LogForum

2016, 12 (1), 75-82

> Scientific Journal of Logistics <

DOI: 10.17270/J.LOG.2016.1.7

http://www.logforum.net p-ISSN 1895-2038 e-ISSN 1734-459X

GRIEVANCE REDRESSAL INSTRUMENT AND INCLINATION OF DIVERSE MODES USED TO ENLIST COMPLAINTS IN INDIAN BANKS

Gagandeep K. Nagra

School of Management, Belapur, **India**

ABSTRACT. **Background**: Customer grievances are a bit of the business life of any corporate component. This is more so for banks in light of the way that they are organization affiliations .Indeed the organization business is planned to pass on what its customers conclusively need .Banking industry in India was considered as standard section 10 years back yet the sharp tries of RBI in the later past has changed and changed the substance of Indian dealing with a record industry. It has in like manner understood the challenges which the business has not defied until then and making an unrivaled purchaser reliability and experience is one of them. The engaged differentiator of banks depends on upon the ability to give a better issue than the customers other than offering a wide blend of things.

Methods: The path in which banks talk and oversee customer grumblings is a key variable in picking the way of customer organization .Having an inside and out plot redressal instrument for addressal of all the customer grievances is of prime hugeness. The destinations of the paper are to get a comprehension into the grievance redressal instrument followed in banks, care about it among general populace and its sufficiency. Data has been accumulated with the help of a sorted out survey by 200 bank customer's .With the aid of Statistical Package for Social Sciences (SPSS), both realistic experiences including frequencies, rates, mean, and standard deviations and moreover inferential tests, for instance, Pearson chi-square and ANOVA were joined.

Results and conclusions: Results exhibited a low level of care about grievance redressal approach and demonstrated that private part banks have a more practical grievance redressal framework when appeared differently in relation to open range banks The study has recommendations for the bank customers to show himself seeing protesting determination handle the and furthermore the banks in suitably arranging a reasonable model of grievance redressal.

Key words: purchaser dedication, customer protest, redressal segment, grievance.

INTRODUCTION

As per a late report by RBI Most of the individuals have encounters of bank officials, who have not gave great administrations sooner or later of time. We face issues in initiating our torpid record, issue of check book, including chosen one name, discounting overdraft charges, delay in settlement from abroad, shutting ledger, and so forth. On occasion, we don't get a fitting determination from the bank. In such case need to know not would we be able to document a dissention to determine our issue. Banks are similar to some other business and in this manner you can record a protest against them-if you are not fulfilled by their administrations. Recording a grievance additionally helps you, to set aside a few minutes you won't have any awful involvement with them. On the other hand, for a documenting a dissention against a bank you initially need to know the privilege process. The fundamental object of the grumbling is to get determined your issue as most punctual. So it is most critical to make dissention to fitting individual who will resolve your issue adequately. There is a framework in Indian

Copyright: Wyższa Szkoła Logistyki, Poznań, Polska

Citation: Nagra G.K., 2016. Grievance redressal instrument and inclination of diverse modes used to enlist complaints in Indian banks. LogForum 12 (1), 75-82, DOI: 10.17270/J.LOG.2016.1.7

URL: http://www.logforum.net/vol12/issue1/no7

Accepted: 01.12.2015, on-line: 31.12.2015.

managing an account to get your issue determined by reaching compelling voices in strategy. To start with way to deal with concerned bank, then Director of Public Grievances, Govt of India, then Ombudsman (RBI) lastly customer gathering.

In a matter of seconds RBI (Reserve Bank of India) has urged banks to hear client on need premise. On course of RBI each bank needs to name nodal office for redressal of client grievances. Each bank has assigned more elevated amount officer at head workplaces and other senior level officer at controlling workplaces and everywhere branches.

To make the bank's instrument more meaningful and compelling, an organized framework should be fabricated. Such system would guarantee that the review is just and reasonable. The guidelines ought to be made accessible at all branches for the data of all workers, to guarantee better customer administration and general mindfulness in the bank.

OBLIGATORY NECESSITIES

It is required for the bank to give:

- Proper game plan for accepting dissentions and suggestions.
- The name, address and contact number of nodal officer.
- Contact points of interest of 'managing an account Ombudsman' of the zone.
- Code of the bank's dedication to clients/fair practice code.

