

CHAPTER – VII

FACTORS INFLUENCING SATISFACTION OF BORROWER

7.1. INTRODUCTION

The sources of housing finance are many. To woo customers several measures are taken by these sources. Not only there is a difference in the interest rate charged, but also there is a change in other aspects too like processing fee, etc. Further services rendered by these sources also differ. Hence the satisfaction of borrowers may differ on the basis of source of finance selected by them. In this chapter an attempt is made to find out the factors that influence the satisfaction of borrowers.

7.2 LEVEL OF SATISFACTION

Borrowers satisfaction has been measured by giving scores to satisfaction related questions. Eleven questions relating to satisfaction of the borrowers have been included in the interview schedule, viz. opinion of borrowers on the amount of loan sanctioned, time taken for sanctioning the loan, opinion on expenses like processing fee, legal expenses and services rendered by the officials of different sources of finance, etc. The scores obtained by the borrowers have been converted into an index called “Satisfaction index”. The satisfaction index of the respondents ranges from 21.82 and 80.00, the mean satisfaction index is 59.87.

Based on the satisfaction index the borrowers have been divided into three groups. Borrowers with low, medium and high levels of satisfaction. In order to classify the borrowers into three such groups, quartiles have been made use of. Accordingly those with satisfaction index up to 52.37 are grouped

as with low level of satisfaction. Borrowers with a satisfaction index ranging between 52.38 and 67.37 are termed as borrowers with level of satisfaction. Those borrowers with a satisfaction index of 67.38 and above are with high level of satisfaction. It is found that 50 borrowers are with low level satisfaction, 320 are with medium satisfaction and the remaining 39 are with high level satisfaction.

7.3 FACTORS INFLUENCING LEVEL OF SATISFACTION

Fifteen attributes have been selected to examine their association with borrowers satisfaction. Chi-square test is employed to ascertain the significance of relationship. The level of confidence chosen are five and one per cent. Analysis of variance (ANOVA) has been employed to find out whether the mean satisfaction index of various groups differ significantly. The calculated F value has been tested for its significance.

7.3.1 Age and Satisfaction

Generally the expectations of people may vary due to their age. Hence the level of satisfaction among different age group of borrowers may differ. It is presented in table 7.1.

TABLE 7.1
AGE AND SATISFACTION INDEX

Age	Number of Borrowers	Average satisfaction index	Range	F value
Up to 32 years	71 (17.35)	58.16	41.82-76.36	7.10**
33-46 years	275 (67.23)	59.64	21.82-80.00	
Above 46 years	63 *15.42)	62.83	49.09-76.36	
Total	409	59.87	21.82-80.00	

Figures in the parentheses indicate percentage to total

**Significant at one per cent level.

The average satisfaction index of the 71 (17.35%) borrowers whose age is up to 32 years is 58.16. Their satisfaction index ranges from 41.82 to 76.36. Of them, 42 (59.15%) borrowers satisfaction index is above the average while 29 (40.85%) are below the average.

Of the 275 (67.23%) borrowers whose age group is 33 to 46 years, the average satisfaction index is 59.64. The satisfaction index of 159 (57.82%) borrowers of this group is above the average while the remaining 116 (42.18%) have it below the average. The satisfaction index of this group ranges from 21.82 to 80.00

The average satisfaction index of the borrowers whose age is above 46 years is 62.83. The satisfaction index of this group ranges from 49.09 to 76.36. The satisfaction index of 37 (58.73%) borrowers of this group is above the average and of the remaining 26 (41.27%) have it below the average.

The calculated 'F' value (7,10) is greater than the table value (4.66) at one percent level of significance. Hence it is inferred that there is a significant difference in the mean satisfaction index of borrowers of different age group.

Further, the average satisfaction index of young borrowers is low while it is high with the old age group. Hence it could be said that the satisfaction level of borrowers may differ due to their age. In order to examine whether there exists any association between age and satisfaction the following null hypothesis has been framed and tested.

H_0 : There is no significant association between age and satisfaction.

TABLE 7.2
AGE AND LEVEL OF SATISFACTION

Level of satisfaction				
Age	Low	Medium	High	Total
Up to 32 years	11 (15.49)	55 (77.46)	05 (7.05)	71 (100)
33-46 years	26 (9.45)	226 (82.18)	23 (8.37)	275 (100)
Above 46 years	13 (9.40)	39 (82.60)	11 (8.00)	63 (100)
Total	50	320	39	409

Figures in the parentheses indicate percentage to total

d.f : 4 calculated χ^2 value : 14.062 Table value : 5% level 9488

: 1% level 13.277

From table (7.2) it is found that out of 71 borrowers whose age is up to 32 years, 11 (15.49%) is with low level of satisfaction. While the satisfaction level of 55 (77.46%) borrowers is medium, the remaining five (7.05%) is with high level of satisfaction.

Of the 275 borrowers in the age group of 33-46 years, the satisfaction level of 26 (9.45%) is low, 226 (82.18) is medium and of 23 (8.37%) is high.

Of the 63 borrowers whose age is above 46 years, the level of satisfaction of 13 (9.40%) is low, 39 (82.60%) is medium and of 11 (8.00%) is high.

The percentage of borrowers with low level of satisfaction is high with the borrowers whose age is up to 32 years. The percentage of borrowers with

high level of satisfaction is high with the borrowers whose age is between 33 and 46 years. Hence it could be said that as age increases satisfaction also increases. The calculated value of χ^2 is greater than the table value at one per cent level of significance. Hence the null hypothesis is rejected and it could be inferred that age is highly significantly associated with satisfaction.

7.3.2 Sex and Satisfaction

In general properties are acquired in the name of male members. However now-a-days due to empowerment of women the participation of women folk in economic activities are also on the raise. The level of satisfaction of female borrowers may differ from that of male borrowers. It is given in table 7.3.

CHART-1
AGE AND LEVEL OF SATISFACTION

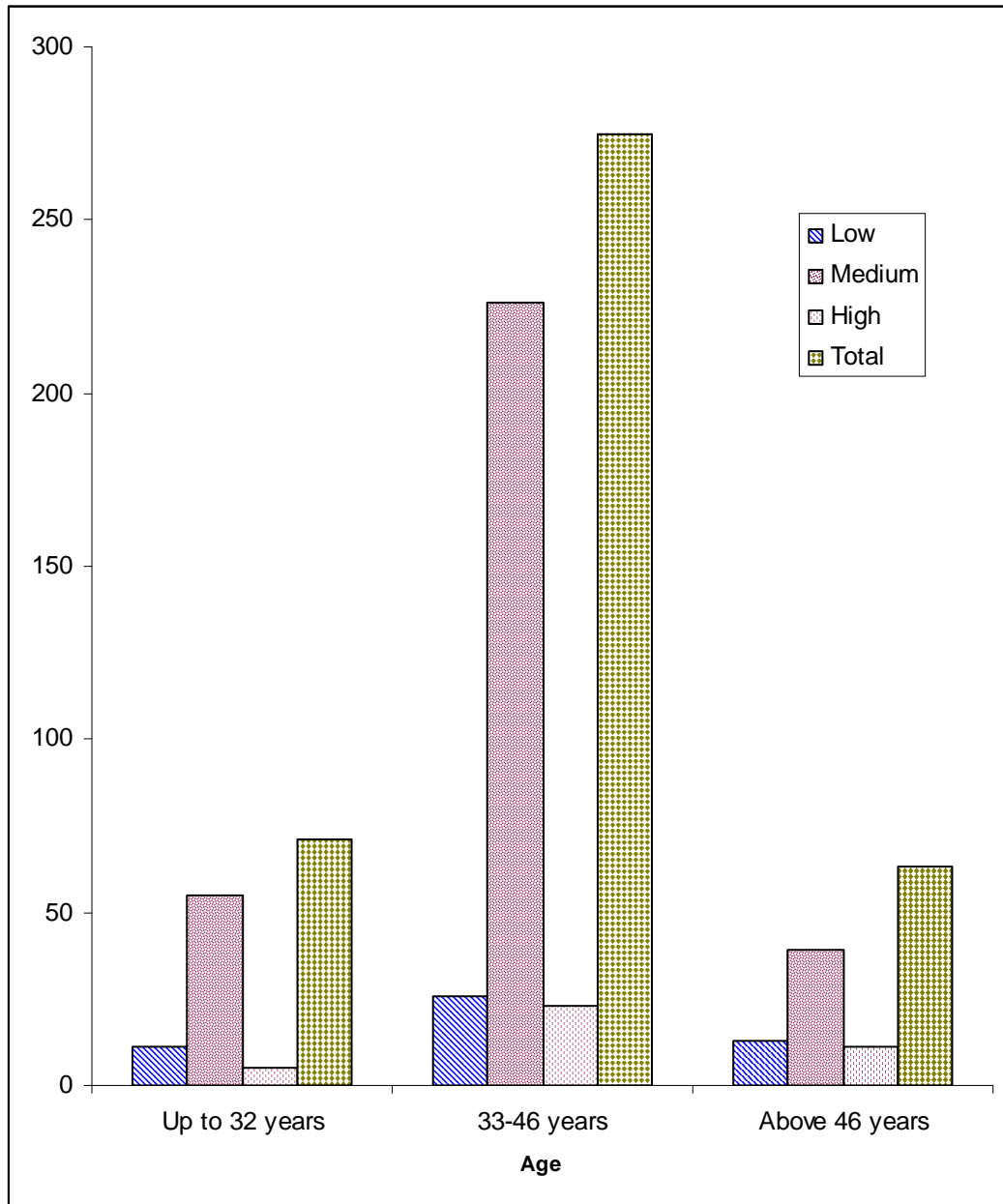


TABLE 7.3
SEX AND SATISFACTION INDEX

Sex	Number of borrowers	Average satisfaction index	Range	'F' value
Male	332 (81.17)	60.32	21.82-80.00	6.17*
Female	77 (18.83)	57.97	34.55-70.91	
Total	409	59.87	21.82-8.00	

Figures in the parentheses indicate percentage to total

* Significant at five per cent level.

In order to find out whether sex influences satisfaction, the borrowers have been classified on the basis of their sex. There are 332 (81.17%) male borrowers and 77 (18.83%) female borrowers. The average satisfaction index of the male borrowers is 60.32. Their satisfaction index ranges from 21.82 to 80.00. The satisfaction index of 178 (53.61%) male borrowers is below the average and the satisfaction index of the remaining 154 (46.39%) borrowers is above the average.

The average satisfaction index of 77 (18.83%) female borrowers is 57.97. their satisfaction index ranges from 34.55 to 70.91. The satisfaction index of 39 (50.65%) female borrowers is above the average and the satisfaction index of the remaining 38 (49.33%) female borrowers is below the average.

Further, the average satisfaction index of male borrowers is higher than that of female borrowers. Therefore it is inferred that the male borrowers are more satisfied than the female borrowers. As the calculated 'F' value (6.17) is greater than the table value (3.86) at five percent level of significance, it could be said that there is a significant difference in the mean satisfaction index of borrowers belonging to different sex. In order to find out whether sex difference influences the level of satisfaction the following null hypothesis (H_0) has been framed and tested.

H_0 : Sex of the borrowers do not influence their satisfaction.

