

CHAPTER VII

SUMMARY OF FINDINGS, SUGGESTIOS AND CONCLUSION

- 7.1 Introduction
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7.1 INTRODUCTION

In the preceding chapters the researcher has presented the basis of the study, review of previous studies on the subjects and an analysis of the data pertaining to performance evaluation of post office saving schemes, attitude of depositors towards POSS and satisfaction of depositors towards POSS.

Now the researcher proceeds to present the conclusions drawn from the same and the suggestions for the improvement of saving schemes in post offices in Kanyakumari District. The suggestions offered are based on the survey, opinions expressed by the post office employees and depositors of post office in Kanyakumari District.

7.2 FINDINGS OF THE STUDY

The important findings of the study are presented below.

7.2.1 Performance Evaluation of Postal Schemes

There are nine schemes provided by post offices to promote the habit of saving among people. The schemes are the Savings Bank Account, Recurring Deposit Account, Time Deposit Scheme, Monthly Income Scheme, Public Provident Fund, Senior Citizen Saving Scheme, Kisan Vikas Patra, National Savings Certificate and Postal Life Insurance.

In Nagercoil division, the compound growth rate of amount of deposit of post office savings account was 44.58 percent from the year 2004 – 05 to 2012 – 13, for post office Recurring Deposit Account, it was 5.31 percent, for Monthly Income

Scheme was 1 percent, for Public Provident Fund was 22.08 percent, for Senior Citizen Saving Scheme was 1.07 percent from 2004 – 05 to 2012 -13.

In Thuckalay division, the compound rate of amount of deposit of Post Office Savings Account was 7.26 percent, for Recurring Deposit Account was 4.80 percent, for Post Office Monthly Income Scheme was 36.38 percent, for Public Provident Fund it was –10.32 percent and for Senior Citizen Saving Scheme it was – 21.47 percent from the year 2004 – 05 to 2012 -13. Low number of accounts and more number of closure of accounts are the main reasons for the negative value of the compound growth rate in Thuckalay division

7.2.2 Attitude of Depositors Towards Postal Saving Schemes

For each and every organization, it is significant that to know the consumer's opinion about their product or service. The level of attitude of depositors towards POSS is analysed with Kruskal – Wallis Test and Mann – Whitney Test. The results emphasize that 70.8 percent respondents have medium level of attitude towards POSS. 16.4 percent respondents have high level of attitude towards POSS and 12.7 percent respondents have low level of attitude towards POSS.

A significant relationship exists between the identified variables such as age, place of residence, educational qualification, occupation, monthly income, type of house, size of family, number of earning members in the family, gender, marital status, surplus for saving and the level of attitude of depositors towards POSS. But the variables, family status and pension benefits have no significant relationship between the attitude of depositors towards POSS.

The preferred future changes needed for postal department is analysed with the help of Garrett's Ranking Technique. It is evident that "post office should make changes in benefits" ranks first. "Changes needed in schemes and services provided by the post office" ranks second and third. "Infrastructure facilities in post office needed more changes" is ranked fourth. "Changes needed in employees approach" takes fifth rank. Sixth rank goes to other factors like changes needed in technological development, advertising.

Saving is needed to lead a comfortable life. The purpose of savings for the respondents are analysed with the help of Garrett's Ranking Technique. The main purpose of savings for the respondents are safety that ranks first. "POSS provides stable return" gets second rank and "for children's prosperity" gets third rank. "Tax benefit" gets the fourth rank for the purpose of savings.

7.2.3 Satisfaction of Depositors Towards Postal Saving Schemes

Satisfaction is a function of the product's perceived performance and the expectation. Satisfaction is often a subjective phenomenon and depends on the consumer's state of mind both at the time of purchase and more importantly at the time of consumption of product or service. The post office satisfies the depositors by savings schemes. The satisfaction of the respondents on POSS is measured through 17 variables in Likert's five point scale. Out of 487 respondents, 79.1 percent respondents have medium level of satisfaction, 11.9 percent respondents have low level of satisfaction and only 9 percent respondents have high level of satisfaction.

