ANALYSIS AND EVALUATION OF THE PROCESS OF GRIEVANCES REDRESSAL MECHANISMS IN THE PUBLIC SECTOR AND PRIVATE SECTOR BANKS: AN EMPIRICAL STUDY

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Abstract

The benefits of improvements in the quality of service should reach down to the grass root level of the average customers and should not be restricted to the rich clientele only. Banks need to make conscious efforts to develop a strong marketing culture, newer and newer products/services, in the forms of schemes and plans to be delivery of products/service. Banks polices will have to be such as to motivate their work force for higher level of productivity. Banks systems and procedures need to highly customer focused. Technology up gradation will be a major tool for speedier delivery of customer service. In short, customers will have to experience a responsive and responsible work-culture in the banking sector. Enlarging the customer base will have to be done in a more methodical way, by maintaining the database of customers, foreseeing the demand for banks' products/services and by having the personalised services for retaining the old customers. The fundamental objectives of this research are to evaluate the process of grievance redressal in Indian Commercial Banks. SPSS and Statistical tool Z test have been applied to estimate and analyse the data. 600 samples have been collected by designing questionnaire. Customer satisfaction in banking industry depends on several factors. The customer satisfaction of banking services depends upon the behaviour of bank employees towards customers. The service timing plays a major role to express the credibility of a bank. The reckless service and procrastination of service leads to customer satisfaction

Key Words: Public Sector Bank, Private Sector Banks, Redressal, Grievances, Z test

INTRODUCTION

All the customers are not perfectly satisfied customers. When they are dissatisfied with the delivery of the services, they can complain about the same to the bank employees or manager or to the head office or to the Banking Ombudsman or to the district / state forums for the redressal machinery. Like any other organization, a bank too should have machinery to deal with customer complaints. Successful organizations realize that quality service to customer complaints is an essential element of profitable customer relationship. Both satisfied and dissatisfied customers share their views regarding different services rendered by the banks. Evidently bad publicity travels faster than good publicity. This makes it imperative that banks should attend to customer complaints promptly and efficiently. Customer complaints cells are the best tools for evaluation and improvement. A bank staff or a manager should give more importance to improve rather than taking it personally.

RATIONALE OF THE STUDY

Customers' satisfaction and grievances redress are a developing concept among Indian businesses due to increasing education, knowledge and consumer awareness. Retaining existing actual customer and adding future customers is becoming a difficult task for the Indian marketers. Customer focus and customers' satisfaction along with grievances redress machinery is a guiding force for organisations survival and development in 21st century. Those that are truly doing it have turned into consistently high performances viz. Motorola and AT&T.

LITERATURE REVIEW

Pont, M., & McQuilken, L.(2005) studied to find out whether satisfied customers have loyalty for the banks. They came to know that satisfied customers are not faithful always. Good approach should be adopted by the bank to achieve the high customer contentment. So the banks should give importance to continuous supervision of customer satisfaction to keep their existing customer and attract new customer.

Lopez, J., Kozloski Hart, L., & Rampersad, A. (2007) found that customer contentment can be measured by using different service quality tools. Some have positive impact and other have adverse impact.

Mishra A, (2009) concluded that bank customer will be fully satisfied by positive attitude of the bankers. Demographical characteristics of the customers have been used in his research to know about levels of the customer's satisfaction.

Munusamy, J., Chelliah, S., & Mun, H. W. (2010) stated that customer contentment depends on quality of service rendered by the banks. They concluded that quality of service have a positive impact to handle the customer grievances.

Ganguli, S., & Roy, S. K. (2011) stated that the bank should adopt modern technology by which customer grievances can be handled properly. They concluded that technology plays vital role to mage the complaints made by customers.

Suriyamurthi, S., Mahalakshmi, V., & Arivazhagan, M. (2013) concluded that creation of good relation policy is very essential to keep the old customers and to add more customers which will help the banks to expand their business in the present competitive market.

Vyas, V., & Raitani, S. (2014) stated that so many deciding factors of switching behaviour in the banks. In their study it is suggested that there are nine critical factors which contribute in switching the banks. Customer satisfaction is a very important factor among all the factors which contribute more to reduce the customer grievances.

Ameme, B.,& Wireko, J. (2016) concluded that application of technology have a positive impact on customer contentment.

They suggested that customer's complaints should be properly settled by adopting modern technology.

