

Turning Over A New Leaf – The Case of Orissa State Cooperative Bank

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In late December, 2000, Mr Sanjeev Chopra, IAS, who had recently taken over as Managing Director, Orissa State Cooperative Bank, Bhubaneswar was wondering how he could change the image of this bank from a defunct, stodgy organization to a more vibrant, alive and pulsating one, in tune with the enhanced expectations of current customers. Mr Chopra, who was himself an MBA from Faculty of Management Science (FMS), Delhi and had spent around two years in Deutsch Bank AG, before getting inducted into the Indian Administrative Services, knew a thing or two about banking. He realized that if OSCB was to make a mark in the banking sector, the present lethargic style of working cannot continue, and the bank had to reinvent a completely new system of working in line with the current enhanced expectations of customers, who had the choice of banking anywhere.

Background

The Orissa State Cooperative Bank (OSCB), a scheduled bank under the Reserve Bank of India (RBI) Act was registered in the year 1948 as the apex bank of the short term Cooperative Credit Structure of Orissa with an objective of development of the agrarian economy of Orissa, by offering innovative financial products and services.

The activities of the bank comprises of two broad areas – general banking business and refinance to the District Credit Cooperative Banks (DCCBs). The mission, objectives and activities of OSCB are given in Exhibit 1. OSCB has branches at Angul, Berhampur, Bhubaneswar, Cuttack, Paradeep and Sambalpur. It has also a network of 17 DCCBs, throughout the state (Exhibit 2).

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General banking – the bank has been accepting deposits from the public and offering all bank facilities to its customers through its branches. The banking services offered include acceptance of all types of deposits, bills and exchange, issue of letters of credit, advancing loans to farm and non-farm sector.

Refinance to DCCBs – the bank provides refinance for the following activities :

- **Farm Credit** – to members of the Primary Agriculture Cooperative Societies (PACS), Large sized Agriculture and Multipurpose Cooperative Societies (LAMPS) and farmer Services Societies (FSS). The farm credit requirement is met by these societies by availing loans from the District Credit Cooperative Banks (DCCBs). To simplify the procedure of disbursement of crop loan, the bank has introduced Kisan Credit Card (KCC) in all PACS of the state. This card empowers the farmer members to access timely and adequate credit from the branches of the DCCBs by issuing cheques. The scheme is aimed at providing instant credit to the farmers through the branches of DCCBs on the basis of their land holdings, cropping pattern and scale of finance. Once the credit limits are prepared and sanctioned, it remains valid for three years. Instant access to credit has enabled the farmer to get maximum benefit from a highly flexible, user-friendly credit delivery system. This has helped the DCCBs and PACs to increase their business and the operation of the credit cycle has become smooth and transparent.
- **Investment Credit** – The OSCB has facilitated the DCCBs diversifying into financing of non-farm sector. The DCCBs have been dispensing non-farm credit to small-scale industries, in the shape of block capital and working capital. Loans are also advanced for trading activities, purchase of commercial vehicles, housing, etc.

- **Handloom Sector** – The OSCB has been financing the handloom cooperative societies for production and marketing through DCCBs. The Orissa State Handloom Weavers Society is directly financed by the bank.

OSCB is the first state cooperative bank in the country to automate its entire operation to provide instant and effective customer service. It had already installed one ATM in its head office branch to provide any time banking and plans are afoot to establish more ATMs in the other branches and prominent locations of Bhubaneswar and other towns.

The Indian Banking Scenario

Banking in India is governed by the Banking Regulation Act of India, 1949 and can be broadly classified into two categories – scheduled and non-scheduled banks. The scheduled banks are the commercial banks and the cooperative banks. Scheduled banks comprise of the commercial banks in the public and private sectors. PSU banks are those such as SBI, PNB, Bank of India, etc, whereas the private sector banks could be domestic banks such as ICICI Bank, Axis Bank, HDFC Bank, etc. or foreign banks such as Citibank, HSBC, Standard Chartered, etc. Lastly there are the cooperative banks, which cater to the special agrarian and allied needs of the semi-urban and rural sectors, of which OSCB is one. All these banks fall in the organized sector and are largely regulated by the apex bank which is RBI. The RBI devises policy in consultation with the Ministry of Finance, (MoF), The Securities and Exchange Board of India (SEBI) regulate the macro operating policies to ensure smooth operation and guaranteed solvency, for all banks to comply.

Apart from the organized sector, there is a flourishing unorganized sector which also meets the banking needs of people for very specific reasons. These are the chit funds, indigenous bankers, money lenders and *nidhis**². They operate in specific pockets and usually have a clientele which need funds desperately, but cannot comply with the requirements of the organized sector

² *Nidhis are local village financiers who give out private loans against collateral such as land or jewellery, etc.

banks to get their loans sanctioned. Since these loans normally unsecured, it comes with a high rate of interest.

