

Impact Of Welfare Measures Nationalized Banking Employee Performance In Tamilnadu

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Abstract

The study aims to measure the service quality magnitude of regional rural banks. Such magnitude contains tangibility, reliability, assurance, empathy and responsiveness. This magnitude is strongly and positively associated with customer satisfaction. Next, service quality associates and affect customer satisfaction. The effect of tangibility and assurance is strong; reliability is moderate, but empathy and responsiveness are weak on customer satisfaction. On the whole, service quality dimensions influence customer satisfaction to more than 50%. Finally, the overall satisfaction of regional nationalized banks in Tamilnadu is moderately associated with customer satisfaction.

Keywords: Customer Perception, Service quality, customer satisfaction and banks.

Introduction

Bank plays an important role in the economic development of a country. It is a financial institution that accepts deposits and channels those deposits into lending activities either directly or through capital markets. A bank connects customers which have capital deficits to those customers with capital surpluses. The banking industry in India is facing certain challenges i.e. challenges of quality service, customer satisfaction, customer retention, customer loyalty. Quality service plays a major role in achieving customer satisfaction and creating brand loyalty in banking sector.

Role of Banking in Indian Economy

The Government of India, after independence had to focus on many areas among which one of the important tasks was economic development of the country. In this context, the Industrial policy resolution in 1948 focused on mixed economy, which played an active role in development of different sectors including banking and finance. A major step in this direction was the nationalization of banks in 1948. The Banking Regulation Act was enacted which empowered the Reserve Bank of India (RBI) to regulate, control and inspect the banks in India. In other words the Government of India nationalized banks in 1969 and later in 1980 in order to have better control over this sector.

Government of India controls around 91% of the banking business in India. In early 1990s, The Prime Minister of India P.V NarsimhaRao liberalized the sector by giving licenses to a small number of private banks, which came to be known as New Generation Tech-Savvy banks. There are, Global Trust Bank (Now acquired by Oriental Bank of Commerce), UTI Bank (now re-named as Axis Bank), ICICI Bank and HDFC Bank. The banking sector in India constitutes Government banks, Private banks and Foreign banks..

Facilitator for Monetary Policy The fiscal and monetary policy of a country has greater impact on its economic development, and a well-developed banking system is pre-requisite for successful implementation of the monetary policy.

Indian Banking Industry and Service Quality

The banking industry is facing rapid changes in the market, such as New Technologies, economic uncertainties, fierce competition, more demanding pronged challenges to retain the existing customers and to create new customers. However, success rate depends on the innovative strategies adopted by the banks including better customer services and adequate fulfillment of customer expectations. Thus, customer satisfaction is quite a complex issue and there is a lot of debate and confusion about what exactly is required and how to go about it.

Service Quality

'Service Quality' is a business administration term used to describe achievement in service. It reflects both objective and subjective aspects of service. The accurate measurement of an objective aspect of customer service requires the use of carefully predefined criteria. The measurement of subjective aspects of customer service depends on the conformity of the expected benefit with the perceived result. This inturn depends upon the customer's imagination of the service they might receive and the service provider's talent to present this imagined service.

Review of Literature

Ansar Ali (2019) analyses the E-Banking covers both computer and telephone banking. These two types of banking involve the usage of passwords. It came into existence due to Innovation in Technology and competition among the existing banking organizations, who display their banking products and services for easy accessibility to the customers which can be delivered through the internet. The rapid development of E-banking services carries risks as well as benefits. Hence, it is the responsibility of the bankers to recognize, manage, and to address banking institutions incautious and sensible way according to the fundamental characteristics and challenges of E-Banking services. So this paper discusses the impact of E-Finance on the banking sector, its various products, and services, the diverse risk associated with electronic banking services, and its solutions to tackle these challenges. The study is based on exploratory research mainly on qualitative analysis.

