



A comparative study on quality of customer service in central cooperative banks (with special reference to Srikakulam and Visakhapatnam districts of Andhra Pradesh state)

T Kamaraju^{1*}, Ch Mohana Babu²

¹ Professor and Head, Department of Commerce and Management Studies Dr. BR Ambedkar University Srikakulam, Andhra Pradesh, India

² Assistant Professor, MRPG College, Vizianagaram, Andhra Pradesh, India

Abstract

The service sector has incredible progress due to their variety of services. For this persistence, the organization treat their existing customers in a better way than finding new customers. Customers lodge an important position in a business. Commercial banks are playing important character in the Indian Financial System and also the well-being of rural people. These banks are providing loans to rural people for their economic stability. The relationship between quality of service and customer satisfaction has a direct impact. Caring for the customers by offering them better quality service has thus become a major allocating issue confronted by almost all the banks to achieve a strategic advantage over their rivals at present. In order to retain customers, the organization wants to provide amenities to Customers. They are always taking the service with a lot of expectation. These expectations can meet by the organization by providing quality services with personal deliberation. The importance of service quality has been increased in these recent years occasionally there may be difference between customer's expectation and actual perception. The cooperative banks also subsidize to the development of nation. A number of products and service offered by cooperative banks. The important products offered by the cooperative bank include deposit and loans. The deposits are again classified in to S.B account, Current Account, Recurring deposits, fixed deposits and cash certificates. The loans include loan to salaried employees, housing loans, educational loans, agricultural loans. This paper emphasis the quality of service of cooperative banks at Srikakulam and Visakhapatnam Districts by taking customers of 6 revenue divisions.

Keywords: quality, customers, services, cooperative banks, satisfaction

Introduction

India is one of the developing countries in the third world in which the promotion of the service sector has received the focus of attention in the strategy for economic development. Since independence, India has been pursuing a planned approach for achieving overall growth and development. As a result of these efforts, the three basic sectors of the economy, animal husbandry, fishing and forestry, the secondary sector which includes manufacturing industry and construction, and the tertiary sector which covers service sectors received high priority, considerable care and reasonable protection. The primary sector received greater focus of attention during the first three five-year plans. The next two five-year plans gave more emphasis to the secondary sector. However, from the sixth five-year plan onwards the tertiary sector has been enjoying the privilege of having more focus of attention and care than the other sectors.

Commercial banks and co-operative banks are the two major divisions of the banking sector in India. Commercial banks, besides performing the traditional banking services, play a significant role in achieving economic progress through numerous ways, such as capital formation and financing various sectors like industry, trade, agriculture, transport and self-employment. On the other hand, co-operative banks promote saving habits of the farmers and other weaker

sections of the community and meet their credit needs. For fulfilling their avowed goals, co-operative banks concentrate more on the rural areas of India. Thus, commercial banks and co-operative banks are contributing their resources and efforts in achieving the economic progress of the country.

The banking sector in general, and the commercial banks and co-operative banks in particular, have achieved tremendous progress over years in terms of various parameters, such as growth of branches, deposits, asset creation and credit development. Their performance was highly admirable.

Significance of the study

Customers occupy an important position in a business. They are the centre and core on which the whole business is not an exception to this reality. Nowadays, banks have become more customer-oriented on account of many reasons. In a highly competitive and complex environment, to possess a competitive edge, banks need to revitalize their energies to be more customer-friendly. Winning the customer by giving a customer touch to all their approaches and thereby creating a strong base of loyal customers are thus the major concern of all banks. However, it is not an easy exercise.

Scope of the study

Since this study gives emphasis to customers service and

evaluation of its quality, only institutions under short-term credit structure are considered and institutions under long-term credit structure are left out. This is mainly because of the fact that the major categories of organizations which come under short-term credit structure are performing the usual banking business in an on-going basis. The CCBs have a wider network of branches customer-base composed of different categories of customers, managements having different customer services like the commercial banks. Since the study is comparative one which required a purposeful and meaningful comparison, the process is limited to the cooperative banks in *Srikakulam* District and the institutions of the same status in the neighbouring district of *Visakhapatnam* District.

Objectives of the study

The major objectives of this study are

1. To evaluate the performance of the co-operative credit institutions in the short-term co-operative credit structure
2. To compare the performance of the co-operative banks in the districts of *Srikakulam* and *Visakhapatnam* Districts.
3. To examine whether there is any difference in the quality of customer service rendered by the co-operative banks in the districts of *Srikakulam* and *Visakhapatnam* Districts.
4. To examine whether there is any difference in the quality of customer service between the cooperative banks in the districts of *Srikakulam* and *Visakhapatnam* Districts.
5. To identify the major determinants of the quality of customer service in the cooperative banks in the districts of *Srikakulam* and of *Visakhapatnam* Districts.

Methodology of the Study

The present research work is an analytical study and it is in the nature of an empirical study. Both primary and secondary data were collected and used for the study.

