

Betterment in Customer Service Indicating Improvement in Work Culture-A Case Study of United Bank of India (UBI)

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ABSTRACT: With the initiation of the process of liberalization and reform of the financial sector, banking in India has undergone significant changes. The banking sector had to adapt rapid and radical changes. The environment became more challenging for Public Sector Banks as a good number of them survived merely by the grace of state protectionism and were administered in extremely inefficient manner which caused them to go to bankruptcies quite often. The employees of these banks with secured employment under the shield of all powerful unions were blissfully indifferent towards quality of performance particularly customer service and profitability of the bank. In face of the increasing competition where banking industry as a whole was striving to achieve greater efficiencies in their day-to-day operations, some of the Public Sector Banks actually confronted with existential crisis. The Public Sector bank under study - United Bank of India (UBI) was declared by 1999 as the one among — the weakest in all the banks“ by the Verma Committee set up by Reserve Bank of India. There was an urgent need for UBI to transform itself for bare survival and to meet the shifting requirements of the new turbulent environment. This case study narrates the transformation of UBI from one of — the weakest in all the banks “ of India to a successful Public Sector Bank capable of providing better customer service which undoubtedly signifies improvement in the bank’s work culture.

Keywords: *United Bank of India (UBI), Customer Service, Work Culture*

Introduction: United Bank of India is one of the 14 banks which were nationalised on July 19, 1969. On October 12, 1950, the name of Bengal Central Bank Limited (established in 1918 as Bengal Central Loan Company Limited) was changed to United Bank of India Limited for the purpose of amalgamation and on December 18, 1950, Comilla Banking Corporation Limited (established in 1914), the Comilla Union Bank Limited (established in 1922), the Hooghly Bank (established 1932) stood amalgamated with the Bank. Subsequently, other banks namely, Cuttack Bank Limited, Tezpur Industrial Bank Limited, Hindusthan Mercantile Bank Limited and Narang

Bank of India Limited were merged with the Bank. The Bank is currently wholly-owned by the Government of India with branches in 28 States and in 4 Union Territories in India.¹

The business of the bank is principally divided into retail banking, corporate / wholesale banking, priority sector banking, treasury operations and other banking services such as agency functions for insurance and mutual fund distribution, pension and tax collection services.

Background of the Study: By the beginning of 1990s, it was realised by the government that the efficiency of the nationalized banks was not to be measured only by quantitative growth in terms of branch expansion and growth in deposits/advances. The financial strength and operational efficiency of the Indian banks and financial institutions which were working in a highly protected and regulated environment were not measuring up to international standards. The global and domestic developments called for corrections primarily with a view to strengthening the financial system and to bring it on par with institutions abroad. Hence, from 1992, a process of financial sector reforms, as a part of a broader programme of structured economic reforms was set in motion.

Till adoption of the prudential norms, twenty-six out of twenty-seven public sector banks were reporting profits. In the first post-reform year, i.e., 1992-93, the profitability of PSBs as a group turned negative with as many as twelve nationalised banks reporting net losses. The emphasis on maintenance of capital adequacy and compliance with the requirement of asset classification and provisioning norms has put severe pressure on the profitability of PSBs. The response of the public sector banks to the above changes has been varied. While some have withstood all these pressures, for most, the shocks have been severe, at least, initially. The profitability of the public sector banks as a group remained negative in 1993-94. However, there have been improvements since 1994-95.²

There were certain nationalised banks which have failed to respond to the changes and have displayed weaknesses that have remained uncontrolled. It was felt that the seeds of weakness latent in these banks were not receiving attention. The issue needed to be addressed squarely so that they do not, in the long run, pose a threat to the whole system.

