Study on Service Quality and Organisational Study with Reference to District Co-Operative Bank, Kannur

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Abstract: This Research paper reviews to measure the service quality, understand those factors of service that attract the customer & those which need changes to make it appealing to the customer. It helped the managers of District Co-operative Bank to identify the service quality dimensions that are improved to make the service more service comfortable to the customers.

Keywords: Service Quality, Customer’s attraction, Portfolio, Deposit & loan, Bank Account, Customer satisfaction

I. INTRODUCTION

A co-operative bank is a financial entity which belongs to its members, who are at the same time the owners and the customers of their bank. Co-operative banks are often created by persons belonging to the same local or professional community of sharing a common interest. Cooperative banks generally provide their members with a wide range of banking and financial services (loans, deposits, banking accounts, etc.). Cooperative banks differ from stockholders bank by their organization, their goals, their values and their governance. In most countries, they are supervised and controlled by banking authorities and have to respect prudential banking regulations, which put them at a level playing field with stockholders banks. Depending on countries, this control and supervision can be implemented directly by state entities or delegated to a co-operative federation or central body.

Justification or Significance or Need of the Study

The study titled “Service quality and Organizational study” with special reference to District Co-operative Bank, was done at DISTRICT CO-OPERATIVE BANK, KANNUR. This study was done to measure the service quality, understand those factors of service that attract the customer & those which need changes to make it appealing to the customer. It helped the managers of District Co-operative Bank to identify the service quality dimensions that are improved to make the service more service comfortable to the customers. The research done was a descriptive one with a population that included the customer of District Co-operative Bank who visited for availing banking services out of which 100 customer were selected according to convenient sampling, the data were collected from the respondent through structured questionnaire that contain 33 of questions dealing with evaluation of service quality of District Co-operative Bank, Kannur. The reliability of the questionnaire was checked through Cronbach’s Alpha test. Primary data were collected through Interviews And Structured questionnaire while the secondary data were collected through company website, other websites, existing papers etc. various statistical tools were used for analyzing data like percentage analysis, Determination of SERQUAL score, Chi-square test and Correlation.

District Co-operative Bank, Kannur

The Kannur District Co-operative Bank Limited is the central financing agency in the district under the 3 tier short term Co-operative credit structure existing in the State of Kerala. The Bank was registered on 22nd May 1963 and commenced function on 1st July 1963 and plays a vital role in the overall development of the district. It act as the leader friend of all Primary Co-operatives functioning in the district and performs the role of a banker’s bank in the respect of Primary Co-operative Banks and other Co-operative credit institution in the district by keeping their surplus funds and providing financial assistance and guidance as and when required. Besides this the Bank is doing all the normal Banking Business at par with the Nationalized / Commercial Banks with a network of its 65 branches and 542 staff functioning in the district. There are 1421 affiliated societies as on 31-03-2016 of this 127 are PACS. With the network of primary Agricultural Co-operative Societies, the bank accounted for more than 50% of the total credit flow under priority sector in the district. Under the priority sector, the bank’s major contribution is towards short –term Crop loan under Kisan Credit Card Scheme which alone accounted for above 200 crores. To make available timely and adequate credit to farmers particularly for Seasonal Agricultural Operations in Hassle free manner NABARD has introduced KCC scheme and which is in operation in the district for the last several years.
II. PRODUCT AND SERVICES OFFERED BY DISTRICT CO-OPERATIVE BANK

Deposits
- Saving Bank Accounts
- Current Account
- Fixed Account
- Recurring Deposits
- Cumulative Deposits
- Social security Deposits

Loans and Advances
- Housing loan
- Personal loan
- Gold Loan
- Land Purchase Loan
- Joint Liability Group Loans
- Education Loan
- Marriage Loan
- Vehicle Loan
- Loans and Advances for Kudumbasree units
- Traders Loan or business Loan
- Agricultural loans
- Loans for business project

Other Services
- Locker facility
- RTGS and NEFT
- Demand Draft
- ATM service

Deposit Products
- Saving Bank Account: Saving Bank Account enable the depositors to keep his money in safe custody. In spite of its frequency in transaction. It earns interest.
- Dhana pathra: Under the scheme, money grows doubled and tripled in a stipulated period.
- Sahakarana Vikas Pathra: Long term deposit s doubled on expiry of stipulated maturity period.
- Recurring deposit: Small amount can be deposit monthly for stipulated period from one year or more under this scheme. On maturity period expires the principal amount together with quarterly compounded interest are paid back.
- Current Account: Current Account is ideal for company, associations, firms and institutions etc. Current Account may open for individual.
- Fixed Deposit: Fixed Deposit can be opened individuality or jointly. Minimum days for making Fixed deposit are 15 days and Maximum 120 month.
- Cumulative deposit: It also promotes savings among the fixed income groups and making provision for one’s old age for the welfare of the family members.
- Social security deposit: Socials security deposit enable the depositors to get term deposits monthly at discounted value. Minimum amount of deposit is Rs.1000/- and its multiples and for completed quarter.