Vasanthi (2013) investigated that the Government of India globalization and liberalization of financial reforms strongly suggested operational flexibility and functional autonomy to the bank to improve efficiency and productivity along with deregulation in interest rates, the substantial education in statutory reserves and entry of new banks in the private sector to engineer and encourage competition. In the deregulated, competitive, and ever- demanding customer's market retaining the existing customer and attracting new customers is very important. Customer acceptance and customer preference for banks play an important role in the success of their functioning. This study explores the customer perception towards service quality attributes among public sector banks and private sector banks.

Research Methodology

Descriptive research is used in this present study in order to determine the customer perception towards service quality. This is the trendiest type of research system, generally used in survey research design and most useful in describing the characteristics of consumer behavior. A structured questionnaire is used as a primary medium of data collection. The sources of secondary data were the Internet, Books, Journals, Articles, RBI reports, newspapers, etc. This study covers Welfare measures of nationalized banking and its impact in employees performance in Tamilnadu. The sample size of this study is 306 respondents and the information is collected from the respondents having accounts in SBI, INDIA BANK and IOB.

Objectives of the study

The study has been undertaken with regard to the following set of objectives:

1. To study the customer awareness about various services and modern facilities offered by public sector banks.
2. To access the level of opinion on procedures adopted on various services offered by public sector banks.
3. To know the level of satisfaction of customers with regard to infrastructure services offered by public sector banks.
4. To understand the perception of the employees of public, nationalized banks and to find out the challenges faced by them to deliver expected services
5. To identify the complaints by the customers in availing the services in ombudsman scheme.

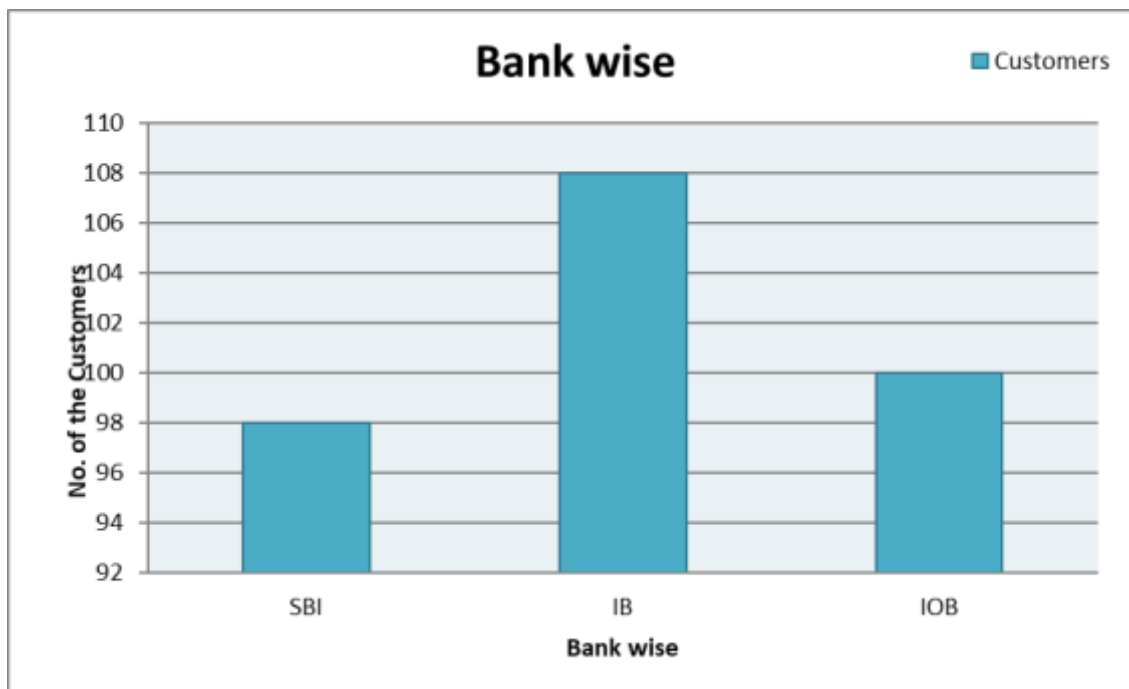
Scope of the Study

The study encompasses customer service quality of all three types of banks namely SBI, INDIA BANK and IOB, Welfare measures of nationalized banking and its impact in employees performance in Tamilnadu. The study covers respondents both customers of banks and bankers. The customer's focuses on various professions, various places of both genders, with varied income groups and varied age groups.