DETERMINATION OF GRIEVANCES

The branch administrator is in charge of the determination of complaints/grievances. He is in charge of guaranteeing the conclusion of all protestations got at the branches. It is his preeminent obligation to see that the protestations are determined totally to the consumer loyalty's and if the client is not fulfilled, then he ought to be furnished with substitute roads to heighten the issues. In the event that the branch director feels that it is unrealistic at his level to take care of the issue, he can allude the case to the 'divisional office' for direction. Also, if the 'divisional office' thinks that it is hard to take care of the issue, such cases may be alluded to the nodal officer.

ELEMENTS IMPACTING THE CUSTOMER SERVICE IN BANKS

HR

Any association's prosperity or disappointment is the consequence of progress or disappointment of its representatives aggregately. Here the representative doesn't mean just the staff working down the stepping stool, additionally incorporates individuals up to the top. People may be helped by the innovation for touching base at the choices.

Items/Services

The items which a bank offers are generally money related items like stores, advances and alongside these items additionally give different administrations which are not budgetary in nature, similar to safe store vaults, locker offices and so forth. The adaptability of banks to receive changing needs and desire of clients and convey out items/administrations to suit clients is an imperative territory in saving money administrations.

Forms

The procedures conceived for getting the administrations ought to be exceptionally client amicable, straightforward and complete.

Conveyance channels

Consumer loyalty is additionally subordinate upon the conveyance diverts utilized by banks as a part of giving the administrations. Today's client needs smooth, proficient, secure, straightforward and tried and true channels of conveyance.

LITERATURE REVIEW

It is insufficient to have a scope of items and administrations, productive innovation, all around settled in operational methodology and vast number of touch focuses, it is more critical to rouse individuals in the banks to make clients feel imperative in the saving money space. Well disposed treatment of clients, grinning methodology and preparation to serve them with an individual touch will have all the effect in the nature of administration. Henceforth, keeping in mind the end goal to contend we have to add to a managed client driven authoritative society and operationally productive conveyance models. (Strategies to enhance : Customer Service in Banks M. D. Mallya The Journal of Indian Institute of Banking & Finance October - December 2011).

Incredible client administration won't just produce a first rate client experience, however it can absolutely influence a bank's business and its primary concern. At the point when done right, execution of a sound client administration method satisfies clients, bringing about higher steadfastness. Moreover, it conveys important business insight that can coordinate business system crosswise over numerous offices. As rivalry to hold demographic increments because of the changing structure of customer managing an account charges (ordinary for most banks after administrative changes in the most recent couple of years,) banks ought to investigate their administration method as an approach to balance purchaser apprehension and perplexity (The Golden Rules of Retail Banking Customer Service Paul Logan SEP 26, 2012).

60% of customers who are content with their bank say they have low-or no money related anxiety, and more than half are idealistic about their budgetary future. Besides, shoppers who characterize themselves as content with their bank burn through 72 minutes less (7.3 hours versus 8.5 hours) every week agonizing over their money related circumstance contrasted with the individuals who say they are not content with their bank. "All banks are not the same regarding the matter of the administration they give. Examination demonstrates the individuals who feel esteemed by their bank are more prone to be content with their money related state" said Ryan Bailey, EVP/Head of Deposit Products at TD Bank. TD Bank studied more than 1,500 shoppers up and down the east drift - from Maine to Florida - to better comprehend purchasers' keeping money encounters, their budgetary anxiety, and in addition their monetary standpoint (March 11, 2013 good client administration makes bank clients feel fiscally secure.

PRIMARY OBJECTIVES

1. To understand the level of awareness about grievance redressal mechanism.
2. To understand the impact of demographics on the level of awareness about redressal mechanism.
3. To study the awareness and preference of different modes used to register complaint.

RESEARCH METHODOLOGY

Primary Data has been collected through a structured questionnaire suitably divided to check the awareness level about grievance redressal, preferred mode used for grievance redressal and effectiveness of grievance redressal procedure Sample size includes 200 bank customers from Mumbai. With the aid of Statistical Package for Social Sciences (SPSS), both descriptive statistics including frequencies, percentages, mean, and standard deviation as well as inferential tests such as Pearson chi-square and ANOVA were performed to check the impact of demographics on awareness level and the preferred mode of redressal. Effectiveness of the redressal procedure has been checked on a five point scale with respect to various parameters mentioned in objectives.