In the cooperative banking sector, there are the State Cooperative Banks (SCBs), the State Cooperative Agro-Rural Banks (SCARBs), the Urban Cooperative Banks (UCBs) and the Primary Cooperative Banks (PCBs). Under the SCBs and SCARBs come the Central Cooperative Banks (CCBs) and the Cooperative Agro-Rural Banks (CARBs). The Primary Agriculture Societies (PACS) fall under the CCBs. A note on Cooperative banking has been given in Appendix I.

The Present Situation

Mr Chopra, after taking over as MD of the bank very soon realized that if OSCB is to rise to its potential, there has to be a marked change in the way employees were accustomed to conduct business. Being a cooperative bank also had its negative image of a typical 'government' style of working, lethargic work culture, fixed mind sets and being very financially conservative. The earlier history of cooperatives connected with fraudulent dealings and lack of transparency did not really help matters in giving the right kind of credibility or image to the bank. Most of the employees were working with the bank for a long time and were senior in age. They were accustomed to the older, set patterns of working and were unable to appreciate the need to make the bank more responsive and resilient. If OSCB were to compete with the large PSU banks and the more agile and modern thinking private sector banks, it would have to reinvent itself and metamorphose itself into living up to the new expectations and changing needs of its customers.

The customer set of OSCB were largely from the lower middle and lower income classes and had been traditionally banking with the bank for a long time. New customers were increasingly difficult to find as most new customers preferred the larger private banks or selected a Public Sector Unit (PSU) bank who had the entire range of banking facilities to provide. OSCB, that way had no differentiated service which could prompt new customers to consider OSCB as a

possible alternative. Earlier, the bank used to give an extra percent interest on savings deposits compared to the PSU banks to attract deposits, but it was shortly withdrawn when interest rates became tighter SEBI regulations demanded a level playing field.

Therefore, it was important to understand and know the customer attitudes towards banking in OSCB – both existing and prospective. He felt that a study of this kind could throw up some indicators to suggest the way forward. Mr Chopra got in touch with the leading management institute in the state to help him ascertain this, so that appropriate strategies could be worked out to fulfill the goal of increasing customers and growth for the bank.

The Study

The objectives of the study were four.

- a. Possible positioning of OSCB to cater to customers better and attract new customers.
- b. Segmentation strategy that can be profitably pursued.
- c. General perception of its existing customers and the public at large.
- d. Evaluate strengths and weaknesses of the bank for strategic leverage.

The study was broken up into both qualitative and quantitative components. The qualitative component consisted of six focus group discussions (FGD) comprising of 10-12 customers in Bhubaneswar and Cuttack. 60 customers were invited for the FGDs. Selection of participants for the FGDs was done by the bank since they knew the customers better and the right cross-section of the customer set could be obtained. Most were high net worth or long term customers whose views were valued by the bank. The FGDs were used to

- i. map the market standing of OSCB vis-avis with other PSU banks
- ii. understand the physical and emotional equity of OSCB

Exhibit 3 gives a translated transcript of a FGD which is representative of the FGDs conducted for the study.

The quantitative study was undertaken to obtain primary data through a close-ended questionnaire with just one open-ended question (Exhibit 4). A sample of 1000 customers and 200 non-customers was used for the study. The respondents were selected from various branches across the state and the selection was aided by the Branch managers of the respective branches to ensure adequate representation from all types of customers. Non-customers were drawn from customers of State Bank of India (SBI), Allahabad Bank, United Commercial Bank (UCO), Canara Bank, Bank of India (BOI) and Andhra Bank. Exhibit 5 gives the mean scores on the various parameters identified as important by the customers. Exhibit 6 gives the brand prism developed based on the reactions and comments elicited during the FGDs.

After the study was completed, Mr Chopra requested the consultants to make a presentation of the findings and recommendations to the senior management team of the bank. All the Branch Managers across the state were invited for the presentation. The presentation was received well and there was a healthy discussion on various issues by the audience. However at the end, Mr Chopra was still apprehensive whether this would really lead to a change in the working style of the bank and lift the fortunes of the organization. He was worried that the findings of the consultants, although disturbing, would have little lasting impact among the employees to motivate them to change their style of working and contribute to an improved organization culture.

Case Review Questions

1. What would you do if you were Mr Sanjeev Chopra and why?
2. What are the strategic implications of changing attitudes of employees within OSCB?
3. Do you feel the tools used to assess attitude are suitable? What are the limitations of such tools? If not, how would you have gone about it?
4. What in your opinion do you think has led the employees of this bank to have such a negative attitude in the first place?
5. What are the challenges to be encountered when you want to have a change in culture of the organization?