Primary data

The primary data required for the study have been collected from selected customers from selected Cooperative banks from the districts of *Srikakulam* and *Visakhapatnam* Districts.

Secondary data

The secondary data for the present study have been collected from the personal discussion with the officials of the Central co-operative banks and from various publications of numerous institutions. In addition to these, data have also been produced from the research articles published by the national institutes, study reports of expert committees and commissions, research studies conducted in this and related areas in different universities, books and journals dealing with the subject, various reports published by agencies working in this field and official website of NABARD and NAFSCOB.

Sample selection

The study is not a case study. It is a survey. It is an empirical study based mainly on the primary data. A multi-stage sampling method was employed for the selection of sample CCBs and customers. There are 13 districts in Andhra Pradesh State in that *Srikakulam* and *Visakhapatnam* districts were selected for this study. There are 3 Revenue Divisions in *Srikakulam* district and 4 Revenue Divisions in *Visakhapatnam* district, out of which three Revenue Divisions representing from each district were selected for the study. From each Revenue Division 5 CCBs were selected, for in-depth analysis. Totally 450 CCB members were selected randomly from among total members.

In the first stage, sample *Revenue Division* were selected on the basis of the geographical coverage of the district. In the second stage, from the sample *Revenue Division*, sample cooperative banks were selected. In the third stage, from the sample cooperative banks, sample customers were selected.

Table 1: Selection of sample cooperative banks and customers

Srikakulam District			Visakhapatnam District		
Revenue Divisions	Sample CCBs selected	Sample Customers selected	Revenue Divisions	Sample CCBs selected	Sample Customers selected
Srikakulam	5	75	Anakapalli	5	75
Palakonda	5	75	Narisipatnam	5	75
Tekkali	5	75	Visakhapatnam	5	75
Total	15	225	Total	15	225

Source: Office Records of State Cooperative Banks.

Table 2: Demographic Features of *Srikakulam* and *Visakhapatnam* Districts According to 2011 Census

SI. No	Characteristics	Srikakulam District		Visakhapatnam District	
		No.	%	No.	%
A)	Population				
1.	Male	1,341,738	49.64	21,38,910	49.85
2.	Female	1,361,376	50.36	21,51,679	50.15
3.	Total	2,703,114	100.00	42,90,589	100.00
B)	Scheduled Caste				
1.	Male	125,214	48.97	1,62,873	7.61
2.	Female	130,450	51.03	1,66,613	7.74
3.	Total	255,664	9.46	3,29,486	7.68
C)	Scheduled Tribe				
1.	Male	81,382	48.99	3,02,905	48.97
2.	Female	84,736	51.01	3,15,595	51.03
3.	Total	166,118	6.15	6,18,500	14.42
D)	Literacy Status				

1.	Male	857,824	71.61	14,22,878	74.56
2.	Female	637,557	52.08	11,45,371	59.34
3.	Total	1,495,381	61.74	25,68,249	66.91
E)	Sex Ratio	1,015		1,006	
H)	Density of Population	467		384	
G)	Occupation				
1.	Cultivators	165,317	12.81	3,22,164	17.05
2.	Agricultural	700,833	54.32	5,78,949	30.63
3.	Household industry	34,479	2.67	54,545	2.89
4.	Other workers	389,659	30.20	9,34,221	49.43
	Total	1,290,288	100.00	18,89,879	100.00

Source: Statistical Abstract, Directorate of Economics and Statistics, A.P, 2011.

Methods and tools used for the collection data

In order to collect the relevant data from the sample customers in both the districts of *Srikakulam* and *Visakhapatnam* Districts, a structured interview schedule was pursued. A pilot study was conducted among 60 customers, 30 each from CCBs in the districts of *Srikakulam* and *Visakhapatnam* District and pre-tested the schedule. Necessary changes were made in the schedule and it was finalized.

The field work for the collection of primary data was done from January 2015 to December 2016, covering a period.

Review of literature

The case of customer service in banks received a new phase of world-wide attention due to the significance devoted to the subject in the recent years. Since the banking sector is a competitive world, every bank is compelled to give top most priority to adopt new techniques so as to attract potential customers and retain the existing customers. For this bank adopt different strategies to attract and retain customers through loyalty and satisfaction.