TABLE 7.4
SEX AND LEVEL OF SATISFACTION

Level of Satisfaction				
Sex	Low	Medium	High	Total
Male	39 (11.70)	259 (78.01)	34 (10.29)	332 (100)
Female	11 (14.29)	61 (79.22)	05 (6.49)	77 (100)
Total	50	320	39	409

Figures in the parentheses indicate percentage to total.

d.f.: 2 calculated χ^2 value : 1.260 Table value : 5% level 5.991

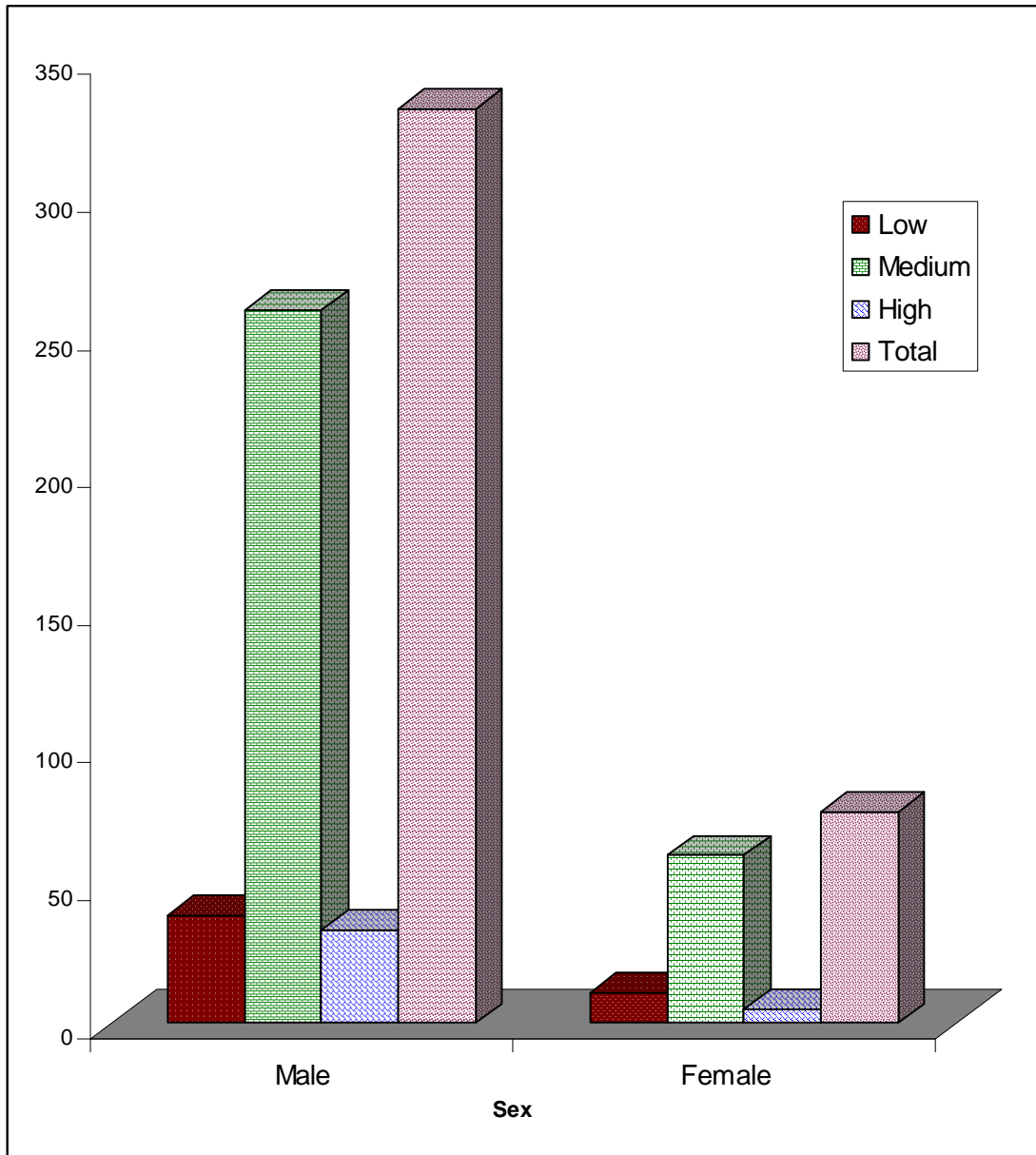
: 1 % level 9.210

Of the 332 male members, the level of satisfaction of 39 (11.70%) is low, 259 (78.01%) is medium, and 34 (10.29%) is high.

Of the 77 female borrowers a majority, 63 (79.22%) are with medium level of satisfaction, while the satisfaction of 11(14.29%) is low. Only five (6.49%) female borrowers are with high level of satisfaction.

A high percentage of female borrowers are with low level of satisfaction, while a high percentage of male borrowers are with high level of satisfaction. However the calculated χ^2 value is less than the table value at five per cent level. Hence, there is no significant association between sex and level of satisfaction. Therefore, the null hypothesis is accepted.

CHART-2
SEX AND LEVEL OF SATISFACTION



7.3.3 Education and Satisfaction

To find out the relationship between level of education and satisfaction of the borrowers, borrowers have been classified into three groups.

TABLE 7.5
EDUCATIONAL QUALIFICATION AND SATISFACTION

Educational qualification	Number of borrowers	Average satisfaction index	Range	'F' value
Up to XII/PUC/Diploma	102 (24.94)	61.59	41.82-74.55	448*
Graduate	131 (32.03)	58.65	21.82-76.36	
Post Graduate/ Professionals	176 (43.03)	59.79	34.55-80.00	
Total	409	59.87	21.82-80.00	

Figures in the parentheses indicate percentage to total

* Significant at five per cent level.

There are 102 (24.94%) borrowers in the first group which consists of borrowers whose educational qualification is up to XII/PUC/Diploma. Their satisfaction index ranges from 41.82 to 74.55 and their average satisfaction index is 61.59. Of the total borrowers in this group the satisfaction index of 60 (58.82%) borrowers is above the average and the satisfaction index of 42 (41.18) borrowers is below the average.

In the second group there are 131 (32.03%) borrowers whose educational level is up to graduation. Their average satisfaction index is 58.65. The satisfaction index of this group ranges from 21.82 to 76.36. The

satisfaction index of 66 (50.38%) borrowers of this group is above the average while the satisfaction index of the remaining 65 (49.62) borrowers is below the average.

There are 176 (43.03%) borrowers in the third group whose educational qualification is post graduation / professional degree. Their average satisfaction index is 59.79. Their satisfaction index ranges from 34.55 to 80.00. In this group the satisfaction index of 75 (42.61) borrowers is above the average and the satisfaction index of the remaining 71 (57.39%) borrowers is below the average.

As the calculated 'F' value (4.48) is greater than table value (3.02) at five percent level of significance, it can be inferred that there exists a significant difference in the mean satisfaction index of borrowers with different levels of education. It could be seen from the table also that the average satisfaction index is high with the less educated borrowers while it is low with the graduates. To ascertain whether the association between education and satisfaction is statistically significant or not the following null hypothesis has been framed and tested.

H_0 : Level of education is not associated with level of borrowers satisfaction.

TABLE 7.6
EDUCATION AND LEVEL OF SATISFACTION

Level of satisfaction				
Educational qualification	Low	Medium	High	Total
Up to XII/PUC/Diploma	10 (9.80)	76 (74.50)	16 (15.70)	102 (100)
Degree	10 (7.63)	108 (82.40)	13 (9.97)	131 (100)
PG/Professionals	30 (17.05)	136 (77.20)	10 (5.75)	176 (100)
Total	50	320	39	409

Figures in the parentheses indicate percentage to total

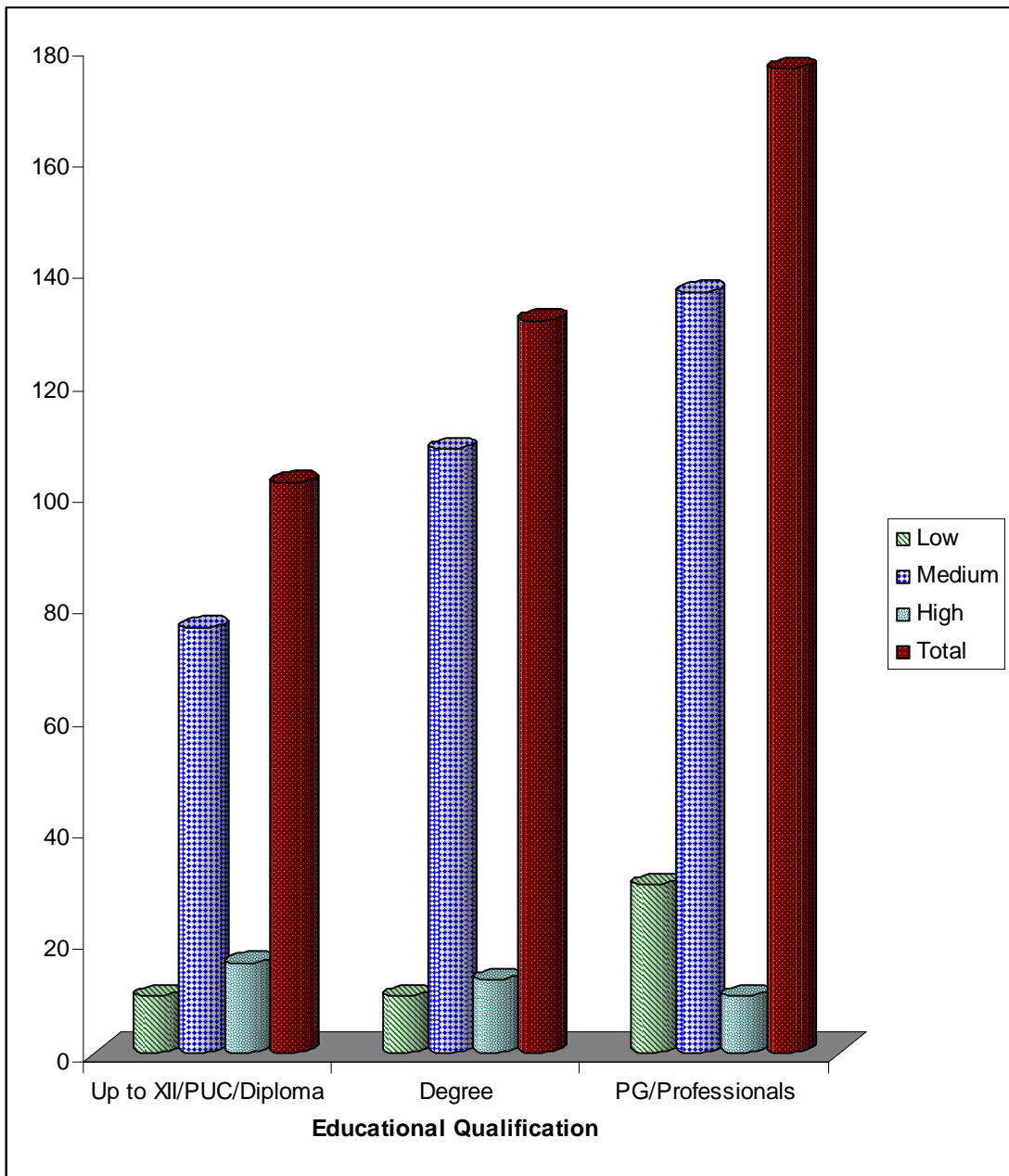
d.f.: 4 calculated χ^2 value : 13.403 : table value : 5% level 9.488

: 1% level 13.277

On the 102 borrowers whose educational level is up to XII/PUC/Diploma 10 (9.80) are with low level of satisfaction. The satisfaction level of 76 (74.50%) is medium, while of the remaining 16 (15.70%) is high. Of the 131 borrowers with graduation as their educational qualification the satisfaction of 10 (7.63%) is low, 108 (82.40%) is medium and of 13 (9.97%) is high. The number of borrowers with post graduate qualification / professional degree is 176. Of them the satisfaction of 30 (17.05%) is low, 136 (77.20%) is medium and of 10 (5.75%) is high.

The percentage of borrowers with low level of satisfaction is high with post graduates/ professionals while the percentage of borrowers with high level of satisfaction is high with borrowers whose educational qualification is up to XII/PUC/Diploma. hence it could be inferred that less educated borrowers are more satisfied than highly educated borrowers.

CHART-3
EDUCATION AND LEVEL OF SATISFACTION



7.3.4 Occupation and Satisfaction

Different occupation groups may derive different levels of satisfaction. As the opportunities available and expectations differ due to changes in occupation, satisfaction level may also differ. The borrowers are classified into four groups on the basis of their occupation. the first group consists of salaried employees both government and private, the second group consists of professionals. Agriculturists and business people are classified as third and fourth group respectively.