Secondary data has been collected through websites of different private and public banks and RBI bulletins besides related articles on internet, books, magazines and newspaper.

DATA ANALYSIS

Level of awareness

Even though 55% of people are not satisfied with their bank, Data analysis showed a low level of awareness about grievance redressal procedure with majority of people addressing their grievance only when loss of money is involved and nearly 15 % of the sample does not complain at all even if loss of money is involved. Nearly 60% of the people do not carry forward their grievance, if their problem is not resolved by preliminary procedures like calling the helpline or mailing the customer care .More than 65% of people are unaware of advanced methods of grievance redressal like approaching the nodal officer or the ombudsmen scheme and only 10% of people who are aware of it are willing to take their grievance to the nodal officer and only 3% are willing to approach banking ombudsmen offices.

Fig. 1. The level of awareness
Rys. 1. Poziom świadomości

Impact of demographics on the level of awareness about grievance redressal mechanism.

Income

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	37.666[a]	8	.000

a. 3 cells (20.0%) have expected count less than 5.
The minimum expected count is 2.60.

Since the Sig value is .000, we can say that there is a significant relationship between income and customer awareness about redressal mechanism which consequences in their conduct.

Gender

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	35.942[a]	2	.000

a. 0 cells (.0%) have expected count less than 5.
The minimum expected count is 12.87.

Since the Sig value is .000, we can say that there is a significant relationship between gender and customer awareness about redressal mechanism.

Occupation

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	1.066E2[a]	6	.000

a. 3 cells (25.0%) have expected count less than 5.
The minimum expected count is 1.04.

Since the Sig value is .000, we can say that there is a significant relationship between occupation and customer awareness about redressal mechanism.

Awareness and preference of different modes used to register a complaint

It can be observed from the table 1 that is significant difference with regards to awareness leading to preference towards various modes to register and we can conclude Max people prefer helpline since the response is quick where as e-mails are the last preferences.

Table 1. Which mode is used to register a complaint
Tabela 1. Sposoby składania reklamacji

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Helpline	97	48.5	48.5	48.5
	Email to the customer care	19	9.5	9.5	58.0
	Use the official website	40	20.0	20.0	78.0
	Complaint/suggestion box at the branches	23	11.5	11.5	89.5
	Contact Personally at the concerned branch	21	10.5	10.5	100.0
	Total	200	100.0	100.0	

Impact of demographics on awareness and preference of different modes which are to register a complaint w.r.t gender, income and occupation based decision

Gender

Since the Sig value is .144 (see Table 2), we can say that gender has no impact of preference towards different modes used to register.

Income

From table 3 we can conclude that income has a significant impact of preference towards different modes to register. For further understanding we have applied Multiple Comparisons to understand the difference between the different groups taken for the study.

Table 2. ANOVA modes used to register a complaint
Tabela 2 ANOVA rejestracja skarg a płeć

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	4.346	1	4.346	2.150	**.144**
Within Groups	400.134	198	2.021		
Total	404.480	199			

Table 3. ANOVA modes used to register a complaint
Tabela 3 ANOVA rejestracja skarg a dochód

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	59.866	4	14.966	8.469	**.000**
Within Groups	344.614	195	1.767		
Total	404.480	199			

(I) income	(J) income	Sig.	Result & Interpretation
below 15,000	15,000-30,000	.426	No significant difference
	30,000-60,000	.325	No significant difference
	60,000-90,000	1.000	No significant difference
	Above 90,000	**.009**	**significant difference**
15,000-30,000	below 15,000	.426	No significant difference
	30,000-60,000	**.000**	**significant difference**
	60,000-90,000	.207	No significant difference
	Above 90,000	.000	No significant difference
30,000-60,000	below 15,000	.325	No significant difference
	15,000-30,000	**.000**	**significant difference**
	60,000-90,000	1.000	No significant difference
	Above 90,000	.703	No significant difference
60,000-90,000	below 15,000	1.000	No significant difference
	15,000-30,000	.207	No significant difference
	30,000-60,000	1.000	No significant difference
	Above 90,000	**.048**	**significant difference**
Above 90,000	below 15,000	**.009**	**significant difference**
	15,000-30,000	**.000**	**significant difference**
	30,000-60,000	.703	No significant difference
	60,000-90,000	**.048**	**significant difference**

Occupation

From table 4 we can conclude that occupation has a significant impact of preference towards different modes to register. For further understanding we have applied Multiple Comparisons to understand the difference between the different groups taken for the study.