It is found that respondents of the age group of 45 – 60 years are highly satisfied on POSS with highest mean rank of 289.27. Respondents living in urban

areas and completed post graduation have more 251.06 and 286.39 respectively. It is known that the respondents working in private jobs get highest mean rank of 297.77.

It is inferred that the respondents living in leased house have more satisfaction on POSS with highest mean rank of 268.48. The size of family having 3 members is satisfied more with 307.40 mean rank. The family having 3 members is satisfied more with mean rank of 287.70. The Female respondents with the mean rank of 262.82 are highly satisfied on POSS than the male respondents. Married respondents and single family respondents are highly satisfied with mean rank of 246.92 and 250.15 respectively. POSS is satisfactory for the respondents who are not getting pension benefits with the mean rank of 248.87. Surplus amount of income is necessary for saving. Hence, the respondents having surplus for saving with the mean rank of 255.66 are highly satisfied on POSS.

There are 17 factors identified for the satisfaction of respondents on POSS. These factors are analysed with the help of factor analysis. All the factors are positively loaded with higher values, so that all the factors positively influence the satisfaction on POSS. Security is guaranteed, home service is available, prompt encashment after maturity, Tax benefit is available, agent's service is good, various schemes are available, no hidden cost, reinvestment facility is available and procedure is easy to follow are the major factors that satisfy the respondents on POSS.

The schemes preferred by the respondents are analysed with the help of Garrett's Ranking Technique. It is clear that the main schemes preferred by the respondents are post office savings account which occupies first rank. The scheme

ranked second and third are post office recurring deposit account and postal insurance respectively.

In the level of satisfaction of the respondents on amenities, 76.4 percent respondents have medium level of satisfaction on amenities. 12.5 percent respondents have low level of satisfaction on amenities and 11.1 percent respondents have high level of satisfaction on amenities in post office.

It is inferred that the respondents are highly satisfied with the location of the post office which is getting first rank, adequate space is given second rank by the respondents, adequate counters are available occupies third rank, the respondents are satisfied with the queue system in post office occupies fourth rank and the respondents are seemed to be inconvenient with the parking facilities and drinking water facilities which are ranked seventh and eighth respectively.

7.3 SUGGESTIONS

With changing times, it is imperative that the post offices should adopt structural and operational changes to remain as the dominant player. The following suggestions have evolved based on the opinion of depositors, post office employees, and experts and researcher's opinion after the analysis of the current market trend. The suggestions offered are:

- ❖ The Department of Posts may expand its financial services and introduce saving schemes so that it meets the financial needs of the different segment of the society. It may also offer simple banking and insurance facilities to the customers without any riders.

- ❖ The Department of Post may consider improving and expanding its services in rural areas through information and communication technologies and adopt information and technology oriented platforms to offer various financial products and services. This will improve the coverage and its presence all over the country. The department can consider also increasing its share in parcel, logistics and also introducing E-Commerce.
- ❖ The Department of Post may take efforts to attract other customers who use banking, insurance and money transfer services. In order to achieve this, Department of Post can create cooperation between various financial agencies and introduce a modernized mail and money transfer product that meets customer expectations.
- ❖ In world of modern technology, where financial transactions are becoming web based, the Department of Post may consider to gear up to the challenge and can provide payment gateways and multiple channels of customer service and consider introducing 24 x 7 services. It can also introduce call centers, portal facilities to customers.
- ❖ The Department of Post may consider introducing franchisee model or virtual post offices or service points in areas where the department considers it is not economically viable to operate a full-fledged post office. Through this way, it can make its presence felt in all areas of the country.
- ❖ The Department of Post may consider aggressively promoting banking style of function in its financial activities and even go to the extent of forming Post Bank of India to counter the threat from the banking industry.