Tripathi (2015) in his work-An Empirical Study - Awareness of Customers on Service Quality of Public Sector Banks in Varanasi studied the awareness of the customer on service quality and evaluated the quality of service in selected private sector banks in Varanasi district. He also determined the gap between customer expectation and perception. The data was collected for the study based on convenience and administered a modified SERVQUAL questionnaire. He found that customers' expectations of service quality in banks were high and perceived quality of service was quite lower across public sector banks. For public sector banks

Doddaraju (2015) in his work-A Study on Customer Satisfaction towards Public and Private Sector Banking Services [with Special Reference to Anantapur District of Andhra Pradesh] studied the banking services and customer satisfaction of public and private sector banks in Anantapur district and to know in which service quality dimension the bank was performing well and in which dimension it required improvement

Hasan Babu (2014) has made an analytical study regarding the attitude of different types of customers towards banking services in rural branches. He has recommended that the system followed in banks needs a rethinking and that the banks should maintain a higher customer satisfaction level through the provision of services

Sultan Singh (2014) in his report entitled-An Appraisal of Customer Service in Public Sector Banks has recommended

that in order to improve the customer service, the public-sector banks should simplify their rules, format, procedures etc. He has also pointed out that the personalized service and the door step service are inevitable for improving customer service in banks

Lohani and Bhatia (2013) in their research-Assessment of Service Quality in Public and Private Sector Banks of India with Special Reference to Lucknow City analysed the quality of services provided by public sector and private sector banks in Lucknow, India.

Co-operative banks in India: An overview

India is a land of villages. Villages in India are not self-sufficient and self-reliant. Agricultural and allied operations are the occupations of the majority of the village residents. They mainly depend on moneylenders and the like financial providers to carry on their operations regularly without any hope of success. Their pessimism and overburden resulted through dependence on the elements of the unorganized sectors, which forced many either to leave their operations in midway or to resort to some undesirable extremes such as suicide, absconding and so on. The pathetic situation of the farmers always invited the attention of the authorities and the public at large. In an attempt to save and protect the neglected sections, many initiatives were taken by the Government. Formation of institutions under the co-operative principle is one among the major initiatives. These institutions are formed mainly for making the rural economy dynamic and vibrant.

The concept of co-operation and co-operative movement in India

The meaning of co-operation varies from thinker to thinker and from one sphere of activity to another, hence, there is no unanimity in the precise meaning of the term. Co-operation in its ordinary sense would mean „working together“. In the literal sense, it denotes living, thinking and working together. In the technical sense, the term denotes a special mode of doing business, which gives rise to a formal organization and methods and techniques associated with it. To the sociologist, it is a socio-economic movement. Economists believe that it is a form of business organization in which there is no scope of being exploited by middlemen. Lawyers consider it as an organization in whose membership one enjoys the special privileges and concessions granted by the law. Common man regarded it as an oasis to escape from the clutches and exploitations of the ruthless middlemen. The Government visualizes co-operation as an economic system to achieve

certain objectives, such as eradication of poverty, sustaining regional economic balance, provision of employment etc. From the commercial point of view, it is a form of economic enterprise, the structure and objective of which are somewhere between those of a private business concern and those of a public undertaking. This, the meaning of term co-operation varies considerably from different viewpoints. However, it is a philosophy of life. It is part and parcel of a drive for achieving progress in a society of human beings.

A theoretical framework of customer service

Customer is the backbone of a business. He is also core component of a business. Mahathma Gandhi aptly stressed the significance of the customer in a business. According to him:

“A customer is the important visitor on our premises. He is not depended on us, we are dependent on him. He is not an interruption to our work; He is the purpose of it. He is not an outsider on our business; He is a part of it. We are not doing him a favour by serving him. He is doing us favour by giving an opportunity to do so.

The banking sector, one of the major service sector components is not an exception to this. The customer is the prime-mover of banking activities. In the global competition,

Concept of customer

The concept of customer has different implications to different people. To a layman a customer is an individual who buys goods and services offered by various providers for their personal consumption. From the economic point of view the concept of customer denotes a person or a household who demands products or services for satisfying his or its unlimited wants. A customer implies a person or group of persons who are visiting a market place to buy product or services to satisfy their needs and requirements offered by the providers.

Meaning of bank customer

According to John Paget “to constitute a customer there must be some recognizable course or habit of dealing in the nature of regular banking business.” Dealings of a banking nature” refers to transactions of deposit and withdrawal of money at frequent intervals. However, the definition of Privy Council rugates the essence of duration or habitual dealings involved in John Paget’s definition. According to the Privy Council “the word customer signifies a relationship in which duration is not of the essence....A person whose money has been accepted by the bank on the footing that the bank undertakes to honour cheques up to the amount standing to his credit, is in view of their lordships, a customer of the bank in the sense of the statute, irrespective of whether his connection is of long or short standing.”

Quality of customer service

Delivery of services to the customer is the main activity in the agenda of the service sector enterprises. In a competitive and highly sensitive environment all service sector organizations try their best to provide better quality services to the customers for ensuring their existence. Provision of better quality service is not a onetime affair.

The concept of quality and the quality of the customer service

Managing and excelling in customer relationship is the major concern of all service sector organizations. This is of high relevance as far as banking organizations are concerned, the banking customers usually being sensitive in nature. Any wrong step on the part of the bank makes the relationship sour and distorted. Moreover, the important requirement for achieving better customer service is to maintain quality. Thus, providing good quality service to the customers is the forerunner of cordial relationship with them.