Saxena, C., Kaur, V.(2017) suggested that the development of the bank is based on its customers. The main objective of each bank is to satisfy customer's requirement by rendering services as per their necessity. As per their opinion a good redressal mechanism should be implemented by the banks to handle the customer's complaints. So certain remedial measures should be taken by the banks to attract the customers.

Saxena, C., Kaur, V., Kumar, P.(2018) stated that existence and survival of the banks is based quality of service rendered. Complaints made by the customers should be properly analysed by the bankers and that should be properly redressed which must fulfil the customer's necessity. So, some redressal measures should be applied by the banks to attract the customers.

Tomar D.S. (2019) studied customer awareness and their understanding of grievances redressal system followed in the Indian banking sector. The study was concentrated to assess the need of an effective mechanism for handling customer grievances in the Indian Banking Sector. Further the study was made an attempt to study the level of awareness of bank customers about the grievance handling mechanism of banks in India.

RESEARCH PROBLEM
Aggressive marketing strategies adopted by the new banks, have really compelled the older banks, to enhance the volume of service, to think that their "customers are their kings". As a result the banks have started and ventured to tap the doors of its customer, instead of allowing the customer to come and tap the doors of bankers, as it was in the traditional and customary system. Professional banking comes back on stage and the customer friendly banking has become the watch word.

RESEARCH QUESTION
Is there any difference between the services provided by private and public sector banks in India?

RESEARCH OBJECTIVES
The fundamental objectives of the study are:
- To evaluate the process of grievance redressal in commercial banks in India.
- To measure the significance of grievance redressal mechanism on customer's satisfaction.

HYPOTHESIS OF THE RESEARCH
- **H0:** Grievance redressal mechanisms on customer's satisfaction adopted by public and private sector banks don't differ significantly.
- **H1:** Grievance redressal mechanisms on customer's satisfaction adopted by public and private sector banks differ significantly.

RESEARCH METHODOLOGY
Data source & Sampling design
The study focus on primary data collected through a structured questionnaire from customers of public sector banks and private sector banks with various demographic backgrounds. The state of Odisha has been taken as our population. The whole population of Odisha is classified into two well-defined strata namely customers of public sector banks and private sector banks. Bank customers of Odisha are divided into four regions such as Northern region (Balasore), Southern region (Berhampur), Western region (Sambalpur) and Central region (Bhubaneswar). The questionnaires were distributed to them in a random manner and collected successfully. So the sample design of this study is stratified random sampling method.

Sample size
Sample selected for the research covers customers of public and private sector banks with various personal backgrounds. The questionnaire is circulated over all customers without discrimination. Total 600 samples are collected by applying stratified random sampling method. The samples were distributed as follows:

Table-1 Respondents for Data collection

Types of Deposits	Public Sector Banks		Private Sector Banks	
	No. of Interviewee	Percentage	No. of Interviewee	Percentage
Current Deposits	118	26.22	30	20.00
Saving Deposits	247	54.88	96	64.00
Fixed Deposits	55	12.22	21	14.00
Recurring Deposits	20	4.44	2	01.33
Gold Deposits	10	2.22	1	0.67
Total	450	100.00	150	100.00

Sources: primary data

Statistical tools used
This study empirically focuses on many results with the help of sophisticated statistical tools like Z test to determine the significant difference. SPSS has been used to estimate and analysis of the primary data.

LIMITATIONS OF THE RESEARCH
The scope of the research has been limited to certain important behavioural aspects like customer services, customer grievances and redressal by the two types of banks. The role of bankers has been analyzed through the views of

customers. The study covers a period of 2014-2019. So this study cannot be generalized to all India level. Primary data suffers from its inherent limitations.

DATA ANALYSIS
Comparing the Awareness of consumer protection forum of Customers of public and private sector banks
In this section, the consumer awareness variable on consumer protection forum act of customer grievances and their total mean score of banks are determined in addition with their Standard Deviation.

Table-2 'Z' test for difference in Awareness of Consumer Protection Act.