- ❖ The Department of Post may consider extensive use of automated machines for speedy processing and to save time in those areas where it involves manual and repetitive work. This can cut cost expenditure and assist in improving its profit.
- ❖ The Department of Post can introduce appropriate grievance redressal mechanisms and make details available to the customers and settle disputes within a limited time. It can also introduce advanced technology which features real-time settlement of enquiries.
- ❖ It is highly suggested that the Department of Post do a careful study of the market structure and offer interest rates at least on par with other financial institutions. Currently, the interest rates offered by post offices are low when compared with the interest rates offered by banks. It has become a major hindrance since many of its traditional customers have chosen other avenues for their deposits.
- ❖ The Government of India can consider freeing the Department of Post from its clutches and give them the freedom of decision-making so that the department makes prompt and effective decisions based on the market need and the business interest of the department. At present, the Department of Post operates under the Finance Ministry and it has to get the concurrence of the Finance Ministry for all its decisions.
- ❖ It is suggested that the Department of Post undergoes internal structural changes. It can also motivate its staff offering them opportunity to acquire new skills to operate under the new modernized network in the industry. It can create opportunities for its staff to offer their share in the improvement of the organization.

- ❖ It is suggested that the Department of Post motivates its staff and emphasizes to them the core values of the organization. It can introduce a professional culture in its functioning style and work on the basis of targets. It can also set performance indicators in their operations ensuring that they are met on time.
- ❖ The Department of Post may allow its staff to undertake courses in order to acquire knowledge and business intelligence to improve understanding the market. It may offer international exposure to higher officials. It can also sign a memorandum of understanding with other western countries and evolve a system like staff exchange program through which the staff get the knowhow of the international standards.
- ❖ It is suggested that the Department of Post involves consultants and external resources in typical organizational changes, market studies and new product and service launches. It has to be ensured that the schemes launched reaches the intended customers and may indulge in customer satisfaction surveys frequently so that the true intentions are met.
- ❖ The Department of Post may consider appointing specialized cadres in areas where it requires pure professional skills. It can also consider engaging external audits in their overall function to give a feedback without any fear or favor. It is observed that there is shortfall of manpower in the Department of Posts. It is suggested that the department take efforts to fill the vacancies on time so that there does not arise any operational deficiency.
- ❖ The researcher encountered a thought-provoking question from the public during an interaction as to why salaries are not disbursed through post offices. The

ATMs, Debit Cards and Cheque books and Credit Cards have all become standard features of the modern salary account. Hence, the Department of Post may consider opening more ATMs throughout the country and migrate to banking style of function and offer Debit Card, Cheque book to its customers. It can undertake a project study as to how to attract other government agencies and private sector to consider Department of Post as a mode of disbursing salaries to their staff.

- ❖ It is suggested that the Department of Post takes steps to do aggressive campaigning to its products. It can utilize the services of the advertisement industry and the services of both the print and visual media to sell its products to customers. As of now, there is less awareness among the public about the India Post's financial services. It can campaign in such a way even the modern generation who are mostly professional and technology savvy , turn to the Department of Post's varied services.
- ❖ It is suggested that the Department of Post conducts image building exercises by carrying out exhibitions not only on special occasions and also not limited to the city capitals, but also in rural centers, schools and colleges frequently to showcase its history and the contributions it has made towards country's growth and economy. This will help the younger generation understand better about the Department of Post's proud history and legacy. It will educate them about the importance of savings. It will also help Department of Post to get a brand image.

7.4 CONCLUSION

Today postal department has to equip itself by improving its service and saving schemes to satisfy the customers. In the light of changing environment, it has

to constantly upgrade its knowledge of the internal and external environment to understand the customer relationship properly. Saving is important for human life as savings gives life and security. One of the main motives of the Department of Post is to uplift the savings of the people. Savings not only help the people, but also help for the economic development.

The researcher hence strongly believes that the post offices is the only public organization which is more intimately bonded with human relations than any other government department. It is universally recognized as a facilitator of communications. Though there are many saving options available, as a public organization, the Department of Post should try to give innovative saving schemes to the public. The researcher concludes that India Post is all set to become strong and stronger, spreading a joyful light to people everywhere. It is bound to overcome all the hurdles presented by the new environment in the electronic age. Its doors are thrown wide open with customer delight in mind. It goes on with a noble mission of uniting humankind world over.

The present study paves way for researchers to further research in the following areas:

- ❖ A Comparative Study on the Performance of Post Offices and Banks in Savings.
- ❖ Service Quality of India Post – An Analytical Study.
- ❖ Problems faced by Post Office Employees – An Overview.
- ❖ A Study on Problems of Postal Agents.
- ❖ Comparative Analysis of Courier and Post Office Services.