TABLE 7.7
OCCUPATION AND SATISFACTION INDEX

Occupation	Number of borrowers	Average satisfaction index	Range	‘F’ value
Salaried employment	240 (58.68)	59.69	21.82-80.00	1.50
Profession	45 (11.00)	58.42	34.55-76.36	
Agriculture	31 (7.58)	59.65	52.73-74.55	
Business	93 (22.74)	61.13	38.18-76.36	
Total	409	59.87	21.82-80.00	

Figures in the parentheses indicate percentage to total.

The average satisfaction index of 240 (59.58%) salaried employees is 59.69. The satisfaction index of 143 borrowers in this group is above the average. The satisfaction index of the remaining 97 (40.42) borrowers is below the average. The satisfaction index ranges from 21.82 to 80.00.

There are 45 (11.00%) professionals among the borrowers whose average satisfaction index is 58.42. The satisfaction index of 22 (48.89%) borrowers in this group is above the average and the satisfaction index of the remaining 23 (51.11%) borrowers is below the average. The satisfaction index of this group ranges from 34.55 to 76.36.

Out of 409 borrowers there are 31 (7.58%) agriculturists. Their average satisfaction index is 59.69. Their satisfaction index ranges from 52.73 to 74.55. The satisfaction index of 13 (41.94%) borrowers of this group is above the average while the satisfaction index of the remaining 18 (58.06%) borrowers is below the average.

The fourth group consists of business people. There are 93 (22.74%) borrowers in this group. The satisfaction index of this group ranges from 38.18 to 76.36. The average satisfaction index of this group is 61.13. In this group the satisfaction index of 53 (56.99%) is above the average, and of 40 (43.01%) borrowers is below the average.

The calculated 'F' value (1.50) is less than table value (2.62) at five percent level. Hence it can be inferred that there is no significant difference in the mean values of satisfaction index of different occupation groups.

However the table (7.7) reveals that there is a difference in the satisfaction level of different occupation groups. In order to find out whether there exists any significant association between occupation and satisfaction of borrowers the following null hypothesis has been framed and tested.

H_0 : There exists no association between occupation and borrowers satisfaction.

TABLE 7.8
OCCUPATION AND LEVEL OF SATISFACTION

Level of satisfaction				
Occupation	Low	Level of medium	High	Total
Salaried employment	30 (12.50)	187 (77.92)	23 (9.58)	240 (100)
Profession	06 (13.33)	34 (75.55)	05 (11.12)	45 (100)
Agriculture	05 (16.13)	21 (67.76)	05 (16.13)	31 (100)
Business	09 (9.68)	78 (83.87)	06 (6.45)	93 (100)
Total	50	320	39	409

Figures in the parentheses indicate percentage to total.

d.f. : 6 calculated χ^2 value 7.948 : Table value : 5% level 12.592

: 1% level 16.812

Of the 240 salaried borrowers the level of satisfaction of 30 (12.50%) is low, 187 (77.92%) is medium and of the remaining 23 (9.58%) is high.

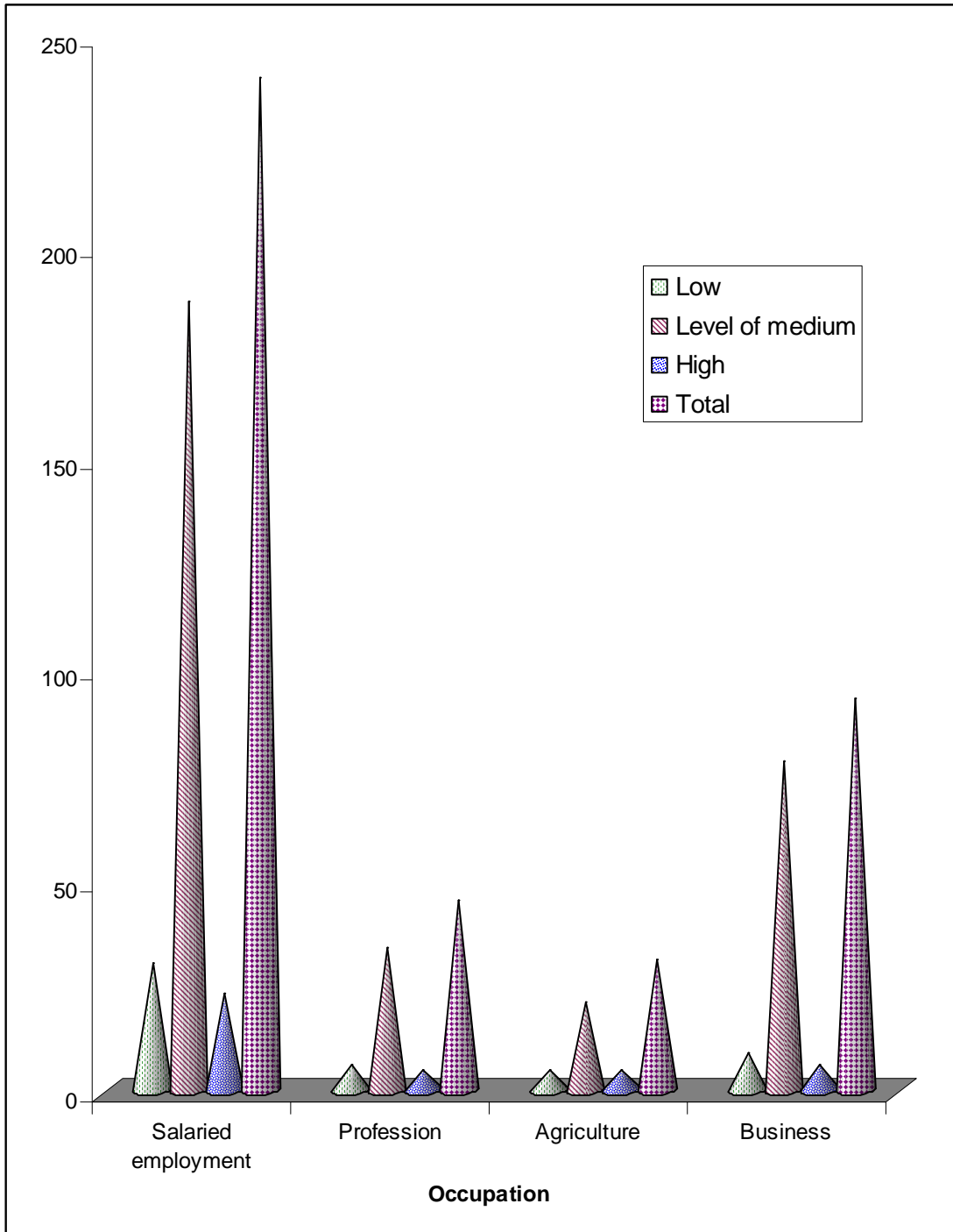
There are 45 professionals among the respondents. Of them the level of satisfaction of six (13.33%) is high, 34 (7.55%) is medium and of the remaining five (11.12%) is low.

Of the 31 agriculturists the level of satisfaction of five (16.13%) is low, 21 (67.76%) is medium and of five (16.13%) is high.

Of the 3 businessmen the level of satisfaction of nine (9.68%) is low, 78 (83.87%) is medium and of five (16.13%) is high.

The percentage of borrowers with low level of satisfaction is high with business people, while the percentage of high level of satisfaction is high with agriculturists. Hence it could be said that agriculturists are more satisfied than business people. However as the calculated χ^2 value is less than the table value at five per cent level, there exists no significant association between occupation and level of satisfaction. Therefore the null hypothesis is accepted and it is concluded that there exists no association between occupation and level of satisfaction.

CHART-4
OCCUPATION AND LEVEL OF SATISFACTION



7.3.5 Gross Monthly Income and Satisfaction

In order to find out whether there is any association between gross monthly income and satisfaction of borrowers, the respondents have been classified into three groups. Borrowers whose monthly income is up to Rs.10,000, Rs.10,001 to 20,000, and above Rs.20,000. The level of satisfaction among different income groups may differ.

TABLE 7.9
GROSS MONTHLY INCOME AND SATISFACTION INDEX

Gross monthly income	Number of borrowers	Average satisfaction index	Range	'F' value
Up to Rs.10,000 Per month	216 (52.81)	60.29	34.55-76.36	0.71
Rs.10,001 to 20,000 Per month	152 (37.16)	59.44	21.82-80.00	
Above Rs.20,000 Per month	41 (10.03)	59.29	38.18-76.36	
Total	409	59.87	21.82-80.00	

Figures in the parentheses indicate percentage to total.

In the low income group there are 216 (52.81%) borrowers whose average monthly income is up to Rs.10,000. The average satisfaction index of this group is 60.29. There are 101 (46.76%) borrowers in this group whose satisfaction index is above the average. The remaining 115 (53.24%) borrowers average satisfaction index is below the average. The satisfaction index of this group ranges from 34.55 to 76.36.

The middle income group consists of 152 (37.16%) borrowers whose average satisfaction index is 59.44. In this group the satisfaction index of 91 (59.871) borrowers is above the average, and of 61 (40.13%) borrowers is below the average. The satisfaction index of this group ranges from 21.82 to 80.00.

There are 41 (10.03%) borrowers who are in high income group. The satisfaction index of this group ranges between 38.18 to 76.36. Their average satisfaction index is 59.29. There are 26 (63.41) borrowers in this group whose average satisfaction index is above the average, and of the remaining 15 (36.59%) borrowers is below the average.

The calculated value of F (0.71) is less than table value (3.02) at five per cent level. Hence it can be inferred that there is no significant difference in the mean satisfaction index of borrowers belonging to different income groups.

However, the table reveals that the average satisfaction index differ among different income groups. There fore it is inferred that there may be difference in the level of satisfaction among different income groups. In order to examine whether income difference influences the level of satisfaction of borrowers the following null hypothesis has been framed and tested.

H_0 : There exists no significant association between income and level of borrowers satisfaction.

TABLE 7.10
GROSS MONTHLY INCOME AND LEVEL OF SATISFACTION

Gross Monthly income	Low	Medium	High	Total
Up to Rs.10,000	20 (9.20)	173 (80.00)	23 (10.80)	216 (100)
10,001 to 20,000	25 (16.40)	116 (76.31)	11 (7.28)	152 (100)
Above Rs.20,000	05 (12.20)	31 (75.60)	05 (12.20)	41 (100)
Total	50	320	39	409

Figures in the parenthesis indicate percentage to total

d.f.4 : Calculated χ^2 value value : 4.031 : Table value : 5% level 9.488
: 1% level 13.277