EXHIBIT 1 - Mission and Objectives of OSCB

Mission

Our Corporate Mission is to become a strong and competitive bank offering innovative financial products and services and to lead a rejuvenated short term cooperative credit structures to better serve the people of Orissa.

Objectives

- To cater to the credit requirement of farmer-members of the Primary Agriculture Societies (PACS).
- To implement the Kisan Credit Card (KCC) scheme to ensure instant finance and adequacy in credit delivery.
- To step up production and productivity in agriculture through promotion of farm mechanization and better land and water management.
- To create employment opportunities by channeling credit for promotion of dairy, poultry, pisci-culture, handloom, transport and Micro, Small and Medium Enterprises (MSMEs).
- To cater to the credit needs of small traders and artisans for income generation and employment opportunities under Swarojgar Credit Card (SCC) Scheme.
- To extend credit facilities to Tenant Farmer Groups (TFGs) Joint Liability Groups (JLGs), Oral Leasees, Share Croppers and Self Help Groups (SHGs) for farm and non-farm operations.
- To recognize and reward good repayment habits of farmer-members through Kalinga Kisan Gold Card (KKGCC).
- To direct efforts towards achieving the State Government- given targets under various crop production programmes and implementation of policies on the cooperative sector.

EXHIBIT 2 – OSCB Network



- ▶ Angul United CCB
- ▶ Aska CCB
- ▶ Balasore Bhadrak CCB
- ▶ Banki CCB
- ▶ Berahampur CCB
- ▶ Bhawanipatana CCB
- ▶ Bolangir DCCB
- ▶ Boudh CCB
- ▶ Cuttack CCB
- ▶ Keonjhar CCB
- ▶ Khurda CCB
- ▶ Koraput CCB
- ▶ Mayurbhanj CCB
- ▶ Nayagarh CCB
- ▶ Sambalpur DCCB
- ▶ Sundaragarh CCB
- ▶ United Puri Nimapara CCB

Exhibit 3 - Representative translated transcript of the FGDs held during the study to ascertain customer comments and expectations

Location – OSCB, Sahidnagar
Venue – BM’s Visitor room
Language – Oriya (vernacular)
Time – 6.30 pm

Names of participants for the FGD (*Actual names have been disguised*)

1. Ashok – small time businessman
2. Lata – housewife
3. Malati – college student
4. Hirak – lecturer
5. Abhay – school teacher
6. Sanatan – pensioner
7. Vijay – clerk in Govt.service
8. Mohan – shopkeeper
9. Ajay – garage owner
10. Bharat – stock-broker
11. Vivek – Moderator (XIMB student)

Vivek: Good evening, ladies and gentlemen. Thank you for agreeing to be part of this discussion and sparing your valuable time. My name is Vivek, and we are doing a small study on service practices and standards for banking organizations. We are gathered here today to discuss your experience in banking, especially with OSCB, and to what extent it has met your expectations and where you think it is falling short. I am sure many of you would have much to say about this since you would have experienced it during your visits to this bank. So let’s start the ball rolling. Who is going to start?

Sanatan: Well, I have been an account holder in this branch for 30 years, and I think it has been a very satisfying experience for me. The people over here treat me well and are always there to accommodate my requests.

Lata: My husband works in Berhampur. He comes only on the weekends. I normally come once a month, when I have to draw amounts for the household expenses. I have found the employees to be quite helpful and and I know a lot of female employees here who recognize me and help me out.

Hirak: At least, I find some discipline existing here, unlike the other banks, where employees just do not care. The customer is treated as an unnecessary botheration. Here at least they treat customers as human beings and are bothered. I have seen them running over to their desks when they see the BM walking around and ensure that they are not seen loitering around. *(Smiles from around the group)*

Malati: When I needed a loan to finance my college education, I think OSCB went out of its way to help me and suggest the right loan for me as well as readjust the installment plan for me to repay when I finish my studies.

Vijay: I have been banking here for almost ten years. I find the bank to be very careful in its dealings and I have complete trust on them to manage my financial affairs.

Vivek: It looks like there certainly has been a lot of positive experiences, by most of you when dealing with OSCB. Then why does the bank seem to still have difficulty in attracting more customers?

Malati: Well, although I did say that the bank was helpful earlier, the paperwork I had to do to get the loan sanctioned was enormous. They wanted me to give all sorts of collateral against the loan I was to take. I have come to the bank for a loan, because I am financially distressed. Then from where can I produce collateral for the loan? I was lucky that one of my uncles stood guarantor for the loan and that's how it got sanctioned.