The word quality has many meanings. It is a difficult concept to be defined in a single definition. Quality can be viewed from two points of view: one of the viewpoints of the service provider and another from the view point of the customer. From the view point of the service provider quality means the setting up of standards or specifications in the manufacturing process as well as in the output which is totally objective and technical in nature. From the view point of the customer, service quality occurs only when the service firm provides services to the quality here is subjective and strongly linked to the needs and expectations of the customer.

Quality of customer service in the co-operative banks- an empirical analysis

Co-operative banks play a very important role in an economy. They not only mobilize surplus funds from people all over the country, but also provide their surplus funds to the needy to satisfy their requirements. In addition to this, these financial organizations in the co-operative sector extend their helping hands to the people in many crucial occasions and in a variety of ways. However, services of this regular nature may not be enough for the needs of the customers of these organizations to be fully satisfied. It is on account of many and varied reasons, mainly that the environment is highly competitive and turbulent in nature. The regular and the occasional customers of these organizations do not regular to fulfil their requirements. Moreover, customers always favour quality products and services. Thus, quality consciousness and provision of quality products and services are indispensable for these organizations to survive, grow and flourish. Therefore, the main objective of this chapter is to evaluate the quality of customer services offered by the co-operative banks.

Customer guidance facilities and amenities

In the banking sector an important aspect of customer satisfaction is the customer guidance facilities and amenities offered by the banks. The following are the factors identified to evaluate the customer guidance facilities and amenities.

- Display of identification board at the counter
- Display of „May I Help You“ board at the counter
- Display of time norms for the rendering of various services
- Adequate seating arrangements
- Provision of drinking water
- Availability of „Complaint and suggestion Boxes“

In the interview schedule the answers to the above questions are either yes or no. A value 1 is given for the answer yes and 0 is given the answer no. The value one represents presence of

such guidance services and zero indicates the absence of these services. For each individual, the sum total of values of various guidance services is estimated. The estimated value is used for preparing an index to represent the customer satisfaction with respect to customer guidance services. The following is the formula used for preparing the index:

$$\frac{(\text{Actual Value})}{(\text{Maximum Value} - \text{Minimum Value})}$$

The value index lies between zero and one. Zero represents the lowest satisfaction and one represents the highest customer satisfaction.

Time taken for various services

Time taken for various services offered by banks is one criterion for assessing the customer satisfaction. Longer the time taken for a service, lesser would be the customer satisfaction. The following are the factors identified for assessing the customer satisfaction with respect to time taken for various services offered by the banks:

- Time taken for depositing cash
- Time taken for withdrawing cash
- Time taken for obtaining cheque books
- Time taken for getting a bank draft
- Time taken for encashing a bank draft
- Time taken forgetting money credited to account after the submission of local cheques
- Time taken for getting money credited to account after the submission of outstation cheque.

The time taken for various services for each sample individual is estimated initially. Secondly, the total time taken for each individual for various services is estimated. Finally, the average time obtained for various banking services is estimated by dividing the total time for various services by the number of services availed by a person. The average time obtained for services by each individual is used for estimating an index to represent the customer satisfaction with respect to that particular dimension. The formula used for preparing this index is:

$$\frac{(\text{Maximum Value} - \text{Actual Value})}{(\text{Maximum Value} - \text{Minimum Value})}$$

The value index lies between zero and one. Zero represents the lowest level of customer satisfaction and one represents the highest level of customer satisfaction with respect to time taken for various banking services.

Regularity in dealings

Another important dimension of customer satisfaction in the present context is the regularity in dealings of banks. The important banking services identified are:

- Updating pass books
- Eligibility and accuracy in passbooks
- Intimation on the maturity of fixed deposited
- Execution of standing instructions
- Timeliness in getting loans
- Communication with the customers

The answers of the above aspect in the schedule are excellent or good or average or bad. The respective values given for various options are: bad=0, below average=1, average=2, good =3, excellent=4. For each individual, the sum total of values of various banking services is estimated. The estimated value is used for preparing an index to represent the customer satisfaction with respect to regularity in dealings. The following is the formula used for preparing the index:

$$\frac{(\text{Actual Value} - \text{Minimum Value})}{(\text{Maximum Value} - \text{Minimum Value})}$$

The value of index lies between zero and one. Zero represents the lowest level of satisfaction and one represents the highest level of customer satisfaction.

Bank staff's attitude

The attitude of banking officials towards the customers is another indicator of customer satisfaction. The following are certain factors selected for deriving index for customer satisfaction with respect to attitude of the bank officials.

- Courteous behaviour of the banks staff towards customers in their first dealing
- Courteous behaviour of the banks staff towards the customers in their subsequent dealings
- Indecent behaviour from the banks staff towards the customers
- Complaints against banks staff
- Dealing with the complaints by the banks authorities
- Promptness of the bank staff at the counter

The above questions have either negative or positive answers. The different answers are appropriately indexed and their sum total of values are taken for preparing the index of customer satisfaction with respect to the attitude of banks staff towards the customers by using the formula as in the case of the previous indicator of customer satisfaction.