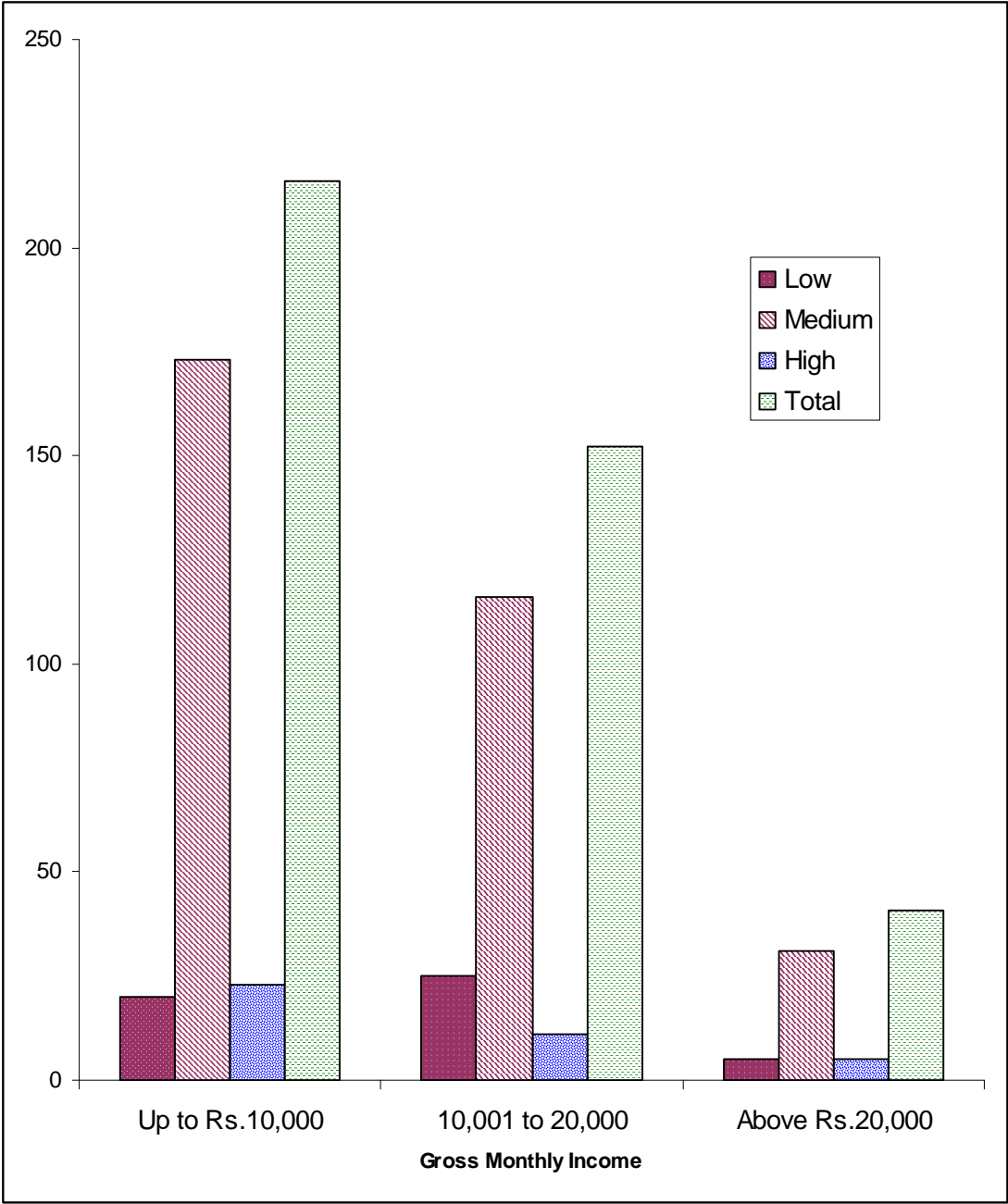
Of the 216 borrowers whose gross monthly income is up to Rs.10,000, the level of satisfaction of 20 (9.20%) is low, 173 (80.00) is medium and of 23 (10.80%) is high.

There are 152 borrowers whose gross monthly income is between Rs.10,001 to Rs.20,000. Of them the level of satisfaction is low with 25 (16.40%). While 116 (76.31) are with medium level of satisfaction the remaining 11 (7.28%) are with high level of satisfaction.

Of the 41 borrowers whose gross monthly income is above Rs.20,000, the level of satisfaction of five (12.20%) is high, 31 (75.60%) is medium and of the remaining five (12.20%) is high.

As the calculated χ^2 value is less than the table value at five per cent level, there exists no significant association between gross monthly income and satisfaction. Therefore the null hypothesis is accepted.

CHART-5
GROSS MONTHLY INCOME AND LEVEL OF SATISFACTION



7.3.6 Earning Members In The Family And Satisfaction

In order to find out the relationship between number of earning members in the family and satisfaction of borrowers, the borrowers have been classified into two groups. The borrowers with only one earning member in the family and the borrowers with two or more earning members in the family. The level of satisfaction of borrowers may differ due to the number earning members in the family.

TABLE 7.11
EARNING MEMBERS IN THE FAMILY AND SATISFACTION INDEX

Earning members	Number of borrowers	Average satisfaction index	Range	'F' value
One	250 (61.12)	60.12	21.82-80.00	0.70
Two or more	159 (38.88)	59.49	34.55-76.36	
Total	409	59.87	21.82-80.00	

Figures in the parentheses indicate percentage to total.

The average satisfaction index of borrowers with one earning member in their family is 60.12. The satisfaction index of this group ranges from 21.82 to 80.00. The satisfaction index of 113 (45.20%) borrowers in this group is above the average and of the remaining 137 (54.80%) borrowers is below the average.

There are two or more earning members in the second group which accounts for 159 (38.88%) borrowers. The average satisfaction index this group is 59.49. Out of 159, the satisfaction index of 89 (55.97%) borrowers is above

the average and of the remaining 70 (44.03%) is below the average. The satisfaction index of this group ranges from 34.55 to 76.36.

The calculated value of 'F' (0.70) is less than table value (3.86) at five percent level of significance. Hence it can be inferred that there is no significant difference in the mean values of satisfaction index of different groups on the basis of number of earning members in their family.

However it could be seen from the table that the average satisfaction index is high with the borrowers in whose family. There is only one earning member and the satisfaction index is low with the borrowers in whose family there are two or more earning members. In order to examine whether there exists any significant association between number of earning members in the family and satisfaction of borrowers, the following null hypothesis has been framed and tested.

H_0 : There exists no significant association between number of earning members in the family and borrowers satisfaction.

TABLE 7.12
EARNING MEMBERS IN THE FAMILY AND LEVEL OF
SATISFACTION

Level of satisfaction				
Earning members	Low	Medium	High	Total
Only one	31 (12.40)	190 (76.00)	29 (11.60)	250 (100)
Two or more	19 (11.90)	130 (81.70)	10 (6.40)	159 (100)
Total	50	320	39	409

Figures in the parentheses indicate percentage to total.

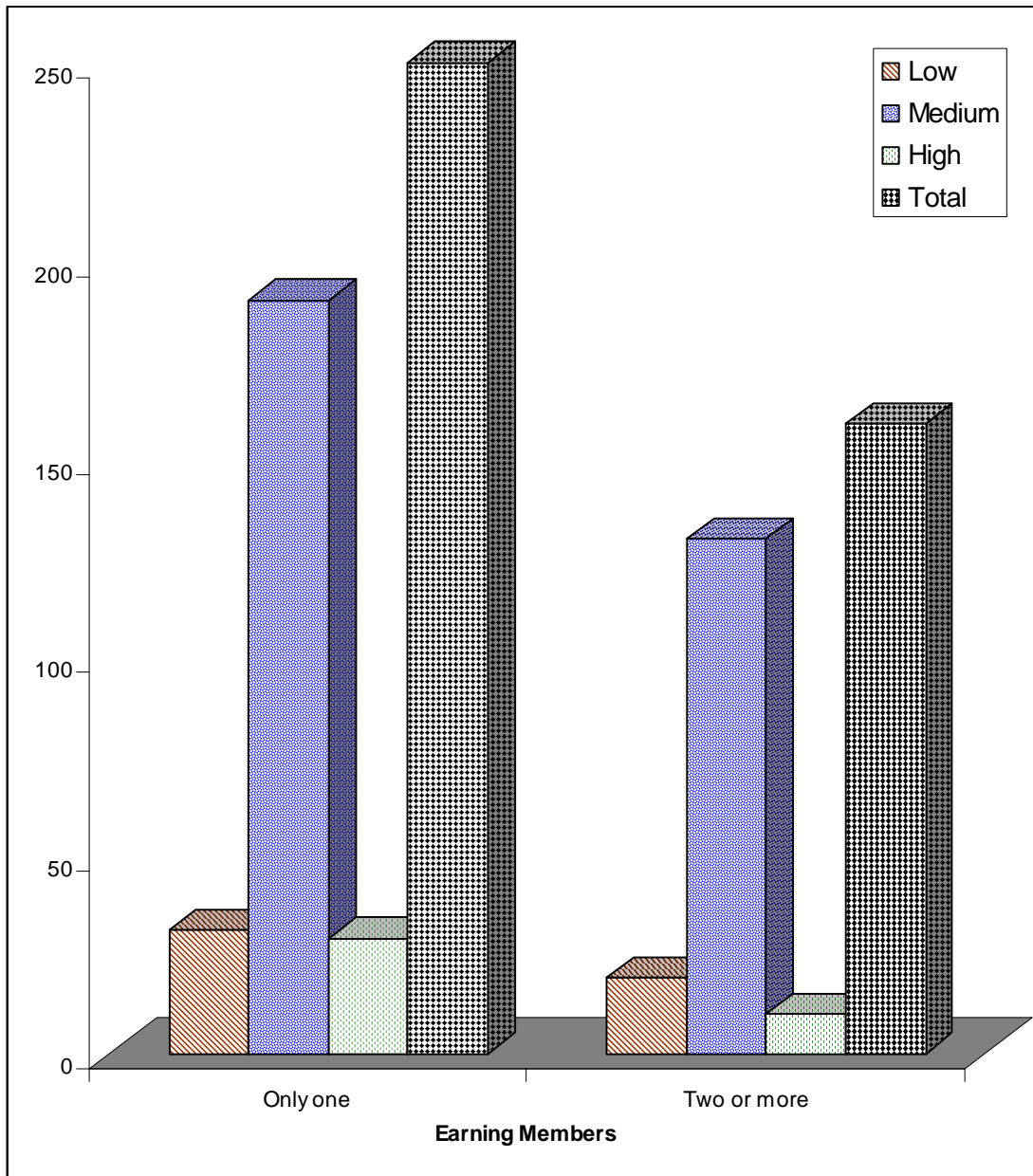
d.f. : 2 calculated χ^2 value : 3.303 : Table value : 5% level – 5.991

: 1% level – 9.210

Of the 250 borrowers in whose family there is only one earning member the level of satisfaction of 31 (12.40%) is low, 190 (76.00%) is medium and of 29 (11.60%) is high. Of the 159 borrowers with two or more earning members in their family, the level of satisfaction of 19 (11.90%) is low, 130 (11.70) is medium and of 10 (6.40%) is high.

The percentage of borrowers with low level of satisfaction is high with the borrowers having only one earning member in the family. The percentage of borrowers with medium level of satisfaction is high with the borrowers having more than one earning member in the family. Hence it could be said that the level of satisfaction of borrowers is associated with number of earning member in the family. However the calculated χ^2 value is less than table value at five percent level, the null hypothesis is accepted and it could be stated that there is no association between number of earning members in the family and satisfaction.

CHART-6
EARNING MEMBERS IN THE FAMILY AND LEVEL OF
SATISFACTION



7.3.7 Average Monthly Family Expenditure and Borrowers Satisfaction

In order to find out whether there exists any relationship between average monthly family expenditure of the borrowers and their satisfaction. The borrowers were classified into three groups. Borrowers whose average monthly family expenditure is up to Rs.5,000, between Rs.5001 and Rs.10,000, and above Rs.10,000.

TABLE 7.13
AVERAGE MONTHLY FAMILY EXPENDITURE AND
BORROWERS SATISFACTION INDEX

Average monthly family expenditure	Number of borrowers	Average satisfaction index	Range	'F' value
Up toRs.5,000	138 (33.74)	60.46	34.55-76.36	0.87
Rs.5001-Rs.10,000	232 (56.72)	59.45	21.82-76.36	
Above Rs.10,000	39 (9.54)	60.33	38.18-80.00	
Total	409	59.87	21.82-80.00	

Figures in the parentheses indicate percentage to total.

Of 138 (33.74%) borrowers whose average monthly family expenditure is up to Rs.5,000, the average satisfaction index is 60.46. The satisfaction index of 67 (48.55%) borrowers is above the average, while the satisfaction index of 71 (51.45%) borrowers is below the average. The satisfaction index of this group ranges from 34.55 to 76.36.

The average satisfaction index of 232 (56.72%) borrowers whose average monthly family expenditure is between Rs.5001 and Rs.10,000 is 59.45. The satisfaction index of 129 (55.60%) borrowers is above the average and of the remaining 103 (44.40%) borrowers is below the average. The satisfaction index of this group ranges between 21.82 to 76.36.