Mohan: I agree. There is too much paperwork. Even opening an account requires so many formalities, that I wonder how people come forward to open any account at all in this bank. Must they be so conservative? Even the ATM that they have, can hardly be seen by the public, for whom it is meant.

Ashok: I too had a similar experience. When I needed an overdraft facility for my business, I was asked so many questions and had to fill up so many forms, that I was wondering why I did come to this bank at all. No wonder they are not getting many customers.

Sanatan: At this age, having to come to the bank every month to draw my pension is becoming too much for me. Should not the bank make it easier for us to draw our pensions without having to leave our homes? Is that too much to expect?

Bharat: I am a stock-broker and I am seriously thinking of closing my account here. These people are very uncomfortable with interstate transactions and I have to do it all the time in my trade. I never realized that their operations could be so confined and limited. The way their employees operate - they seem to be in the stone age – like frogs in the well. *(Chorus of agreement from the others)*

Mohan: Actually many people could be interested to open the account but they should relax the minimum limit for deposits. Other banks are opening zero deposit accounts. How can small traders like us manage to keep such high deposits always? We need the money to run our business not keep it in bank accounts.

Ajay: I have had rather unpleasant experiences when I came here. As it is, I hardly come to the bank. The other day I had wanted a draft to be made, but I was made to wait so long for it since the officer concerned was not in his seat. Don't they have regard for the customer's time? Since

it was urgent, I was forced to wait, but I have been thinking whether I should really be banking with OSCB.

Bharat: Actually many of the officers are not well versed with the banking procedures. Sometimes, even the peons are able to guide us better. I think there should be proper induction and orientation of all banking procedures for every employee that joins the bank.

Vivek: Oh ! Oh! Now the ball seems to be on the other foot. For a while I got the impression that everything is hunky-dory with OSCB. So what do you think should be done? How can the bank improve its service to customers and attract new customers?

Mohan: Well for one, the bank should consider flexitime operations. We cannot come to the bank when our business hours are going on. They should consider extending the timings of operation so we can conduct our banking needs .

Ashok: Why can't they go in for 24/7 banking? After all, it is only a question of rostering employees for the operation and the employees could have different weekly offs. That's what most banks are now doing.

Bharat: ...and internet banking too. In the current internet age, we just cannot depend on older methods of banking.

Ashok: I think the bank should also revise their policies on overdraft sanctions based on the transactions and deposit levels made by the customer. All of us rely on the bank to come to our aid when we need extra finance, and if they remain tight fisted, it means loss of business opportunities for us.

Ajay: I think customers should not be made to move from table to table like ping-pong balls. The bank should ensure there should be a single point of contact to address all problems faced by the customer.

Mohan: I have to visit the bank daily to deposit the sales collections of my shop for the previous day. Cannot the bank come and get it collected from me from my shop on a daily basis? I am even willing to pay a charge for this facility. It is very risky taking large sums of cash to deposit in the bank on a daily basis.

Lata: I think the bank employees should be well turned out and smart... perhaps a smart uniform is necessary for customers to recognize employees and also to maintain some identification for the bank..... and I forgot, the toilets are filthy. I had been there once and I promised I would never go there again.

Malati: Apart from what ma'm has said I think the bank should offer facilities like customer counseling and play an advisory role for all matters financial to customers, if they want it.

Hirak: Actually the problem is that this bank is not very well known. We hardly see any advertising or for that matter any kind of promotion. You can hardly expect new customers to come in, if they haven't even heard of it. They should also be thinking of extending their branch network. If network is not extended, then operations are bound to be confined.

Sanatan: Wouldn't it be great if the bank could take care of our utilities payments like electricity and telephone bills? I find it so bothersome to do it at my age. I am sure those who avail the facility would be willing to pay some charges for it.

Abhay: I think the bank should also offer soft loans for weddings and childrens' education for deserving cases. I keep hearing of students being denied education because of their parents inability to afford the education, although they might be able to pay the fees in installments.

Ajay: I think there should be some amount of permanency of the staff in the branches. On every visit I keep seeing new faces. It is a good thing to see new faces but not at the same desk every time. I think the bank should have a policy not to transfer employees at least before three years.

Ashok:and what about the MD? Anyway, they are not from the bank and are deputed from the Government for a fixed time. How can there be permanency or continuity? Anyway, why should an IAS officer head this bank?

Malati: There's one last thing. I had a lot of problems when I had to open an account here. I did not have an introducer and none of the bank employees were willing to introduce me. When I got someone, who is actually a relative, they were unwilling to accept him since he was not an account holder and so I had to run from pillar to post trying to find a willing account holder to introduce me. I think the bank should be willing to accept any introducer if they can give proper bonafides, like an identity card of their employer or some such document.