¹Red Herring Prospectus, Dated February 16, 2010, Page-39 , <http://www.sebi.gov.in/dp/ubipros.pdf>

²<http://www.rbi.org.in/Scripts/PublicationReportDetails.aspx?UrlPage=&ID=60>

Determination of the Drawback: The Reserve Bank of India set up the Verma Committee to identify and examine the problems of weak banks. The most important issue before the Working Group has, been to identify the factors responsible for the emergent weaknesses. The Working Group was to recognise early distress signals so that urgent steps to control and eliminate the underlying causes of the distress could be taken.

On the basis of the Criteria set by the Committee to identify weakness, the Committee found United Bank of India is one of the weakest in all the 27 public sector banks ranked.

In March 1999 The RBI working group in its report identified the poor customer service provided by the bank as one of the primary reasons of its weakness. In fact, according to the committee this constituted one of the salient features of the work culture of the bank during that period. The working group explained the phenomena in the following manner:

–Customer service in these banks is perceived to be as of poor quality. This is due to a weak administration and as discussed below, lack of IT orientation in their operations. Partly because of this and the non-competitive rates offered by these banks, remunerative clients are severing or restricting relationship and new such clients are not coming. This is a vicious circle that these banks seem unable to break with their existing systems and work culture.

The situation was quite alarming for the bank. The bank management had to take serious note of the dismal condition of its customer service. By this time the financial reforms initiated in the early 90s and the globalisation and liberalisation measures brought in a completely new operating environment to the Bank which was till then operating in a highly protected milieu. The arrival of foreign Banks and Financial Institutions, the setting up of a number of private banks and the measures of de-regulation that encouraged competition has led to a situation where the survival of those who do not join the race will become difficult. Unless the state-of-the-art IT was introduced as early as possible, winning new business and even holding on to the old one will become quite impossible. Services and products like "Anywhere Banking", "Tele-Banking", "Internet banking", –e-banking, Online Banking, "Web Banking", e-commerce, e-business etc. have become the buzzwords of the day. Concomitantly, the importance of effective MIS for control of operations and of maintaining customer and business/industry data bases for strategic planning had also surfaced; while Indian Banks were looking at Data warehousing, Data mining, Business Restructuring etc. as task to be accomplished as early as possible, they were taking steps on urgent basis to computerise the operations in their administrative and controlling offices (viz. head /zonal/regional offices) as well as the data collection machinery, so as to evolve an effective MIS. The contemporary new communication revolution sweeping the nation and the world facilitated this transformation in banking sector.

Remedial Measures: The management of United Bank of India was pragmatic enough to realise the changing environment. Therefore the Bank evolved out strategies to cope with the competition by offering innovative and attractively packaged technology-based services to their customers.

The bank gradually started offering a wide range of general banking services to its customers including debit cards, cash management, remittance services and collection services. The banks also distribute third party products such as life and non-life insurance policies and mutual funds on an agency basis. In addition, the bank acted as an agent for various state governments and the Government of India on numerous matters including the collection of taxes and payment of salary and pension.

The bank delivers products and services through its branches, extension counters, ATMs, internet banking and telebanking.

A few significant achievements of UBI in the area of customers service specially IT enabled services is discussed hereunder.

'United Online' internet banking service of United Bank of India is a latest value added service introduced for our account holder. It provides an array of services such as:

1. Query Mode:

- a) Account view.
- b) Cheque Inquiry Status
- c) Statement of account.

2. Fund Transfer Mode:

- a. a.To own account.
- b. To third party account of Internet enabled Branch of UBI.

3. Payment of Taxes Mode:

- a. e-Payment of Indirect Tax (Central excise & service Tax)
- b. e-payment of Direct Tax
- c. e-payment of WB Commercial Tax

United Demat: United Bank of India offers Depository Services, "United Demat" with its own server attached to the Premier Depository, Central Depository Services (India) Ltd. (CDSL).³

In the past, existing or potential United Bank of India customers had to visit the bank branch for any kind of enquiry or new service that they wanted. That was their only point of contact with the bank, and a lot of time was spent waiting and being redirected to different departments. In addition, the bank had used only traditional methods of marketing such as print advertising, outdoor media and sales promotions. In order to maximize response time as well as shorten customers' waiting time, United Bank of India's marketing and new business initiatives department decided to deploy pull-based SMS to market their products and services to new prospects.