Among the respondents, 409, 39 (9.4%) have average monthly family expenditure above Rs.10,000. The average satisfaction index of this group is 60.33. The satisfaction index of 19 (48.72%) borrowers is above the average, and of the remaining 20 (51.28%) it is below the average. The satisfaction index of this group ranges from 38.18 to 80.00.

As the calculated F value (0.87) is less than table value (3.02) at five per cent level, it is inferred that the mean satisfaction index of various groups on the basis of their average monthly family expenditure do not vary significantly.

It could be seen from the table that the average satisfaction index of the borrowers whose average monthly family expenditure is up to Rs.5,000 is higher than the average satisfaction index of the borrowers whose average monthly family expenditure is between Rs.5001 and Rs.10,000. Hence to examine whether average monthly family expenditure of the borrowers influences satisfaction, the following null hypothesis has been framed and tested.

H_0 : There exists no significant association between average monthly family expenditure of the borrowers and their level of satisfaction.

TABLE 7.14
AVERAGE MONTHLY FAMILY EXPENDITURE AND LEVEL OF
SATISFACTION

Average monthly family expenditure	Low	Medium	High	Total
Up to Rs.5,000	10 (7.20)	110 (79.70)	18 (13.10)	138 (100)
Rs.5001-Rs.10,000	35 (15.00)	178 (76.70)	19 (8.30)	232 (100)
Above Rs.10,000	35 (15.00)	178 (76.70)	19 (8.30)	232 (100)
Total	50	320	39	409

Figures in the parentheses indicate percentage to total.

d.f. : 4 calculated χ^2 value : 7.554 : table value : 5% level – 9.488

: 1% level – 13.277

Of the 138 borrowers whose average monthly family expenditure is up to Rs.5,000, the level of satisfaction of 10 (7.20%) is low, 110 (79.70%) is medium and of 18 (13.10%) is high.

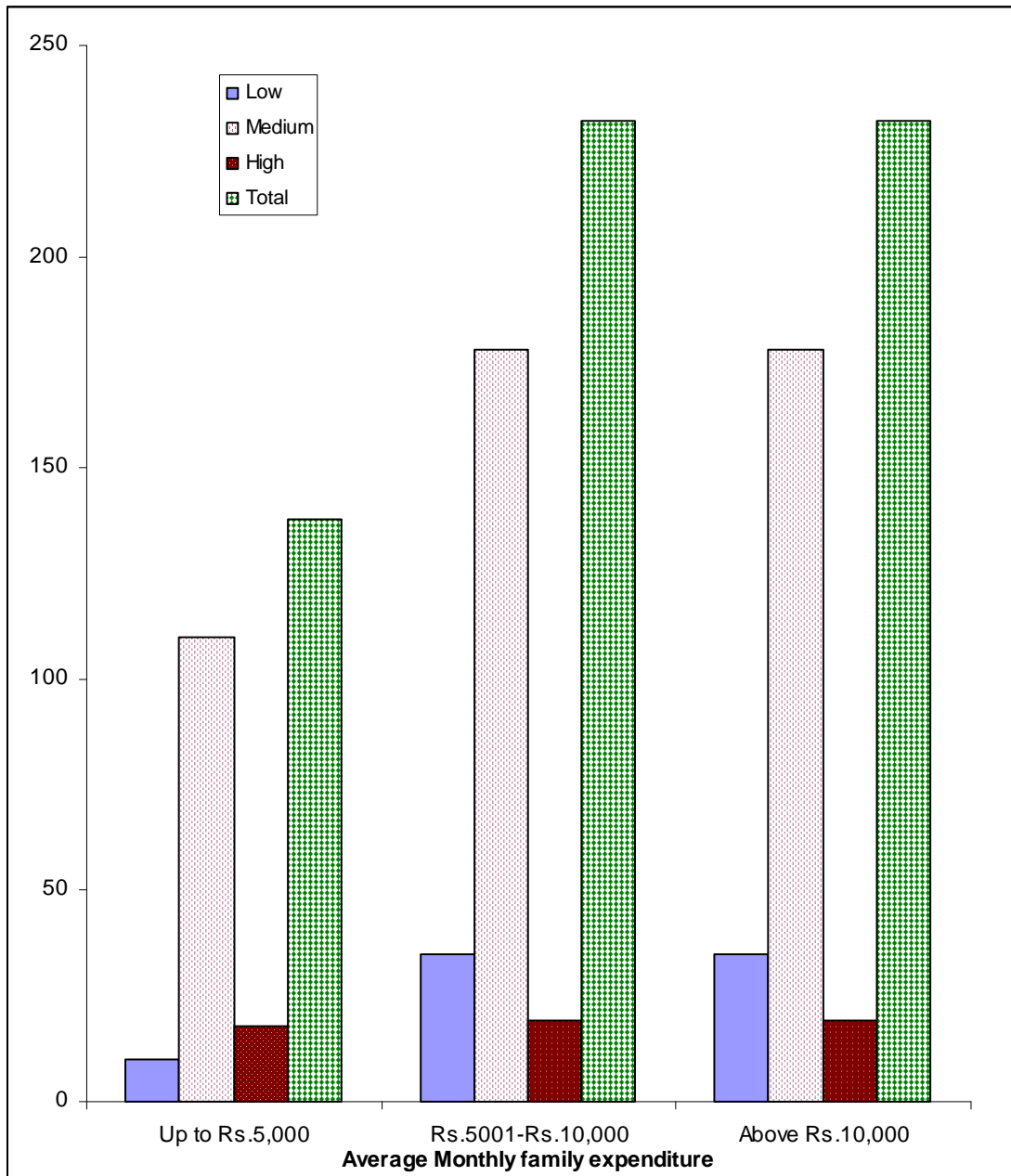
Of the 232 borrowers whose average monthly family expenditure is between Rs.5001 and Rs.10,000 the level of satisfaction of 35 (15.00%) is low, 178 (16.70%) is medium and of the remaining 19 (8.30%) is high.

There are 39 borrowers whose average monthly family expenditure is above Rs.10,000. Of them the level of satisfaction of five (12.80%) is low, 32 (82.10%) is medium and of the meaning two (5.10%) is high.

The percentage of borrowers with low level of satisfaction is high with the borrowers whose average monthly family expenditure is above Rs.10,000. The percentage of borrowers with high level of satisfaction is high with the borrowers whose average monthly family expenditure is up to Rs.5,000. Hence it could be said that borrowers with low monthly family expenditure are more satisfied than the borrowers whose average monthly family expenditure is high.

As the calculated χ^2 value is less than the table value at five percent level, the null hypothesis is accepted and it could be inferred that there is no association between average monthly family expenditure and level of satisfaction.

CHART-7
AVERAGE MONTHLY FAMILY EXPENDITURE AND LEVEL OF SATISFACTION



7.3.8 Place of Residence and Satisfaction

In order to find out whether there is any association between place of residence and satisfaction of borrowers, the borrowers have been classified into two groups. Borrowers who have constructed their houses in urban area and borrowers who have constructed their houses in rural area.

TABLE : 7.15

PLACE OF RESIDENCE AND SATISFACTION INDEX

Place of residence	Number of borrowers	Average satisfaction index	Range	'F' value
Rural	215 (52.57)	59.81	34.55-76.36	4.65*
Urban	194 (47.43)	59.95	21.82-80.00	
Total	409	59.87	21.82-80.00	

Figures in the parentheses indicate percentage to total.

*Significant at five per cent level

Of the respondents, 215 (52.57%) have constructed their houses in rural area. The average satisfaction index of the borrowers is 59.81. The satisfaction index of 126 (58.60%) is above the average. The satisfaction index of the remaining 89 (41.40%) borrowers is below the average. The satisfaction index of this group ranges from 34.55 to 76.36.

Borrowers who have constructed their homes in urban account for 194 (47.43). Of them, the average satisfaction index of 110 (56.70%) borrowers is above the average, while the satisfaction index of the remaining 84 (43.30%)

borrowers is below the average. The average satisfaction index of this group is 59.95. The satisfaction index of this group ranges between 21.82 to 80.00.

As the calculated value of 'F' (4.65) is greater than table value (3.86) at five percent level of significance, it can be inferred that there is significant difference in the mean values of satisfaction index of different groups of borrowers. To examine whether there is any association between area of residence and level of satisfaction, the following null hypothesis has been framed and tested.

H_0 : There exists no association between place of residence and satisfaction.

TABLE 7.16
PLACE OF RESIDENCE AND LEVEL OF SATISFACTION

Place of residence	Low	Medium	High	Total
Rural	30 (13.95)	170 (79.07)	15 (6.98)	215 (100)
Urban	20 (10.31)	150 (77.02)	24 (12.37)	194 (100)
Total	50	320	39	409

Figures in the parentheses indicate percentage to total

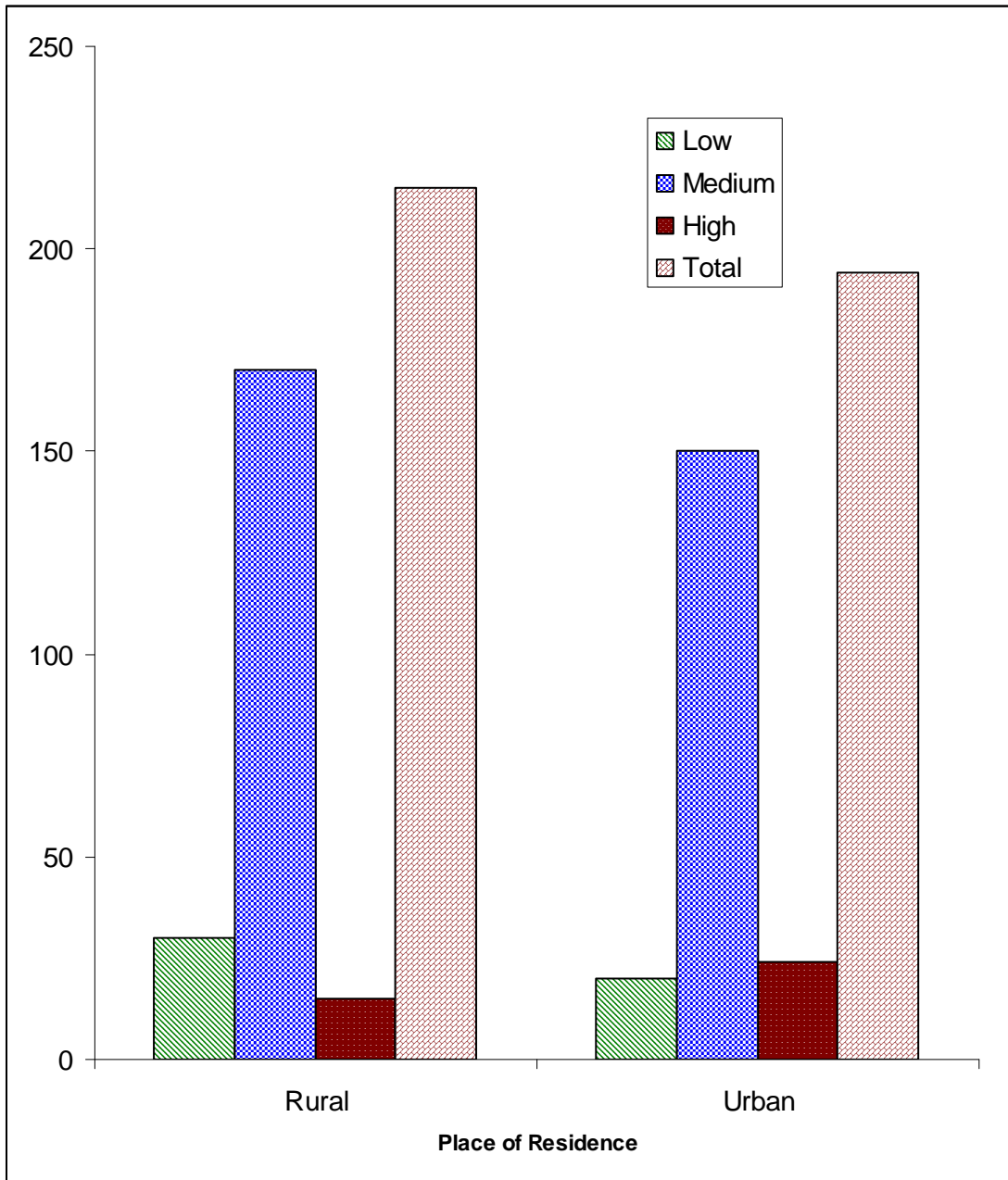
d.f.:2 calculated χ^2 value : 4.90 : Table value : 5% level – 5.991

: 1% level – 9.210

Of the 215 borrowers who have constructed their houses in urban area, the level of satisfaction of 30 (13.95%) is low, 170 (79.07%) is medium and of 15 (6.95%) is high. Of the 194 borrowers who have constructed their houses in urban area, the level of satisfaction of 20 (10.31%) is low, 150 (77.32%) is medium and of the remaining 24 (12.37%) is high.

