A Study of the Implementation of Customer Perspective of Balance Scorecard in Private Banks

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Abstract

Banking industry is always evolving and transforming not just in India but around the world. The processes and innovations in regard to extending services to its customers and various stakeholders have always been critical to their existence, survival and growth. Being a volatile industry that gets affected from any significant event not just at internal level but even in remote and uncontrollable environment, it is essential that the organizations in this sector build up a strong foundation based on internal and controllable factors. Further, the ever increasing competition, and factors like digitalization, demonetization, financial inclusions, increasing NPAs and loan waivers, emerging strong players backed by big corporate houses, introduction of payment banks, online wallets etc. have some-how made it difficult for the existing players to operate freely. In order to keep abreast with the reforms, changing scenarios and challenges, the banking sector have tried and adopted various strategic models and theories, but there are numerous gaps that still remains unplugged. One such model that has been widely accepted, adopted and implemented at the global level is that of balanced scorecard that was devised by Kaplan and Norton (1992). Since the introduction of the balanced scorecard (BSC) (Kaplan and Norton, 1992), it has been considered a very comprehensive and well-liked performance Measurement tool. Both the private and public sectors banks have used this concept and implemented it to improve performance. But the term-balanced scorecard has different interpretations by different authors. Some authors interpret Balance Scorecard as performance measurement system and some as strategic measurement system. Many organizations believe that Balance Scorecard is a performance measurement system which includes both financial and non-financial parameters, whereas Kaplan and Norton claim that a Balance Scorecard is linked with vision and mission of the organization and not only collection of performance measures. The current study was undertaken after taking a note of the existing literature and finding the research gaps and intended to study and identify the practices under balanced scorecard specific to banking industry and more specifically to the private sector banks. The present study studied, identified and explored the customer perspective of balance scorecard practices in private sector banks. The undertaken quantitative research was exploratory cum descriptive cum diagnostic in its nature. The survey sample consisted of 200 bank executives from middle and top management of 10 private sector banks having retail operations in India. Secondary as well as primary sources were used for the data collection and standard statistical tools were used for the analysis. The findings revealed that all the practices of customer perspective of balanced scorecard are significantly implemented to the private sector banks in specific and the whole banking sector in general.

Keywords: Balance Scorecard, Management tool, Customer perspective, Retail Banking.

1. Introduction

The Balanced Scorecard is defined as a particular set of financial and non-measures from an organization's vision, mission and strategy. The selected measures for the Scorecard also help managers in communicating to employees and external stakeholders the outcomes and performance indicators of each dimension by which the organization will accomplish its vision, mission and strategy. The balance Score card is a both strategic management tool and performance measurement tool. The BSC helps the organizations in bridging the gap between strategies and action and that's why BSC is defined as strategic tool. In a single framework BSC includes financial and non-financial indicators from every perspective that is used systematically in business to align their activities to the vision and strategy of the organization. For any business the biggest challenge is to satisfy the needs of customers by innovation so the business can retain them. Balance scorecard helps in achieving customers' satisfaction through innovation can improve the revenue of the organization and also it helps organizations to focus on strategic areas .Therefore organizations should build up and scrutinize sound strategies relevant to organization's success. (Kaplan and Norton, 1996). **Customer Perspective:** The measure of the Customer Perspective of the Balance Scorecard depends on the type of customers acquired and the value that the organization provides to them. The main focus of the Customer Perspective is on Customer Satisfaction and this will force organizations to made strategies so that customer get value for the price they paid. The customer perspective should illustrate how company differentiates itself from competitors to acquire, retain and extend relationships with targeted customers. The customer perspective should contain specific objectives and measures for providing value to customers -the combination of product attributes, service, and customer relationship. The financial perspective objectives for growth in revenues and profits depend on the success in the customer objectives. The customer perspective of the balanced Scorecard has following strategic themes from a well formulated and implemented strategy. These can be the following: Customer retention; Customer satisfaction; Customer acquisition; Customer Profitability and Market Share as well as Account Share. The customer satisfaction leads to customer retention and the acquisition of customers .As customer retention expands, the company increases the account share of the customer's business .The increase in new customers and business with existing customers increases the market share. As retaining customers is less costly as compare to acquiring new customers and therefore it increases the customer profitability. The objectives, measures and targets of customer perspective is defined and the measures become associated with a strategy only when managers apply them to the each customer segments. The customer value is the unique mix of product, price, service, relationship, and image that a company gives to its targeted customers and therefore a company must also identify the objectives and measures for the customer value. The value proposition and the company's strategy, should communicate to the employees so they can serve customers better. The objectives for a low total cost value proposition are low prices as compare to competitors, excellent and regular quality, short delivery times and ease of purchase. Another value proposition followed by companies is product innovation and leadership and to give differentiated products to the customers. The objectives for this value proposition are to give the better features and functionalities of the products so that customers are willing to pay more to get the better product. The performance indicators to be measured are speed, accuracy, size, power consumption or other performance characteristics that gives the superior