Vivek: It looks like there are a lot of issues for the bank to think on. Many of the issues are important and addressing these issues could have a marked improvement in operations and customer satisfaction. I am sure the bank would like to think on all the points raised by you. Let me thank you for your time and the whole hearted participation and frankly discussing all your problems. I do hope that you would find some of these issues getting sorted out in the near future.

EXHIBIT 4

Branch Code: □□□□□
 Questionnaire Number: □□□□□
 Surveyor Code: □□□□□

SQ 1 This survey deals with your opinions on the service provided by a Bank. For each statement, please show the extent to which you think a Bank should possess the feature described by the statement A [7] means that you strongly agree that a Bank should possess that feature, and a [1] means that you strongly disagree.

	Statement	1	2	3	4	5	6	7
1.	It should have up-to-date banking facilities.							
2.	The physical facilities should be visually appealing.							
3.	The staff should be well dressed and appear neat.							
4.	There should be safety of deposits put in the bank.							
5.	When Bank promises to do something by a certain time, it should do so.							
6.	When customers have problems, the staff should be responsive and reassuring.							
7.	A Bank should be dependable.							
8.	A Bank should keep its records accurately.							
9.	Customers should be able to trust the Bank staff.							
10.	Customers should be able to feel safe/confident in their transactions with the Bank							
11.	The staff should be polite.							
12.	It is realistic for the staff of a Bank to be aware of what the needs of their customers							
13.	The Bank should be expected to have operating hours convenient to all their							
14.	Greater part of the funds accepted as deposits should be invested by a bank in the where it is collected							
15.	The bank should be close to my residence/office							
16.	The operations of a Bank should be computerized to a good extent							
17.	The bank should process my transactions as fast as possible							
18.	I like coming to the bank in person rather than banking using the Internet.							

The following questions relate to your banking activities with the Orissa State Cooperative Bank

- Type of account: Current Savings Fixed / Reinvestment Cash / Credit Conditioner
- For how many years you held an account in your most preferred bank?
 <1 year 1 year to 3 years 3 years to 5 years 5 years to 7 years >7 years
- Frequency of bank visits
 Daily Once in a week Once a month Rarely
- Which of these best describes your use of the ATM Service
 Already availed Propose to avail I will not avail Unaware of its existence
 If do not plan to avail,
 reason(s):

5. Which of the following reflects your opinion on extended business hours on weekdays (upto 8.30 p.m.)

- It is a necessity It is important I have no opinion It is not that important It is totally unnecessary

6. Which of the following reflects your opinion on banking hours on a Sunday

- It is a necessity It is important I have no opinion It is not that important It is totally unnecessary

Please indicate whether you are aware about the following:

Statement	Yes	No
7. OSCB has a website		
8. OSCB advertises its activities regularly		
9. OSCB conducts customer meets to establish direct relationships with the customers		

10. Do you need the facility of home delivery of drafts/withdrawals: Yea No

11. If yes, you would be willing to pay extra (between Rs.25 to Rs.50) for this service: Yes No

12. How important is it to you that a bank should invest all the money it collects as deposits for the economic development of the State from where the money is collected?

- It is very important It is important I am Indifferent it is not that important
 It is totally unnecessary

13. Would you prefer to keep your money in a bank that invests all the deposits for the economic upliftment of Orissa:

- Yes No

Please indicate as to whether you would like OSCB to provide the following services. Indicate your preference by giving a rating of 5 to a service which you feel is very important and a rating of 1 to a service which is not at tall important.

Service	5	4	3	2	1
14. Instant credit on deposit of cheques					
15. Collection of cheques from a box					
16. Deposit Linked Accident Insurance					
17. Anywhere Banking (I can deposit or withdraw from any branch)					
18. Round the clock banking using ATMs					
19. Mailing of information about the activities of the bank					
20. Telephone Banking					
21. Internet Banking					
22. Reminders regarding impending maturity of FD					
23. Unfixed Deposit (FD with the convenience of a SB Nc)					
24. Flexi-deposit (Automatic diversion of funds from savings account to term deposit and					
25. Long Term Savings Plan (Blend of recurring deposit and reinvestment deposit)					
26. Overdraft facilities					
27. Standing Instructions to settle water, electricity, telephone bills etc.					
28. Payment of Insurance Premium					
29. Payment of Road Tax					

30. Would you recommend to your friends and relatives to open accounts with OSCB?

Yes No

If not, reason(s)