Index for customer guidance facilities and amenities in the co-operative banks in srikakulam and visakhapatnam districts.

The provision for customer guidance facilities and amenities is very important for both customers and bankers. However, adequate provision of customer guidance facilities and amenities measures initiated by banks may not be the same throughout the state. The changing environmental factors are responsible for creating a disparity in the provision of customer guidance facilities and amenities measures. Hence, it is relevant to see whether there is any discrepancy in the provision of customer guidance facilities and amenities existing in the co-operative banks in *Srikakulam and Visakhapatnam* Districts separately. To fulfil this objective, analysis is made under the following heads:

- District-wise index for customer guidance facilities and amenities in the co-operative banks in *Srikakulam* and *Visakhapatnam* Districts.
- Location-wise index for customer guidance facilities and amenities in the co-operative banks in *Srikakulam and Visakhapatnam Districts*.

The co-operative banks in all the regions of a state may not be same in providing customer guidance facilities and amenities even though its uniform provision is highly essential for creating a better image in the minds of the customers. Table 1.3 shows *Revenue Division*-wise index for customer guidance facilities and amenities in the co-operative banks in *Srikakulam and Visakhapatnam Districts*.

It may be observed from table 1. That there is a slight difference in achieving customer satisfaction in respect of the provision of customer guidance facilities and amenities in the co-operative banks in the different *Revenue Divisions* of *Srikakulam*. As per the table it is found that co-operative banks in *Srikakulam Revenue Division* are better in providing guidance facilities and amenities to customer as they have the highest mean index of 0.5175 indicating level of customer satisfaction. However, the mean index indicating level of customer satisfaction in *Tekkali Revenue Division* is also higher than the district level mean index, showing customers

of that *Revenue Division* are lucky enough to enjoy better quality service in the area of customer guidance facilities and amenities. In *Palakonda Revenue Division* the situation is not encouraging, since its mean index (0.4848) is below state level mean index of 0.5037. It is evident from table 3 that the mean indices, indicating levels of customer satisfaction in respect of customer guidance facilities and amenities in the three *Revenue Divisions* of *Visakhapatnam* district, namely, *Anakapalli*, *Narsipatnam* and *Visakhapatnam*, are 0.5089, 0.4822 and 0.4778 respectively. This shows that the co-operative banks in *Anakapalli Revenue Division* are better in achieving customer guidance facilities and amenities as compared to the co-operative banks in the other two *Revenue Divisions* in *Visakhapatnam* district. Moreover, a distributing fact noticed is that the co-operative banks in the other two *Revenue Divisions*, except those in *Anakapalli*, are not able to make their performance in this area remarkable since their indices are below the state level mean index.

Table 3: *Revenue Division*-wise Index for customer guidance facilities and amenities in the co-operative banks in *Srikakulam and Visakhapatnam Districts*

Revenue Division	Srikakulam District			Visakhapatnam District			
	Mean	No. of Customers	Std. Deviation	Revenue Division	Mean	No. of Customers	Std. Deviation
Palakonda	0.4848	75	0.16924	Anakapalli	0.5089	75	0.20848
Tekkali	0.5089	75	0.16643	Narsipatnam	0.4822	75	0.21148
Srikakulam	0.5175	75	0.23504	Visakhapatnam	0.4778	75	0.19439
Total	0.5037	225	0.19252	Total	0.4896	225	0.20447

Source: Survey Data: Location-wise Index for Customer Guidance Facilities and Amenities in the Co-operative Banks in *Srikakulam and Visakhapatnam Districts*.

Variations in indices of customer guidance facilities and amenities in the co-operative banks in *srikakulam* district.

ANOVA results on variations in indices representing the level

of customer satisfaction in customer guidance facilities and amenities in the co-operative banks in *Srikakulam* District are presented in table 4

Table 4: ANOVA Results on Variations in Indices of customer guidance facilities and amenities in the co-operative banks in *Srikakulam* district.

Factors	Variations	Sum of Squares	DF	Mean Square	F	Sig
Between Districts	Between Groups (Combined)	0.044	2	0.022	0.591	0.555
	Within Groups	8.370	222	0.037		
	Total	8.414	224			
Between Locations	Between Groups (combined)	0.132	2	0.066	1.797	0.168
	Within Groups	8.282	222	0.037		
	Total	8.414	224			

Source: Survey Data

ANOVA results on variations in indices representing the level of customer satisfaction in customer guidance facilities and amenities in the co-operative banks in *Visakhapatnam* District are shown in Table 5

The result presented in Table 5 reveals that in the co-operative

banks in *Visakhapatnam* District, the variations observed between locations in the mean indices, representing the level of customer satisfaction in respect customer guidance facilities and amenities and amenities is not statistically significant.