performance to the competing products and that are valued important by customer segments. A third type of value proposition focuses on the provision of complete customer solutions. In this value proposition the organization should understands customers by providing them with customized products and services that meet their unique needs. These entire value propositions should ultimately goal on customer satisfaction which is also important for revenue growth. The diagram below displays the value proposition objectives for three different customer value propositions. The companies can translate its strategies into measures by developing objectives and measures that are specific to its value proposition and that all employees can understand and give better services to customer. Therefore the customer perspective of the Balance scorecard has specific objectives and measures for the targeted customers and market segment that can be communicated to the employees. The satisfied customer is important as it's linked with the financial perspective of the balance scorecard (to generate revenue for the shareholders). (Atkinson, Kaplan, Matsumura, Young and Kumar, 2009). The companies can offer low cost and consistent in quality products and services by paying attention on total cost, appropriate selection of raw material, low cost of raw material from supplier and its speedy purchase. Some companies expand their performance on existing products so that they can give superior product to the customer and also become product leader. Also companies want to give total solutions to the customer so that customer will not move to other products and these companies provide complete and best quality solutions .The objectives of all the above proposition is to attain customer retention and customer lifetime profitability.(Kaplan and Norton ,1996). *Customer perspective:* In Banking industry the customer satisfaction is very important aspect. Kaplan and Norton has also discussed about the customer perspective in banks and describe the customer objectives: segment share, Acquire new customers, Value proposition for new customers, retain existing customers and provide consistent service. The various measures under this perspective are Percentage of customers in targeted segments, number of new Metro Bank customers in targeted segments, survey of new customer satisfaction, customer retention rate in targeted segments and survey of existing customers on quality, availability, responsiveness and error and defects (Kaplan and Norton, 1996).

A. Private Sector Banks

Banking in India has been conquered by public sector banks since 1969 as Indian Government has nationalized all major Banks. But in 1990s India has started liberalization of banking industry and private sector Banks comes into picture .They have grown faster & bigger because of latest technology has been used, providing new innovations and monetary tools and techniques. The private sector banks are divided into two old and new. As the old private sector banks have been existed prior to the nationalization in 1969 therefore they are not nationalized because they are either too small or giving specialized services. The new private sector banks are those who got their banking license since the liberalization in the 1990s.

Old private sector banks in India: Nedungadi Bank, City union Bank, Karur Vysya Bank, Catholic Syrian Bank, Tamilnadu Mercantile Bank, Naintal Bank, Karnataka Bank, Lakshmi Vilas Bank, Dhanlaxmi Bank, South Indian Bank, ING Vysya Bank. Federal bank, J and K Bank and RBL bank.

New private sector banks in India: In the era liberalization the private sector banks came into operation with the introduction of economic reforms and financial sector reforms.

Banking Regulation Act has allowed the entry of new private sector banks but with certain conditions:

- The promoters' holdings should not be less than 25% of the paid up capital and net worth should not be less than Rs. 200 crores.

- Shares of the private sector banks should be issued to public within three years of operation and the net worth should be increased to 300 crores.