The percentage of borrowers with low level of satisfaction is high with rural borrowers. The percentage of borrowers with high level of satisfaction is high with urban borrowers. Hence it could be said that rural borrowers are more satisfied than urban borrowers. As the calculated value of χ^2 is less than table value at five percent level of significance, there exists no significant association between place of residence and level of satisfaction of the borrowers. Therefore the null hypothesis is accepted and it is concluded that there exists no association between place of residence and level of satisfaction.

CHART-8
PLACE OF RESIDENCE AND LEVEL OF SATISFACTION



7.3.9 Period of Construction and Satisfaction

In order to find out whether there is any association between period of construction and satisfaction, the borrowers are classified into two groups. Borrowers who have constructed their homes during 2001-2005 borrowers who have constructed their homes during 2006-2010.

TABLE 7.17

PERIOD OF CONSTRUCTION AND SATISFACTION INDEX

Period of construction	Number of borrowers	Average satisfaction index	Range	'F' value
2001-2005	241 (58.92)	59.34	21.82-80.00	3.03
2006-2010	168 (41.08)	60.65	38.18-76.36	
Total	409	59.87	21.82-80.00	

Figures in the parentheses indicate percentage to total.

Out of 409 borrowers, 241 (58.92%) have constructed their houses between 1996-2000. Their average satisfaction index is 59.34. The satisfaction index of this group ranges from 21.82 to 80.00. The satisfaction index of 129 (53.53) borrowers of this group is above the average. The satisfaction index of the remaining 112 (46.46%) borrowers is below the average.

The average satisfaction index of 168 (41.08%) borrowers who have constructed their homes between 2001-2005 is 60.65. The satisfaction index of this group ranges between 38.18 to 76.36. The satisfaction index of 82 (48.81%) borrowers of this group is above the average. The satisfaction index of the remaining 86 (51.19%) is below the average.

As the calculated value of 'F' (3.03) is less than table value (3.86) at five per cent level, it can be inferred that there is no significant difference in the mean values of satisfaction index of borrowers who have availed housing loan at different periods. However the average satisfaction index of the borrowers who have availed housing loan between 2001 and 2005 is higher than the borrowers who have availed housing loan between 2006 and 2010. Hence to examine whether there is any association between period of construction and level of satisfaction, the following null hypothesis is framed and tested.

H_0 : There exists no association between period of construction and satisfaction.

TABLE 7.18
PERIOD OF CONSTRUCTION AND LEVEL OF SATISFACTION

Period of construction	Low	Medium	High	Total
2001-2005	34 (14.10)	187 (77.50)	20 (8.40)	241 (100)
2006-2010	16 (9.50)	133 (79.10)	19 (11.40)	168 (100)
Total	50	320	39	409

Figures in the parentheses indicate percentage to total

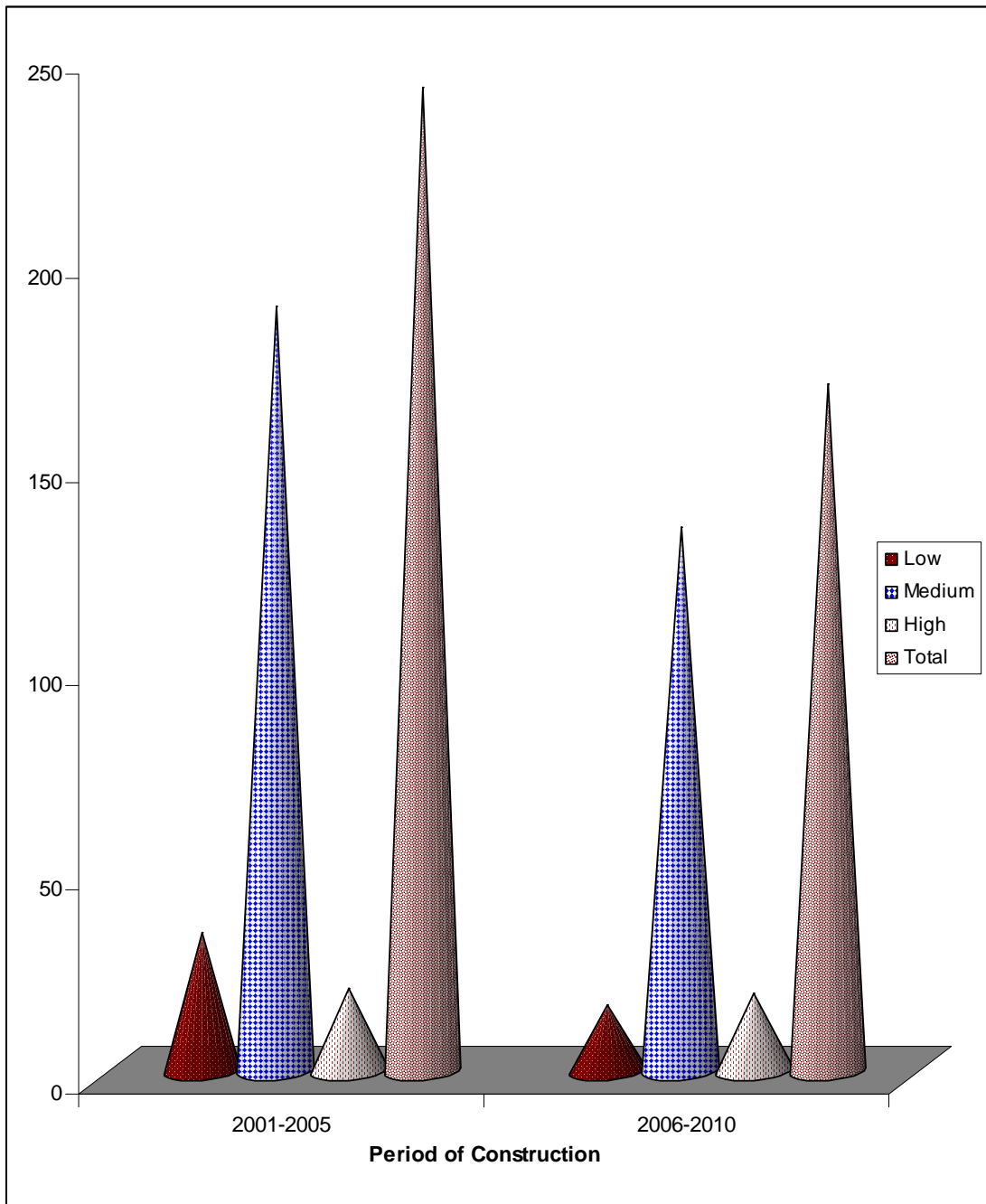
d.f.2 : calculated χ^2 value : 2.674 : Table value : 5% level – 5.991

: 1% level – 9.210

Of the 241 borrowers who have constructed their houses from 1996 to 2000 the level of satisfaction of 34 (14.10%) is low, 187 (77.50%) is medium and of 20 (8.40%) is high. Of the 168 borrowers who have constructed their houses from 2006-2010 level of satisfaction of 16 (9.50%) is low, 133 (79.10%) is medium and of 19 (11.40%) is high.

The percentage of borrowers with low level of satisfaction is high with the borrowers who have constructed their houses between 2001 and 2005 while the percentages of borrowers with high level of satisfaction is high with the borrowers who have constructed their houses between 2001 and 2005. Hence it could be said that borrowers of the period 2001-2005 more satisfied than the borrowers of the period, 2006-2010. However the calculated χ^2 value is less than the table value at five percent level. Hence there exists no significant association between period of construction and level of satisfaction. Therefore the null hypothesis is accepted.

CHART-9
PERIOD OF CONSTRUCTION AND LEVEL OF SATISFACTION



7.3.10. Plinth Area of Construction and Satisfaction

In order to find out whether there is any relation between plinth area of construction and satisfaction of borrowers, the borrowers are classified into three groups on the basis of plinth area of construction. The borrowers who have constructed up to 750 sq. ft. Borrowers who have constructed above 750 but below 1500 sq. ft. Borrowers who have constructed above 1500 sq.ft.

TABLE 7.19

PLINTH AREA OF CONSTRUCTION AND SATISFACTION INDEX

Plinth area of construction	Number of borrowers	Average satisfaction index	Range	'F' value
Up to 750 sq.ft	36 (8.80)	60.51	45.45-74.55	2.55
751 to 1500 sq.ft.	357 (87.29)	59.99	21.82-80.00	
Above 1500 sq.ft.	16 (3.91)	55.80	38.18-63.64	
Total	409	59.87	21.82-80.00	

Figures in the parentheses indicate percentage to total

In the first group, there are 36 (8.80%) borrowers who have constructed houses up to 750 sq.ft. only. Their average satisfaction index is 60.51. The satisfaction index of this group ranges from 45.45 to 74.55. The satisfaction index of 16 (44.44%) borrowers of this group is above the average and the satisfaction index of the remaining 20 (55.56%) borrowers is below the average.

The majority of the borrowers 357 (87.27%) constructed houses with a plinth area of 750 to 7500 sq. ft. The average satisfaction index of this group is 60.00. The satisfaction index ranges between 21.82 and 80.00. The satisfaction

index of 169 (47.34%) borrowers of this group is above the average. The satisfaction index of the remaining 188 (52.66%) borrowers is below the average.

The average satisfaction index of the 16 (3.91%) borrowers who have constructed above 1500 sq. ft. is 55.80. The satisfaction index of this group ranges between 38.18 to 63.64. The average satisfaction index of nine (56.25%) borrowers of this group is above the average. The satisfaction index of the remaining seven (43.75%) is below the average.

As the calculated value of F (2.55) is less than table value (3.02) it can be inferred that there is no significant difference in the mean values of satisfaction index of borrowers whose constructed area of house differs. However the average satisfaction index of borrowers who have constructed houses up to 750 sq. ft. is higher than the satisfaction of borrowers who have constructed houses above 1500 sq.ft. Hence to examine whether there is any association between period of construction and level of satisfaction the following null hypothesis is framed and tested.

H_0 : There is no association between plinth area of construction and satisfaction.

TABLE 7.20
PLINTH AREA OF CONSTRUCTION AND LEVEL OF
SATISFACTION

Level of satisfaction				
Plinth area of construction	Low	Medium	High	Total
Up to 750 sq.ft.	05 (13.89%)	26 (72.22)	05 (13.89)	36 (100)
751 – 1500 sq.ft.	40 (11.20)	289 (80.96)	28 (7.84)	357 (100)
Above 1500 sq.ft.	05 (31.25)	05 (31.25)	06 (37.50)	16 (100)
Total	50	320	39	409

Figures in the parentheses indicate percentage to total.