Using Sybase 365's Application Manager platform, United Bank of India's customers from across the country are able to enquire about the Bank's suite of financial services by texting a service keyword to shortcode -6365. The customers receive an acknowledgement message via SMS, and a telephone call from the bank's relationship manager informing the customer about the various financial services available from the bank.

-Enabling our customers to enquire via SMS about our different types of services, such as loans or opening new accounts, frees up a tremendous amount of time for our customer service officers to perform more value-added services, said Swapan Biswas, GM, Marketing and New Initiatives, United Bank of India. -In addition, this mobile enquiry service ensures customers receive timely information —without the need to dial a call centre, go through a tedious interactive voice response system, or make a physical trip to the bank.

All leads generated via SMS are captured by Sybase 365 Application Manager —a secure, user-friendly, and cost-efficient application platform directly linked to United Bank of India's central database system. Customer details recorded include name, mobile number, date of SMS enquiry, the mobile operator to which they are subscribed, and which part of India the SMS is sent from. This information is captured through a Web portal, and is made available in an online report for viewing and better customer relationship management.

According to Mahendra Dohare, chief manager - Marketing and New Initiatives at United Bank of India, -A basic CRM initiative such as this was needed in order to test the waters before getting into a more comprehensive deployment.—

³<http://www.unitedbankofindia.com/ebanking-facilities.asp>

After evaluating several vendors, United Bank of India selected Sybase 365 based on the company's pro-activeness and rapid rate of response.

Dohare mentions, –On seeking customer referrals, we found that the reputation of Sybase 365 in terms of pro-active approach, prompt response rate and customer support was very well regarded. Having achieved better lead generation and maximizing employee potential, United Bank of India has bigger plans for the near future. Based on the performance of this service, the Bank intends to expand its mobile-based CRM applications in the next few months. The first step will be introducing push-based SMS, where the bank will be able to communicate account details, balances, and give confirmations via mobile. Other plans include moving to a full-fledged mobile banking service that incorporates m-payments.⁴

UBI has also introduced Tele banking facility. The Tele banking facility will be provided at the sole discretion of the Bank in the respect of accounts maintained by individuals. Tele Banking is not available in respect of an account in the name of a minor or in which a minor is an account holder and an account operated by joint signatures.

The Telephone Personal Identification Number (TPIN) of the telebanking service is for the purpose of the user's personal use, strictly confidential and non transferable. TPIN shall not be disclosed to any third party under any circumstances or by any means whether voluntarily or otherwise as the TPIN restricts the usage of the telebanking facility only to the authorized user.

The United Bank of India makes and observes following Privacy Promise for Telebanking Customers which is essential for the success of this kind of technology based banking. When someone enrolls as a telebanking subscriber, United Bank of India may collect his/her personal information either directly (where he or she is asked to provide the information) or indirectly. While information is the cornerstone of the bank's ability to provide superior service, the bank's most important asset is its customers' trust. Keeping customer information secure and using it only as the customers would want the bank to, is a top priority of United Bank of India. Hence, United Bank of India will only use these personal data in accordance with the purposes set forth in this Privacy Statement and is committed to safeguarding the personal information collected. The Bank promise to its individual customers:

- United Bank of India will safeguard, according to strict standards of security and confidentiality, any information the customers share with the bank.