The new private sector Banks in India are: Axis bank, HDFC bank, ICICI Bank, Yes Bank, Indusind Bank, Kotak Mahindra Bank, DCB Bank, IDFC and Bandhan Bank. The strengths of new private sector banks in India are dedicated Manpower, efficiency is maintained at the highest level, less number of NPAs, complied with CAR requirements and fully computerized and tech savvy. (RBI, 2013)

B. Foreign Banks

Those banks which are registered or incorporated outside India are known as foreign banks. The globalization and liberalization of Indian economy have encouraged the opening of foreign banks. Foreign banks have opened their various branches for financing foreign trade and to cater the needs of trade-finance. They are experts in conducting foreign trade and contributing significantly in financing cross border trade. The top foreign banks in India are: Bank of Bahrain and Kuwait, HSBC, Citi Bank, Bank of America, DBS Bank, Barclays Bank, Standard Chartered Bank, Deutsche Bank and American Express. Foreign banks perform functions like: To provide financial help for power generation, telecommunications and mining in India; To provide latest technology in presenting information; To help foreign and Indian companies enter into joint ventures and collaborations and to help Indian companies by bringing FIIs. All the public sector banks (SBI & its Associates, Nationalized Banks), private sector banks (old & new) and foreign Banks are also called Commercial Banks in India. The functions of Commercial Banks are

Accepting deposits from individual and corporate, advancing loans to individuals, corporate, RBI, other financial institutions, borrowing money from financial institutions, RBI and other banks and also give other services like Debit card, credit card, magic card, current, savings Account, Demat account, merchant banking services etc. (Rajput and Gupta, 2011).

2. Review of Literature

Singh and Kumar (2007) explains that old performance measurement systems includes only financial measures. As the performance measurement is strategy execution tool, there are barriers to strategy execution-People Barrier, Vision Barrier, Resource barrier and Management Barrier. The new model of Performance Measurement System Balanced Scorecard examines the organization's performance from four perspectives, i.e., financial, customer, internal business processes, and learning and growth perspectives. The objectives, measures and targets of each perspective will be defined in view of vision and mission of the organization. The author discusses both Global experiences and Indian experiences of Balance Scorecard implementation. The top 40 companies uses Balance Scorecard in New Zealand top 40

companies use Balanced Scorecard at the organizational or division levels. . The first balanced scorecard in the world was created and implemented by ADI and other companies which use balance Scorecard are ABB, Halifax, Skandia, Electrolux and Compaq. The Indian companies which use Balance Scorecard Technique are Godrej-GE Appliances Limited, Goodlass Nerolac Paints Limited, Philips Electronics, Infosys Technologies and Tata Consultancy Services (TCS).The author concluded that BSC is both a performance measurement and management and provides feedback to both the internal business process and external capabilities in order to improve financial performance and results. It includes financial and non-financial indicators of a company's strategy. The Scorecard can be used throughout the organization both in a subunit and even at the individual employee level.

But in India there is a need to implement Balance Scorecard.

Shahroodi and Bahraloloom (2014) suggest that Balanced Scorecard (BSC) has four perspectives including financial, customer, internal processes and learning and growth perspectives and wants to achieve balance between Financial and Non-Financial Perspectives. In this research the author use DEA-BSC model as it provides various advantages-organisation recognition, Performance Evaluation, Designing improvement path and identifying objectives. The input and output data is collected on each perspective of Balance Scorecard from29 Saderat Bank branches in Guilan province and then by using CCR model they have been evaluated and ranked for the year 2010.Then another method is used for final ranking i.e AP Evaluation method to rank the companies. The results show that 8 Branches are efficient with efficiency score 1and other branches are inefficient with efficiency score between 0 and 1

Panicker and Seshadri (2013) suggest that the performance management system-Balance Scorecard includes non-financial indicators like Customer Perspective. The measures under this perspective are Customer satisfaction, Customer Complaints, sales from new product etc. The author has collected data from 2009-2012 of Standard Chartered bank (SCB) on Customer Complaints redressed, Growth in saving Accounts, term Deposit and Demand Deposit and Consumer Banking Net Promoter Score. On the basis of collected data the score assignment is prepared. The SCB score on customer perspective is very bad. Both saving account and current deposit account has not attain good score but consumer banking net promoter score has shown growth.