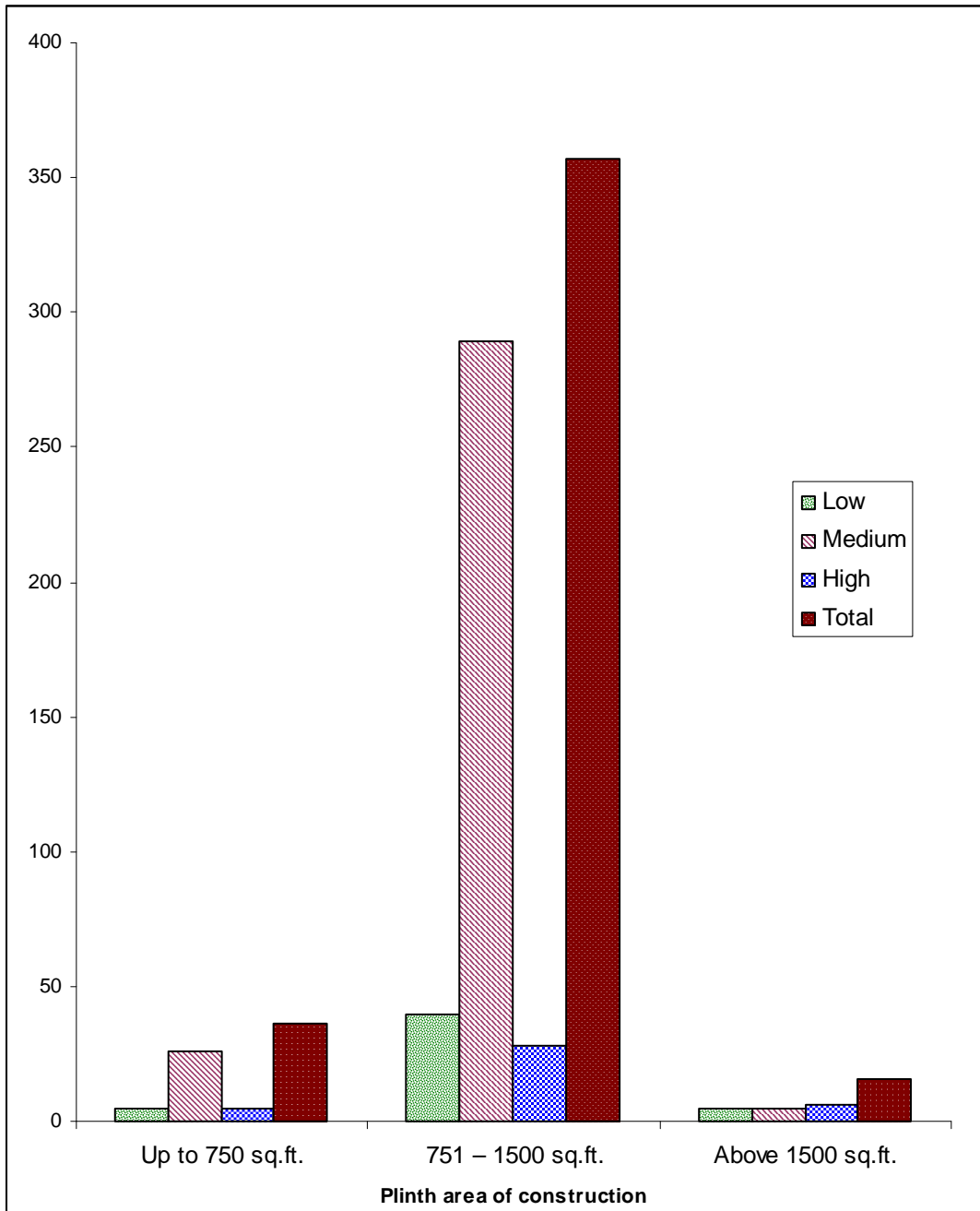
d.f.: 4 calculated χ^2 value : 25.280 : 5% level – 9.488

: 1% level – 13.277

Of the 36 borrowers who have constructed houses up to 750 sq.ft., the level of satisfaction of five (13.89%) is low, 26 (72.21%) is medium and of the five (13.89%) is high. Of the 357 borrowers who have constructed houses from 751 to 1500 sq.ft., 289 (80.96%) is medium and of 28 (7.84%) is high. The level of satisfaction of 40 (11.20%) is low.

Of the 16 borrowers who have constructed houses above 1500 sq.ft., the level of satisfaction of five (31.25%) is low six (37.50%) is medium and five (31.25%) is with high level of satisfaction. As the calculated χ^2 value is greater than the table value at one per cent level, the null hypothesis is rejected and it is concluded that there exists a highly significant association between area of construction and satisfaction.

CHART-10
PLINTH AREA OF CONSTRUCTION AND LEVEL OF
SATISFACTION



7.3.11. Source of Housing Finance and Satisfaction

In order to find out whether there is any association between source of housing finance and satisfaction level, the borrowers were classified into four groups. Borrowers who availed housing loan from i) housing finance companies ii) banks, iii) government and iv) co-operative institutions.

TABLE 7.21
SOURCE OF HOUSING FINANCE AND SATISFACTION INDEX

Source of housing finance	Number of borrowers	Average satisfaction index	Range	'F' value
House finance companies	100 (24.45)	60.24	34.55-67.27	2.94*
Banks	228 (55.75)	60.24	21.82-80.00	
Government Loan	20 (4.89)	63.09	43.64-74.85	
Co-operative institution	61 (14.91)	60.06	38.18-74.55	
Total	409	59.87	21.82-80.00	

Figures in the parentheses indicate percentage to total

*Significant at five per cent level

Among the borrowers who availed housing loan from housing finance companies, the average satisfaction index is 58.29. The satisfaction index ranges from 34.55 to 67.27. The satisfaction index of 50 (50.00%) borrowers of this group is above the average and the satisfaction index of the remaining 50 (50.00%) borrowers is below the average.

Of the 228 borrowers who availed housing loan from banks, the average satisfaction index is 60.24. The satisfaction index ranges from 21.82 to 80.00. The satisfaction index of 110 (48.25%) of this group is above the average, while of the remaining 118 (51.75%) have it below the average.

The average satisfaction index of 20 borrowers who availed government loan is 63.09. It ranges from 43.63 to 74.85. The satisfaction index of 11 (55.00%) borrowers of this category is above the average while the satisfaction index of the remaining nine borrowers (45.00%) is below the average.

Of the 61 borrowers who availed housing loan from co-operative institutions the average satisfaction index is 60.06. The satisfaction index of this group ranges between 38.18 and 74.55. Of them, the satisfaction index of 29 (45.54%) borrowers is above the average while the satisfaction index of the remaining 32 (52.46%) borrowers is below the average.

As the calculated value of F (2.94) is greater than table value (2.62) at five per cent level, it could be inferred that there is a significant difference in the mean values of satisfaction Index of borrowers of different sources of finance. To examine whether there is any association between source of finance and satisfaction, the following null hypothesis has been framed and tested.

H_0 : There is no association between source of finance and satisfaction.

TABLE 7.22
SOURCE OF HOUSING FINANCE AND LEVEL OF
SATISFACTION

Level of satisfaction				
Source of housing finance	Low	Medium	High	Total
Housing finance companies	09 (9.00)	86 (86.00)	05 (5.00)	100 (100)
Banks	28 (12.28)	177 (77.63)	23 (10.09)	228 (100)
Government Loan	05 (25.00)	10 (50.00)	05 (25.00)	20 (100)
Co-operative	08 (13.11)	47 (77.05)	06 (9.84)	61 (100)
Total	50	320	39	409

Figures in the parentheses indicate percentage to total

d.f.: 6 calculated χ^2 value : 13.779 : Table value : 5% level – 12.592

: 1% level – 16.812

Of the 100 borrowers who availed housing loan from Housing finance companies, the level of satisfaction of 9 (9.00%) is low, of 86 (86.00%) is medium, and of five (5%) is high.

A majority of the borrowers out of 409 availed housing loan from banks. Of the 228 borrowers the level of satisfaction of 28 (12.28%) is low, of 177 (77.63%) is medium and of the 23 (10.09%) is high.

The level of satisfaction of five (25.00%) borrowers out of 20 who availed housing loan from government is low. While 10 (50.00%) borrowers of this group is with medium level of satisfaction, the remaining five (25.00%) is with high level of satisfaction.

Eight (13.11%) borrowers out of 61 who availed housing loan from co-operative institution are with low level of satisfaction. 47 (77.05%) borrowers of this group is with medium level of satisfaction while the remaining six (9.84%) is with high level of satisfaction.

As the calculated χ^2 value is greater than table value at five per cent level, there exists a significant association between source of finance and level of satisfaction. Therefore the null hypothesis is rejected.

7.3.12. Cost of Construction And Satisfaction

Based on cost of construction of the house, borrowers were classified into three groups. Borrowers whose cost of construction is up to Rs.3,00,000, Rs.3,00,001 to 5,00,000 and above Rs.5,00,000. To find out whether there is any association between the cost of construction and satisfaction the following analysis is made.

TABLE 7.23**COST OF CONSTRUCTION AND SATISFACTION INDEX**

Cost of construction	Number of borrowers	Average satisfaction index	Range	'F' value
Up to Rs.3,00,000	159 (38.88)	59.92	47.27-74.55	0.38
Rs.3,00,001- Rs.5,00,000	225 (55.01)	60.17	21.02-80.00	
Above Rs.5,00,000	25 (6.11)	56.95	38.18-76.36	
Total	409	59.87	21.82-80.00	

Figures in the parentheses indicate percentage to total.

Of the 159 (38.88%) borrowers whose cost of construction is up to Rs.3,00,000, the average satisfaction index is 59.92. The satisfaction index ranges from 47.27 to 74.55. The satisfaction index of 88 (55.35%) borrowers of this group is above the average while the satisfaction index of the remaining 71 (44.65%) borrowers is below the average.

The average satisfaction index of the 225 (55.01%) borrowers whose cost of construction is between Rs.3,00,001 to Rs.5,00,000 is 60.17. The satisfaction index of this group ranges from 21.02 to 80.00. the satisfaction index of 104 (46.22%) borrowers of this category is above the average while the satisfaction index of 121 (53.78%) borrowers is below the average.

The number of borrowers whose cost of construction is above Rs.5,00,000 is 25 (6.11%). Their average satisfaction index is 56.95. Their satisfaction index ranges between 38.18 and 76.36. The satisfaction index of a majority of the borrowers of this group i.e. 16 (64.00%) is above the average.

The satisfaction index of the remaining nine (36.00%) borrowers is below the average.

As the calculated 'F' value (0.38) is less than the table value (3.02) at five per cent level, it could be inferred that there is no significant difference in the mean values of satisfaction index of borrowers of different groups based on cost of construction. However the average satisfaction of index of borrowers whose cost of construction is above Rs.5,00,000 is lower than borrowers, whose cost of construction is up to Rs.3,00,000. Hence it could be said that as the cost of construction of the house increases there is a decrease in satisfaction level. To examine whether there is any association between cost of construction and satisfaction, the following null hypothesis is framed and tested.

H_0 : There is no association between cost of construction and satisfaction.

TABLE 7.24
COST OF CONSTRUCTION AND LEVEL OF SATISFACTION

Cost of construction	Level of satisfaction			Total
	Low	Medium	High	
Up to Rs.3,00,000	05 (10.00)	39 (78.00)	06 (12.00)	50 (100)
Rs.3,00,001 to Rs.5,00,000	32 (12.50)	195 (76.77)	27 (10.73)	254 (100)
Above Rs.5,00,000	13 (12.30)	86 (81.90)	06 (6.80)	105 (100)
Total	50	320	39	409

Figures in the parentheses indicate percentage to total.

d.f.: 4 calculated χ^2 value : 2.727 : Table value : 5% - 9.488

: 1% level – 13.377

Of the 50 borrowers whose cost of construction is up to Rs.3,00,000 the level of satisfaction of five (10.00%) is low. While 39 (78.00%) borrowers of this group is with medium level of satisfaction, the remaining six (12.00%) is with high level of satisfaction.

The level of satisfaction of 32 (12.50%) borrowers of the group whose cost of construction is between Rs.3,00,001 to Rs.5,00,000 is low. While 195 (76.77%) borrowers of this group is with medium level of satisfaction, the remaining 27 (10.73%) is with high level of satisfaction.