⁴http://www.sybase.com/files/Success_Stories/United_Bank_of_India_customer_success.pdf

- United Bank of India will limit the collection and use of customer information to the minimum required to deliver superior service to its customers, which includes advising the customers about products, services and other opportunities of the bank.
- United Bank of India will permit only authorized persons, who are trained in the proper handling of customer information, to have access to that information. Such authorized persons who violate our Privacy Promise will be subject to the bank's normal disciplinary process.
- The bank will not reveal customer information to any external organization unless it has previously informed the customer in disclosures or agreements, or authorized by the customer, or are required by law. United Bank of India disclaims any liability arising from use or disclosure of information to any external organization.
- The bank will always maintain control over the confidentiality of its customer information. The bank may, however, facilitate relevant offers from reputable companies. These companies are not permitted to retain any customer information unless the customer has specifically expressed interest in their products or services.
- The bank will inform customers at least once annually, how they may remove their names from marketing lists. At any time, customers can contact the bank to remove their names from such lists.
- Whenever the bank hires other organizations to provide support services, the bank will require them to conform to our policy standards and to allow to audit them for compliance.
- The bank will not use or share - internally or externally-personally identifiable medical information for any purpose other than the underwriting or administration of a customer's policy, claim or account, or as disclosed to the customer when the information is collected, or to which the customer consents.
- The bank will attempt to keep customer files complete, up to date, and accurate. The bank will inform customers how and where to conveniently access their account information (except when the bank is prohibited by law) and how to notify the bank about errors which the bank will promptly correct.
- The bank will continuously assess itself to ensure that customer privacy is respected.

United Bank of India respects the privacy of the personal information of the customer. Any personal information provided by the customer to United Bank of India through telebanking will be used solely for the purpose of providing the customer with the services the customer has requested for and related products for customer use, updating and enhancing United Bank of

India's records, development of web statistics, understanding the customers financial needs, advising the customer of other products and services which may be of interest to the customer and for fraud prevention purposes. The information the customer provides will be used to contact the customer when necessary, e.g. to notify the customer about functionality changes and to offer services that customer may find helpful (provided the customer has not opted out to receive such services). Other than to those individuals and entities listed below who are under a duty of confidentiality to United Bank of India, the customer's details will not be revealed by United Bank of India to any external body, unless United Bank of India has the customer's permission, or is under a legal obligation or to protect and defend United Bank of India's rights, interests or property or to enforce the terms and conditions of the products or services or any other duty to do so. United Bank of India may disclose the information provided by the customer to:

- 1) Regulators
- 2) Lawyers
- 3) External Auditors
- 4) Third Party Service Providers⁵

United Bank of India (UBI) and Tata AIG Life Insurance (Tata AIG Life) on 13th March 2008 announced the launch of 'United Health Solutions' – a customised health insurance package for customers of UBI in Kolkata.

United Health Solutions has two powerful plans – Health Investor and Health Protector. These products provide effective cover against critical diseases, accident and death.

Health Investor provides critical illness cover along with return of premium and is the first return of premium health plan from Tata AIG Life. Some of the key features of Health Investor are:

- Critical illness cover for 12 illnesses and associated surgeries
- Plan returns 'total premiums paid', if no claim is made, on maturity
- Flexibility of choosing from four terms
- Qualifies for tax deduction under Section 80C

Health Protector is a 5 year Accident & Health solution.

Some of the key features of Health Protector are:

⁵<http://www.unitedbankofindia.com/telebanking-t&c-privacy-policy.pdf>

- ☞ Comprehensive yet flexible policy which allows the customer to choose the level of cover and mix to suit individual needs.
- ☞ Coverage options include Critical Illness or Cancer care, Accident Death Benefit or Family Accident Death and Dismemberment, Total Permanent Disability Cover, Accident Hospitalisation Cash and Term Life Cover.
- ☞ Lumpsum payment if one is diagnosed with one of the covered illnesses or surgeries
- ☞ Tax benefits under Section 80C & 80D Tata AIG Life launched health related insurance solutions with its maiden offering in 2003.

Speaking on the occasion, Mr. P.K.Gupta, the then Chairman & Managing Director, UBI said, ‘We constantly anticipate the evolving financial needs of our banking customers and ensure that we can provide for financial and insurance solutions beyond the core banking services. Providing United Health Solutions is another step in that direction. I am confident that these solutions, as designed and customised by Tata AIG Life for our customers, will provide effective health insurance cover. We look forward to providing more insurance solutions by harnessing the synergy between UBI and Tata AIG Life.’