ANALYSIS AND INTERPRETATIONS

Table: 1-Bank Wise Distribution of the Respondents

Bank wise	Customers	Percentage
SBI	98	32.03
IB	108	35.29
IOB	100	32.68
Total	306	100.00



It is found from the Table 1, out of 306 respondents 108 (35.29%) of the customers belong to the IB followed by 100 (32.67%) who belong to the IOB and the rest 87 (32.04%) belong to the SBI area of residence.

The expectation and perception of banking services among the urban customers is completely different from that of IB. Usually, the urban customers have more exposure of banking practices than the IOB employee's performance.

Table: 2 Age Wise Distribution Employees Performance of the Respondents

Age Wise Group	Employees Performance	Percentage
Less than 30 years	76	24.83
31 – 40 years	106	34.64
41 – 50 years	72	23.52
Above 51 years	52	16.99
Total	306	100.00

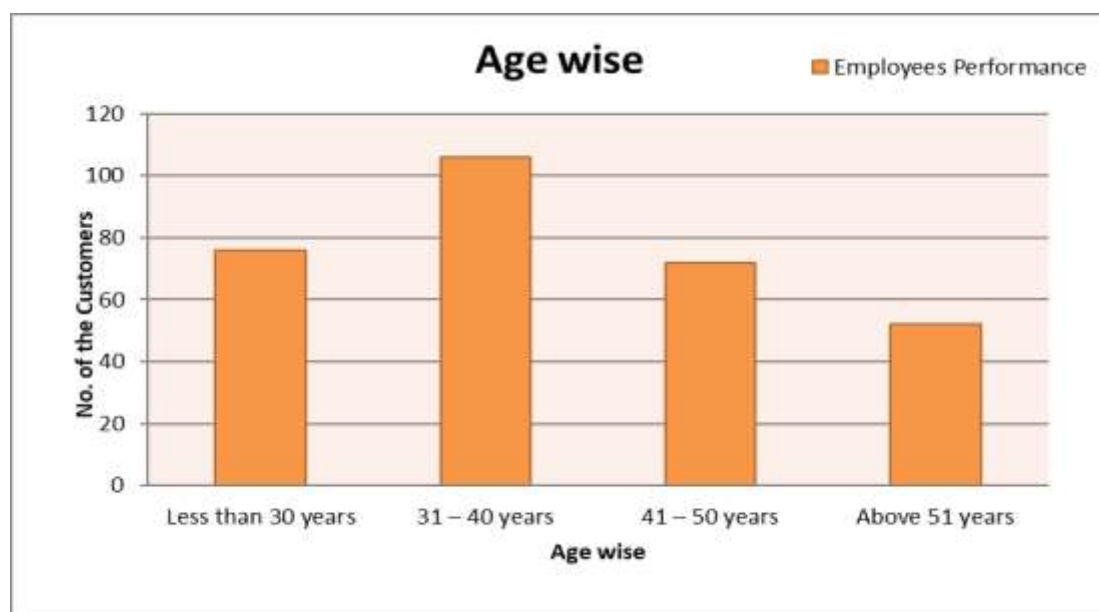


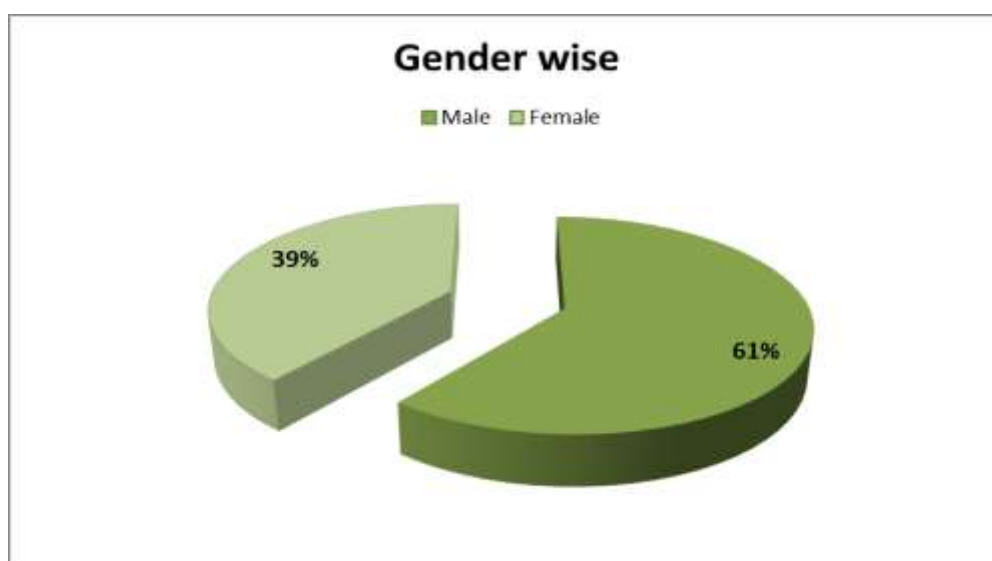
Table 2 describes the age wise distribution of the respondents selected for the study. Age becomes relevant for every
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account holder and it refers to the maturity and experience the simple respondents,76 (24.83%) are below the age group of 30 years,106 (34.64%) are between the age group of 31-40 years,72 (23.52%) are between the age group of 41-50 years and 52 (16.99%)are above the age groups of above 51 years.

Therefore, the age of account holder's plays a relative role in the banking sectors. It is understood that (34.64%) of customers are below the age group of 31-40 years because government of India had made it mandatory to have a bank account for all sources.

Table: 3 Gender Wise Distributions of the Respondents

Gander Wise	Respondents	Percentage
Male	186	60.78
Female	120	39.22
Total	306	100.00



It is found from the Table 3, Out of 306 respondents 186 (60.78%) are Male and 120 (39.22%) are Female. There is no question of male along being the bread earner. The opinion and satisfaction differs between Male and Female customers in opening an account in the bank. Hence, the banking services have improved much in satisfying all its customers.