Service
Services are economic activities offered by one party to another. Often time-based, performances bring about desired results to recipients, objects, other assets for which purchasers have responsibility. In exchange for money, time, and effort, service customers expect value from access to goods, Labor, professional skills, facilities, networks, and systems they do not normally take ownership of any of the physical elements involved.

Service Quality
Parasuraman et al (1985) defined service quality as the discrepancy between consumers perception of service offered by a particular industry and their expectations about industries offering such services. If perception of service below the expectation of service then customer judges the quality as low and if perception is equal or above the expectation of service the customer judges the quality as high. The various determinants of service quality as explained by Parasuraman et al were Tangibles, Reliability, Responsiveness, Competence, Access, and courtesy, Communication, Credibility, Security, and Understanding.

Service Quality and Customer Satisfaction
Customer satisfaction is defined as “The number of customer or percentage of total customer, whose reported experience with a firm, its product or its service (rating) exceeds specific satisfaction goals”.

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Satisfaction is the customer’s fulfillment response. It is a judgment that a product or service feature, or the product or service itself, provide a pleasurable level of consumption-related fulfillment.

The above definition can be understood in less technical way as satisfaction is the customer’s evolution of a product or service in terms of whether the product or services reaches the need and expectation of the customer. In addition to a sense of fulfillment in the knowledge that one’s need have been met, satisfaction can also be related to other type of feelings, depending on the particular context or type of service.

III. FINDINGS
Finding from service quality of Kannur District Co-operative Bank.
- 71% of the respondents are highly satisfied, 18% of respondent satisfied with the visually appealing physical facilities of Bank.
- 25% of the respondents are highly satisfied, 62% of respondent satisfied with the well dressed and neatly appearance of employees.
- 52% of respondent agrees that Kannur District Co-operative Bank is open at hours convenient to them.
- 66% of respondent agrees that employees at Bank are willing to provide assistance to customers.
- 64% of respondent are agrees with the personal attention provided them.
- 65% of respondent are agrees with politeness of employees at Bank.
- 54% of respondent are satisfies with accessibility of branches.

Recommendations
From the analysis we could see that customer is highly satisfied with many of the service quality dimensions available at Kannur District Co-operative Bank. A few suggestions that the researcher would like to recommend the Bank are:
- Respondents are of the opinion that there is least knowledge about ATM facilities. So it would be better to provide awareness about ATM facilities to the customers.
- Technology is advancing day by day. So to cope up with the competition the researcher would suggest Kannur District Co-operative Bank to adopt modern banking technologies and provide awareness about these facilities to the customer.
- Respondents also want personal attention to them. So the researcher suggests that the employee be given certain training in improving interpersonal relations.

IV. CONCLUSION
The research at Kannur District Co-operative Bank was good experience to have a practical exposure to a Banking institution and researchers conclude that Kannur District Co-operative Bank provide very good banking services to its customer by individually giving attention to their problem, maintain good relations with customers, provide prompt banking service to their customers. The service quality is also improved through computers and machines which reduce human effort in banking transactions.

Limitations of the Study
- The major limitations of the study were that the customer’s perception varies cannot be measured by small number of dimensions, cost, time, etc.
- The study make the use of secondary data rather than primary data hence it has all the demerits of secondary data.
- The study consumes more time and expensive.

Directions for Future Research
The present study is restricted to quality and Organizational study” with special reference to DISTRICT CO-OPERATIVE BANK, KANNUR. The researchers can direct their future research in correspondence with all the District cooperative banks in Kerala as well as in other states in India. The scope of the present study is restricted to provide an overview about service quality and customer satisfaction. In future it can extend to the study and analysis of all the aspects provided by various co-operative banks. The researcher can take more banks in detailed and make study in detailed manner in future.

Sources of Funding of the Study
Self financed by the author

V. REFERENCES

Literature Referred

http://indusedu.org


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Book Referred:

Website Referred

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