Mr. Trevor Bull, Managing Director, Tata AIG Life said, ‘The launch of United Health Solutions follows closely on the heels of United Child Solutions, launched in December last year. The two plan options provided under United Health Solutions have their own attractive propositions including flexibility and return of premium (Premium excluding service tax). Tata AIG Life has relied on the strength and network of UBI in spreading the concept and need for life insurance across the country and will continue to invest in this special relationship with more innovative plans.’⁶

It is relevant to mention here United Bank of India has an extensive network of 1,505 branches as on January 31, 2010, many of which are in rural and semi-urban areas. As of January 31, 2010, the bank’s domestic branch network of 1,505 branches comprised 622 rural, 262 semi-urban, 333 urban and 288 metropolitan branches.

As of September 30, 2009, the Core Banking Solution (–CBSII), which is a suite of software applications that facilitate centralised operations through a single data base, has been implemented

⁶<http://www.tata-aig-life.com/News/pdfs/UBI-TALIC%20UHS%20Press%20Release.pdf>

in all of our branches and extension counters, covering 100% of the business of United Bank of India. . With this, 1.5 crore customers of the United Bank shall be able to use complete bouquet of services like ‘_United Anywhere Cash/Transfer/Remittance’, ‘_United Speed Clearing’, ‘_United Fast OCC’ (for collection of upcountry instruments), etc. United Bank of India is the First Bank in Eastern Region to have introduced Biometric ATMs.

United Bank has also simultaneously interfaced CBS platform with online payment facilities like ECS, RTGS & NEFT. All the United Bank Branches will offer Telebanking, Internet Banking facility for e-payment of service tax, Excise Duty and other Direct Taxes, Cash Management Service for corporate clients etc. United Bank also has set up a full-fledged Call Centre to address the customers’ requirements.

IT enabled Government Business Software applications like Anti Money Laundering (AML), Asset Liability Management (ALM), NPA Management, Govt. Business Module (GBM) etc., have also been integrated with CBS system. United Bank is also participating in the Cheque Truncation System (CTS) launched by Reserve Bank of India in NCR, Delhi. Other RBI initiatives like CFMS, PDO-NDS, CBLO & OLTAS have also been integrated with the CBS system. United Bank also happens to be the First nationalized Bank in introducing the ECS at a Non-MICR Clearing center at Haldia.

United Bank of India has become the first organization in the world to have opted for a new path breaking technology that will lead to better IT infrastructure usage, faster network response, better manageability of devices and commercial savings. In this technology the IDU card goes into the NM slot of the Router and is called -IP VSAT Module¹¹. It means a giant leap in the world of Networking and VSAT Communication for United Bank as it has already revolutionized the way the network was being used and managed. Also, this is now a case study in the networking world and is being studied by lots of organizations in general and BFSI industry in specific, around the globe.⁷ UBI has not only performed well in serving its tech savvy well to do metropolitan customers but it has really worked well in serving the downtrodden section of the society as well. It is pertinent to mention here so far the domestic branch network of the bank is concerned UBI has more number of branches in rural, semi-urban areas where the bank is to cater to the needs of the customers who belong to the aforesaid community.

⁷<http://www.unitedbankofindia.com/press-14sep09.asp>

Following are some cases which signify Success Stories on Financial Inclusion of UBI:

Agaradut, Swanivar Gosthi, Duttapukur, Dist. North 24 Parganas, , West Bengal

The group was formed with 20 female members, who are still continuing to remain in the team for last three years. The initial Savings amount per head was Rs.30/- per month and it is enhanced to Rs.60/- per month per head. The group produces different types of clay models like Ganesh, Laxmi, Sarswati, etc. The SHG is an example in their area in respect of 'SWAYAMBHAR GOSTHI'.