Table: 4. Opinion score in E-banking facilities

E- banking facilities	Very Frequently	Frequently	Occasionally	Rarely	Never
Usage of computer and modern technology to provide services	103 (33.66)	89 (29.08)	85 (27.77)	26 (8.49)	3 (0.98)
Provision of ATM Facility	112 (36.60)	93 (30.39)	79 (21.81)	20 (6.53)	2 (0.65)
Provision of electronic funds transfer	117 (38.23)	82 (26.79)	82 (26.79)	24 (7.84)	1 (0.32)
Provision of 24 hours toll free services	107 (34.96)	98 (32.02)	76 (24.83)	23 (7.51)	2 (0.65)
Provision internet banking	101 (33.00)	104 (33.98)	79 (25.81)	20 (6.53)	2 (0.65)
Provision of electronic clearing system	105 (34.31)	101 (33.00)	45 (14.70)	47 (15.35)	8 (2.61)
Provision of credit card/debit card facility	102 (33.33)	87 (28.43)	89 (29.08)	22 (7.18)	6 (1.96)
Dependability and accuracy of the services provide to your	143 (46.73)	102 (33.33)	53 (17.32)	7 (2.28)	1 (0.32)

It is observed from the table 4 that, 143(46.73%) of the Very Frequently respondents e- banking facilities were giving Dependability and accuracy of the services provide to your, 117(38.23%) of the respondents' e- banking facilities were

giving Provision of electronic funds transfer, 112 (36.60%) of the respondents' e- banking facilities were giving Provision of ATM Facility, 107 (34.96%) of the respondents' e- banking facilities were giving Provision of 24 hours toll free services, 105(34.31%) of the respondents' e- banking facilities were giving Provision of electronic clearing system, 103(33.66%) of the respondents' e- banking facilities were giving Usage of computer and modern technology to provide services, 102(33.33%) of the respondents' e- banking facilities were giving Provision of credit card/debit card facility and 101(33.00%) of the respondents' e- banking facilities were giving Provision internet banking opinion score in E-banking facilities.