31. Do you need any additional savings, products/services?

Yes No

32. Please suggest some additional facilities/services/products that you desire from the OSCB.

33. What best describes OSCB vis-à-vis Nationalized Banks

Much Better Than Nationalized Banks Better than Nationalized Bank As Good as Nationalized banks Much worse than Nationalized Banks

34. Please rank the following banks in the order of your preference, Give the best rank to the bank you prefer most

Bank Name	Rank	Bank Name	Rank	Bank Name	Rank
SBI		UCOBank		OSCB	
Allahabad		Bank of India		CanaraBank	
AndhraBank					

35. Please rank the following cooperative banks in the order of your preference. Give the first rank to the bank you prefer most

Bank Name	Rank	Bank Name	Rank
Orissa State Cooperative Bank		Urban Cooperative Bank	
Orissa State Cooperative Agriculture & Rural Development Bank		Central Cooperative Bank	

Please indicate what best describes your current banking activity in banks other than OSCB

36. Which of the following characterizes the nature of OTHER BANKS in which you have accounts?

Nationalized Cooperative Private

37. In which of the following banks do you have any accounts/business. Tick the relevant banks.

Bank Name	Rank	Bank Name	Rank	Bank Name	Rank
SBI		Canara Bank		Bank of	
Allahabad		UCOBank		Punjab National Bank	
AndhraBank		United Bank of India		OSCB	

38. Type of account

Current Savings Fixed / Reinvestment Cash / Credit

39. For how many years have you held an account in your most preferred bank?

<1 year 1 year to 3 years 3 years to 5 years 5 years to 7 years >7 years

40. Frequency of bank visits

- Daily Once in a week Once a month Rarely

41. Do you have an ATM card from any other bank in which you have an account? yes

No

42. What best describes your use of the ATM card, if you have one?

- Daily Once in a week Once a month Rarely

Please indicate which of the following loan facilities that you have availed of:

Nature of Loan	Ye s	No	Nature of Loan	Yes	No
43. Car			47. Business		
44. Two Wheeler			48. House Repair		
45. Housing			49. Against Gold Ornaments / NSC / KVP		
46. Consumer Durable			50. Others		

51. In the near future do you propose to avail of a loan for:

- Consumer durable Housing Business Car Two wheeler

SQ 2 The following set of statements relate to your feelings about OSCB. For each statement, please show the extent to which you believe the Bank has the feature described by the statement A[7] means that you strongly agree that the Bank has that feature, and a[1] means that you strongly disagree.

	Statement	1	2	3	4	5	6	7
1.	OSCB has uP-to-date eEquipment (facilities)							
2.	The physical facilities in the branches of OSCB are visually appealing							
3.	OSCB staff is well dressed and appears neat							
4.	OSCB provides safety of deposits							
5.	When the OSCB promises to do something by a certain time, it does so							
6.	When you have problems, the Bank staff is sympathetic and reassuring							
7.	The OSCB is dependable							
8.	The OSCB keeps its records accurately							
9.	You can trust the OSCB staff							
10.	You feel safe/confident in your transactions with the Bank							
11.	The OSCB staff is polite							
12.	The staff is not aware of what your needs are							
13.	The OSCB has operating hours convenient to all their customers							
14.	OSCB invests all the money it collects as deposits for the economic development of							
15.	The OSCB branch I use is close to my residence/office							
16.	The operations OSCB are computerized to a good extent							
17.	The OSCB processes my transactions as fast as possible							
18.	OSCB should shift to Internet Banking							

DEMOGRAPHIC PROFILE

1. Marital Status: Single Married
2. Age: 18to 25 26 to 35 36 to 40 41 to 60
 Above 60
3. Number of dependants: 0 to 3 4 to 6 Above 6
4. Monthly household income:
 <10000 10000-20000 20001-30000 30001-40000
 >40000
5. Education:
 Illiterate Literate but no formal schooling School upto 4th Standard
 Graduate/Post graduate General Graduate/Post Graduate Professional
6. Which of these best describe your service: Private Government
7. Occupation of the Chief Wage Earner:
 Unskilled Worker Skilled worker Petty trader shop Owner
 Businessman with 1-9 employees Businessman with more than 10 employees
 Self employed professional Clerk / Salesman Supervisory Level
 Officer / Executive-Junior Office / Executive Senior
8. Please indicate which of the following consumer durables you own:
 Television VCR/DVD Music System Pager Refrigerator Air Conditioner
 Microwave Computer Washing Machine Cellurlar Phone OTG
9. Please indicate which vehicle/s you own?
 Two Wheeler Car Both None
10. Please indicate what best describes your current accommodation?
 Rented Owned Govt. /Co-accommodation
11. Do you have access to the Internet? Yes No
If yes, then for what do you use it for?