Story of Barni Bibi of Raghunathpur, West Bengal

Barni Bibi of Raghunathpur was leading a miserable life from early childhood. Her condition was becoming unbearable with five children and unemployed husband. She got a new ray of hope after she came in contact with the NGO "SHIS" financed by Bhangar Branch of the Bank and became a member of a SHG and started small savings. She was sanctioned a loan of Rs.3000/- for futchka selling on a rickshaw/van. Today her daughter is studying in a high school.

Barasat Jagorani Swanirvar Dal of Barasat, West Bengal

It is the most ideal Group working in the area. All the 51 female members of the group are educated. Their own capital is Rs.20,000/- and they have availed a loan of Rs,25,000/- from UBI, Taherpur Branch. They have also taken lease of 10 Kattahs of agricultural land and started cultivation of Rajanigandha flower. Everyday, they are selling flowers in the local market and are earning some income. In future, they are also planning to establish salpata (leaf) plate manufacturing unit.

Merual Nibedita Swayambhar Gosthi' of Merula, Uttar Dinajpur, West Bengal

Women members of 'Merual Nibedita Swayambhar Gosthi' coming from society backward classes in Merula, Uttar Dinajpur, West Bengal, are the true stories of economic betterment and women empowerment. The credit link was established with the Debinagar Branch of the Bank initially with Rs.8000/- only and subsequently increased ton Rs.40,000/-. The economic activities of the members are trading in agricultural commodities, duck rearing, floriculture, goat rearing, muri making and the like. Members of the group are generating income for their families-SHG brought a new smile and hope in their life.

Modina Bibi of Gobargarh, West Bengal

Modina Bibi of Gobargarh with finance from UBI Hariharpara Branch in the State of West Bengal obtained dealership of Hindustan Lever products and earning Rs.1200/- p.m. to become Self-reliant and happy house-wife cum entrepreneur.

Bhaduri Paschimpara Sib Shankar Swayambhar Gosthi along with Madhabi Swnirvar Dal of Bhaduri, West Bengal

They are attached to UBI Taherpur Branch, Nadia, West Bengal. They jointly took lease of a tank in village Bhaduir for Rs.25000/- for a period of 5 years and started pisci culture and began earning huge profits since last two years. The modus operandi is that each group looks after the tank for one week alternatively. Last year, they earned a profit of Rs.21,000/- against an investment of Rs.10710/- and the endeavor is still continuing. Apart from pisciculture, the member availed individual loans from their respective groups and are venturing for various sorts of commercial activities like mango orchard, vegetable vending, selling of old clothes, goat selling and banana cultivation, etc.⁸

The aforesaid success story of financial inclusion of UBI is very much in line with The Banking Codes & Standards Board of India (BCSBI)'s Code of Bank's Commitment to Micro and Small Enterprises. The Banking Codes & Standards Board of India (BCSBI) is a collaborative effort between the RBI and the banking industry with the objective of promoting good banking practices by setting minimum standards, increasing transparency, achieving higher operating standards and above all, promoting cordial banker-customer relationship which would foster confidence of the common man in the banking system. In keeping with this objective, the Code of Bank's Commitment to Micro and Small Enterprises has been evolved as this is the lower segment of the industrial and services sector in rural and urban areas which is unable to reap the benefits of Government schemes because of their inability to access bank finance. The Code reflects the positive commitment of banks to their Micro and Small Enterprise (MSE) customers to provide easy, speedy and transparent access to banking services in their day to day operations and in times of financial difficulties.⁹

In addition to the aforesaid products & services currently the bank has various deposit products, such as current, savings and term deposits for our customers.

⁸http://www.cab.org.in/FILCPortal/Lists/Implementations/Attachments/12/united_bank_india%20.pdf

⁹http://www.bcsbi.org.in/Press_Releases_31May2008.html

The Bank's retail banking business provides financial products and services to our retail customers. The bank provides loans and advances for housing, trade, automobiles, consumer durables, education, personal loans and other retail products.