Dave and Dave (2012) develop the performance indicators of each perspective for an organization use the BSC. These include Financial, customer, internal business perspective and learning and growth perspective. This paper attempts to evaluate the significance of Financial and non-financial assets in the performance of banks.The indicators of customer perspective are Growth of credit granted to customers, Term loan to total advances ratio, priority sector lending, amount of transactions outside India, amount of deposits with the bank, Term deposit to total deposit ratio, Total deposit to total liabilities ratio, marketing expenses, Growth of volume of Business and Marketing expense to volume of business. The performance of SBI shows Transactions outside India and Term loan to total advances are on rise, Growth of marketing expenses, Growth of volume of Business are volatile while other indicators are on constant trend.

According to Al-Najjar and Kalaf (2012) the customer Perspective is to be considered important element for any business strategy so that the organisation retain and attracts the targeted customers. The author has collected data for the period 2006-2009 from the LLB Bank in Iraq. The five measures of the perspective were identified as Customer satisfaction, Customer Growth, Growth of saving accounts, Growth of Current Account and Safety Deposits. The total score of customer perspective is very bad. The customer growth is 0percent in all years. The reason is that customer feels that their money is not safe in the bank.

Ak and Öztayşi (2009) states that financial perspective is dependent on customer perspective. The author identify various measures under this perspective are Customer satisfaction rate , Cross selling percentage, New customer acquisition rate and Customer Retention Rate . The ANP model is prepared for Insurance companies and weighted score is calculated which represent the overall performance score. The difference values of two period show that there is increase in customer satisfaction rate while other measures show slight increase.

Rostami et al. (2015) states that performance evaluation system determines the effectiveness of the organization's activity. Therefore it's important for any organization to select best performance Evaluation system. The best model is developed by Kaplan and Norton i.e. Balance Score Card. The customer perspective of Balance scorecard identifies the customer needs so that the most important objective can be achieved - customer satisfaction. The author analysed the measures of customer perspective on the Likert five point scales collected from Iranian Bank. These measures are customer satisfaction, Loyalty, Market rate, customer attract rate, growth rate of customer complaints, Availability, Long term deposit, Validity and reliability and update services. The results give the highest priority to Customer perspective. Out of the measures the Market rate is given first priority, Growth rate of customer complaints is given second priority and attract customer rate is given third priority. All the data was analysed on FAHP method.

According to Anand et al. (2005) the balanced scorecard model includes performance measures, both financial and non-financial. The first non-financial measure is Customer Perspective. A questionnaire based survey is conducted by the author on the Key Performance indicators of customer Perspective - Customer satisfaction in terms of quality, delivery on time, Customer satisfaction in terms of service, Image, reputation and brand image , Percentage of sales from new products (as a percentage of total sales), Responsive after-sales service and Number of customer suggestions. The customer perspective is the second most perspective in the Balance Scorecard. Customers' satisfaction in terms of quality, delivery schedule, and service are important key performance indicators in customer perspective.

3. Research Methodology

The universe of the presented study was the set of major private sector banks originating from Indian or foreign nations, but have retail operations in India. The survey population included the respondents from top and middle management (executive level) of these operating private sector banks that have their regional or head office in NCR and it comprise of Shinhan, HDFC, Yes Bank, Citibank, IndusInd, ICICI, Axis, RBL, HSBC

and Kotak Mahindra bank to analyze the importance of balanced scorecard practices and also to study the extent of their implementation in these organizations.

Objectives of the Study

To study the implementation of Customer perspective of balance scorecard practices in private sector banks.

Hypotheses Formulation

H0 - There is no significant difference in perception of bank executives regarding implementation of practices related to Customer perspective under balanced scorecard approach in private sector banks.