- Surfing E-mail Chat Business Transactions Shopping
 - Games Research News Entertainment Information
- Seeking

12. Name: _____

13. Address: _____

14. Phone
Number: _____

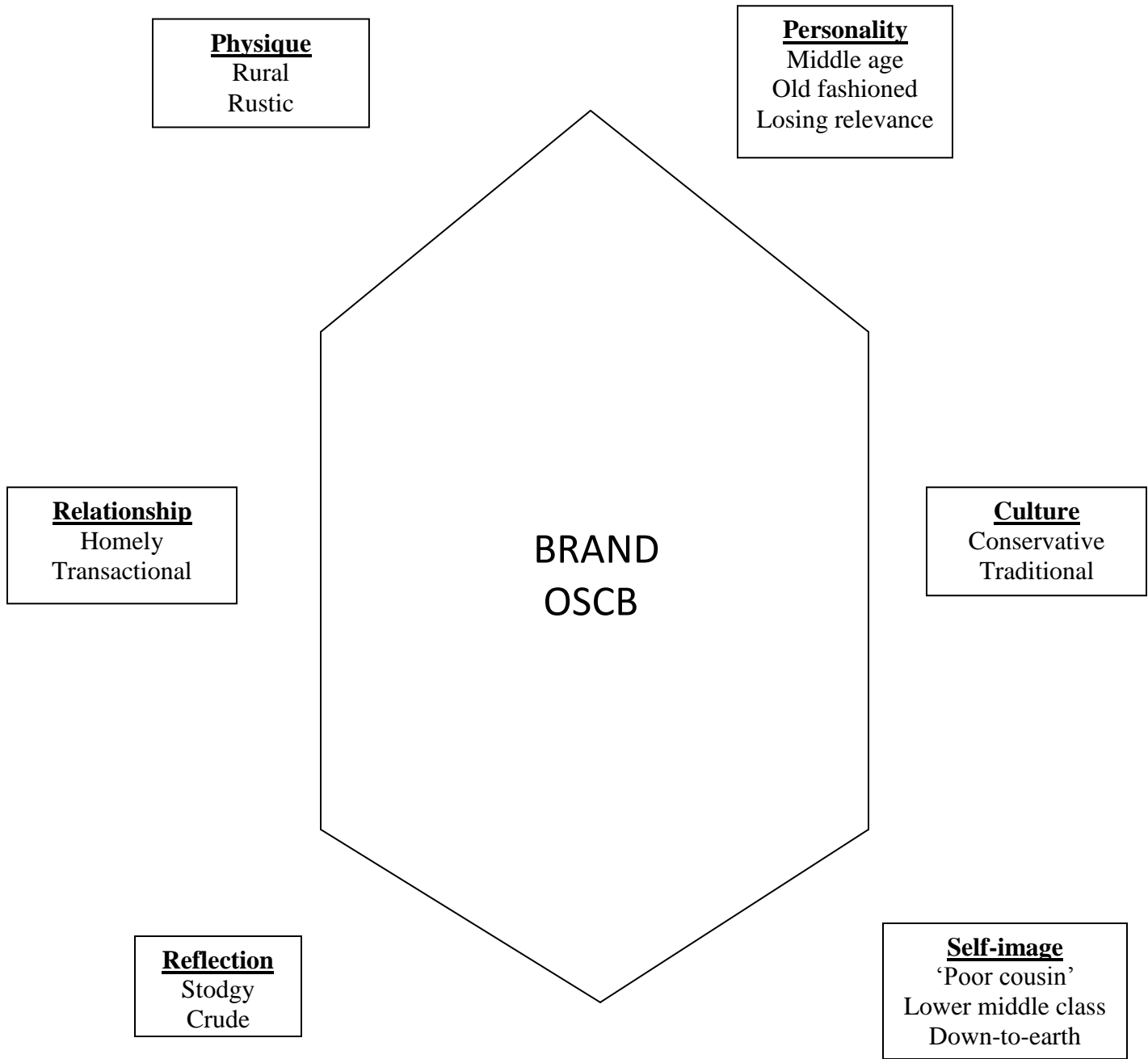
15. Email if
any: _____

16. Bank Account Number: _____

Exhibit 5 - Scores received on the various service parameters

BRANCH	Main	S'nagar	CS'Pur	P'deep	S'Pur	Ctk	M'Fed	DAV	Alaka	Mean
SERVICES	1	2	3	4	5	6	7	8	9	GLOBAL
It should have up to date banking facilities	6.37	6.70	6.40	5.53	6.74	6.57	6.73	6.80	6.33	6.50
The physical facilities should be visually appealing	5.91	5.86	5.55	5.27	5.92	6.44	5.82	4.83	6.00	5.90
The staff should be well dressed and appear neat	5.86	6.04	5.53	5.37	5.24	6.09	6.02	5.80	5.33	5.83
There should be safety of deposits put in the bank	6.81	6.74	6.73	6.70	6.98	6.75	6.67	6.93	6.97	6.78
When bank promises to do something by a certain time, it should do so	6.60	6.46	6.25	5.83	6.86	6.39	6.42	6.27	6.43	6.45
When customers have problems, the staff should be responsive and reassuring	6.63	6.56	6.39	5.67	6.92	6.57	6.42	6.70	6.47	6.54
A bank should be dependable	6.62	6.63	6.37	6.07	6.80	6.54	6.65	6.63	6.83	6.57
A bank should keep its records accurately	6.83	6.82	6.65	6.23	7.00	6.69	6.68	6.97	6.67	6.75
Customers should be able to trust the bank staff	6.57	6.38	6.50	5.90	6.90	6.54	6.27	6.73	6.73	6.51
Customers should feel safe / confident in their transactions with the bank staff	6.65	6.55	6.56	6.37	6.90	6.57	6.55	6.77	6.63	6.60
The staff should be polite	6.71	6.64	6.53	6.30	6.80	6.57	6.67	6.57	6.77	6.63
It is realistic for the staff of a bank to be aware of what the needs of their customers are	6.11	6.24	5.96	5.20	6.38	6.32	5.86	6.33	5.03	6.09
The bank should have operating hours convenient to all their customers	6.34	6.48	5.99	4.93	5.78	6.39	6.15	6.17	5.33	6.20
Greater parts of the funds accepted as deposits should be invested by a bank in the state from where it is collected	5.84	5.45	5.40	5.40	6.26	5.98	5.90	6.10	4.73	5.73
The bank should be close to my Residence/Office	5.79	5.24	5.68	4.57	5.12	5.90	5.63	6.07	5.33	5.63
The operations of a bank should be computerized to a good extent	6.68	6.48	6.44	6.10	6.12	6.42	6.47	6.83	5.87	6.48
The bank should process my transactions as fast as possible	6.75	6.57	6.42	5.97	6.68	6.59	6.78	6.87	6.70	6.62
I like coming to the bank in person to using internet banking	5.63	5.37	5.73	5.47	5.32	6.27	5.75	6.03	5.73	5.74

EXHIBIT 6 - BRAND IDENTITY PRISM



APPENDIX I

Note on Cooperative Banking