It is clearly noted from the above discussion that majority of the respondents are 143(46.73%) of the respondents' Very Frequently respondents e- banking facilities were giving Dependability and accuracy of the services provide to your opinion score in E-banking facilities.

Anova two-way

ANOVA						
Source of Variation	SS	df	MS	F	P-value	F crit
Rows	-1.5E-11	7	-2.1E-12	-1.3E-14	0.1235	2.35926
Columns	68398.15	4	17099.54	107.5866	1.43E-16	2.714076
Error	4450.25	28	158.9375			
Total	72848.4	39				

The two-way Anova model is applied for further discussion. At one point, the computed Anova value is -1.35E, which is greater than its p value at 5 per cent level of significance. Hence, there is no significant Opinion score in E-banking facilities respondents. At another point, the computed Anova value 107.58 which are greater than its p value at 5 percent level of significance. Hence, variation among the Opinion score in E-banking facilities respondents is statistically identified as No significant.

Table: 5. Opinion score about basic facilities

Basic Facilities	Very Frequently	Frequently	Occasionally	Rarely	Never
Location of the bank	132 (43.13)	83 (27.12)	54 (17.64)	33 (10.78)	4 (1.30)
Adequacy of space	127 (41.50)	79 (25.81)	78 (25.49)	18 (5.88)	4 (1.30)
Safety measures	136 (44.44)	77 (25.16)	83 (27.12)	8 (2.66)	2 (0.65)
Neatness and legibility of the entries in the pass book	121 (39.54)	102 (33.33)	75 (24.50)	6 (1.96)	2 (0.65)
Quick provision of services	117 (38.23)	103 (33.66)	70 (22.87)	14 (4.57)	2 (0.65)
Indication of display boards	109 (35.62)	97 (31.69)	72 (23.52)	22 (7.18)	6 (1.96)
Up keep and cleanliness of the bank premises	135 (44.11)	89 (29.08)	61 (19.93)	20 (6.53)	1 (0.32)
Uninterrupted services rendered	109 (35.62)	105 (34.31)	77 (25.16)	11 (3.59)	4 (1.30)
Promptly opening /closing of the branch as for time	125 (40.84)	98 (32.02)	76 (24.83)	6 (1.96)	1 (0.32)
Safe locker facility	139 (45.42)	89 (29.08)	69 (22.54)	7 (2.28)	2 (0.65)
Sufficiency of the bank branches	157 (51.30)	69 (22.54)	67 (21.89)	12 (3.92)	1 (0.32)

It is observed from the table 5 that, 157 (51.30%) of the Very Frequently respondents Basic Facilities were giving Sufficiency of the bank branches, 139(45.42%) of the respondents' Basic Facilities were giving Safe locker facility, 136(44.44%) of the respondents' Basic Facilities were giving were giving Safety measures, 135(44.11%) of the respondents' Basic Facilities were giving were giving Up keep and cleanliness of the bank premises, 132 (43.13%) of the respondents' Basic Facilities were giving Location of the bank, 127(41.50%) of the respondents' Basic Facilities were giving Adequacy of space, 125 (40.84%) of the respondents' Basic Facilities were giving Promptly opening /closing of

the branch as for time, 121(39.54%) of the respondents' Basic Facilities were giving Neatness and legibility of the entries in the pass book , 117(38.23%) of the respondents' Basic Facilities were giving Quick provision of services and 109(35.62%) of the respondents' Basic Facilities were giving Quick provision of services Indication of display boards.