Name of the Bank	Mean	Standard Deviation	$|Z|$ value	Significance
Public Sector Banks	3.89	0.46	5.36	0.000
Private Sector Banks	4.09	0.36		

Source: Primary Source

Null Hypothesis (H01)
Public and Private sector banks don't differ significantly with respect to awareness of consumer protection forum act. The above table shows that z value is 5.36 and p value is 0.000 which is less than .05 and we reject the null hypothesis. So, there exists a significant difference between awareness of consumer protection forum act of customers of public sector banks and private sector banks. It is profoundly stated that the customers of private sector banks possess more awareness on consumer protection forum act than customer of public sector banks. They become eminently practical to meet their needs.

In the case of public sector banks, the same type of vigour in immediate need for protection forum is not found.

Comparing the Interest of Officials to know the Grievance of commercial Banks
The variable of interest of officials to redress the grievance and their total mean value of respective banks are taken in addition with their standard deviation. 'Z' test is applied to calculate the results.

Table-3 'Z' Test for Difference in Officials Interest to Redress the Grievances

Name of the Bank	Mean	Standard Deviation	|Z| value	Significance
Public Sector Banks	3.82	0.69	9.5236	0.000
Private Sector Banks	4.30	0.45		

Source: Primary

Null Hypothesis (H02)
The sample banks don't differ with respect to officials' interest to redress the grievances. It is found that the value of p is less than .05. We reject the null hypothesis. So, there exists a significant difference between sample banks regarding the interest of officials to redress the grievances. The officials in

private sector banks are strong enough in achieving the service target and organizational development by redressal of grievances. But in the case of public sector banks, this is not up to the level of private sector banks. The respondents in private sector banks feel that the objectives of redressal practices are the basis for effective implementation of grievances redressal machinery.

Comparing Responsibility of the Managers in Accepting the Grievances

Table-4 'Z' Test for Difference in Responsibility of Accepting the Grievances

Name of the Bank	Mean	Standard Deviation	|Z| value	Significance
Public Sector Banks	3.32	0.69	10.71	0.000
Private Sector Banks	3.86	0.45		

Source: Primary

Null Hypothesis (H03)
The sample banks don't differ with respect to their acceptance of grievances. The result of test shows that the null hypothesis is rejected. So, there exists a significant difference between sample banks regarding their grievances acceptance. It is profoundly identified that the private sector banks are following standardized /goal oriented responsibilities system to their organizations to achieve the maximum results through accepting and redressing the grievances. However, this process of implementing the responsibilities to accept the grievances in public sector banks is to highlight the strength and weakness in grievances redressal. In private sector banks, the responsibility of the officers in accepting the grievances is

creating a pensive atmosphere among the organization about their performance. In case of public sector banks, the officials are empowered to distribute the services according to governmental policies.

Comparing the Accountability in sample Banks at branch level measures
This segment considers the variable of branch level measures to redress the grievances of customers, development of perfection and their total mean value of public sector banks and private sector banks in addition with their standard deviation. 'Z' test is applied to calculate the results.

Table-5 'Z' Test for Difference in Accountability of Branch level Measures

Name of the Bank	Mean	Standard Deviation	|Z| value	Significance
Public Sector Banks	3.53	0.69	4.63	0.000
Private Sector Banks	3.73	0.40		

Source: Primary

Null Hypothesis (H04)
The sample banks don't differ regarding their branch level measures to customer grievances. As p value is less than .05, So, null hypothesis is rejected. So, there exists a significance difference between sample banks regarding their accountability at branch level measures. Hence, it is inferred that the private sector banks are adopting some quick channel of accountability to take measures at the branch level to redress the customer grievances as compared with public

sector banks. Some of the public sector banks have recently introduced fast channel to take measures at the branch level.

Comparing the Awareness of customers on written complain
In this fragment all the variables of awareness on written complaint are taken into account along with their total mean scores and standard deviations of respective banks.

Table-6 'Z' Test for Difference in Awareness on Written Complaints

Name of the Bank	Mean	Standard Deviation	|Z| value	Significance
Public Sector Banks	3.89	0.46	5.36	0.000
Private Sector Banks	4.09	0.36		

Source: Primary

Null Hypothesis (H05)
The sample banks don't differ regarding awareness on written complaints. The test rejects the null hypothesis. So, there exists a significant difference between sample banks regarding the customer awareness in written complaints. Hence, it may be concluded that the customer awareness in written complaints in private sector banks are need based, goal oriented. However, in public sector banks the customers are flexible and circumstances oriented. In general, both the banks are installing forums in their organizations for updating the redressal machinery and to adopt latest technological innovations.