Internal Consistency Analysis

The Cronbach's α-value with a range between 0.787 and 0.834, for all the variables explains the internal consistency with a value of more than 0.70 for all the items. Consequently, no items were removed from the list and considering the results, were accepted for inclusion in the final instrument being a reliable measure.

Section C: Implementation of Balanced Scorecard practices under Customer Perspective

The third section of the first part of this chapter is concerned with the tabulation (Table 5.7 to 5.11) and description of inferences in regard to the implementation of balanced scorecard practices under 'customer perspective' based on the analysis of collected data. For the purpose of analysis statistical tools including frequencies (in percentage), mean, chi-square, analysis of variance (ANOVA) and Duncan's post hoc analysis were used to draw inferences and conclusions.

Table 5.7: Frequencies, Mean and Standard Deviation on Implementation of Balanced Scorecard Practices under Customer Perspective (N = 200)

Sl. No.	Statements	Frequencies (in Percentage)					Mean	SD	X^2 Value	Sig
		HI	I	N	S	HS				
A	**Customer Acquisition**									
1	Every Employee in our organization is empowered with Knowledge	0.0	0.5	11.0	45.0	43.5	4.32	.684	123.0[b]	.000*
2	Every employee takes initiative to know their customer	0.0	0.5	5.5	60.5	33.5	4.27	.582	185.0[b]	.000*
3	In our organization we listen & learn from new customer	0.0	0.0	10.5	37.5	52.0	4.42	.675	53.2[a]	.000*
4	Our Organization offer multichannel support	0.0	7.0	11.5	32.0	49.5	4.24	.915	92.4[b]	.000*

5	In our organization we conduct marketing campaign to attract new customers	0.0	2.5	5.5	52.0	40.0	4.30	.686	147.2[b]	.000*
6	In our organization we communicate value proposition to customers	0.0	0.5	11.0	44.0	44.5	4.33	.687	123.0[b]	.000*
B	**Customer Retention**									
7	We segment client base and create personalized customer experiences	0.5	0.0	14.5	36.0	49.0	4.33	.758	112.6[b]	.000*
8	We create real time customer relations	0.0	0.0	11.0	37.5	51.5	4.41	.681	50.7[a]	.000*
9	In our organization every employee respond to customer feedback and complaints	0.5	0.5	9.0	44.5	45.5	4.34	.705	213.2[c]	.000*
10	We offer consistent excellent service across channels and branches	0.5	2.0	8.5	39.5	49.5	4.36	.763	208.7[c]	.000*
11	We give customers access to banking services 24 hours / day	0.0	4.0	4.5	38.5	53.0	4.41	.758	146.2[b]	.000*
12	In our organization we encourage customer for cross selling	0.5	0.0	11.5	34.5	53.5	4.41	.731	134.8[b]	.000*
C	**Customer Satisfaction**									
13	In our organization we provide post sales value to customer	0.5	0.0	11.5	38.0	50.0	4.37	.725	126.1[b]	.000*

14	We always make effort to embrace our financial technology	0.0	2.0	4.0	38.5	55.5	4.48	.672	166.6[b]	.000*
15	In our organization we become an advisor to the customer	0.0	0.0	4.0	49.5	46.5	4.43	.571	77.7[a]	.000*
16	We educate our customer with financial literacy	0.0	2.0	6.5	39.5	52.0	4.42	.704	144.8[b]	.000*
17	Every employee takes initiative to enhance quality of services to customers	0.0	3.0	6.5	45.5	45.0	4.33	.729	131.7[b]	.000*
18	In our organization we conduct customer satisfaction survey	0.5	3.5	9.0	39.5	47.5	4.30	.814	191.0[c]	.000*

* Significant at 0.01 level

Among the implementation of practices under 'Customer acquisition 'in our organization we listen and learn from new customer has highest mean score (4.42) and 'Our organization offer multichannel support' has lowest mean score (4.24). The practices 'we create real customer relations', 'We give customers access to banking services 24 hours a day' and 'In our organization we encourage customer for cross selling has highest mean scores (4.41) and 'We segment client base and create personalized customer experiences' has lowest mean score(4.33) under implementation of practices under aspect of 'Customer retention'. Among the practices under 'Customer satisfaction, the practice 'we always make effort to embrace our financial literacy' has highest mean score (4.48) and 'In our organization we conduct customer satisfaction survey' has lowest mean score (4.30).