Table 5: ANOVA results on variations in Indices of customer guidance facilities and amenities in the co-operative banks in *Visakhapatnam* district

Factors	Variations	Sum of Squares	DF	Mean Square	F	Sig
Between Districts	Between Groups (Combined)	0.042	2	0.021	0.506	0.604
	Within Groups	9.323	222	0.042		
	Total	9.365	224			
Between Locations	Between Groups (Combined)	0.053	2	0.026	0.627	0.535
	Within Groups	9.312	222	0.042		
	Total	9.365	224			

Source: Survey Data

The results presented above indicated that co-operative banks in *Srikakulam* and *Visakhapatnam* Districts irrespective of their area and place of their location are more or less similar in the provision of customer guidance facilities and amenities to their customers and are thereby achieving customer satisfaction.

Overall state-wise index for customer guidance facilities and amenities in the co-operative banks

As the study is comparative in nature, it is necessary to analyse the co-operative banks in which district are better in providing guidance facilities and amenities to customer and creating satisfaction among them. Table 6 shows the overall district-wise index for customer guidance facilities and amenities in the co-operative banks.

It is evident from Table 6 that the mean index indicating level of customer satisfaction in respect of customer guidance facilities and amenities in the co-operative banks in *Srikakulam* District is 0.5037 and that for customer guidance facilities and amenities in the co-operative banks in *Visakhapatnam* District is 0.4896. This reveals that the co-operative banks in the district of *Srikakulam* are better in providing guidance facilities and amenities than those in *Visakhapatnam* District are not performing well in the provision of customer guidance facilities and amenities to their customers, since the overall state wise mean index of co-operative banks of *Visakhapatnam* District is below the combined overall state wise mean index (0.4967). However, the variation observed in this respect is not statistically significant at 5 percent level.

Table 6: ANOVA Results on Variations in Indices of Customer Guidance Facilities and Amenities in the Co-operative Banks in *Srikakulam* District.

District	Mean	No. of Customers	Std. Deviation
<i>Srikakulam</i>	0.5037	225	0.19252
<i>Visakhapatnam</i>	0.4896	225	0.20447
Total	0.4967	450	0.19845

Source: Survey Data

Table 7: ANOVA Results on the Variation in Overall District-wise Mean Index of Customer Guidance Facilities and Amenities in the Co-operative Banks

Factors	Variance	Sum of Squares	DF	Mean Square	F	Sig
Districts Between	Between Groups (Combined)	0.022	1	0.022	0.565	0.535
	Within Groups	17.778	448	0.039		
	Total	17.800	449			

Source: Survey Data

To sum up, there seems to be no difference in the level of customer satisfaction in respect of the service viz. customer guidance facilities and amenities provided by various co-operative banks in *Srikakulam* District. Similarly, the co-operative banks in *Visakhapatnam* District do not differ much in providing customer guidance facilities and amenities and thus achieving hike in the customer satisfaction. The district-wise comparison also reveals that there is no significant difference between the co-operative banks in the two districts in providing customer guidance facilities and amenities.

Time taken for depositing cash

In the co-operative banks, deposits are of three types viz. Time Deposit, Current Deposit and Saving Deposit. Among these deposits, saving deposit is the most common type opened and operated by the majority of customers. Banks should take only minimum time for receipt of cash in each deposit. They must reduce waiting time and delay while customers make deposits with the banks.

Time taken for withdrawal of cash

Withdrawal of cash from account is the most frequent and critical transaction that a customer has with his bank and it has an important bearing on his satisfaction with the particular banks services. When a customer comes to the bank counter, the bank personnel should dispose of him as early as possible. The bank personnel must be aware of the time norm for withdrawal of cash and make payment to the customer within the stipulated time.

Time taken for obtaining a cheque book

Cheque book is an instrument for withdrawal of cash deposited in a bank. It is an order to the bank to make payment thereon to a customer. Some banks issue cheque books immediately. The Reserve Bank of India prescribes a time norm for issuing a cheque book. As a matter of customer service, banks issue cheque books within the time limit prescribed by the RBI.

Time taken for getting a bank draft

Bank draft is a device issued by banks for transferring money from one place to another. Bank drafts are issued on the request of customers. After getting the request from a customer, banks must issue a bank draft within a minimum time norm as specified.

Time taken for encashing bank draft

Banks are responsible for making the payment of the amount mentioned in a bank draft. They must give the utmost care while making the payment. The payment of a bank draft should neither be refused nor should it take much time. The bank must make payment of a bank draft within the time norm mentioned by the RBI.

Time taken for getting money credited to an account after submission of a local cheque

Local cheques are cheques by which the amount specified thereon is collected within the local limit of the bank's branches. Normally the local limit is 8 kilometers. This local limit may vary from bank to bank. Whatever it may be, as a matter of customer service, banks should collect the amount in the local cheques and credit it to the customer's account within a minimum period of time.