Table 4. ANOVA modes used to register a complaint
Tabela 4. ANOVA rejestracja skarg a zawód

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	43.643	3	14.548	7.902	.000
Within Groups	360.837	196	1.841		
Total	404.480	199			

(I) occupation	(J) occupation	Sig.	Result & Interpretation
Student	Professional	1.000	No significant difference
	Self employed	**.003**	**significant difference**
	Housewife	**.007**	**significant difference**
Professional	Student	1.000	**significant difference**
	Self employed	**.004**	**significant difference**
	Housewife	.017	No significant difference
Self employed	Student	**.003**	**significant difference**
	Professional	**.004**	**significant difference**
	Housewife	.933	No significant difference
Housewife	Student	**.007**	**significant difference**
	Professional	**.017**	**significant difference**
	Self employed	.933	No significant difference

CONCLUSIONS

Managing a complaint is not simple. Indeed, More than half the sample size is not satisfied with their bank in one or more ways and this suggests that banks should have a more effective procedure of managing complaints. Besides they should also work towards educating the customer to address their grievance in a proper way. Customers' expectation and complaints can be better understood by personal interaction. Planned customer meetings at fixed interval will give a message to the customers that the bank values its customer. Many of the complaints arise on account of lack of awareness among customers about bank services and such interaction will help the customers to understand the banking services better. The bank in turn can get the benefit of valuable suggestion from customers who can be utilized for revising its product and services. Staff should be properly trained on handling complaints. Since we are dealing with people, difference of opinion may arise. A complaint management program will not function unless everyone understands her or his role and is held accountable. The program must define who responds to a complaint, when a complaint should be escalated, who it is escalated to, and what steps should be taken when it is received. A bank should have a standard response time for resolving the complaints and should always take feedback on whether the customer is satisfied with the solution provided to them. Banks should engage in research in identifying their problem areas and understanding customer expectations. Complaints management in an organization should integrate itself with the mission of the bank and aim at continually improving quality of products and services offered to customers.

LIMITATIONS

This study assumes that all information gathered for this research project is accurate. The study also assumes that participants will be truthful and honest in their responses but understands that there is an emotional issue often associated with money discussions that sometimes causes participants to be guarded in their responses. Another limitation of this study is the narrow geographical sample of participants filling out the survey.

REFERENCES

Chepkwony J., Korir M., Lagat Ch., 2013. Effects of distributive justice complaints resolution strategies on customer satisfaction in Kenya banking industry Prime Research on Education, 3, 1, 390-402.

Clarkson E., 2013. Management through customer, ABa BANK compliance.

Siddiqui, M. H. Tripathi, 2010. An Analytical Study of Complaining Attitudes With Reference to the Banking Sector, Journal of Targeting, Measurement andAnalysis for Marketing, 18, 2, 119-137.

Uppal R.K., 2009. Customer service in Indiancommercial banks - an empirical study Asia Pacific Journal of social science, I, 1.

Uppal R.K., 2010. Customer complaints in banks: Nature, extent and strategies to mitigation Journal of Economics and International Finance, 2, 10, 212-220.

Wissem H, 2012. For an Efficient Complaints Management System for Banks: A Conceptual Frameworkand an Exploratory Study. Journal of Marketing Research & Case Studies.