Further, to analyze the differences among the responses of the bank executives of sampled private sector banks on the implementation of the aspects under 'customer perspective', analysis of variance (ANOVA) was used.

Table 5.8: Summary Table of One Way Analysis of Variance (ANOVA) for Implementation of Balanced Scorecard Practices under Customer Perspective

Sl. No.	Component (Customer Perspective)		Sum of Squares	df	Mean Square	F	Sig.
1	Customer Acquisition	Between Groups Within Groups Total	4.422 47.636 52.058	9 190 199	.491 .251	1.960	.046**

2	Customer Retention	Between Groups Within Groups Total	4.449 55.286 59.736	9 190 199	.494 .291	1.699	.092***
3	Customer Satisfaction	Between Groups Within Groups Total	8.716 46.583 55.299	9 190 199	.968 .245	3.950	.000*

* Significant at 0.05 level; ** Significant at 0.05 level; *** Significant at 0.10 level

With highly significant f-value between groups, on aspect of 'Customer Acquisition' (f-value at 1.960, and p value at 0.046), aspect of 'Customer retention' (f-value at 1.699 and p value at .092) and aspect of Customer satisfaction (f-value at 3.950, and p value at 0.000 it may be concluded that there are significant differences in perception of the bank executives belonging to various sampled private sector banks regarding implementation of balanced scorecard practices under 'Customer perspective' on the stated aspects (Table 5.8). **Table 5.9: Summary Table of Duncan's Range Test for Sampled Organizations on Implementation of Balanced Scorecard Practices in regard to Customer Acquisition under Customer Perspective**

Sl. No.	Name of the Bank	N	Subset for alpha = 0.05	
			1	2
1	Citibank	20	4.0917	
2	RBL Bank	20	4.1833	
3	IndusInd Bank	20	4.2167	
4	HSBC	20	4.2250	
5	Shinhan Bank	20	4.2417	
6	Kotak Mahindra Bank	20	4.3333	4.3333
7	Yes Bank	20	4.3417	4.3417
8	ICICI Bank	20	4.3667	4.3667
9	HDFC Bank	20	4.4583	4.4583
10	Axis Bank	20		4.6417

Means for groups in homogeneous subsets are displayed.
Harmonic Mean Sample Size = 20

Based on the analysis of variance (ANOVA) results, the aspects of 'Customer Acquisition', 'customer retention' and 'customer satisfaction' were further investigated using the Duncan's post hoc analysis. It was observed that two major subsets emerged on the basis of differences on the aspect of 'Customer Acquisition. 'Citibank', 'RBL Bank', 'IndusInd bank', 'HSBC Bank' and 'Shinhan bank' with significantly low mean scores fall under one subset with other remaining banks forming one more subsets but with list of common banks under them except the 'Axis Bank' (Table 5.9). Thus it may be inferred that executives of 'Axis bank' have rated this aspect the most important for implementation as compared to the other banks.

It was observed that three major subsets emerged on the basis of differences on the aspect of 'Customer Retention. 'Shinhan bank' with significantly low mean scores fall under one subset with other remaining banks forming two more subsets but with list of common banks under them except the 'Kotak Mahindra bank' and 'RBL Bank' (Table 5.10).

Thus it may be concluded that executives of 'Kotak Mahindra Bank' and 'RBL bank' have rated customer retention aspect the most important for implementation as compared to the other banks. It was observed that four major subsets emerged on the basis of differences on the aspect of 'Customer Satisfaction. 'Citibank' and 'Shinhan bank' with significantly low mean scores fall under two subset with other remaining banks forming three more subsets but with list of common banks under them except the 'Kotak Mahindra Bank' (Table 5.11).