Revenue Division-wise Index for the Time Taken for Various Services in the Co-operative Banks in *Srikakulam* and *Visakhapatnam* Districts

The branches of co-operative banks in a district may not be the same with respect to the time taken for the provision of different services to their customers. The conditions, facilities, adequacy of staff etc., Table 8 highlights the *Revenue*

Division-wise index for time taken for various services in the co-operative banks in Srikakulam and Visakhapatnam Districts.

It can be seen from the Table that co-operative banks in *Srikakulam Revenue Division* are better in fulfilling the time norms for various services as it has the highest mean index of 0.6763 indicating the level of customer satisfaction. It shows that the co-operative banks in *Srikakulam Revenue Division*

take allotted or lesser time for completing various transactions as compared to the co-operative banks in *Palakonda and Tekkali Revenue Divisions*. Moreover, the mean indices representing the level of customer satisfaction in co-operative banks of *Palakonda Revenue Division* (mean index is 0.6431) and *Tekkali Revenue Division* (mean index is 0.6443) is below the overall state level mean index of 0.6545,

Table 8: Revenue division-wise Index for the time taken for various services in the co-operative banks in Srikakulam and Visakhapatnam districts

Revenue Division	Srikakulam District			Visakhapatnam District			
	Mean	No. Custo-of mers	Std. Deviation	Revenue Division	Mean	No. of Custo-mers	Std. Deviation
Palakonda	0.6430	75	0.13565	Anakapalli	0.6771	75	0.11345
Tekkali	0.6443	75	0.12919	Narsipatnam	0.6444	75	0.12624
Srikakulam	0.6763	75	0.12252	Visakhapatnam	0.6553	75	0.18923
Total	0.6545	225	0.12962	Total	0.6589	225	0.14674

Source: Survey Data

As shown in the Table 8 the *Revenue Division-wise* mean indices representing the levels of customer satisfaction for the time taken for different services in the co-operative banks in *Visakhapatnam* are 0.6771, 0.6444 and 0.6553 for *Anakapalli, Narsipatnam* and *Visakhapatnam* respectively. It is an indication that the co-operative banks in *Anakapalli Revenue Division* in *Visakhapatnam* district dominate the other co-operative banks in providing better satisfaction to their customers with respect time taken for different services. It is also evident from the Table that co-operative banks in *Narsipatnam* and *Visakhapatnam Revenue Divisions* are not performing various services to their customers in a manner that is highly appreciable and acceptable to them and by strictly observing the time norms.

Location-wise Index for the Time Taken for Various Services in the Co-operative Banks in Srikakulam and Visakhapatnam Districts

It is evident from the table that the location wise mean indices of time taken different transactions in the co-operative banks in *Srikakulam* District are 0.6440, 0.6512 and 0.6635 for the rural, semi-urban and urban locations respectively. It is an indication that the co-operative banks in the urban areas in *Srikakulam* District take only allotted or lesser time for performing various services. However, co-operative banks located in rural and semi-urban areas of *Srikakulam* District failed to secure a higher level of satisfaction from the customers" side since their mean indices are also very less than the overall district level mean index.

Table 9: Location-wise Index for the Time Taken for Various Services in the Co-operative Banks in Srikakulam and Visakhapatnam Districts

Location	Srikakulam District			Visakhapatnam District		
	Mean	No. of Customers	Std.Deviation	Mean	No. of Customers	Std. Deviation
Rural	0.6440	69	0.13268	0.6392	56	0.16570
Uni-Urban	0.6512	95	0.12748	0.6634	94	0.13992
Urban	0.6635	61	0.13069	0.6681	75	0.14059
Total	0.6545	225	0.12962	0.6589	225	0.14674

Source: Survey Data

As is evident from Table 9 that the co-operative banks in the urban areas in *Visakhapatnam* District are better in achieving customer satisfaction because they take only minimum time for completing various transactions. They have a highest mean index of 0.6681. The mean indices for the same in the rural and semi-urban areas are 0.6392 and 0.6634 respectively. It is also seen that co-operative banks located in semi-urban areas are also able to achieve a desired level of customer satisfaction, since their mean index is above the overall district level mean index. However, rural bank branches are pathetic in this regard.

Branch Computerization-wise Index for the Time Taken for Various Services in the Co-operative Banks in Srikakulam and Visakhapatnam Districts

Computer plays a significant role in any industry in order to

make the activities fast and accurate. In the field of banking also it is inevitable for reducing transactional time and thus to dispose of the customers quickly. It also helps in improving accuracy in work. Table 10 shows the composite score of branch computerization-wise index for the time taken for various services in the co-operative banks in *Srikakulam* District. The mean indices are 0.6484 and 0.6560 in computerized and non-computerized branches respectively. It is an indication that the non-computerized banks in *Srikakulam* District take minimum time for completing various transactions as compared to the computerized branches. Moreover, the satisfaction level of customers in computerized branches with regard to the provision of various services by fulfilling time norms by bank is low as compared to overall district level customer satisfaction level.

