world banking plays a very important role in every individual’s life. Public sector being one of the oldest banking institutions of our country is still preferred by large number of people even today. The benefits of the public sector banks are one which attracts people from different backgrounds and has created a mutual trust. Regardless of the services and benefits which public sector banks give, there are few drawbacks also which is really annoying to the customers. Some of these being red tapirs, delay in operations, inadequate infrastructure, behavior of employees, customer relationship management etc.

I have visited many public sector banks like State Bank of India, Punjab National Bank, Bank of Baroda and many more. What I have experienced so far in these banks are the same problems which are mentioned above. Public Sector banks has the greatest treasure of all which is the trust of the public and if they really optimize their resources and put in more efforts to make best use of the talent available with them, then I think sky is the limit for their growth and the customers as well.

There should be a customer relationship manager at the banks which can understand the problems of the customers and give solutions to the same. Basic infrastructure facilities and other necessities should be available in the banks so that customers can feel comfortable in these banks and ATM cards should be issued mandatorily while opening an account and old account holders should also be given these ATM cards so that people start using these services and the branch load is reduced. Online banking system should be made very easily accessible so that people take interest in using this service and a sense of awareness is created amongst the customers making their lives easier at the same time.
The major problem as general what all customers are facing is delay in operations. It should be looked upon at as a serious issue and should be solved as and when required. There must be good internet server’s connectivity and prompt operations at banks should be the objective of each and every branch of these banks. For the best services and effective banking system youth should be recruited as the employees who take care of day to day activities of these banks as they are more fast and responsible for their banks and can use the technology to bridge the gaps of inefficiencies.

The above all quarries and suggestions given by customers can be concluding by following remedial solutions.

The major difficulty which is faced by customers in contacting and reaching to the banks who issue cards from various locations where a person using the card or may have difficulty in lost / misplaced the card. Generally most of the credit card queries are handled by the team of call centres. "The staff recruited at these call centres is not very educated with the banks’ card products or the banks’ customers. So the response from the call centres people is not helpful in resolving customer grievance

- Should focus more in relational management then transactional management.
- Provide banks’ card products or the banks' customers’ knowledge to call centers staff too, as they are the one who receive complains related to this.
- Should be faster to solve the quires of customer. So that customer doesn’t lose his interest.
- Usages of technology should apply more.

The Indian banking sector has been booming since 90s and includes huge changes in regulations by the Reserve Bank of India (RBI), although they are wealth management of the country. Functioning since a long time, these banks contribute the biggest share towards the country’s GDP. What they need is a significant connection among businesses, credit & risk management and Information and Technology systems. They should increase their risk management expertise and work towards bettering the availability of human resources as well as look for fresh talent to strengthen the bank’s operations.
While customers of public sector banks are more satisfied than those of private banks for responsiveness of the personnel as well as getting special products and expansion of banks, overall, there is no significant difference in satisfaction level of personnel, products and services, image, facilitations, accessibility and overall satisfaction. Though private banks have quickly understood the Indian consumers, those public sector banks that have re-invented their marketing approach have remained competitive, hence paving the way for others like them to follow.

The Indian banking professions, particularly in public sector banks, we can note that staff covers the young talent in very limited, the rest are either age group of 40-55, it is lacking the age group of 20-25- or 25-30, or 30-35 in higher numbers. In any case of any of the private sector banks like ICICI bank or HDFC bank or any other private sector banks we can notice that most of staff includes young and energetic generations particularly promising female candidates.

In today’s era, banks and financial institutions aim for Total Customer Satisfaction, with an effort to match the delivery and performance of their products and services and make them multi-dimensional. However, they succeed in only providing a quantity of products, instead of qualitative ones. Even in this field, the quality and quantity provided by private banks is much better than those provided by public sector banks. Thus, to be successful banks should aim at providing quantitatively as well as qualitatively satisfactory products to their customers.

/// If you compare the websites of the public sector banks and private sector banks there is huge difference in user friendliness and even look and feel. Let us have a look at the website of icici bank and what menu they offered to the customers so that they can easily do their work and in an effective way.