Comparing the satisfaction in redressal of grievances
In this fragment all the variables of awareness on written complain are taken into account along with their total mean scores and standard deviations of respective sample banks.

Table-7 'Z' Test for Difference in satisfaction of grievances redressal

Name of the Bank	Mean	Standard Deviation	|Z| value	Significance
Public Sector Banks	3.86	0.43	0.000	1.000
Private Sector Banks	3.86	0.36		

Source: Primary

Null Hypothesis (H06)
The sample banks don't differ with respect to satisfaction of grievances redress. The table reveals that p value 1.000 is greater than .05. So the null hypothesis is accepted. So there exists no significant difference between sample banks regarding the satisfaction of grievances redress.

Comparing the Availability of complaints books
All the variables of availability of complaint book and their total mean scores of respective public and private sector banks are taken in addition with their standard deviations.

Table-8 'Z' Test for Difference in the availability of the complaints books

Name of the Bank	Mean	Standard Deviation	|Z| value	Significance
Public Sector Banks	3.39	0.67	8.22	0.000
Private Sector Banks	3.84	0.53		

Source: Primary

Null Hypothesis (H07)
The sample banks don't differ regarding availability of complaint books. Since p value is less than .05, the null hypothesis is rejected. So there exists a significant difference between sample banks regarding their complaint book system. It is observed that the availability of complaint book system in private sector banks is up to the satisfaction of their organisations with regards to productivity and public image. In particular reward system in private sector banks is competitive to their counterpart in public sector banks. In private sector banks, the top level management is highly vigilant in providing all particulars to the customers to increase its efficiency.

Comparing the Awareness of customers on Directorate
In this segment, the variables of customer awareness on directorate of public grievances are considered.

Table-9 'Z' Test for Difference in awareness of directorate of public grievances

Name of the Bank	Mean	Standard Deviation	|Z| value	Significance
Public Sector Banks	3.41	0.65	3.22	0.0013
Private Sector Banks	3.58	0.51		

Source: Primary

Null Hypothesis (H08)
The sample banks don't differ regarding customer awareness on directorate of public grievances. The result of the test indicates that p value is less than at 5% level of significance. So there exists a significant difference between sample banks with respect to the customer awareness on Directorate of public grievances. It is observed that efficient redressal system improved the total quality management, competency in enlightening the customers about the Directorate of public grievances in private sector banks innovatively. In addition the respondents in private sector banks are more concerned about competency and quality of service.

Comparison of Awareness on banking Ombudsman
In this sector, all the variables of problems and difficulties in enlightening the awareness of Ombudsman practices are taken into account along with their total mean scores and standard deviations.

Table-10 'Z' Test for Difference in awareness of customers on banking Ombudsman

Name of the Bank	Mean	Standard Deviation	|Z| value	Significance
Public Sector Banks	3.33	0.61	7.36	0.000
Private Sector Banks	2.92	0.64		

Source: Primary

Null Hypothesis (H09)
The sample banks don't differ regarding customer awareness on banking Ombudsman. The result of the test rejects the null hypothesis. So, there exists a significance difference between sample banks with regarding customer awareness on banking Ombudsman. Therefore, it is notably concluded that customers of private sector banks have more awareness on banking Ombudsman than customers of public sector banks. In private sector banks, the administration is not hampered in disseminating the various elements of awareness programme of customers through properly conducted functions. The diffusion of customers Awareness on banking Ombudsman is having its effectiveness.

Comparison of Disclosure and Transparency in the application of Customer Redressal Practices
In this fragment, the variables of suggestion for effective implementation of Customers grievances Practices through disclosures and transparency are considered.

Table-11 'Z' Test for Difference in Disclosures and Transparency for Effective Implementation of Customer Grievances Practices

Name of the Bank	Mean	Standard Deviation	|Z| value	Significance
Public Sector Banks	4.23	0.41	1.74	0.0821
Private Sector Banks	4.29	0.34		

Source: Primary

Null Hypothesis (H010)
The sample banks don't differ with respect to disclosure and transparency for effective implementation of customer grievances practices. As p value is more than .05, the null hypothesis is accepted. Therefore, it is concluded that there is no significant difference between sample banks with respect to disclosure and transparency for effective implementation of customer grievances practices. Thus, it is concluded that the organization of both the banks nurtured same type of notions for the effective implementation of customer redressal practices in their financial institutions through adequate disclosures and transparent procedures.