Table 10: Branch Computerization-wise Index for the Time Taken for Various Services in the Co-operative Banks in *Srikakulam and Visakhapatnam Districts*

Status of the Branch	Srikakulam District			Visakhapatnam District		
	Mean	No. of Customers	Std. Deviation	Mean	No. of Customers	Std. Deviation
Computerized	0.6484	43	0.12259	0.6729	63	0.14157
Non Computerized	0.6560	182	0.13147	0.6535	162	0.14877
Total	0.6545	225	0.12962	0.6589	225	0.14674

Source: Survey

It that the mean indices indicating the level of customer satisfaction in respect of the time taken for different services in the co-operative banks in *Srikakulam and Visakhapatnam Districts* are 0.6545 and 0.6589 respectively. It is an indication that co-operative banks in *Visakhapatnam District* are better in completing various banking services more quickly and in time when compared with the co-operative banks in *Srikakulam District*. But the difference observed is not significant at 5 percent level.

Table 11: Overall district-wise Index for the Time Taken for Various Services in the Co-operative Banks

District	Mean	Number of Customers	Std. Deviation
<i>Srikakulam</i>	0.6545	225	0.12962
<i>Visakhapatnam</i>	0.6589	225	0.14674
Total	0.6567	450	0.13825

Source: Survey Data

Table 12: ANOVA Results on variations in overall district-wise mean index of time taken for various services in the co-operative banks

Factors	Variations	Sum of Squares	DF	Mean Square	F	Sig
Between districts	Between Groups(Combined)	0.002	1	0.002	0.115	0.735
	Within Groups	8.637	448	0.019		
	Total	8.639	449			

Source: Survey Data

To conclude, in fulfilling the time norms related to various banking services, there seems to be no difference between co-operative banks within the district of *Srikakulam District*. The situation in *Visakhapatnam District* is also not different. In *Visakhapatnam* co-operative banks are almost alike in fulfilling the time norms of various banking transactions and in achieving customer satisfaction on that respect. However, a glaring point noticed in this connection is that the customers belonging to low income and occupational groups are extending their sincere appreciation towards banks efforts in fulfilling time norms.

Conclusions

The following are the major conclusion arrived at on the basis of finding of the study

1. The number-wise growth of institutions that come under the ambit of short term co-operative credit structure is satisfactory.
2. In the midst of competition also PACS, CCBs are able to mobilize a sizable amount of deposits from their customers.
3. PACS, CCBs and SCBs are the major providers of loan to the rural customers.

4. PACS, CCBs and SCBs are keen in building a sound equity base. The paid-up share capital, the major component of the capital structure of these three kinds of institutions is almost in the same pattern.
5. Reserves are required for getting rid of the undesirable oscillations experienced as a result of uncertainties.
6. Non-performing assets are increasing in institutions functioning in the top level of the co-operative short-term credit structure such as CCBs and SCBs.
7. The branch networks of CBs in *Srikakulam and Visakhapatnam Districts* are expanding. However, CBs in *Srikakulam District* opened branches comparatively at a higher pace.

References

1. Desai Arom K. The Protected Industry. Banking Finance, 1987, 16.
2. Anantha Bhaskar PV. Customer Service in Banks. I B A Bulletin, 2004, 9.
3. Ibid.
4. Sarang GB. Customer the Fifth Factor of Production in Banks. Financial Express, 1995, 9.
5. Stanton J, William Etzel J, Mchel Walker J. Fundamentals of Marketing. New Delhi; McGraw Hill International Editions, 1994, 14.
6. Gupta OP. Dictionary of Commerce. New Delhi; Anmol Publications Private Limited, 2001, 18.
7. Ganga Raj. 1999. Dictionary of Marketing. New Delhi; Himalaya Publishing House, 2001, 21.
8. Khubehandani BS. Practice and Law of Banking. New Delhi; Macmillan India Ltd, 2000, 29.
9. Shekhar KC, Lekshmi Shekhar. Banking Theory and Practice. New Delhi; Macmillan India Ltd, 2005, 29.
10. Lall Nigam BM. Banking Law Practice. New Delhi; Konark Publishers Pvt Ltd, 1998, 48.
11. Agarwal BP. Commercial Banking India after Nationalisation, New Delhi: Classical Publishing Company, 1981.
12. Clow Keeneth E, Kurtz David L. Service Marketing, 2003.
13. Desai SSM. Rural Banking in India. Bombay: Himalaya Publishing House, 1983.
14. Desai Vasant. Development Bank and Financial Intermediaries. Bombay: Himalaya Publishing House, 2001.
15. Dhruvalata D. Bank Deposits in India. Jaipur: Rawat Publishing House, 1993.