Cooperative banking is retail and commercial banking organized on a 'cooperative' basis. A cooperative business organization is owned and operated by a group of individuals for their mutual benefit, who unite together to meet common economic, social and cultural needs and aspirations through democratic processes. Like other banks, cooperative banks accept deposits from depositors and lend money to borrowers. However, to avail the services of the bank, one has to be a member, by contributing a certain sum of money which is interest bearing.

Cooperative banks in India are registered under the Cooperative Societies Act. They are governed by the Banking Regulations Act, 1949 and Banking Laws (Cooperative Societies) Act, 1965. The Cooperative banking structure in India is divided into the following five main categories

- Primary urban cooperative banks
- Primary agriculture credit societies
- District central cooperative banks
- State cooperative banks
- Land developments banks

Cooperative banks differ from stockholder banks by their organization, goals, values and governance. They are governed by the apex bank, which is the RBI, and are subject to the banking regulations and restrictions applicable from time to time in the industry.

Cooperative banks are distinguished by certain features, peculiar to such type of banks.

Customer Owned Entities: In a cooperative bank, the needs of the customers meet the needs of the owners, as cooperative bank members are both. As a consequence, the first aim of a cooperative bank is not to maximize profits but to provide the best possible banking products

and services to its members. Some cooperative banks only operate with their members, but most of them also admit non-member clients to benefit from their banking and financial services.

Democratic member control: Cooperative banks are owned and controlled by their members, who democratically elect their Board of Directors. Members usually have equal voting rights, according to the cooperative principle of 'one person-one vote'.

Profit allocation: In a cooperative bank, a significant part of the yearly profit, benefits or surplus is usually allocated to constitute reserves. A part of this profit may also be distributed to the members as dividends as per the shares owned by the members.

Cooperative banks are deeply rooted inside local areas and communities. They are involved in local development and contribute to the sustainable development of their communities, as the members usually belong to the community in which they exercise their activities. By increasing banking access in areas or markets where other banks are less present, cooperative banks render assistance to small and medium enterprises (SMEs), cottage industries, farmers, middle and lower income households in rural areas. They play an important and influential role in the economic growth of the local hinterland and integrate the customers to the rest of the economy.