Of the 105 borrowers whose cost of construction is above Rs.5,00,000, the level of satisfaction of 13 (12.30%) is low, of 86 (81.90%) is medium and of the six (6.80%) is high.

The percentage of borrowers with low level of satisfaction is high with borrowers whose cost of construction is between Rs.3,00,001 and Rs.5,00,000. The percentage of high level of satisfaction is high with the borrowers whose cost of construction is up to Rs.3,00,000. As the calculated value of χ^2 is less than table value at five per cent level, it could be inferred that there is no significant association between cost of construction and level of satisfaction. Therefore, the null hypothesis is accepted.

7.3.13. EMI and Satisfaction

To examine whether there is any association between EMI and the level of satisfaction the borrowers were classified into three groups. The borrowers whose monthly repayment is up to Rs.2,000, between Rs.2,001 and Rs.4,000 and above Rs.4,000.

TABLE 7.25
MONTHLY REPAYMENT AND SATISFACTION INDEX

Monthly repayment	Number of borrowers	Average satisfaction index	Range	'F' value
Up to Rs.2,000	89 (21.76%)	59.75	34.55-80.00	1.27
Rs.2,001 to Rs.4,000	220 (53.79)	59.46	45.45-76.36	
Above Rs.4,000	100 (24.45)	60.89	29.82-67.27	
Total	409	59.87	21.82-80.00	

Figures in the parentheses indicate percentage to total.

Of 89 (21.76%) borrowers whose EMI is up to Rs.2,000 the average satisfaction index is 59.75. Their satisfaction index ranges between 34.55 and 80.00. The satisfaction index of 50 (56.18%) borrowers of this group is above the average. The satisfaction index of the remaining 39 (43.82%) borrowers is below the average.

The average satisfaction index of 220 (53.79%) borrowers whose EMI is between Rs.2,001 and Rs.4,000 is 59.46. Their satisfaction index ranges from 45.45 to 76.36. While the satisfaction index of 104 (47.27%) borrowers of this

category is above the average, the satisfaction index of the remaining 121 (52.73%) borrowers is below the average.

The number of borrowers who opted a EMI of above Rs.4,000 is 100 (24.45%) the average satisfaction index of this group is 60.89. Their satisfaction index ranges from 21.82 to 67.27. The satisfaction index of 56 (56.00%) borrowers of this category is above the average while the remaining 44 (44.00%) borrowers satisfaction index is below the average.

As the calculated 'F' value (1.27) is less than table value (3.02) at five per cent level of significance, it could be said that there is no significant difference between the mean values of satisfaction index among borrowers of different groups based on their monthly repayment towards housing loan. However the table reveals that the satisfaction index of borrowers who opt for less payment is lower than those who opted for higher repayment. Hence it could be inferred that borrowers who pay less monthly repayment are less satisfied than the borrowers who opt for higher repayment. Hence to examine whether there is any association between monthly repayment and satisfaction of borrowers, the following null hypothesis has been framed and tested.

H_0 : There exists no association between EMI and satisfaction of borrowers.

TABLE 7.26
EMI AND LEVEL OF SATISFACTION

Level of satisfaction				
EMI	Low	Medium	High	Total
Up to Rs.2,000	16 (17.90)	64 (71.90)	09 (10.20)	89
Rs.2001 to Rs.4,000	24 (10.90)	178 (80.90)	18 (8.20)	220
Above Rs.4,000	10 (10.00)	78 (78.00)	12 (12.00)	100 (100)
Total	50	320	39	409

Figures in the parentheses indicate percentage to total.

d.f.: 4 calculated χ^2 value 4.873 : Table value : 5% level – 9.488

: 1% level – 13.277

Of the 89 borrowers whose EMI is up to Rs.2,000 per month, the level of satisfaction of 16 (17.90%) is low, of 64 (71.90%) is medium and of nine (10.20%) is high.

Out of 220 borrowers whose monthly repayment ranges from 2001 – Rs.4000 the level of satisfaction of 24 (10.90%) is low, while 178 (80.90%) is with medium satisfaction the remaining 18 (8.20%) is with high level of satisfaction.

There are 100 borrowers whose monthly repayment towards housing loan is above Rs.4,000 of them the level of satisfaction of 10 (10.00%) is low, 78 (78.00%) is medium and of 12 (12.00%) is high.

The percentage of borrowers with low level of satisfaction is high with borrowers whose monthly repayment is up to Rs.2000. The percentage of borrowers with high level of satisfaction is high with the borrowers whose monthly repayment is above Rs.4,000 . Hence it could be said that borrowers whose monthly repayment is high are more satisfied than the borrowers whose monthly repayment is less. However as the calculated χ^2 value is less than the table value at five percent level, there exists no significant association between monthly repayment towards housing loan and level of satisfaction. There fore, the null hypothesis is accepted.

7.3.14 Repayment Period Opted and Satisfaction

To find out whether there is any relationship between repayment period opted and level of satisfaction, the borrowers were classified into three groups. Borrowers who have opted a repayment period up to 10 years, between 11 and 15 years and above 15 years.

TABLE 7.27

REPAYMENT PERIOD OPTED AND SATISFACTION INDEX

Repayment Period	Number of borrowers	Average satisfaction index	Range	'F' value
Up to Rs.10 years	198 (48.41%)	59.76	21.82-76.36	6.41**
11-15 years	184 (44.99)	60.02	34.55-80.00	
Above 5 years	27 (6.60%)	59.73	50.91-72.73	
Total	409	59.87	21.82-80.00	

Figures in the parentheses indicate percentage to total.

**Significant at one per cent level.

The average satisfaction index of borrowers who opted a repayment period of up to 10 years is 59.76. The range of satisfaction index of this group is from 21.82 to 76.36. Of them the satisfaction index of 110 (55.56) borrowers is above the average while the satisfaction index of the remaining 88 (4.44%) borrowers is less than the average satisfaction index.

The average satisfaction index of 184 (44.99%) borrowers who opted a repayment period of 11 to 15 years is 60.02. The range of satisfaction index of

this group is 34.55 to 80.00 while the satisfaction index of 83 (45.11%) borrowers of this group is above the average, the satisfaction index of the remaining 101 (54.89%) borrowers is below the average.

There are 27 (6.60%) borrowers who opted a repayment period of above 15 years. Their satisfaction index ranges between 50.91 and 72.73. The satisfaction index of 12 (44.44%) borrowers of this group is above the average while the satisfaction index of the remaining 15 (55.56%) borrowers is below the average.

As the calculated 'F' value (6.41) is greater than table value (4.66) at one per cent level, it could be inferred that the mean values of satisfaction index of borrowers of different groups of borrowers based on the repayment period opted by them differ significantly. To examine whether there exists any association between repayment period opted and the level of satisfaction the following null hypothesis has been framed and tested.

H_0 : There exists no association between repayment period opted and satisfaction of borrowers.

TABLE 7.28
REPAYMENT PERIOD OPTED AND LEVEL OF SATISFACTION

Level of satisfaction				
Repayment period opted	Low	Medium	High	Total
Up to 10 years	22 (11.11)	158 (79.79)	18 (9.10)	198 (100)
11-15 years	23 (12.50)	146 (79.35)	15 (8.15)	184 (100)
Above 15 years	05 (18.52)	16 (59.26)	06 (22.22)	27 (100)
Total	50	320	39	409

Figures in the parentheses indicate percentage to total

d.f.: 4 calculated χ^2 value 7.393 : Table value : 5% level – 9.488

: 1% level – 13.277

Out of 409 borrowers 198 opted for a repayment period up to 10 years. Of them the level of satisfaction of 22 (11.11%) is low, of 158 (79.79%) is medium and of the 18 (9.10%) is high. There are 184 borrowers whose repayment period is between 11 and 15 years. The level of satisfaction of 23 (12.50%) is low, 146 (76.35%) is medium and of the remaining 15 (8.15%) is high.

The level of satisfaction of five (18.52%) borrowers of the 27 borrowers who opted for a repayment period of above 15 years is low, of 16 (59.26%) is medium and of six (22.22%) is high. As the calculated value of χ^2 is less than the table value at five percent level of significance, there is no significant association between repayment period opted and level of satisfaction. Therefore the null hypothesis is accepted.

7.3.15. Awareness and Satisfaction

To examine whether there is any association between awareness on housing loan and level of satisfaction, the borrowers were classified into three categories the borrowers whose awareness is low, medium and high.

TABLE 7.29

AWARENESS ON HOUSING LOAN AND SATISFACTION INDEX

Level of Awareness	Number of borrowers	Average satisfaction index	Range	'F' value
Low	68 (19.07%)	58.42	34.55-74.55	2.20
Medium	257 (62.84)	60.43	21.82-76.36	
High	84 (18.09%)	59.35	38.18-80.00	
Total	409	59.87	21.82-80.00	

Figures in the parentheses indicate percentage to total.

The average satisfaction index of 68 borrowers whose level of awareness is low is 58.42. The satisfaction index of this group ranges from 34.55 to 74.55. Of the total borrowers of this group the satisfaction index of 32 (41.03%) borrowers is above the average while the satisfaction index of the remaining 36 (58.97%) is below the average.

The number of borrowers with medium level of satisfaction is 257. The average satisfaction index of this group is 60.43. Their satisfaction index ranges from 21.82-76.36. Of them 127 (49.42%) borrowers satisfaction index is above the average while the satisfaction index of the remaining 130 (50.58%) borrowers is below the average.

There are 84 borrowers whose level of awareness is high. The average satisfaction index of this group is 59.35. Their satisfaction index ranges between 38.18 -80.00. The satisfaction index of 48 (57.14%) borrowers of this group is above the average while the satisfaction index of the remaining 36 (42.86%) borrowers is below the average.

As the calculated value of 'F' (2.20) is less than table value (3.02) at five per cent level, it could be inferred that the mean values of satisfaction index of borrowers of different groups on the base of their level of awareness do not differ significantly. However the table shows that the average satisfaction index of the borrowers with low level of awareness is less than the borrowers with high level of awareness. Hence to examine whether there is any association between awareness and satisfaction, the following null hypothesis has been framed and tested.

h_0 : There is no association between level of awareness and satisfaction of borrowers.

TABLE 7.30
AWARENESS ON HOUSING LOAN AND LEVEL OF SATISFACTION

Level of satisfaction				
Awareness	Low	Medium	High	Total
Low	09 (13.24%)	54 (79.41)	05 (7.35)	68 (100)
Medium	30 (11.67)	198 (77.04)	29 (11.29)	257 (100)
High	11 (13.09)	68 (80.95)	05 (5.96)	84 (100)
Total	50	320	39	409

Figures in the parentheses indicate percentage to total

d.f. : 4 calculated χ^2 value 2.607 : Table value : 5% level – 9.488

: 1% level – 13.277

Out of 68 borrowers whose level of awareness is low, the level of satisfaction of nine (13.24%) is low, of 54 (79.41%) is medium and of the remaining five (7.35%) is high.

There are 257 borrowers whose level of awareness is medium. Of them the level of satisfaction of 30 (11.67%) is low, 198 (77.04%) is medium and of the remaining 29 (11.29%) is high.

Of the 84 borrowers whose level of awareness is high, the level of satisfaction of 11 (13.09%) is low, 68 (80.95%) is medium and of five (5.96%) is high.

The percentage of low level of satisfaction is high with the borrowers whose level of awareness is low, while the percentage of high level of satisfaction is high with the borrowers whose level of awareness is medium. Hence it could be said that the level of satisfaction increases as the level of awareness increases. As the calculated value χ^2 is less than table value at five percent level of significance, there exists no association between level of awareness and level of satisfaction. Therefore the null hypothesis is accepted.

7.4 CONCLUSION

Satisfaction of a borrower depends upon a host of factors. Borrowers socio-economic characteristics and loan seeking behaviour mainly determine the level of satisfaction. The chi-square test is employed to examine the significance of association between each of the selected fifteen variables and level of satisfaction. It reveals that except age, education, plinth area of construction and source of finance selected, all other variables have no significant association with satisfaction level of borrowers. The summary of findings and suggestions are given in the next chapter.