If you enter in the Google the address of website as www.icicibank.com then the home page appears with the following options

Login
Connect
Get in touch
Offer zone
% rate of charges

After login the next login option come on the screen like

Personal
Privilege
Wealth
Private
NRI
Corporate
Business

After login on the menu bar the following options and sub options

1. Overview
   a. My View
   b. Personalize my view
2. My Accounts
   a. Accounts Summery
   b. Bank Accounts
   c. Deposits
   d. Loans
   e. Credit Cards
   f. DEMAT
   g. PPF accounts
   h. E Statement
3. Payments & Transfers
   a. Fund Transfer
   b. Bill payments
   c. Prepaid Recharge
d. Receive funds  
e. Manage Payees  
f. Manage Billers  
g. Transaction Status  
h. Tax Statement  

4. Investment & Insurance  
a. General Insurance  
b. Life insurance  
c. Invest online  
d. Other services  

5. Exclusive offers  
a. My Money  
b. I Wish  
c. Reward Points  
d. Offer Zone  
e. I Mobile – Banking App  
f. Pockets by icici Bank  

6. Customer Service  
a. Service requests  
b. My mailbox  
c. My profile  

So these are the options which are available on the website of icici bank and these are the very user friendly options so that each and every account holder can easily use that to do their work by sitting at office or home means off course by using internet connection.

Now days many banks are using the mobile banking applications to give the more service to the account holders, this is the new techniques which is not yet adopted by each and every customer of the bank but more people like this because of this there is no need to use personal computer also it is simply by having a smart phone and the internet connection on mobile so now days everyone is using the smart phone with internet connection so it is very easy to get the app on phone and use the facility so what are the facilities are available on the mobile banking applications
1. Know your loan statement
2. Management of insurance policies
3. Management of pension plans
4. Payment of cheque
5. Cheque book orders
6. Account balance checking
7. Last few transactions
8. PIN request, PIN change, reminder on phone
9. Credit and debit card blocks
10. Alerts on transactions
11. Mini statement
12. Account history check

But there are some challenges in using the mobile banking so let us see what the challenges are like

Security
Handset operability
Reliability
Scalability
Personalization
Distribution of application

In the same way there are many advantages of using the internet banking accounts because they are very cheap to banks and very good for the account holders so the reasons are very large but still I will focus on some of these

**Less Staff required:**

As the whole things are online so less staff is needed and even the salaries are saved by decline in staff, it is very good for the bank management because the human errors are reduced because online system has no human errors and having very high accuracy. One more thing is the time taken by staff to complete any work is almost four times the same work complete by internet banking.

**Banks need to be open 24*7**
The online services are open 24 hours and 7 days so any customer can use internet banking facility at any time to do their work so the bank need not to open by all the time, the bank can follow their timings from 11am to 4pm and the customers can use the online banking by any time.

**Less physical space required:**

As the whole system is online so physical setup is not require but digital setup is required, no physical things are needed so no need of physical space is required in internet banking applications. On an average the online applications can save the manpower in good quantity so even the public sector banks are adopting this facility.

**Less paper work:**

As all the things are online so it is obvious that there is saving of the papers and stationary has goes down and everything goes paperless and the hard copies are replaced by the soft copies so less cost of papers and stationary and less cost of maintaining them.

Advantages of the internet banking to the banks and the customers are listed below

**Advantages to the banks:**

1. 24 hours and 7 days service
2. Cost savings in staff
3. Stationary saving as less paper work
4. Less administrative cost
5. Salaries savings on staff
6. Less consumption on electricity
7. Many customers get handled at one time
8. Time savings in delivery of service

**Advantages to the customers:**

1. Round the clock service
2. Access to the accounts at anywhere and any time
3. Within a minute fund transfer
4. Online loan applications
5. Opening a new account in fraction of seconds
6. Ability to compare the services with other banks

Even there are some disadvantages of internet banking as listed below

1. Question of Safety in transactions
2. Difficult for beginner
3. No internet no transactions
4. Hacking of account //