Comparison of effect of Service on Customer Redressal Outcomes in Public and Private Sector Banks
In this section, the variables of effect of customer redressal are taken into account along with their total mean scores and standard deviations of respective public and private sector banks. Z test is applied and results are presented below:

Table-12 'Z' Test for Difference Impact of Banking Service in customer Redressal

Name of the Bank	Mean	Standard Deviation	|Z| Value	Significance
Public Sector Banks	3.55	0.67	0.56	0.5746
Private Sector Banks	3.58	0.51		

Source: Primary

Null Hypothesis (H012)
There is no significant difference between public and private sector banks regarding impact of banking service on customer redressal. The above table shows Z value=0.56 and p value=0.5746. Here the value of Z is less than the value of P. So the assumed null hypothesis is accepted. So there exists no significant difference between public and private sector banks regarding the impact of banking service on customer redressal. Therefore it is concluded that the impact of banking service on customer redressal variables does not differ significantly between public and private sector banks. The ultimate objective of individual and organisational goal is same in both public and private sector banks.

Comparison of total impact of customer redressal
In this segment all variables of organisational effectiveness are considered.

Table-13 'Z' Test for Difference in total Impact of Banking Service in customer Redressal

Name of the Bank	Mean	Standard Deviation	|Z| Value	Significance
Public Sector Banks	3.66	0.63	7.86	0.000
Private Sector Banks	4.06	0.49		

Source: Primary

Null Hypothesis (H013)
The sample banks don't differ with respect to their total impact of customer redressal. Since the p value is much less than .05, the null hypothesis is rejected. So, there exists a significant difference between the sample banks regarding their total impact of customer redressal. It is profoundly concluded that the implementation of customer redressal practices has obtained radical effectiveness in private sector banks than public sector banks. Since the private sector banks implement their customer redressal practices sufficient to their organisational goals achievement, they are able to procure the maximum benefit out of it.

FINDINGS
From the data analysis made above we have derived the following findings:
- The customers of private sector banks possess more awareness on consumer protection forum act than customer of public sector banks.
- The officials in private sector banks are strong enough in achieving the service target and organizational development by redressal of grievances.
- It is inferred that the private sector banks are adopting some quick channel of accountability to take measures at the branch level to redress the customer grievances as compared with public sector banks.
- The customer awareness in written complaints in private sector banks are need based, goal oriented.
- It is observed that the availability of complaint book system in private sector banks is up to the satisfaction of their organisations with regards to productivity and public image.

- It is observed that efficient redressal system improved the total quality management, competency in enlightening the customers about the Directorate of public grievances in private sector banks innovatively.
- Customers of private sector banks have more awareness on banking Ombudsman than customers of public sector banks.
- The organization of both public and private sector banks nurtured same type of notions for the effective implementation of customer redressal practices in their financial institutions through adequate disclosures and transparent procedures.
- The implementation of customer redressal practices has obtained radical effectiveness in private sector banks than public sector banks.

CONCLUSION
Customer satisfaction in banking industry depends on several factors. The customer satisfaction of banking services depends upon the behaviour of bank employees towards customers. The service timing plays a vital role to express the credibility of a bank. The reckless service and procrastination of service leads to customer satisfaction. The essential changes, transfer changes and others decide the customer satisfaction in banking service. Customers demand effective and innovative service within the short span of time and ready to accept any cost. Quality services rendered by the banks will enhance the Customer's expectations. Banks should give more attention towards satisfaction of customer than any others aspect.

MANAGERIAL IMPLICATION

Every bank wants to keep their valuable customers for longer period. Due to too much competition in the banking industry (public, private and foreign banks) it becomes difficult for the bankers to formulate a good customer satisfaction policies. Our research regarding customer satisfaction trends in banking industry will give an insight to the bank managers about the customer satisfaction trends. I am sure after applying these trends in their respective bank; they will work with more focused approach for customer satisfaction. It is time to understand for the bank managers that customer is not merely a customer, they are more then what a banking industry thinks. So they need to understand the factors like service quality, customer services, employee behaviour, prompt services, customer relationship management which significantly contribute in customer satisfaction. So we hope this research work definitely help to the bankers regarding customer satisfaction for banking industry.

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