Reserve Bank of India. Annual Report. www.rbi.org.in

METODA GRIEVANCE REDRESSAL ORAZ NAWYKI SKŁADANIA ZAŻALEŃ W INDYJSKICH BANKACH

STRESZCZENIE. **Wstęp:** Skargi klientów są częścią życia każdego przedsiębiorstwa. Również dotyczy to banków. Każde przedsiębiorstwa próbuje oferować swoje produkty, najbardziej odpowiadające potrzebom klientów. W Indiach banki w ostatnich kilku latach przechodzą dość istotne zmiany i zrozumienie wyzwań, jakie muszą sprostać, jest możliwe tylko po ich dokładnym przeanalizowaniu i zdefiniowaniu. Oferowany przez banki poziom obsługi zależy od jakości oferowanych usług i produktów a nie tylko od ich szerokiej gamy.
Metody: Sposób w jaki banki komunikują się z klientem oraz przyjmują skargi jest jednym ze wskaźników oceny banków. Dlatego tak ważne jest dla banku posiadanie systemu obsługi skarg i zażaleń. Celem pracy jest przedstawienie instrumentu grievance redressal, jego zastosowania i użyteczności. Dane zostały zebrane na podstawie wywiadu z 200 klientami banku. Następnie poddano je analizie statystycznej przy użyciu metody SPSS (Statistical Package for Social Sciences), wyliczając takie miary jak częstotliwość, średnia, odchylenie standardowe, rozkład Pearson chi-square czy ANOVA.
Wyniki i wnioski: Wyniki wykazały niski poziom zainteresowania zarządzaniem skargami. Banki prywatne mają praktyczniejszy sposób obsługi skarg aniżeli banki branżowe. Wykazano konieczność dalszej poprawy systemu obsługi zażaleń i konieczności podnoszenia świadomości istotności tego zagadnienia.

Słowa kluczowe: zorientowanie na klienta, skarga klienta, zażalenia.

DIE GRIEVANCE REDRESSAL-METHODE UND DER HANG ZUR BESCHWERDEEINLEGUNG IN INDISCHEN BANKEN

ZUSAMMENFASSUNG. Einleitung: Kundenbeschwerden machen einen Teil der Betätigung eines jeden Unternehmens aus. Das betrifft auch Banken. Jedes Unternehmen versucht, die den Kundenbedürfnissen am meisten entsprechenden Produkte anzubieten. In Indien werden in den letzten Jahren in indischen Banken ziemlich wesentliche Veränderungen vollzogen und daher ist die Wahrnehmung der Herausforderungen, denen sie genügen müssen, erst nach deren Ermittlung, Definition und Analyse möglich. Das von den Banken angebotene Niveau des Kundenservices hängt von der Qualität der angebotenen Dienstleistungen und Produkte, und nicht nur von deren breiten Auswahl, ab.
Methoden: Die Art und Weise, auf welche die Banken sich mit ihren Kunden kommunizieren und von ihnen die Beschwerden annehmen, ist eine der Kennziffern der Bewertung von Banken. Deshalb ist es für eine Bank so relevant, dass sie ein System für die Abwicklung von Klagen und Bescherden betreibt. Das Ziel der Arbeit ist es, das Grievance Redressal-Tool, sowie dessen Anwendung und Brauchbarkeit zu projizieren. Die Daten wurden anhand einer Umfrage unter 200 Bankkunden ermittelt. Demzufolge wurden sie einer statistischen Analyse mit Anwendung der SPSS(Statistical Package for Social Sciences)-Methode unterzogen, indem man solche Werte wie: die Frequenz, den Durschnittswert, die Standardabweichung, den Chi-Quadrat-Verteilungstest von Pearson, ferner den ANOVA-Test ausgerechnet hatte.
Ergebnisse und Fazit: Die Ergenisse wiesen auf ein niedriges Niveau des Interesses für das Beschwerden-Management hin. Private Banken betreiben dabei eine praktischere Vorgehensweise an die Abwicklung von Beschwerden als das bei den Branchen-Banken der Fall ist. Es wurde auf die Notwendigkeit einer weiteren Verbesserung des Systems für die Bedienung der Beschwerden, sowie auf die Notwendigkeit der Erhöhung des Bewusstseins über die Relevanz dieser Problemstellung hingewiesen.

Codewörter: Orientierung auf den Kunden, Kundenbeschwerde, Klagen

Gagandeep K Nagra
Associate Professor
D. Y. Patil University
School of Management
Sector 4, Plot on 10, CBD Belapur
Navi Mumbai 400 614**, India**
Tel. ++ 91 2227589236
Fax. ++ 91 22 27575064
e-mail: gaganknagra@gmail.com