The bank also provides commercial banking products and services to corporate customers, including mid-sized and small businesses and government entities. The loan products include term loans to finance capital expenditure of assets across various industries as well as short-term loans, cash and export credit and other working capital financing and bill discounting facilities. credit substitutes, such as letter of credit and letter of guarantee are also provided by the bank.

In rural sector the bank offers direct financing to farmers for production and investment, as well as indirect financing for infrastructure development and credit to suppliers of agricultural inputs. In consonance with national policies and priorities, the bank has given considerable thrust to lending to the priority sector, including the agriculture sector.

The Outcome: The aforesaid initiatives of the bank contributed in developing a –customer friendly“ image for itself which really helped the bank to grow signifying remarkable progress in the financial health of the bank.

As of January 31, 2010, United Bank of India had 1,505 branches, 270 ATMs, 28 regional offices, 10 extension counters and 1 representative office in Dhaka, Bangladesh. As of January 31, 2010, the bank had a workforce of 16,768 employees (including part-time employees).

In Fiscal 2009, United Bank of India made a net profit of Rs. 358.55 crore and had net assets of Rs. 61,500.78 crore and net worth of Rs. 2,537.83 crore. As of September 30, 2009, UBI made a net profit of Rs. 231.10 crore and had net assets of Rs. 71,952.25 crore and net worth of Rs. 2,769.87 crore. UBI has experienced growth in deposits and advances, with deposits growing at a compounded annual rate of 21.1% during the last five fiscal years and net advances growing at a compounded annual rate of 32.8% during the same period.¹⁰

¹⁰ Red Herring Prospectus, Dated February 16, 2010, Page- 39, <http://www.sebi.gov.in/dp/ubipros.pdf>

United Bank of India had to wait for its initial public offering (UBI) for several years. But when it finally hit the market to raise Rs. 330 crore in the last week of February 2010, it became a runaway success with an oversubscription of 33%.¹¹

After this phenomenal success the strategy of the bank with reference to customer service was made clear by the Chairman and Managing Director Mr. Bhaskar Sen who commented -We have a unique relationship with our customers... they continue to bank with us despite our shortcomings in certain cases. At times, footfalls are too high in some branches. This adversely affects the quality of our services. To address this issue, we are offering alternate delivery channels to reduce the number of visit per day. One of such delivery channels is the ATM.

We have started monitoring ATMs from our central office to improve the facility. Interestingly, our ATMs in the rural areas are used more than in urban areas. The overall ATM base is still low. We need to increase this. Then, internet banking is the other way to attract younger customers.¶

At the same time Mr. Sen equally emphasized on the bank's concern for the customers from rural and semi-urban areas:

-Historically, UBI is known for its strength in agriculture-related business. Incidentally, our agricultural loan portfolio has shrunk to 13% of total loans, which is below the regulatory stipulation of 18%. We will have already taken a few steps to correct this.

To start with, we will recruit agricultural field officers in rural branches to create awareness of our products and expedite loan delivery. We have found that the existing employees in the rural branches keep busy with routine work. So, they need support to increase farm loan disbursement.¶¹²

From the comments of the Chairman and Managing Director of the bank it is evident that orientation to provide better customer service plays pivotal role in shaping the current work culture of United Bank of India.

¹¹<http://economictimes.indiatimes.com/opinion/interviews/Profits-more-crucial-than-balance-sheet-UBI-Chairman/articleshow/5786070.cms> ; 12 Apr 2010, 0444 hrs IST, Atmadip Ray, ET Bureau

¹²<http://economictimes.indiatimes.com/opinion/interviews/Profits-more-crucial-than-balance-sheet-UBI-Chairman/articleshow/5786070.cms>; 12 Apr 2010, 0444 hrs IST, Atmadip Ray, ET Bureau

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