Table 5.10: Summary Table of Duncan's Range Test for Sampled Organizations on Implementation of Balanced Scorecard Practices in regard to Customer Retention under Customer Perspective

Sl. No.	Name of the Bank	N	Subset for alpha = 0.05		
			1	**2**	**3**
1	Shinhan Bank	20	4.1000		
2	Citibank	20	4.1417	4.1417	
3	HDFC Bank	20	4.3000	4.3000	4.3000
4	HSBC	20	4.3500	4.3500	4.3500
5	ICICI Bank	20	4.3667	4.3667	4.3667
6	Axis Bank	20	4.4167	4.4167	4.4167
7	Yes Bank	20	4.4583	4.4583	4.4583
8	IndusInd Bank	20		4.5000	4.5000
9	Kotak Mahindra Bank	20			4.5333
10	RBL Bank	20			4.5667

Means for groups in homogeneous subsets are displayed.
Harmonic Mean Sample Size = 20

Thus it may be inferred that management of 'Kotak Mahindra Bank' have rated the aspect of 'customer satisfaction' as most important for implementation as compared to the other banks.

Table 5.11: Summary Table of Duncan's Range Test for Sampled Organizations on Implementation of Balanced Scorecard Practices in regard to Customer Satisfaction under Customer Perspective

Sl. No.	Name of the Bank	N	Subset for alpha = 0.05			
			1	**2**	**3**	**4**
1	Citibank	20	4.0250			
2	Shinhan Bank	20	4.0750	4.0750		
3	HDFC Bank	20	4.2750	4.2750	4.2750	
4	Yes Bank	20	4.2750	4.2750	4.2750	
5	HSBC	20		4.3833	4.3833	4.3833
6	IndusInd Bank	20			4.4667	4.4667
7	ICICI Bank	20			4.5000	4.5000
8	RBL Bank	20			4.5667	4.5667
9	Axis Bank	20			4.6167	4.6167
10	Kotak Mahindra Bank	20				4.6667

Means for groups in homogeneous subsets are displayed.
Harmonic Mean Sample Size = 20

Based on the results and inferences from 'Section – C', the null hypothesis **H₀2.2** may be rejected as there are significant differences in perception of the bank executives belonging to different banks on implementation of balanced scorecard practices under 'customer perspective' in their respective banks. Moreover, based on the results in Table 5.7 and results of further analysis tabulated in subsequent tables it may also be concluded that

overall most of these practices under the various aspects of 'customer perspective have been implemented by the private sector banks.

4. Conclusion

All the practices under all the aspects including 'customer acquisition', 'customer retention' and 'customer satisfaction' were found to be implemented to at least some significant extent by all the banks according to the perception of the bank executives of various private sector banks under the 'customer' perspective of balanced scorecard.The aspects concerning 'customer acquisition' were observed to be most implemented followed by 'customer retention' and 'customer satisfaction' under the practices related to the customer perspective.Significant differences were observed on all the aspects of 'customer' perspective including practices under 'customer acquisition', 'customer retention' and 'customer satisfaction', as far as the perception of bank executives in regard to the implementation of these practices at their respective banks are concerned.'Axis bank' followed by 'Kotak Mahindra bank' and 'IndusInd bank' have implemented the practices related to 'customer acquisition' to a high extent whereas 'Shinhan bank' and 'Citibank' have implanted to a lower extent as compared to the other banks under survey.On the aspect of 'customer retention', 'RBL bank', 'Kotak Mahindra bank' and 'IndusInd bank' have implemented the practices under it, whereas 'Shinhan bank' and 'Citibank' followed by 'HDFC bank' have implanted to a lesser extent.Under the 'customer perspective', 'Citibank' and 'Shinhan bank' followed by 'HDFC bank' were found to have implemented practices related to 'customer satisfaction' to a lower extent as compared to 'RBL bank' and 'Axis bank' led by 'Kotak Mahindra bank' on top in terms of implantation on this aspect under 'customer' perspective

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