Anova two-way

ANOVA						
Source of Variation	SS	df	MS	F	P-value	F crit
Rows	-8.7E-11	10	-8.7E-12	-7.2E-14	0.0235	2.077248
Columns	121159.3	4	30289.84	250.5645	9.72E-28	2.605975
Error	4835.455	40	120.8864			
Total	125994.8	54				

The two-way Anova model is applied for further discussion. At one point, the computed Anova value is -7.2E, which is less than its p value at 5 per cent level of significance. Hence, there is a significant Opinion score about basic facilities respondents. At another point, the computed Anova value 250.564 which are greater than its p value at 5 percent level of significance. Hence, variation among the Opinion score about basic facilities respondents is statistically identified as No significant.

Table: 6. Awareness of facilities available in ATM

Facilities	Very Frequently	Frequently	Occasionally
Cash withdrawal	170 (55.55)	120 (39.21)	16 (5.22)
Balance enquiry	182 (58.47)	108 (35.29)	16 (5.22)
Mini statement enquiry	118 (38.56)	109 (35.62)	79 (25.81)
Depositing Cheque	125 (40.89)	120 (39.21)	61 (19.93)
Cheque status enquiry	137 (44.77)	123 (40.19)	46 (15.03)
Transfer of fund	143 (46.73)	137 (44.77)	26 (8.49)
Cheque book requisition	173 (56.53)	102 (33.33)	31 (10.13)
Mobile banking registration	231 (75.49)	50 (16.33)	25 (8.16)
Cash deposit	187 (61.11)	103 (33.66)	23 (7.51)
Gpay	252 (82.35)	38 (12.41)	26 (8.49)
Phone Pay	245 (80.06)	45 (14.70)	16 (5.22)

It is observed from the table 6 that, 252(82.35%) of the Very Frequently respondents Awareness of facilities were giving Gpay, 245(80.06%) of the Very Frequently respondents Awareness of facilities were giving Phone Pay, 231(75.49%) of the Very Frequently respondents Awareness of facilities were giving Mobile banking registration, 187(61.11%) of the Very Frequently respondents Awareness of facilities were giving Cash deposit, 182 (58.47%) of the Very Frequently respondents Awareness of facilities were giving Balance enquiry, 173 (56.53%) of the Very Frequently respondents Awareness of facilities were giving Cheque book requisition, 170 (55.55%) of the Very Frequently respondents Awareness of facilities were giving Cash withdrawal, 143(46.73%) of the Very Frequently respondents Awareness of facilities were giving Transfer of fund, 137(44.77%) of the Very Frequently respondents Awareness of facilities were giving Cheque status enquiry, 125(40.89%) of the Very Frequently respondents Awareness of facilities were giving Depositing Cheque and 118(38.56%) of the Very Frequently respondents Awareness of facilities were giving Mini statement enquiry on Awareness of facilities available in ATM.

Anova two-way

ANOVA						
Source of Variation	SS	df	MS	F	P-value	F crit
Rows	40.90909	10	4.090909	0.002127	1	2.347878

Columns	116793	2	58396.48	30.35605	8.73E-07	3.492828
Error	38474.36	20	1923.718			
Total	155308.2	32				

The two-way Anova model is applied for further discussion. At one point, the computed Anova value is 0.00212, which is greater than its p value at 5 per cent level of significance. Hence, there is no significant Awareness of facilities available in ATM respondents. At another point, the computed Anova value 30.356 which are greater than its p value at 5 percent level of significance. Hence, variation among the Awareness of facilities available in ATM respondents is statistically identified as No significant.

Conclusion

From the above discussion the study concluded that, the banks should focus on pooling and retention of customers. Large database would create a trust and reliability culture which would bring in more and more customers. Addressing to the individual customer needs is one crucial aspect to be considered, as the customer would find himself as a part of the organization. This would build a good relationship between the bank and the customer. Popularizing the bank in the right area adds value to the brand. In the same way nationalized banks utilize the proper media resource for promoting their services. It's very important that both the public and the private sector banks come forward and use the same to a greater extent.

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